



James B. Lewis
State Treasurer

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STATE TREASURER'S INVESTMENT COMMITTEE

TREASURER'S CONFERENCE ROOM



White Sands National Monument is part of the world's largest gypsum dunefield, where glistening dunes rise 60 feet high and cover 275 square miles. The National Monument shares the massive area with White Sands Missile Range and Holloman Air Force Base. White Sands draws visitors for its stunning landscapes, and for just a romp on the sand dunes. It is just outside Alamogordo, in southern New Mexico.-Dan Monaghan

WEDNESDAY, NOVEMBER 13, 2013
9:00AM

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State Agency Deposit Balances
Collateral Report on Agency Deposits & CDs



1. Approval of November 13, 2013 Agenda



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STATE TREASURER'S INVESTMENT COMMITTEE
Treasurer's Conference Room
Wednesday, November 13, 2013, 9:00 a.m.

MEETING AGENDA (5 Min)

Roll Call

Introduction of Presenters and Guest

1. Approval of November 13, 2013 Agenda
2. Approval of October 9, 2013 Minutes

Action

Action

INVESTMENT REPORTS (45 min)

Month Ended
September 30, 2013

3. Executive Summary
4. Investment Policy Compliance Report
5. Investment Accounting Report
6. Davidson- September 2013 Quarterly Investment Report
7. Quarterly Investment Review
8. Cash Projection
9. Portfolio Summary -- General Fund
10. Portfolio Summary -- Local Government Investment Pool (LGIP)
11. Portfolio Summary -- Tax-Exempt Bond Proceeds Investment Pool
12. Portfolio Summary -- Taxable Bond Proceeds Investment Pool
13. Portfolio Summary -- Severance Tax Bonding Fund
14. Broker Dealer Activities

Informational
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CASH MANAGEMENT
& COLLATERAL REPORTS (10 Min)

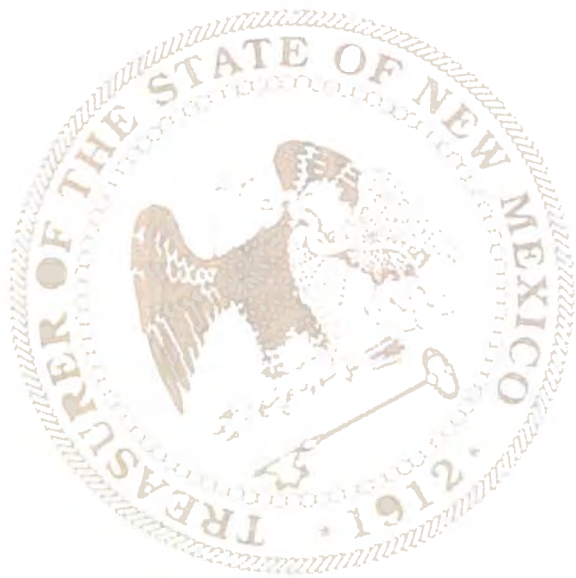
Month Ended
September 30, 2013

15. State Agency Deposit Balances
16. Collateral Report on Agency Deposits & CDs

Informational
Informational

COMMITTEE REPORTS (10 min)

17. Question Period
18. Next Meeting --Wednesday, December 11, 2013, 9:00 am
19. Adjournment



2. Approval of October 9, 2013 Minutes

New Mexico State Treasurer's Office
STIC Committee Meeting
Meeting Minutes
Wednesday, October 9, 2013

ROLL CALL- QUORUM PRESENT:

A regular meeting of the New Mexico State Treasurer's Investment Committee (STIC) was called to order this date at 9:01 a.m. in the conference room of The State Treasurer's Office, 2055 South Pacheco Street, Santa Fe, New Mexico 87505.

Members Present:

Ms. Marilyn Hill, Deputy Treasurer Designee for Honorable James B. Lewis, State Treasurer
Ms. Linda Roseborough, Chair
Ms. Stephanie Schardin Clarke, Board of Finance Director
Mr. Paul Cassidy, Public Member

Staff Present:

Mr. Spencer Wright, Portfolio Manager
Ms. Vikki Hanges, Portfolio Manager
Mr. Sam Collins, Cash Manager
Ms. Cindy Cordova, General Counsel
Mr. Arsenio Garduño, Collateral Manager
Ms. Kirene Bargas, Investment Bureau Chief
Mr. Steve Vigil, Investment Bureau Chief
Ms. Hannah Chavez, STIC Secretary
Mr. Heinrich Edimo, Quality Assurance & Compliance Officer

Guest Present:

Ms. Deanne Woodring, Davidson Fixed Income Management (via phone)

1. In Memory of Mr. J. Paul Boushelle:

A tribute was made in memory of Mr. J. Paul Boushelle. Members of the Committee shared a few words in remembrance.

2. Approval of October 9, 2013 Agenda:

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

3. Reaffirmation of August 7, 2013 Minutes & Adjournment:

Member Clarke moved approval of reaffirmation. Motion was seconded by Member Cassidy and passed unanimously by voice vote.

4. Approval of September 11, 2013 Agenda:

Ms. Hill moved approval of the September 11, 2013 Agenda. Motion was seconded by Member Clarke and passed unanimously by voice vote.

5. Approval of September 11, 2013 Minutes:

Ms. Hill moved approval of the September 11, 2013 Minutes. Motion was seconded by Member Cassidy and passed unanimously by voice vote.

6. Executive Summary, Mr. Wright:

The STIC Executive Summary report was presented.

- Member Clarke commented on the Interest Rate Exposure table and requested that the labeling be clarified.

7. Investment Policy Compliance Report, Ms. Bargas:

Highlights of the STIC investment policy compliance report were presented.

8. Investment Accounting Report, Mr. Vigil:

Highlights of the STIC investment accounting report were presented.

9. Cash Projections, Mr. Collins and Mr. Garduño

The STIC cash projections were presented.

10. Portfolio Summary- General Fund, Mr. Wright

Highlights of the STIC portfolio summary general fund report were presented.

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

Highlights of the STIC portfolio summary local government investment pool report were presented.

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

Highlights of the STIC portfolio summary tax-exempt bond proceeds investment pool report were presented.

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

Highlights of the STIC portfolio summary taxable bond proceeds investment pool report were presented.

14. Portfolio Summary- Severance Tax Bonding Fund, Mr. Wright:

Highlights of the STIC portfolio summary severance tax bonding fund report were presented.

15. Broker Dealer Activities: Mr. Wright:

The STIC broker dealer activities report was presented.

- Ms. Bargas noted a correction to the reports indicating where it states that “STO is in the process of collecting New Mexico registrations...” is incorrect and that the process has been completed.

16. State Agency Deposit Balances, Mr. Collins:

Highlights of the STIC state agency deposit balance report were presented.

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

Highlights of the STIC collateral report on agency deposits and CDs were presented.

18. Question Period

19. Next Meeting- Wednesday, November 13, 2013, 9:00am

Chair Roseborough noted the date and time of next meeting.

20. Adjournment

The adjournment was moved by Ms. Hill. Motion was seconded by Member Clarke. Chair Roseborough adjourned the meeting at 10:35 a.m.

Minutes were taken by Ms. Hannah Chavez on October 9, 2013.

Minutes were approved by Ms. Roseborough on October 24, 2013.



3. Executive Summary

Executive Summary

- At the end of September, the State Treasurer managed \$3.9 billion in assets.
- During the month, the office earned over \$1.4 million on its investment positions.
- Markets remained increasingly volatile in September, strengthening dramatically during the month, especially over our maturity area.
- Continued federal budget difficulties were the focus of the markets.
- Temporary Continuing Resolution and Debt Ceiling increases were signed into law, pushing off financial discussions into January and February.
- Market participants remained focused on Fed actions with regard to tapering of asset purchases. The Federal Reserve voted not to taper its' monthly purchases at the September meeting, surprising market participants
- Equity markets moved mostly higher in September, improving upon August results.
- Municipal Bonds outperformed as an asset class.
- The US Economy continued to grow on a weak pace.
- Concerns about the federal debt ceiling limits concerned the markets at governmental year end.
- Politics continued to command the market's focus in October.
- Interest rates continued to firm during the month.
- The Fed announced and expanded an overnight repurchase facility which will eventually add additional collateral into the overnight markets.

Table 1 - Comparative Interest Rates

<i>US Treasury Yields</i>			
<i>Maturity</i>	<i>August 31</i>	<i>September 30</i>	<i>Change</i>
<i>3-Month</i>	0.02%	0.02%	0.00%
<i>6-Month</i>	0.05%	0.03%	(0.02%)
<i>2-Year</i>	0.40%	0.32%	(0.08%)
<i>5-Year</i>	1.64%	1.38%	(0.26%)
<i>10-Year</i>	2.79%	2.61%	(0.18%)
<i>30-Year</i>	3.70%	3.69%	(0.01%)

Source: Bloomberg LP

Portfolio Mark-to-Market and Monthly Change

With the strengthening of market yields during September, the STO portfolios¹ had positive results on a mark-to-market basis. Rates in the longer end of our maturity area decreased significantly while short-term rates remained relatively stable.

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

Table 2 - Unrealized Gains and Losses

<u>Fund</u>	<u>Unrealized Gain/Loss²</u>	<u>Monthly Change in Unrealized Gain/Loss³</u>
General Funds	\$2.5 million	Increased \$4.0 million
Bond Proceeds Funds	\$1.1 million	Increased \$1.1 million
Local Government Investment Pool	Not Material	Not Material
Severance Tax Bonding Fund	Not Material	Not Material

Source: QED

Portfolio Yields and Duration

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

Table 3 - Portfolio Yields and Duration

<u>Fund</u>	<u>Portfolio Yield⁵</u>	<u>Duration⁴</u>		
		<u>Portfolio</u>	<u>Benchmark</u>	<u>Percentage</u>
General Fund Liquidity	0.09%	15 Days		
General Fund CORE	0.79%	2.20 Years	2.20 Years	100%
Bond Proceeds - Tax Exempt	0.38%	1.08 Years	1.38 Years	78%
Bond Proceeds - Taxable	0.51%	1.25 Years	1.38 Years	90%
Local Government Investment Pool	0.10%	55 Days		
Severance Tax Bonding Fund	0.09%	1 Day		

Source: QED, JPMorgan

Interest Rate Risk Exposure

STO Portfolios are managed to perform relative to benchmark durations. As such, we understand that interest rates will change and the value of the portfolio will change with underlying changes in market rates. Should interest rates increase, generally the market value of the portfolios will decrease. Should rates decline, we would expect that the value of the portfolios will increase.

In addition to the overall rates, the shape of the yield curve can change, affecting the value of the STO portfolios. Changes in credit spread will also impact market value. The composition of each of the STO portfolios includes a variable known as convexity. Convexity essentially predicts the potential change in duration given an assumed shift in rates. For the purposes of this analysis, we have assumed that there are no convexity changes to the portfolios.

Given these factors, we would expect the following potential market value changes in the portfolio and the benchmark given an instantaneous "shock" of a parallel shift in interest rates.

² Calculated Unrealized Gains represent the market "value" of the portfolios as compared to their accounting book value. As such, they approximate the values if they were to be liquidated 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.

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

⁴ Portfolio durations are calculated as of moment in time, specifically at month end.

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

For each of the portfolios:

Table 4 - Portfolio Shock Analysis - Interest Rate Changes

Portfolio	Expected Portfolio Gains/Losses Parallel Shifts in Yield Curve (Millions of Dollars)													
	Shift (in Basis Points)													
	+75 Bps		+50 Bps		+25 Bps		No Change		-25 Bps		-50 Bps		-75 Bps	
	\$	%	\$	%	\$	%	\$		\$	%	\$	%	\$	%
General Fund CORE	(\$21.3)	1.6	(\$14.2)	1.1	(\$7.1)	0.5	\$1,321		\$7.1	0.5	\$14.2	1.1	\$21.3	1.6
BAML 0-5 Index		1.6		1.1		0.5				0.6		1.1		1.6
BPIP Tax-Exempt	(\$4.5)	1.0	(\$2.8)	0.6	(\$1.3)	0.3	\$474		\$1.3	0.3	\$2.2	0.5	\$3.1	0.7
BPIP Taxable	(\$6.6)	1.0	(\$4.3)	0.6	(\$2.0)	0.3	\$682		\$2.0	0.3	\$3.7	0.6	\$5.4	0.8
BAML 0-3 Index		1.0		0.7		0.4				0.4		0.7		1.1

Benchmark Performance Comparisons

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

Table 5 - Relative Performance of STO Funds

Fund	Performance ⁶		
	1 Month	3 Months	12 Months
General Fund Liquidity	0.01%	0.03%	0.18%
S&P Government Bond Index (Gross)	0.01%	0.02%	0.03%
Relative Performance (BPs)	0.00%	0.01%	0.15%
Relative Performance (%)	100%	150%	600%
General Fund CORE	0.39%	0.44%	0.15%
BAML 0-5 US Treasury	0.42%	0.38%	0.02%
Relative Performance (BPs)	(0.02%)	0.06%	0.13%
Relative Performance (%)	95%	115%	750%
Bond Proceeds - Tax Exempt	0.13%	0.22%	0.23%
BAML 0-3 US Treasury	0.16%	0.22%	0.32%
Relative Performance (BPs)	(0.03%)	0.00%	(0.09%)
Relative Performance (%)	95%	100%	72%
Bond Proceeds - Taxable	0.13%	0.21%	0.24%
BAML 0-3 US Treasury	0.16%	0.22%	0.32%
Relative Performance (BPs)	(0.03%)	(0.01%)	(0.08%)
Relative Performance (%)	95%	95%	75%
Local Government Investment Pool	0.02%	0.05%	0.18%
S&P Government Bond Index (Gross)	0.01%	0.02%	0.03%
Relative Performance (BPs)	0.01%	0.03%	0.15%

⁶ Relative performance is periodic total return compared to the return of the portfolio benchmarks. The Severance Tax Bonding Fund is not separately tracked at this time, although is expected to be broken out as of November 2013.

Relative Performance (%) 200% 250% 600%

Source: JPMorgan, STO Calculations

Investment Earnings

Investment earnings for September are summarized in the table below.

Table 6 - Investment Earnings

<i>Fund</i>	<i>Investment Earnings⁷</i>		
	<i>MTD</i>	<i>YTD</i>	<i>FY'13 YTD</i>
<i>General Funds</i>	\$945,551	\$2,673,739	\$3,675,972
<i>Bond Proceeds Funds</i>	\$451,083	\$1,376,690	\$2,161,713
<i>Local Government Investment Pool⁸</i>	\$75,546	\$221,194	\$397,262
<i>Severance Tax Bonding Fund</i>	\$6,128	\$10,980	\$35,654

Source: QED

Projected Investment Income

In August, the Legislative Finance Committee released its most recent Consensus Revenue Estimate, projecting earnings on the STO portion of the General Fund Investment Pool of approximately \$16 million.

Several components of the General Fund Investment Pool are deemed "Self-Earning Accounts". As such, a portion of the General Fund Investment Pool Earnings are credited to the beneficiaries of these accounts on a monthly basis and are stated as interest income for the various account holders.

Adjusting for the effect of Self-Earning Account balances, we currently estimate that the interest earnings on the STO portion of the General Fund Investment Pool will be approximately \$8.6 Million.

Table 7 - Projected Investment Income on STO Balances of the General Fund Investment Pool

<i>Fund</i>	<i>YTD⁹</i>	<i>Projected FY</i>
<i>General Fund Investment Pool¹⁰</i>	\$1.7MM	\$10.2MM
<i>Less Self-Earnings Account Offsets¹¹</i>	(\$0.5MM)	(\$2.1MM)
<i>Net Earnings on STO Balances</i>	\$2.2MM	\$8.6MM
<i>LFC Revenue Projection (Aug 2013)</i>		\$16.0MM
<i>% of LFC Revenue Projection</i>		54%

Source: QED, LFC, DFA, STO Calculation

Many variables effect estimated interest income for the STO portion of the General Fund Investment Pool, including performance and tax collections by the State and timing of collections and expenditures of the state budget.

⁷ 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.

⁸ Gross Earnings, Participant Earnings reflect 0.05% reduction for management fees.

⁹ Gross of Self-Earning Account Income. Self-Earnings Account Income is deducted from STO interest earnings and credited by beneficiaries by DFA.

¹⁰ Does not include Fiscal Agent Bank balances which that earn credits against bank fees levied by the Fiscal Agent Bank.

¹¹ Estimated, based on historical norms.

The State Treasurer does not participate in the development of the Consensus Revenue Estimate and therefore cannot comment on the various factors included in the estimate of revenue on the STO balances as compiled by the LFC.

Compensating Balances at Fiscal Agent Bank

During September, STO maintained Average Daily Collected Balances at the Fiscal Agent Bank of approximately \$133 million versus a target balance established by the State Board of Finance of \$125 million.. This balance earned a credit against processing fees assessed by the bank.

Table 8 - Compensating Balances at Fiscal Agent Bank

<i>Average Collected Balance</i>	\$133,164,443
<i>Earnings Credit Rate</i>	0.50%
<i>Estimated Monthly Earnings</i>	\$55,485
<i>Estimated Fiscal YTD Earnings</i>	\$167,154

Source: Wells, Fargo & Co.

Reserve Primary Fund Update

On September 30th, the federal judge in the Reserve Primary Fund lawsuit brought by the SEC awarded \$750,000 in fines to the commission, ending the civil case against the Reserve. Still unresolved is the award of balances retained by the fund and not paid out to beneficiaries. Investors have recouped over 99% of the original balances that were invested in the Reserve during 2008. The Reserve maintains that it is due additional fees and expense reimbursement from the retained balances.

A settlement hearing on the approximately \$50MM of remaining balances is scheduled to be held on December 16th, 2013.

LGIP shareholders of record in 2008 when the Reserve Primary Fund was frozen are participants in a fund managed by the STO called the Reserve Contingency Fund.

Monthly Investment Outlook

September and October were strong months for the short-duration fixed income markets as economic and political weakness dominated the outlook for economic prospects.

We believe that the Federal Reserve will maintain its accommodative stance through the balance of the calendar year and likely well into 2014, based upon continued political upheaval.

Uncertainty in Washington and the lingering concerns about the implementation of the Affordable Care Act will, in our view, continue to constrain future economic growth.

In September, the Fed voted not to begin tapering its monthly purchases of securities, surprising market participants and eliciting concerns about the overall state of the economy.

Implications for the Foreseeable Future

We continue to believe that the period of relatively low level of interest rates will come to an end during the latter half of 2014.

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

*Spencer Wright, Portfolio Manager –
General Funds and STBF*

New Mexico State Treasurer
Monthly Fund Summary Report
(Unaudited)

As of September 30, 2013

General Fund	Holdings			Performance				Earnings	
	Cost Basis	Market Value	Unrealized Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Monthly Earnings	YTD Earnings
Cash Balances	\$ 133,164,443	\$ 133,164,443	\$ -						
Liquidity	667,301,868	667,304,142	2,274	0.18%	S&P LGIP Gross	0.14%	0.04%	\$ 34,280	\$ 101,941
CORE	1,320,260,666	1,322,817,539	2,556,873	0.18%	ML Treasury 0-5	0.02%	0.16%	911,271	2,571,798
TRAN	-	-	-	0.00%	All-In Tran TIC	0.00%	0.00%	-	-
Totals	\$ 2,120,726,977	\$ 2,123,286,124	\$ 2,559,147	0.18%	Blended	0.01%	0.17%	\$ 945,551	\$ 2,673,739
Bond Proceeds Investment Pool (BPIP)									
	Cost Basis	Market Value	Unrealized Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Monthly Earnings	YTD Earnings
Tax-Exempt	\$ 486,410,362	\$ 486,602,492	\$ 192,130	0.23%	ML Treasury 0-3	0.32%	-0.09%	\$ 146,092	\$ 427,604
Taxable	693,486,857	694,480,654	993,797	0.24%	ML Treasury 0-3	0.32%	-0.08%	304,991	949,086
Totals	\$ 1,179,897,219	\$ 1,181,083,146	\$ 1,185,927	0.24%	Blended	0.32%	-0.08%	\$ 451,083	\$ 1,376,690
Local Government Investment Pool (New MexiGrow LGIP)									
	Cost Basis	Market Value	Unrealized Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Monthly Earnings	YTD Earnings
LGIP	\$ 558,857,281	\$ 558,909,760	\$ 52,479	0.18%	S&P LGIP Gross	0.14%	0.04%	\$ 75,546	\$ 221,194
Severance Tax Bonding Fund									
	Cost Basis	Market Value	Unrealized Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Monthly Earnings	YTD Earnings
STBF	\$ 136,104,072	\$ 136,104,072	\$ -	0.18%	S&P LGIP Gross	0.14%	0.04%	\$ 6,128	\$ 10,980

Notes:

- (1) These figures are generated using a combination of accrued earnings and unrealized gains. 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) Source: STO Records, QED Financial Systems, JPMorgan Custody Reporting

New Mexico State Treasurers Office Performance As of September 2013

Account ID	Portfolio Name	Market Value	Month	Trailing 3M	Fiscal YTD	YTD	1 YR	Since Inception	Inception Date
10933300	Local Government Investment Pool	559,315,611	0.02	0.05	0.05	0.14	0.18	1.07	01-Jul-2007
10933400	Overnight Repo Pool	293,357,154	0.01	0.02	0.02	0.10	0.17	0.85	01-Jul-2007
10933500	Tax Exempt Bond Proceeds	487,834,064	0.13	0.22	0.22	0.11	0.23	2.13	01-Jul-2007
10933900	Taxable Bond Proceeds	696,795,784	0.13	0.21	0.21	0.16	0.24	2.25	01-Jul-2007
00667701	General Fund	1,870,998,920	0.31	0.34	0.34	0.06	0.19	2.19	01-Jul-2007
10933700	General Fund Core	1,327,592,081	0.39	0.44	0.44	0.00	0.15	2.81	01-Jul-2007
10933600	General Fund Liquidity	543,406,840	0.01	0.03	0.03	0.11	0.18	0.82	01-Jul-2007
06677-BEN-0006	S&P Govt Pools Net yield		0.00	0.01	0.01	0.03	0.05	0.88	01-Jul-2007
06677-BEN-0012	BPIP Index ML 0-3 Treasury		0.16	0.22	0.22	0.25	0.32	2.18	01-Jul-2007
06677-BEN-0013	General Core Index ML 0-5 Treasury		0.41	0.38	0.38	(0.03)	0.02	3.04	01-Jul-2007
06677-BEN-0016	S&P LGIP Gross yield		0.01	0.02	0.02	0.09	0.14	0.15	01-Jun-2012
06677-BEN-0017	General Fund Total		0.25	0.23	0.23	(0.01)	0.03	0.17	30-Jun-2012

Performance shown is gross of manager fees



4. Investment Policy Compliance Report

Investment Policy Compliance Review

Primary and Secondary Bond Purchases/ Sales

During the month of September, the following were the ratio of primary and secondary bond transactions in the portfolios:

Table 9 - Primary/Secondary Market Volume

Primary Bond Volume	\$46,152,000	55%
Secondary Bond Volume	<u>37,500,000</u>	<u>45%</u>
Total	\$86,352,000	100%

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

Commissions Paid

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

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

Variable Rate and Structured Note Holdings

At the end of September, total holdings of Variable Rate Notes were \$130,654,000.

Table 10 - Variable Rate Note Holdings

General Fund Liquidity	\$ 20,000,000
Taxable BPIP	7,000,000
Tax Exempt BPIP	7,934,000
LGIP	<u>95,720,000</u>
Total Holdings	\$130,654,000

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

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

Transaction Variances and Inter-Portfolio Transactions

During September, there were no transaction variances which posed compliance issues. All trade information was entered correctly in our internal systems and in the systems used by our custody bank. All transactions for the month settled successfully. There were no price discrepancies.

There were no inter-portfolio trades during the month.

Investment Statute Compliance

There are no investment statute compliance issues to report.

Trade Documentation Compliance

Reporting for the month of: September 2013

Purchase/Sales

There were a total of 20 security trades that consist of 1 sale and 19 purchases.

Sale: The 1 sale was made within the NMSTO Core portfolio at a total Par value of \$5mm. The security sold is identified as an USTB security with an initial result of the sale reflecting a gain of \$24,632.33.

Purchase: The concluding action resulted from the sale trade was the purchase of 1 Certificate of Deposit with Century Bank Santa Fe purchased at a .350 rate with a maturity date of 12/15/2014.

The justification for the sale trade provided by the portfolio manager reads, the effect of this transaction will be to extend the weighted average maturity of the portfolio.

The justification based on documentation on a cash basis and timeline reflects that the CORE portfolio had insufficient cash to complete the purchase of the CD trade therefore, a sale was made within the CORE portfolio to provide sufficient cash to cover the cost of the trade. Both trades settled accordingly.

Trade documentation

All trades have been accounted for and written documentation has been audited for compliance. There are no pending questions or issues.

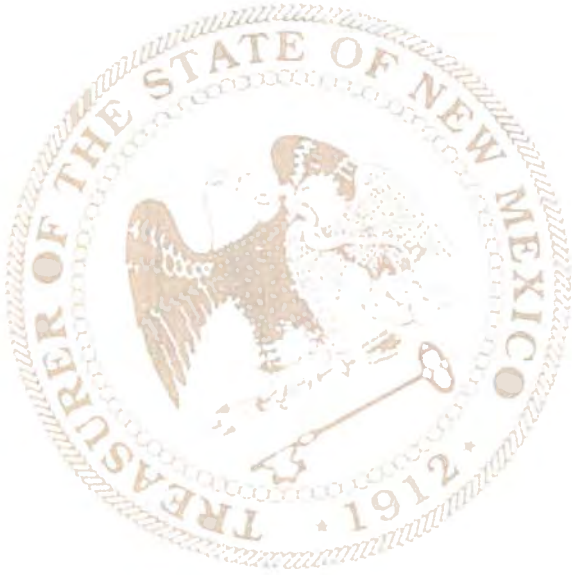
Reporting for the Quarter of: July 2013 through September 2013

Purchase/Sales

There were a total of 77 security trades that consist of 5 sale and 72 purchases.

Total for all Portfolios			
	Par-value	Cost/Proceeds	Gain/Loss
Other Portfolios	406,684,412.41	410,380,462.82	(32,332.71)
LGIP	126,419,000.00	126,763,026.56	-
	533,103,412.41	537,143,489.38	(32,332.71)
	Sales	Purchases	Gain/Loss
Other Portfolios	46,500,000.00	360,184,412.41	(32,332.71)
LGIP		126,419,000.00	
	46,500,000.00	486,603,412.41	(32,332.71)

This concludes the Trade documentation compliance report.



5. Investment Accounting Report



James B. Lewis
State Treasurer

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

Marilyn L. Hill
Deputy State
Treasurer

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

MEMORANDUM

DATE: October 28, 2013
TO: Linda Roseborough, Chief Investment Officer & Investments Division Director
FROM: Steve Vigil, Investment Accounting Bureau Chief *SV*
CC: STO Investments Division
SUBJECT: Weekly S&P Reconciliation and September 2013 Investments Reconciliation

Weekly S&P Reconciliation

All weekly S&P reconciliations were completed timely for September 2013. The reconciliations and accompanying data were submitted to S&P timely in order for the Office of the State Treasurer (STO) to maintain its rating affirmation.

September 2013 Investments Reconciliation

I completed the September 2013 investments reconciliation that included the following:

1. Asset and liabilities proofs to verify accuracy of the net asset value for all investment accounts.
2. Trial balance proofs to validate the change in transaction activity between August 31st and September 30th.
3. Cash proofs to verify cash transaction activity.
4. Earned income proof to validate the income earned for September 2013.
5. Proof of change in cost to corroborate that the historical cost of investments rolled forward correctly.
6. Verification that multiple cash transactions of the same investment holding have not been duplicated in error.
7. JP Morgan to QED inventory reconciliation.
8. JP Morgan to QED income reconciliation.

The investment reconciliation is conducted to ensure compliance with Generally Accepted Accounting Principles. On June 3, 2013, STO received a favorable opinion of the investment reconciliation process from its external auditor.

The results of the September 2013 investment reconciliation reveal that investment transaction activity can be recorded in SHARE once the Department of Finance and Administration has set up the proposed general ledger accounts. All reconciling items have been resolved.

JP Morgan to QED Income Reconciliation

W/P Ref

Sep-13

504

JPM		QED				
Account	Earned Interest	Fund #	Name	Earned Interest	Difference	BPS Dollar Thresold *
P 09336	32,159.98	1000	GF Liquidity	33,451.75	(1,291.77)	27,169.95
P 09337	1,811,821.30	1001	GF Core	1,811,671.61	149.69	66,404.38
P 09334	11,328.98	1101/4001	ONREPO	11,328.88	0.10	14,667.82
P 09335	460,574.22	4000	BPIP#1	458,442.98	2,131.24	24,329.86
P 09339	801,878.93	4002	BPIP#2	804,944.73	(3,065.80)	34,760.25
P 09333	174,434.98	4101	LGIP	174,535.13	(100.15)	27,945.43
Total	3,292,198.39			3,294,375.08	(2,176.69)	195,277.70

JP Morgan to QED Amortization/Accretion Reconciliation

JPM		QED			
Account	Amortization/Accretion	Fund #	Name	Amortization/Accretion	Difference
P 09336	(533.14)	1000	GF Liquidity	(546.98)	13.84
P 09337	(942,857.06)	1001	GF Core	(951,243.50)	8,386.44
P 09334	-	1101/4001	ONREPO	-	-
P 09335	(301,314.37)	4000	BPIP#1	(316,304.63)	14,990.26
P 09339	(502,807.48)	4002	BPIP#2	(508,662.94)	5,855.46
P 09333	(98,764.47)	4101	LGIP	(101,235.73)	2,471.26
Total	(1,846,276.52)			(1,877,993.78)	31,717.26

BPS Dollar Threshold *

JPM Market Value x .5 Basis Points (BPS)

0.00005

JP Morgan to QED Inventory Reconciliations
Sep-13

W/P Ref
503

Market Value Reconciliation

JPM		QED				
Account	Market Value	Fund #	Name	Market Value	Difference	BPS Dollar Thresold *
P 09336	543,398,982.12	1000	GF Liquidity	543,398,982.12	-	271,699.49
P 09337	1,328,087,699.29	1001	GF Core	1,328,086,601.15	1,098.14	664,043.85
P 09334	293,356,420.88	1101/4001	ONREPO	293,361,126.28	(4,705.40)	146,678.21
P 09335	486,597,212.91	4000	BPIP#1	486,602,493.80	(5,280.89)	243,298.61
P 09339	695,204,992.35	4002	BPIP#2	695,214,047.76	(9,055.41)	347,602.50
P 09333	558,908,665.34	4101	LGIP	558,909,657.49	(992.15)	279,454.33
Total	3,905,553,972.89			3,905,572,908.60	(18,935.71)	1,952,776.99

Cost Reconciliation

JPM		QED				
Account	Cost	Fund #	Name	Cost	Difference	BPS Dollar Thresold *
P 09336	543,394,938.12	1000	GF Liquidity	543,394,938.12	-	271,697.47
P 09337	1,341,117,973.93	1001	GF Core	1,341,011,117.93	106,856.00	670,558.99
P 09334	293,356,420.88	1101/4001	ONREPO	293,361,126.28	(4,705.40)	146,678.21
P 09335	488,952,759.57	4000	BPIP#1	488,954,239.03	(1,479.46)	244,476.38
P 09339	700,166,644.80	4002	BPIP#2	700,173,277.67	(6,632.87)	350,083.32
P 09333	559,125,956.94	4101	LGIP	559,125,956.94	-	279,562.98
Total	3,926,114,694.24			3,926,020,655.97	94,038.27	1,963,057.35

Position Reconciliation

JPM		QED				
Account	Position Size	Fund #	Name	Position Size	Difference	BPS Dollar Thresold *
P 09336	543,391,470.12	1000	GF Liquidity	543,391,470.12	-	271,695.74
P 09337	1,299,189,066.94	1001	GF Core	1,299,194,450.50	(5,383.56)	649,594.53
P 09334	293,356,420.88	1101/4001	ONREPO	293,361,126.28	(4,705.40)	146,678.21
P 09335	482,320,007.14	4000	BPIP#1	482,321,486.59	(1,479.45)	241,160.00
P 09339	687,190,827.32	4002	BPIP#2	687,197,460.20	(6,632.88)	343,595.41
P 09333	558,471,658.89	4101	LGIP	558,471,658.89	-	279,235.83
Total	3,863,919,451.29			3,863,937,652.58	(18,201.29)	1,931,959.73

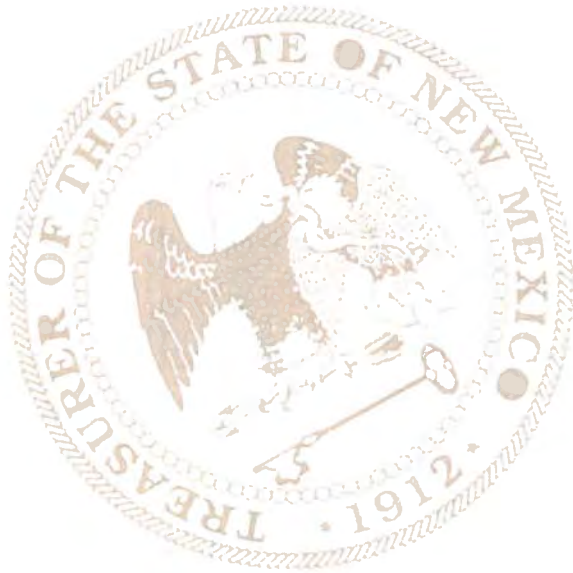
BPS Dollar Threshold *

JPM Market Value x 5 Basis Points (BPS)

JPM Cost x 5 Basis Points (BPS)

JPM Position Size x 5 Basis Points

0.0005



6. Davidson- September 2013 Quarterly Investment Report



**STATE OF NEW MEXICO
QUARTERLY STIC REPORT
SEPTEMBER 2013**

Davidson Fixed Income Management, Inc.
Deanne Woodring, CFA, Managing Director
(866) 999-2374 dwoodring@dadco.com



Market Overview

Executive Summary

Portfolio Summaries

Performance

Allocation

Strategy Evaluation

Project List

Economic Report

DFIM Q3 – 2013 Overview

Market Commentary

- **Market Yields:** Yields moved back down across the curve as the markets recovered from the dramatic rise in rates last quarter.
- **FOMC:** Changed previous language regarding wind down of QE, and opted to hold the course of \$85BLN in asset purchases.
- **Employment:** Expected to remain low, but in a sustainable pace relative to GDP.
- **GDP:** July GDP rebound confirmed the economy is on the upswing in Q3 after temporary slowing in Q2.

Changes in Market Yields

	12/31/10	12/31/11	12/31/12	9/30/13
3-month bill	.13	.01	.04	.01
2- year note	.59	.25	.25	.32
5 -year note	2.0	.87	.72	1.38
10- year note	3.30	1.95	1.76	2.61

Sources: Bloomberg, Action Economics

Market Outlook

- **Fed Funds:** Expected to remain at 0-.25% for the next six months to 1 year.
- **2 year:** The two-year treasury momentarily touched .50% and closed the quarter at .32%. This was more volatility in one quarter than we saw all last year. The two year rate will lead the fed move, so we are watching to see if it can move and maintain a rate above .50%. Likely not to happen for 3 to 6 months.
- **Portfolio Positioning:** DFIM is focused on moving portfolios neutral to slightly short the established benchmarks.

Economist's Projections for rates

	Q3-13	Q4-13est	Q1-14 est	Q2-14 est
Fed Funds	.25	.25	.25	.25
2 Year	.32	.42	.50	.60
10 year	2.61	2.82	2.96	3.09

Economic Projections

	2012	2013 est	2014 est	2015 est
Real GDP	2.80	1.60	2.60	3.00
CPI	2.08	1.50	1.90	2.15
Unemployment	8.10	7.50	6.90	6.40

Executive Summary

General fund strategy was reviewed this quarter to determine if the liquidity and investment component allocations were appropriate given the low rate environment. The core fund balance increased slightly and market values recovered somewhat from the market value decline in June. The duration is being maintained slightly long to the benchmark and the performance outperformed the benchmark this quarter.

The LGIP earnings rate remains consistent with the earnings of AAAM rated funds. There were no repurchase agreement positions at the end of 9/30/13 due to the very low earnings rate. Funds were moved to bank deposits and short term notes.

BPIP funds were more stable this quarter as the Tax Exempt fund increased by approximately \$20MM and the Taxable declined by \$27MM quarter over quarter. The durations of both funds are maintained shorter than the benchmark, while performance is neutral to the benchmark.

Performance of all funds was in line with the market exposure of each fund and their established benchmarks.

Specific transactions were reviewed for diversification of broker dealer executions and asset allocation adjustments. Municipal securities were slightly increased over the quarter and discount notes and short treasuries were added to provide for short liquidity requirements.

Investment Allocation

ALLOCATION REPORT

<i>Portfolio Name</i>	<i>Market Value+Int</i>	<i>% Fund</i>	<i>Repo</i>	<i>Bank</i>	<i>Treasury</i>	<i>Agency</i>	<i>Corp/CP</i>	<i>Other</i>
Total LGIP	\$ 559,315,611.48	100%	0.00%	32.00%	18.80%	49.20%		
Liquidity	\$ 179,067,658.89	32%						
Investments	\$ 380,247,952.59	68%						
LGIP GIP Index			29.54%	6.54%	8.58%	51.23%	0.06%	4.05%

<i>Portfolio Name</i>	<i>Market Value+Int</i>	<i>% Fund</i>	<i>Repo</i>	<i>CD/Other</i>	<i>Treasury</i>	<i>Agency</i>	<i>Corp/CP</i>	<i>LGIP</i>	<i>Muni</i>
Total General Fund	\$ 1,870,998,921.00	100%							
Liquidity	\$ 543,406,840.00	29%	89.71%	5.66%		3.68%		0.00%	0.95%
Investment Core	\$ 1,327,592,081.00	71%	0.05%	1.13%	26.72%	70.33%	0.02%	0.000%	1.74%

<i>Portfolio Name</i>	<i>Market Value+Int</i>	<i>% Fund</i>	<i>Repo</i>	<i>CD/Other</i>	<i>Treasury</i>	<i>Agency</i>	<i>Corp/CP</i>	<i>LGIP</i>	<i>Muni</i>
Total Tax Exempt	\$ 487,834,063.60	100%	2.56%	0.62%	37.71%	49.23%		4.73%	5.16%
Liquidity	\$ 19,725,740.81	4%							
Investments	\$ 468,108,322.79	96%							

<i>Portfolio Name</i>	<i>Market Value+Int</i>	<i>% Fund</i>	<i>Repo</i>	<i>CD/Other</i>	<i>Treasury</i>	<i>Agency</i>	<i>Corp/CP</i>	<i>LGIP</i>	<i>Muni</i>
Total Taxable	\$ 696,795,784.00	100%	7.77%	2.62%	41.13%	44.84%		0.19%	3.45%
Liquidity	\$ 84,455,685.15	12%							
Investments	\$ 612,340,098.85	88%							

TOTAL STO FUNDS \$ 3,055,628,768.60

* Data Source: JP Morgan Reports

** QED

Davidson Fixed Income Management, Inc.

Performance Reports



Portfolio Name	Market Value	Yield	
		9/30/2013	6/30/13-9/30/13
		Duration - End	Quarter End Yield
LGIP * Gross Yield	\$ 559,315,611.48	0.16	0.140%
Fund Benchmark Gross Return		0.09	0.030%
LGIP Net Yield		0.11	0.105%
Fund Benchmark Net Return		0.03	0.010%

STO FUNDS

Portfolio Name	Market Value	Total Return			
		9/30/2013	6/30/13-9/30/13	6/30/12-9/30/13	Percent
		Duration - End	Quarter Return	Fiscal Year	Percent
General Fund Liquidity	\$ 543,406,840.00	0.05	0.03%	0.03%	17.78%
Fund Benchmark		0.01	0.01%	0.01%	
Portfolio Name	Market Value	Duration - End	Quarter Return	Fiscal Year	Percent
General Fund Core	\$ 1,327,592,081.00	2.31	0.44%	0.44%	43.45%
Fund Benchmark		2.25	0.38%	0.38%	
Portfolio Name	Market Value	Duration - End	Quarter Return	Fiscal Year	Percent
BPIP Tax Exempt	\$ 487,834,063.60	1.16	0.22%	0.22%	15.97%
Fund Benchmark		1.45	0.22%	0.22%	
Portfolio Name	Market Value	Duration - End	Quarter Return	Fiscal Year	Percent
BPIP Taxable	\$ 696,795,784.00	1.24	0.21%	0.21%	22.80%
Fund Benchmark		1.45	0.22%	0.22%	
Total STO Investment Funds	\$ 3,055,628,768.60	1.480	0.280%	0.280%	100.00%

* Data Source: JP Morgan Custodial Reports

JP is based on trade date and includes accrued interest

* Provided by STO

Shock Analysis

Given the current market environment, it is important to monitor the expected price movement of security holdings given changes in rates. The industry calls this “Shock Analysis.”

DFIM is providing a shock analysis for STO accounts and the LGIP. It is important to note the following:

- Assumes rates move up in a parallel shift on the yield curve.
- Assumes rates move at one point in time.
- Change in market values are not realized gains or losses.
- Provides an indication of the expected market value change given a 50 basis point and a 100 basis point rate increase.

Shock Analysis

SHOCK ANALYSIS

Review of price sensitivity of the investment portfolio given an upward movement in rates. Based on durations as of 9/30/13

Assumptions:

1. Assumes parallel yield curve shift
2. Assume point in time change
3. Represents market value change that is unrealized

STO FUNDS		RISK	Up 10 Basis Pts	Up 100 Basis Pts
Portfolio Name	Market Value	Duration - End	Market Change	Market Change
General Fund Core	\$ 1,327,592,081.00	2.31	\$ (15,333,688.54)	\$ (30,667,377.07)
Fund Benchmark		2.25	\$ (14,935,410.91)	\$ (29,870,821.82)
Portfolio Name	Market Value	Duration - End	Market Change	Market Change
BPIP Tax Exempt	\$ 487,834,063.60	1.16	\$ (2,829,437.57)	\$ (5,658,875.14)
Fund Benchmark		1.45	\$ (3,536,796.96)	\$ (7,073,593.92)
Portfolio Name	Market Value	Duration - End	Market Change	Market Change
BPIP Taxable	\$ 696,795,784.00	1.24	\$ (4,320,133.86)	\$ (8,640,267.72)
Fund Benchmark		1.45	\$ (5,051,769.43)	\$ (10,103,538.87)
Total STO Investment Funds	\$ 2,512,221,928.60		\$ (22,483,259.97)	\$ (44,966,519.93)
Total Benchmark Change			\$ (23,523,977.31)	\$ (47,047,954.61)

* Data Source: JP Morgan Custodial Reports

EARNINGS COMPARISON OF PORTFOLIO TO CASH

EARNINGS COMPARISON OF PORTFOLIO TO CASH		RETURN	1 Year	2 Year*
Portfolio Name	Market Value	Yield	Earnings	Earnings
General Fund Core	\$ 1,327,592,081.00	0.76%	\$ 10,049,872.05	\$ 30,149,616.16
Cash		0.15%	\$ 1,991,388.12	\$ 5,974,164.36
Portfolio Name	Market Value	Yield	Earnings	Earnings
BPIP Tax Exempt	\$ 487,834,063.60	0.39%	\$ 1,892,796.17	\$ 5,678,388.50
Cash		0.15%	\$ 731,751.10	\$ 2,195,253.29
Portfolio Name	Market Value	Yield	Earnings	Earnings
BPIP Taxable	\$ 696,795,784.00	0.50%	\$ 3,483,978.92	\$ 10,451,936.76
Cash		0.15%	\$ 1,045,193.68	\$ 3,135,581.03
Total STO Investment Funds	\$ 2,512,221,928.60		\$ 15,426,647.14	\$ 46,279,941.42

Data Source: JP Morgan Custodial Reports and QED reports

* 3 year returns assumes the same rate as of 9/30/13 for the next 3 years.

LGIP Shock Analysis

SENSITIVITY ANALYSIS

Weighted Average Maturity:	60	Current Maturity
Shares Outstanding:	559,240,000	Book Value
Market Value (NAV):	0.999790	
Total \$ Unrealized Loss:	\$117,440	
Total \$ Unrealized Gain	\$0	

Basis Point Shift									Gain (Loss)
300	0.992655	0.994287	0.994588	0.994858	0.995103	0.995326	0.996045	\$	(2,875,336)
250	0.993829	0.995200	0.995453	0.995680	0.995886	0.996073	0.996677	\$	(2,415,687)
200	0.995003	0.996114	0.996318	0.996502	0.996669	0.996820	0.997309	\$	(1,956,038)
150	0.996177	0.997027	0.997183	0.997324	0.997452	0.997567	0.997942	\$	(1,496,388)
100	0.997352	0.997940	0.998049	0.998146	0.998234	0.998315	0.998574	\$	(1,036,739)
50	0.998526	0.998853	0.998914	0.998968	0.999017	0.999062	0.999206	\$	(577,090)
0	0.999700	0.999767	0.999779	0.999790	0.999800	0.999809	0.999838	\$	(117,440)
-50	1.000874	1.000680	1.000644	1.000612	1.000583	1.000556	1.000471	\$	342,209
-100	1.002048	1.001593	1.001509	1.001434	1.001366	1.001303	1.001103	\$	801,858
-150	1.003223	1.002506	1.002374	1.002256	1.002148	1.002051	1.001735	\$	1,261,508
-200	1.004397	1.003420	1.003240	1.003078	1.002931	1.002798	1.002367	\$	1,721,157
-250	1.005571	1.004333	1.004105	1.003900	1.003714	1.003545	1.003000	\$	2,180,806
-300	1.006745	1.005246	1.004970	1.004722	1.004497	1.004292	1.003632	\$	2,640,455

Redemption/Inflow	-30%	-10%	-5%	0%	5%	10%	30%
O/S Shares	391,468,000	503,316,000	531,278,000	559,240,000	587,202,000	615,164,000	727,012,000

Shift Upon NAV = $NAV - (APM/365) * (Bp/10,000)$

Dilution Upon NAV = $(NAV + Change) / (1 + Change)$

Disclosure Statement

This report is provided for the purpose of assisting in the monitoring the performance and asset allocation of STO portfolios

The data is provided by JP Morgan and STO internal reports from QED.

The information contained herein has been obtained from, or is based upon, sources believed by us to be reliable but no representation or warranty is made as to its accuracy or completeness.

Opinions expressed are solely those of DFIM and its employees.



7. Quarterly Investment Review

Quarterly Investment Review

Investment Strategy Employed During the Past Quarter

The quarter was market by increased turbulence in the fixed income marketplace as investors attempted to divine the future actions of the Federal Reserve. Perhaps the watershed moment was the Federal Reserve meeting in Mid-September when the Federal Reserve Board members voted to delay the widely anticipated restriction in monthly securities purchases by the Board. This would have marked the beginning of a withdrawal from its accommodative stance that we have seen for the past 5 years.

The attached chart compares the daily yield on the five year treasury to the two year treasury over the past 12 months (and into October). As you can see, the two year treasury has traded in a range from twenty to forty-five basis points. During the quarter, the 5 year note saw violent swings, ranging from a low of 127 basis points to approximately 185 basis points on the high side in early September. Quarter end saw 5-year levels at approximately 1.40% and they have firmed into the month of October.



Figure 1- 12 Month Comparison of 2 Year and 5 Year US Treasury Yield

As fixed income investors, we welcome this action; however the volatility we have seen has caused portfolio values to swing dramatically, especially on a mark-to-market basis.

In our last quarterly review, we discussed how we had been generally reducing duration of the portfolios, from a relative weighting of up to 115% of benchmarks. That strategy has served us well over the past two quarters, despite the vacillations in the underlying benchmarks. Perhaps the watershed moment of the quarter was the fed's announcement not to pursue a tapering strategy as had been widely anticipated. As the above figure shows, that caused a dramatic decline in rates, especially in the 5 year area.

After quarter-end, we had the shutdown of the Federal Government and resulting debt ceiling discussion which also caused some dislocations in the market, especially in the short-term area.

Over the past several quarters, our general strategy has been to be slightly long to our indexes. That strategy has served us well over the past three years, but we continue to believe that we will see

pressures on rates as the economy improves. Regardless, we commented that the recent moves by the Federal Reserve -- QE, QE2 and QE3 -- seemed to be less effective as time went on. We felt, and continue to feel, that rates would begin to move up during 2014. As such, we were less aggressively placing the portfolios long to our benchmark durations and had begun moves to bring the durations in relative to benchmark levels.

The difference between 2-year and 5-year rates has widened considerably with these moves in the market. That difference, or the "steepness" of the curve, has moved in our favor as short-term rates are somewhat locked into the low overnight rates, while longer rates have moved upward. As holders of securities, this steepness in the curve benefits us, as long as we have invested appropriately in the longer end of the curve. As detailed below, we had some continued success in this area during the quarter.

In terms of relative effectiveness, you can see on a 5 year basis, how compressed our area of the curve has been over the past two years, with 5-year rates closely tied to 2-year levels.



Figure 2 - 5 Year Comparison of 2Year and 5 Year US Treasury Yield

With regard to specific funds, we have utilized strategies which complement each fund's particular cash needs.

General Fund Investment Pool

As showed in the consolidated charts in the General Fund section of this monthly report, the General Fund Investment pool has stabilized in size from the lows seen in FY08. Given this stability, and especially given the backdrop of a steep yield curve, it behooves us to consider well our ratio of CORE to Liquidity balances in the General Fund Investment Pool.

The work done by the investment division as well as the cash management division has enabled us to project those balances with increased accuracy and our models have continued to perform well. Projections by this group show that our next low point should be in the middle of March. We continue to place a targeted balance of the Liquidity Account with our fiscal agent bank and expect to do so throughout the fiscal year.

With the increased accuracy of our projections, we believe that short-term cash could be deployed more effectively and that the bias towards liquidity has left between 15 and 45 basis points or opportunity cost, or approximately \$450 thousand per million. Overnight rates have continued to be disappointing, with rates, on average, well below 10 basis points for the quarter. The differential between overnight and longer term rates – especially given a curve steepening – has increased the relative “cost” of having high liquidity balances.

With regard to performance, the General Fund CORE portion outperformed its benchmark for the quarter and for the last 12 months. The relative outperformance is due to 2 factors – duration performance over the year as well as the addition of agency and municipal securities which have added additional portfolio yield.

Table 13 - General Fund Investment Pool Relative Performance

<i>Fund</i>	<i>Performance</i>	
	<i>3 Months</i>	<i>12 Months</i>
<i>General Fund Liquidity</i>	0.03%	0.18%
<i>S&P Government Bond Index (Gross)</i>	<u>0.02%</u>	<u>0.03%</u>
<i>Relative Performance (BPs)</i>	0.01%	0.15%
<i>Relative Performance (%)</i>	150%	600%
<i>General Fund CORE</i>	0.44%	0.15%
<i>BAML 0-5 US Treasury</i>	<u>0.38%</u>	<u>0.02%</u>
<i>Relative Performance (BPs)</i>	0.06%	0.13%
<i>Relative Performance (%)</i>	115%	750%

Source: JP Morgan

With regard to positioning, as discussed above, we are right on top of our benchmark duration at the end of the quarter, at 100% of benchmark duration. During the quarter, we continued to shorten that duration by booking gains in the 5 year area and reinvesting shorter on the curve, while maintaining portfolio duration within the +/- 20% band as articulated in the investment policy.

On a current yield basis, we are well positioned, decreasing the positive differential between ourselves and the benchmark.

Table 14 - General Fund Investment Pool Positioning versus Benchmark

<i>Fund</i>	<i>Yield</i>			<i>Duration</i>		
	<i>Portfolio</i>	<i>Benchmark</i>	<i>Percentage</i>	<i>Portfolio</i>	<i>Benchmark</i>	<i>Percentage</i>
<i>General Fund Liquidity</i>	0.09%			22 Days		
<i>General Fund CORE</i>	0.53%	0.51%	102%	2.20 Years	2.20 Years	100%

Source: QED, JPMorgan

Bond Proceeds Funds

During the quarter, we saw significant movements in the bond proceeds accounts. Debt service payments were made on July 1st and September 1st from the taxable and tax-exempt accounts. In late July, we received a significant deposit from the settlement of severance tax bonds. Monthly capital flows offset the increases and averaged approximately \$25-\$30MM per month.

With regard to relative performance, the Bond Proceeds Investment Pool underperformed the benchmark performance for the quarter. On a 12-month basis, the BPIPs lagged benchmark performance. Given the

significant swings in balances, performance was somewhat impaired. In addition, new capital spending rules circulated by the Governor forced us to move to a more liquid position

Table 15 Bond Proceeds Investment Pool Relative Performance

<u>Fund</u>	<u>Performance</u>	
	<u>3 Months</u>	<u>12 Months</u>
Bond Proceeds - Tax Exempt	0.22%	0.23%
BAML 0-3 US Treasury	<u>0.22%</u>	<u>0.32%</u>
Relative Performance (BPs)	0.00%	(0.09%)
Relative Performance (%)	100%	72%
Bond Proceeds – Taxable	0.21%	0.24%
BAML 0-3 US Treasury	<u>0.22%</u>	<u>0.32%</u>
Relative Performance (BPs)	(0.01%)	(0.08%)
Relative Performance (%)	95%	75%

Source: JPMorgan

On a current yield basis, the portfolios compared favorably to the benchmark at year end. Cash receipts were deployed early in the first quarter, locking in higher rates.

Table 16 Bond Proceeds Investment Pool Positioning versus Benchmark

<u>Fund</u>	<u>Yield</u>			<u>Duration</u>		
	<u>Portfolio</u>	<u>Benchmark</u>	<u>Percentage</u>	<u>Portfolio</u>	<u>Benchmark</u>	<u>Percentage</u>
Bond Proceeds - Tax Exempt	0.38%	0.25%	152%	1.08 Years	1.38 Years	78%
Bond Proceeds – Taxable	0.51%	0.25%	204%	1.25 Years	1.38 Years	91%

Source: QED, JPMorgan

Local Government Investment Pool

The LGIP remained under pressure during the quarter. Balances ranged between \$500 and \$600MM and performance was muted due to the overall level of short-term rates.

On a comparative basis, the fund has performed well relative to its peers, but given the overall level of rates and the restrictions placed on the fund by the overnight repo collateral policy, managing the fund is increasingly difficult.

Table 17 - Local Government Investment Pool Relative Performance

<u>Fund</u>	<u>Performance</u>	
	<u>3 Months</u>	<u>12 Months</u>
Local Government Investment Pool	0.05%	0.18%
S&P Government Bond Index (Net)	<u>0.02%</u>	<u>0.03%</u>
Relative Performance (BPs)	0.03%	0.15%
Relative Performance (%)	250%	600%

Source: JPMorgan

Severance Tax Bonding Fund

The Severance Tax Bonding Fund grew over the quarter by approximately \$30MM/month with the receipt of severance taxes. Balances built throughout the quarter and were withdrawn to cover debt

service payments on outstanding severance tax bonds on July 1 and severance tax and supplemental severance tax notes issued late in the quarter.

The Severance Tax Bonding Fund is primarily invested in overnight repurchase agreements which remain competitive relative to short-term investment alternatives.

Expectations for the Upcoming Quarter and Year

General Outlook

We believe that the Federal Reserve will continue its stance of accommodation and purchase of securities through the quarter, and into the first quarter of 2014. As such, we expect short term rates to continue to be under pressure and that the curve will continue to remain steep. By the end of FY 2014, we expect that rates will be slightly higher than current levels

General Fund Investment Pool

The General Fund Investment Pool will remain fully invested. Given the outlook articulated above, reinvestment of maturing bonds will be at or slightly long to the benchmark duration, utilizing securities that we expect will continue to outperform to the curve on a relative basis.

Due to continued monthly purchase activities by the Federal Reserve, we believe that the overnight market will remain under pressure. As such, we will attempt to manage the expected balances in the liquidity portfolio to in order to minimize our exposures to these markets.

Bond Proceeds Pools

During the next quarter, the Bond Proceeds pools will remain fairly steady in size, decreasing as monthly draws are processed. We believe that the taxable bond proceeds pool balances will increase with the issuance of notes in December 2013. January 1st will mark debt service payments on outstanding Severance Tax Bonds.

Local Government Investment Pool

We continue to expect that the LGIP will remain under pressure, both in terms of overall yield as well as the relative size of the fund. We expect that pressure on the short end of the curve will continue.

Severance Tax Bonding Fund

The Severance Tax Bonding Fund will see generally increasing balances over the quarter as fund additions will be made on a monthly basis. Once debt service needs are covered for the January payment, we will explore investing in the July payment in order to address some of the short-term pressures in the overnight market. We expect withdrawals of approximately \$16MM at mid-year in order to cover the January 1st Debt Service Payments.

At the end of the second quarter, we project that the STBF will have approximately \$200MM remaining in the fund.

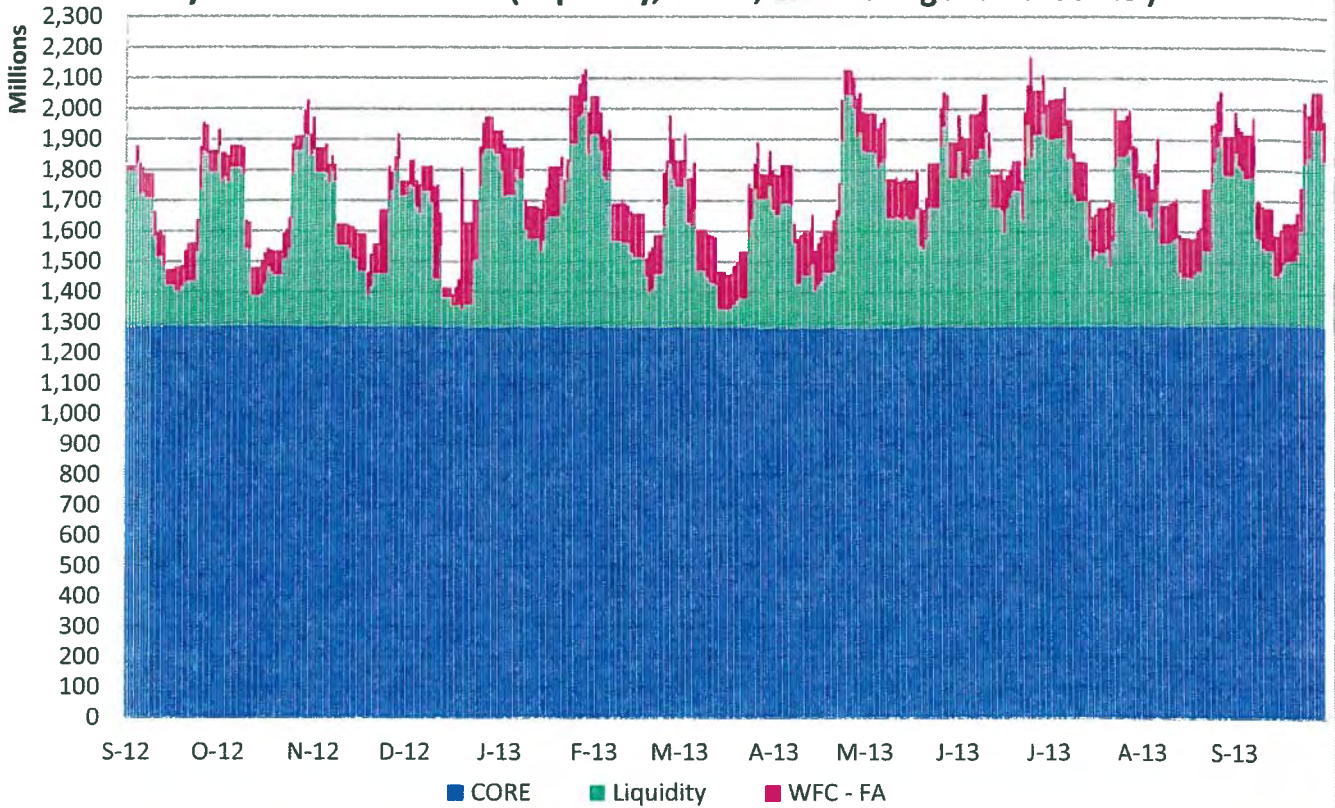
Spencer Wright
Portfolio Manager



8. Cash Projection

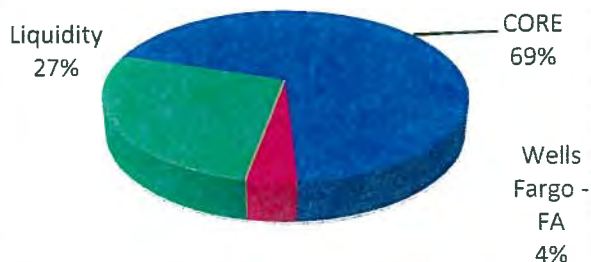


1 year - Cash Balances (Liquidity, CORE, & Fiscal Agent Accounts)

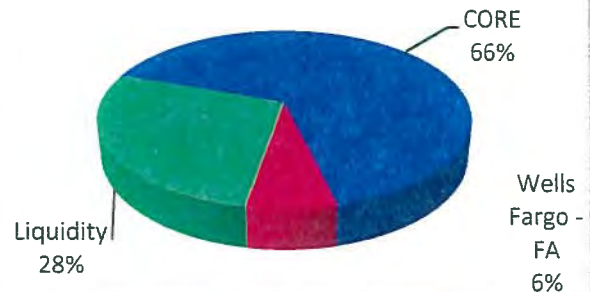


GENERAL FUND	Sep-12	Sep-13	Difference
Liquidity	505,859,193	543,391,470	37,532,277
CORE	1,289,159,964	1,294,234,066	5,074,103
Wells Fargo - FA	68,293,650	127,565,471	59,271,821
	<u>1,863,312,807</u>	<u>1,965,191,008</u>	<u>101,878,201</u>

General Fund Spetember 30, 2012

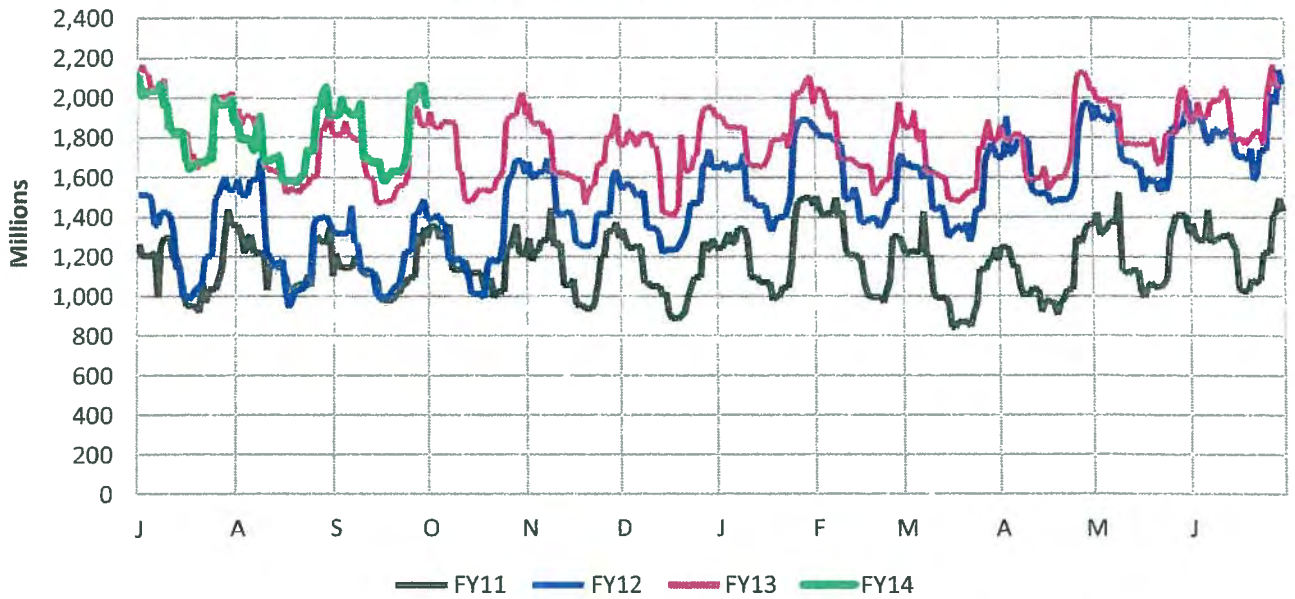


General Fund September 30, 2013

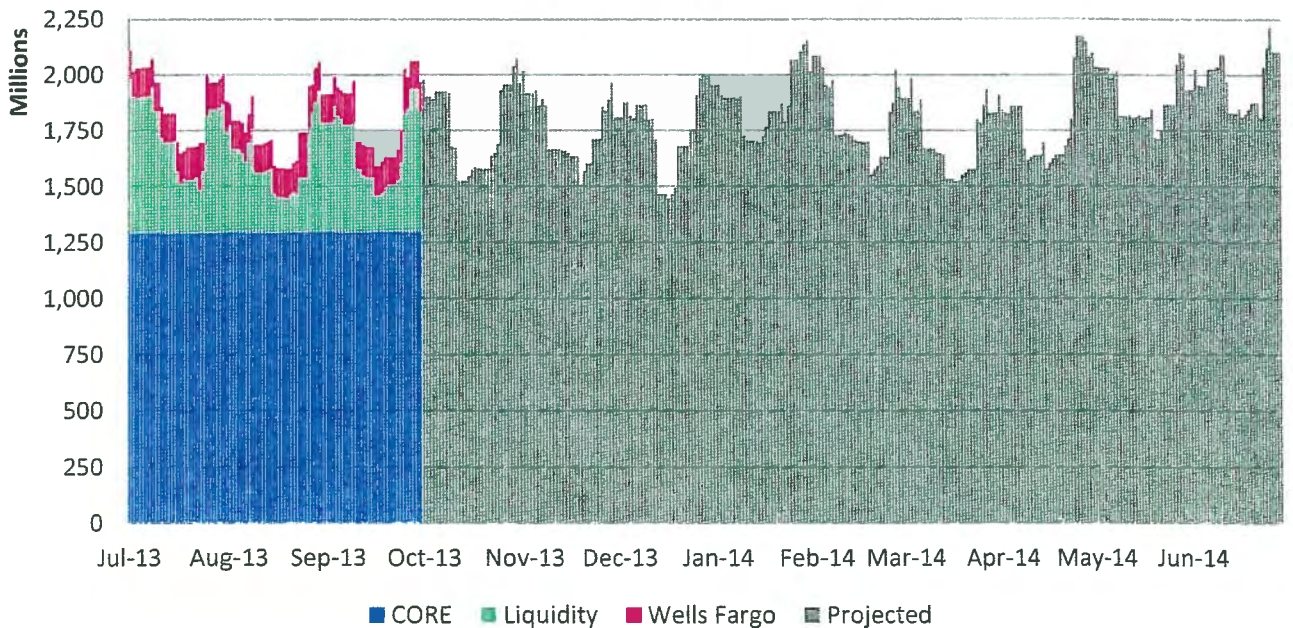




General Fund Investment Pool Historical Balance



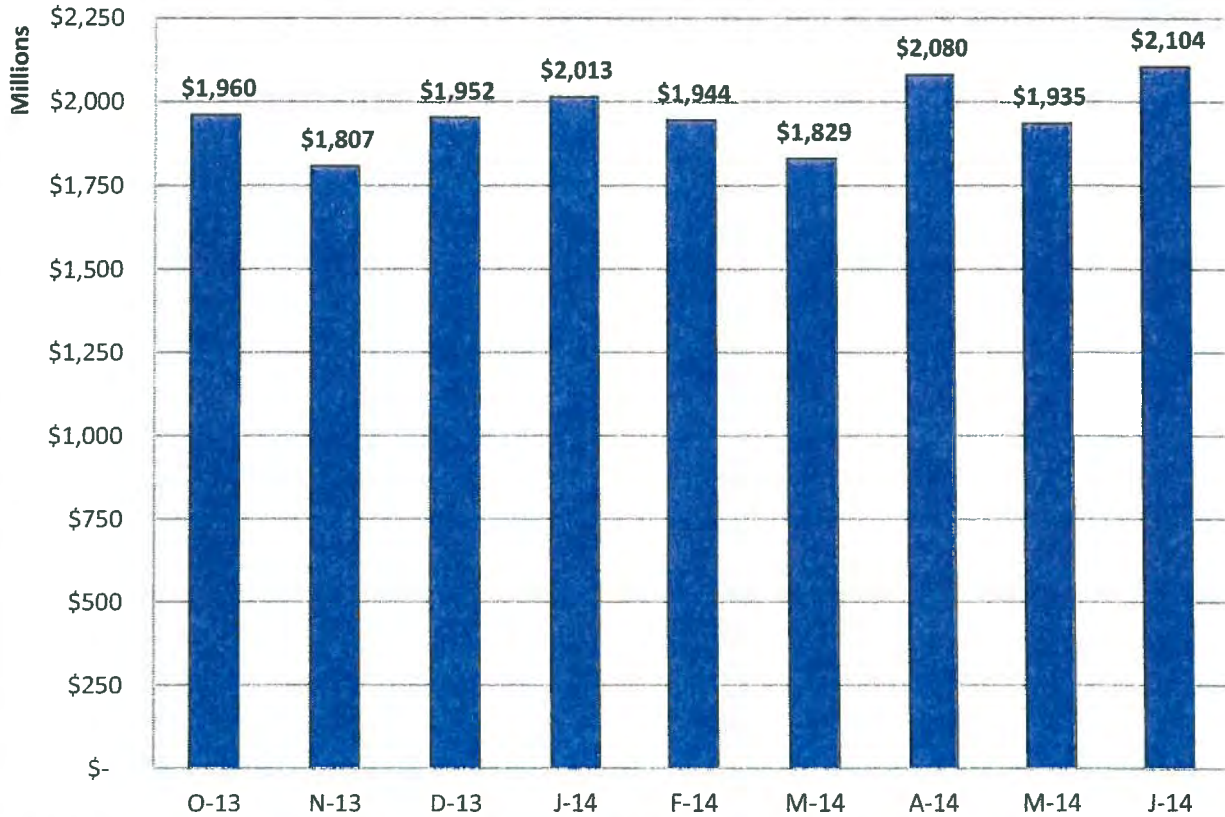
FY - 14 GFIP Balance Projections



GFIP Cash Flows



GFIP Projected Month-Ending Balances FY-14

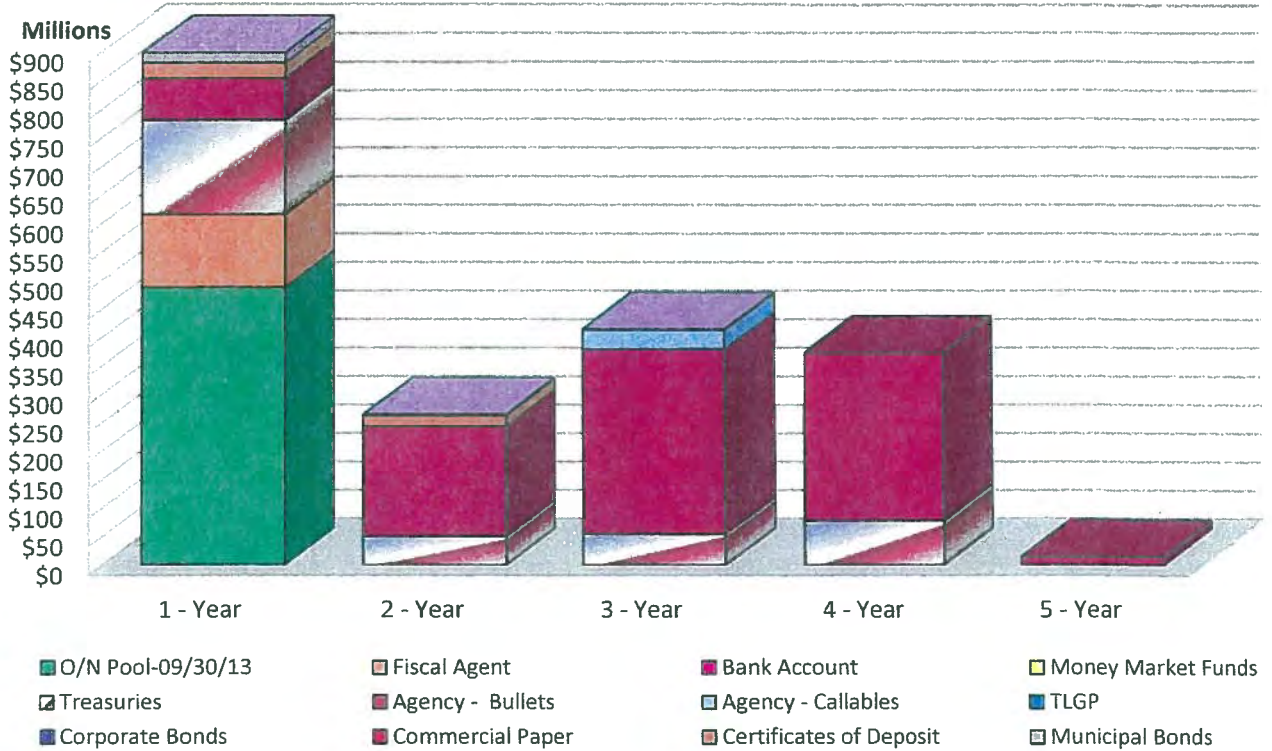


Oct-13	Nov-13	Dec-13	Jan-14	Feb-14
\$ 1,960,187,918	\$ 1,807,242,720	\$ 1,951,560,243	\$ 2,013,021,043	\$ 1,944,460,046

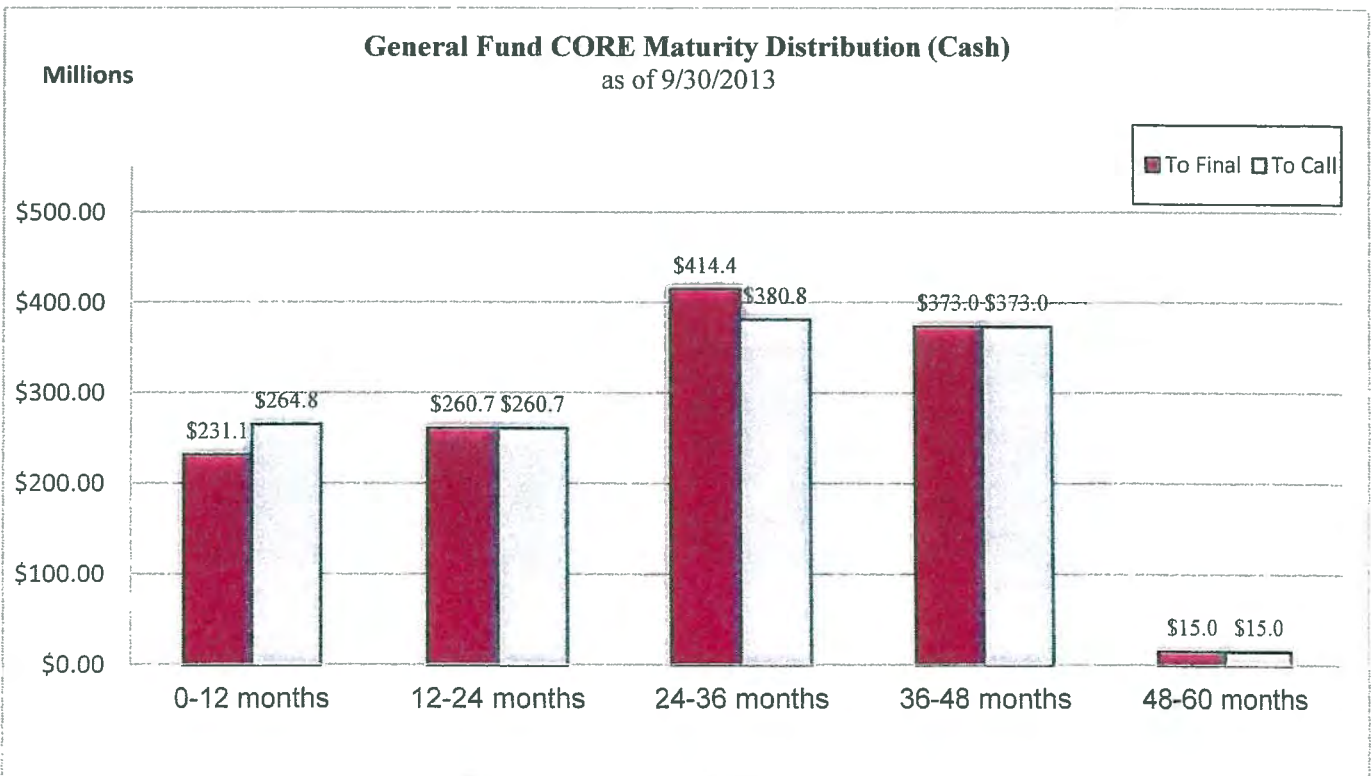
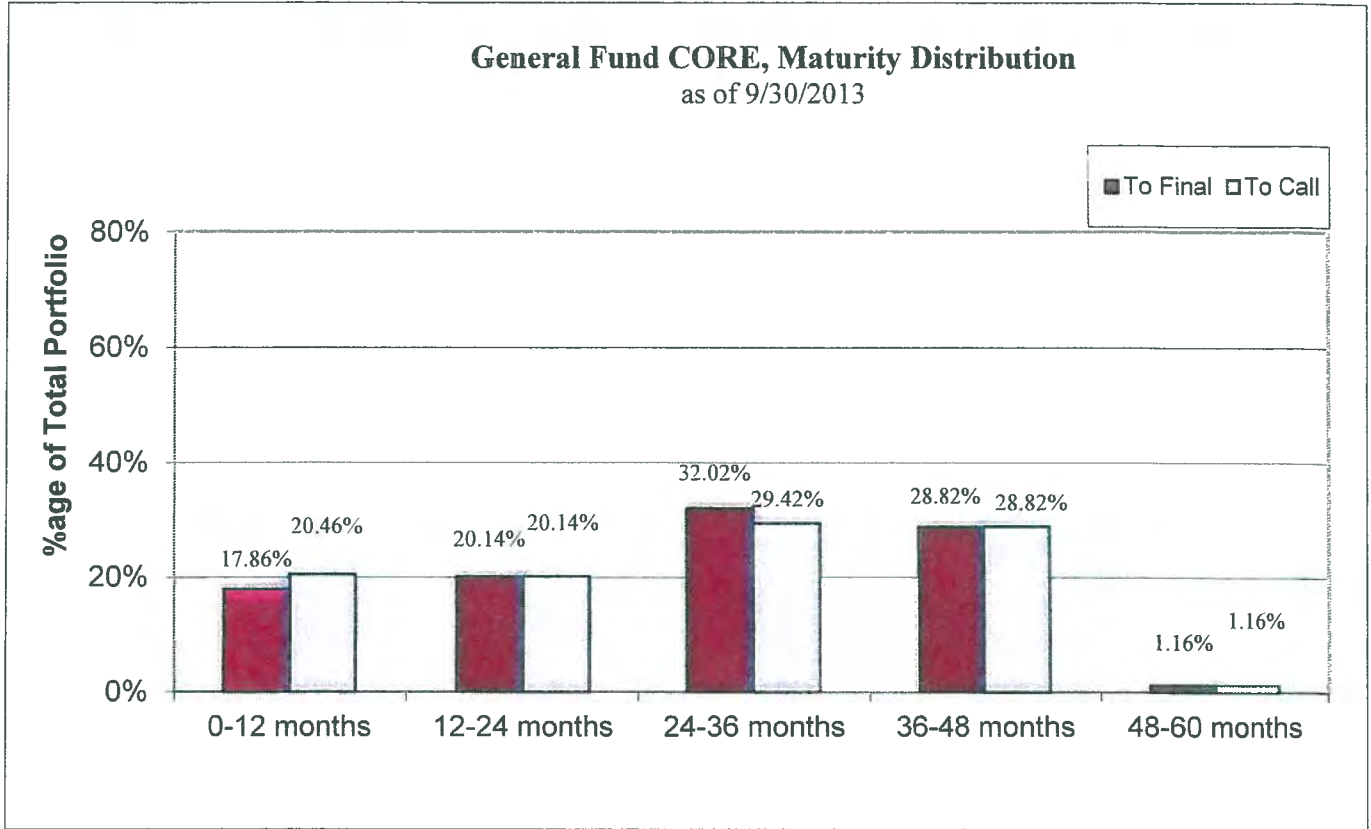
Mar-14	Apr-14	May-14	Jun-14
\$ 1,829,227,708	\$ 2,079,621,084	\$ 1,934,782,620	\$ 2,103,733,823



General Fund Maturity Ladder by Year & Asset Type as of September 30, 2013



Asset Allocation	1 - Year	2 - Year	3 - Year	4 - Year	5 - Year	Total	%
Agency - Bullets	73,000,000	193,250,000	324,500,000	294,500,000	15,000,000	900,250,000	46%
Agency - Callables			33,660,000			33,660,000	2%
TLGP						0	0%
Corporate Bonds						0	0%
Money Market Funds	1,300					1,300	0%
Municipal Bonds	17,355,412	2,015,000	1,260,000			20,630,412	1%
Certificates of Deposit	27,000,000	18,750,000				45,750,000	2%
Commercial Paper						0	0%
Treasuries	165,000,000	50,650,000	55,000,000	78,500,000		349,150,000	18%
Bank Account						0	0%
Fiscal Agent	127,565,471					127,565,471	6%
O/N Pool-09/30/13	488,183,824					488,183,824	25%
Total:	898,106,008	264,665,000	414,420,000	373,000,000	15,000,000	1,965,191,008	100%
% of Total:	46%	13%	21%	19%	1%		





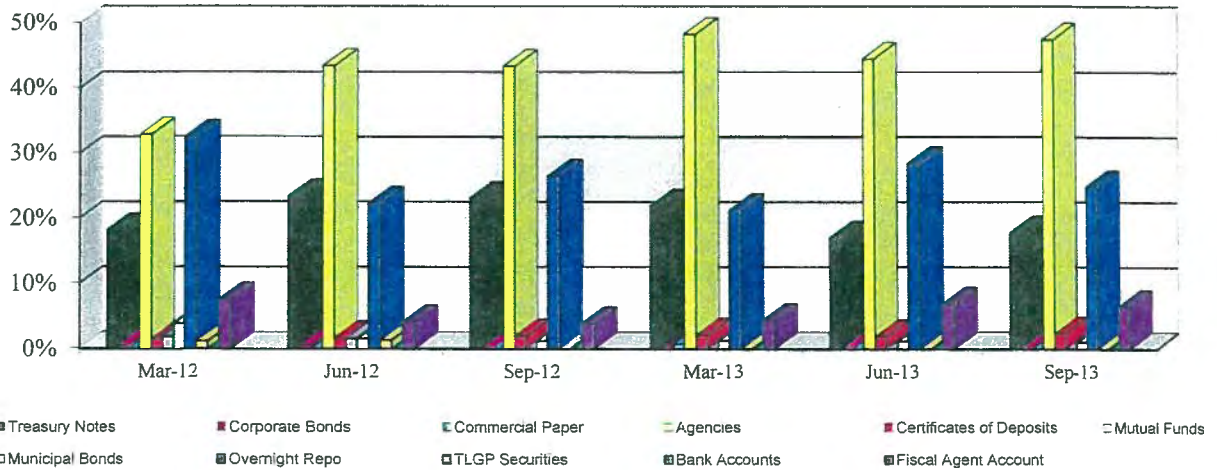
General Fund Portfolio Allocation - Month ending September 30, 2013

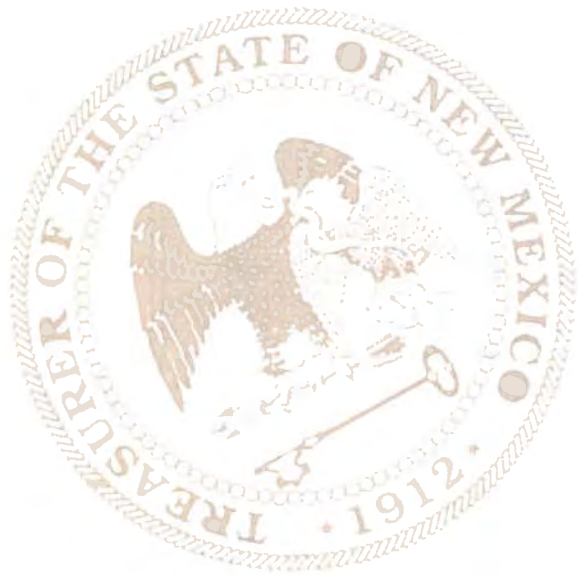
Allocation by Amount

Number of Items	96	98	109	85	86	93
	Mar-12	Jun-12	Sep-12	Mar-13	Jun-13	Sep-13
Treasury Notes	395,000,000	436,850,000	440,600,000	391,250,000	350,650,000	349,150,000
Corporate Bonds	10,000,000	10,000,000	0	0	0	0
Commercial Paper	0	0	0	13,500,000	0	0
TLGP Securities	25,000,000	25,000,000	0	0	0	0
Agencies	714,540,000	814,410,000	827,910,000	863,210,000	917,910,000	933,910,000
Bank Accounts	0	0	0	0	0	0
Certificates of Deposits	32,750,000	30,750,000	37,750,000	37,750,000	38,750,000	45,750,000
Money Market	40,027,793	30,027,794	1,299	1,300	1,300	1,300
Municipal Bonds	84,530,000	30,765,000	22,880,000	22,880,000	24,967,000	20,630,412
Overnight Repo	706,683,493	417,064,988	505,125,131	378,964,188	585,859,446	488,183,824
Fiscal Agent Account	164,300,659	77,966,347	73,606,297	77,984,704	141,908,562	127,565,471
Total	2,172,831,945	1,872,834,129	1,907,872,727	1,785,540,192	2,060,046,308	1,965,191,007

Allocation by Percent

	Mar-12	Jun-12	Sep-12	Mar-13	Jun-13	Sep-13
Treasury Notes	18.2%	23.3%	23.1%	21.9%	17.0%	17.8%
Corporate Bonds	0.5%	0.5%	0.0%	0.0%	0.0%	0.0%
Commercial Paper	0.0%	0.0%	0.0%	0.8%	0.0%	0.0%
TLGP Securities	1.2%	1.3%	0.0%	0.0%	0.0%	0.0%
Agencies	32.9%	43.5%	43.4%	48.3%	44.6%	47.5%
Certificates of Deposits	1.5%	1.6%	2.0%	2.1%	1.9%	2.3%
Bank Accounts	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Mutual Funds	1.8%	1.6%	0.0%	0.0%	0.0%	0.0%
Municipal Bonds	3.9%	1.6%	1.2%	1.3%	1.2%	1.0%
Overnight Repo	32.5%	22.3%	26.5%	21.2%	28.4%	24.8%
Fiscal Agent Account	7.6%	4.2%	3.9%	4.4%	6.9%	6.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%





9. Portfolio Summary- General Fund

Portfolio Summary – General Fund Investment Pool

Summary

- The General Fund Investment Pool (Bank, Liquidity and Core Portfolios) closed the month of September at \$2.1 Billion, an increase of \$100MM over August balances.

Portfolio Mix

- At month end, 99% of the General Fund CORE portfolio was invested in fixed income securities; 41% in US Government Securities; 59% in Government Related Securities (Municipal Bonds and Agency Securities), and the balance ~1% in Cash.
- 18% of the portfolio is invested in securities that mature in one year; 22% in securities that mature from 1-2 years; 58% in 2-4 years and 2% within 5 years.
- The General Fund Core portfolio held positions in 87 securities at the end of September.
- The Weighted Average Life of the CORE portion of the general fund is 2.30 years. The Weighted Average duration is 2.20 years.
- The benchmark duration for the CORE portfolio is 2.25 years.
- The maximum security term for the CORE portfolio is 5 years.

Performance

- For September, the General Fund CORE portfolio slightly lagged its benchmark by two basis points (0.02%). The general fund gained 0.39% and the benchmark gained 0.41%.
- For the last 3 months, the general fund slightly outperformed its benchmark by 6 basis points (0.06%). The general fund gained 0.44% while the benchmark gained 0.38%.
- For the last 12-months, the general fund outperformed its benchmark by 13 basis points (0.13%). The general fund gained 0.15% while the benchmark gained 0.02%.

Market Value and Investment Earnings

- Unrealized gains in the Core Portfolio at the end of September were \$2.5 million.
- Over the month, the unrealized value of the portfolio increased by \$4.5 Million due primarily to lower rates in the secondary market.
- Monthly Earnings for September on the General Fund Portfolios were \$0.9 million.
- Year-to-date earnings were over \$2.6 million.
- The most recent LFC Consensus Revenue Estimate projected the STO portion of General Fund Investment Pool earnings at \$16 Million.
- STO projection of those earnings for FY14 is \$8.6 million.
- Earnings on the General Fund are used to offset General Fund Spending.

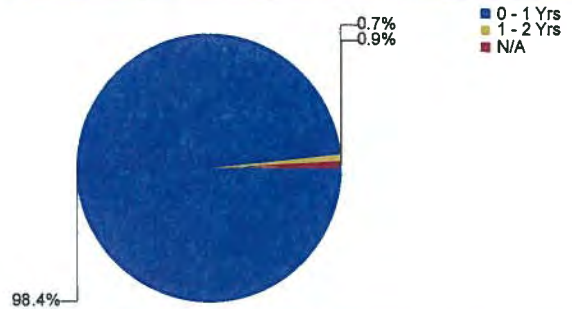
Investment Highlights

- Maturing securities and free cash are invested to the benchmark duration.
- Relative overweight in agency securities relative to the benchmark has resulted in a portion of performance gains. Relative overweight in duration has resulted in a portion of performance gains.

Portfolio Characteristics

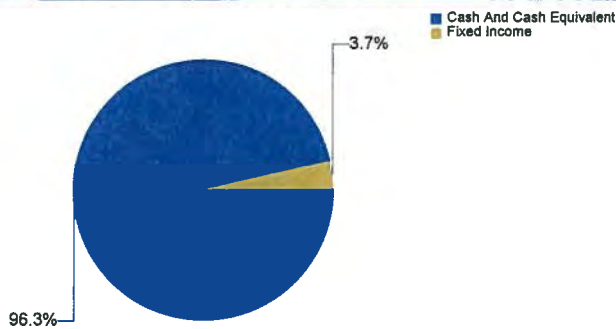
Duration Mix

Total Net Assets (Millions)	543.4
Weighted Average Life (Years)	0.05
Weighted Avg. Effective Duration (Years)	0.04
Weighted Average Coupon (%)	0.11
Weighted Average Current Yield (%)	0.11
Weighted Average Yield to Maturity (%)	0.11
Weighted Average Rating	AA+
Number of Holdings	30



Asset Mix

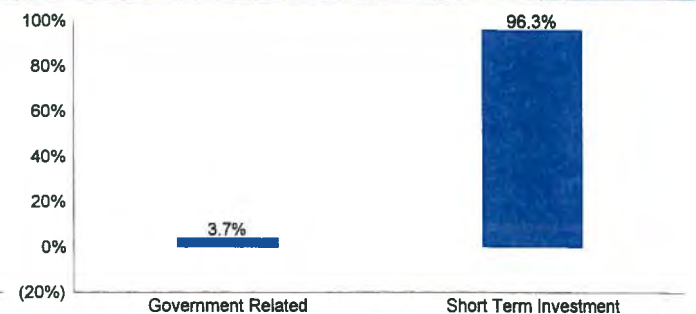
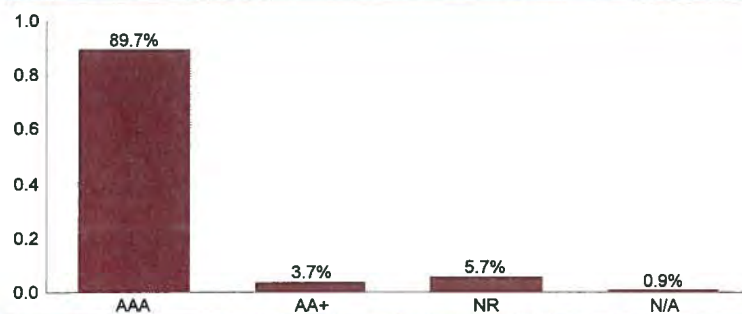
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
99DR30042	REPO BANK OF NEW YORK/SOUTH STREET SECS 093013O	7.98%	0.09	1/10/2013
99DR30041	REPO BANK OF NEW YORK/SOUTH STREET SECS 093013P	7.06%	0.09	1/10/2013
99DR30040	REPO BANK OF NEW YORK/SOUTH STREET SECS 093013Q	7.61%	0.09	1/10/2013
99DR30038	REPO BANK OF NEW YORK/SOUTH STREET SECS 093013S	7.04%	0.09	1/10/2013
99DR30037	REPO BANK OF NEW YORK/SOUTH STREET SECS 093013T	7.03%	0.09	1/10/2013
99DR30027	REPO MITSUBISHI UFJ SECURITIES (USA),INC. 093013AD	8.36%	0.09	1/10/2013
99DR30030	REPO MITSUBISHI UFJ SECURITIES (USA),INC. 093013AA	4.95%	0.09	1/10/2013
99DR30029	REPO MITSUBISHI UFJ SECURITIES (USA),INC. 093013AB	4.95%	0.09	1/10/2013
99DR30031	REPO MITSUBISHI UFJ SECURITIES (USA),INC. 093013AZ	4.95%	0.09	1/10/2013
99DR30033	REPO MITSUBISHI UFJ SECURITIES (USA),INC. 093013X	4.95%	0.09	1/10/2013
99DR30035	REPO MITSUBISHI UFJ SECURITIES (USA),INC. 093013V	4.95%	0.09	1/10/2013
99DR30032	REPO MITSUBISHI UFJ SECURITIES (USA),INC. 093013Y	4.95%	0.09	1/10/2013
99DR30034	REPO MITSUBISHI UFJ SECURITIES (USA),INC. 093013W	4.95%	0.09	1/10/2013

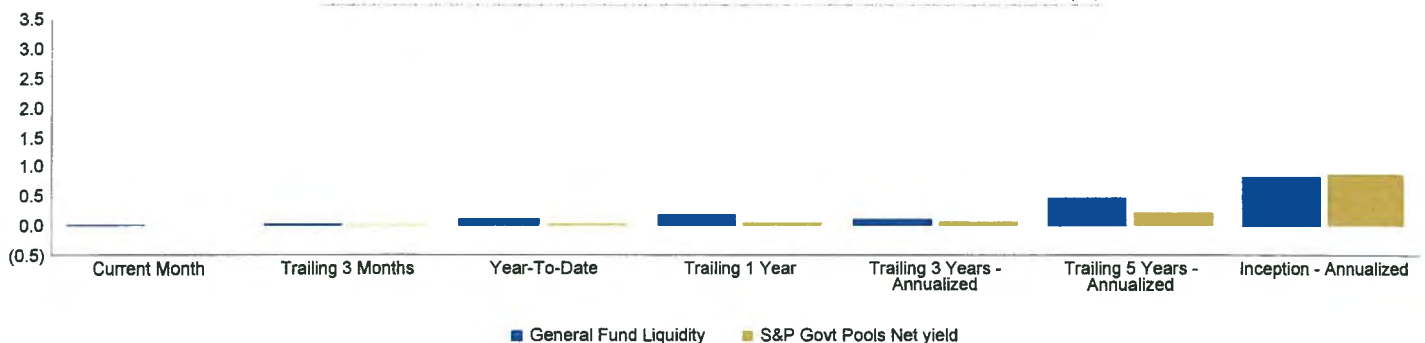
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



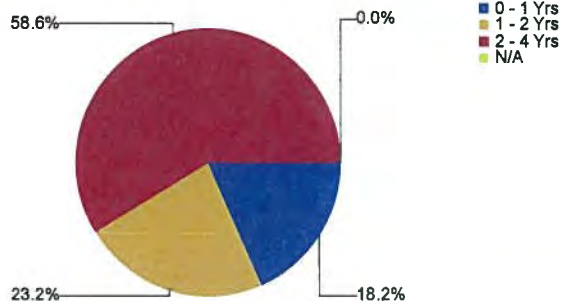
Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
General Fund Liquidity	0.01	0.03	0.11	0.18	0.11	0.48	0.82
S&P Govt Pools Net yield	0.00	0.01	0.03	0.05	0.06	0.22	0.88
Excess	0.01	0.02	0.08	0.13	0.04	0.24	(0.06)

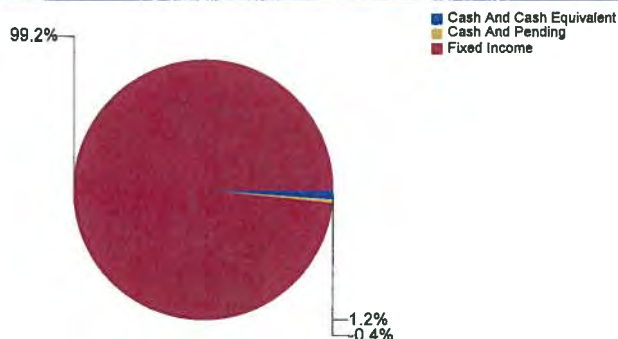


Portfolio Characteristics

Total Net Assets (Millions)	1,327.6
Weighted Average Life (Years)	2.30
Weighted Avg. Effective Duration (Years)	2.21
Weighted Average Coupon (%)	1.78
Weighted Average Current Yield (%)	0.55
Weighted Average Yield to Maturity (%)	0.56
Weighted Average Rating	AA
Number of Holdings	87



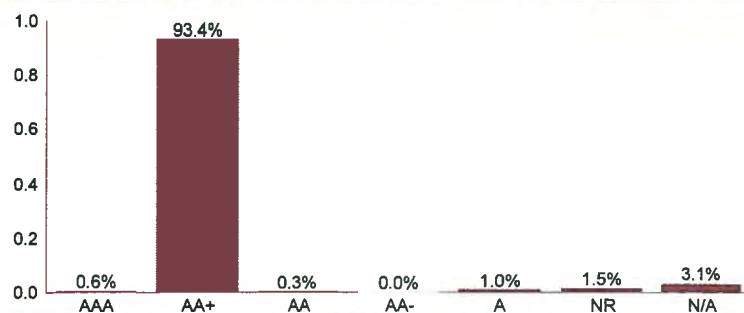
Asset Mix



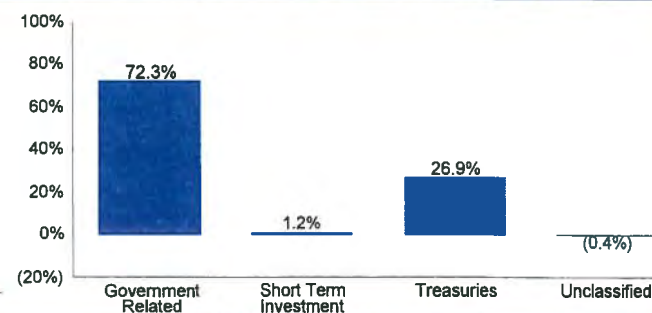
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
3135G0LN1	FEDERAL NATIONAL MORTGAGE ASSOC 0.5% NTS	4.52%	0.50	2/7/2015
31359MH89	FEDERAL NATIONAL MORTGAGE ASSOC 5% BDS 15/MAR/2016	3.33%	5.00	15/3/2016
3137EACW7	FEDERAL HOME LOAN MORTGAGE CORP 2% BDS 25/AUG/2018	3.12%	2.00	25/8/2016
3135G0GY3	FEDERAL NATIONAL MORTGAGE ASSOC 1.25% MTG BDS	3.04%	1.25	30/1/2017
91282KF8	UNITED STATES OF AMER TREAS NOTES 1.875% TB	3.03%	1.88	28/2/2014
3135G0S80	FEDERAL NATIONAL MORTGAGE ASSOC 0.375% BDS	3.00%	0.38	21/12/2015
313383AR8	FEDERAL HOME LOAN BANKS 0.375% BDS 24/JUN/2018	2.99%	0.38	24/6/2018
31359M2D4	FEDERAL NATIONAL MORTGAGE ASSOC 4.875% BDS	2.91%	4.88	15/12/2016
3135G08A0	FEDERAL NATIONAL MORTGAGE ASSOC 2.375% NTS	2.81%	2.38	11/4/2016
912828SJ0	US 0.87500 '17	2.52%	0.88	28/2/2017

Quality/Rating Weightings

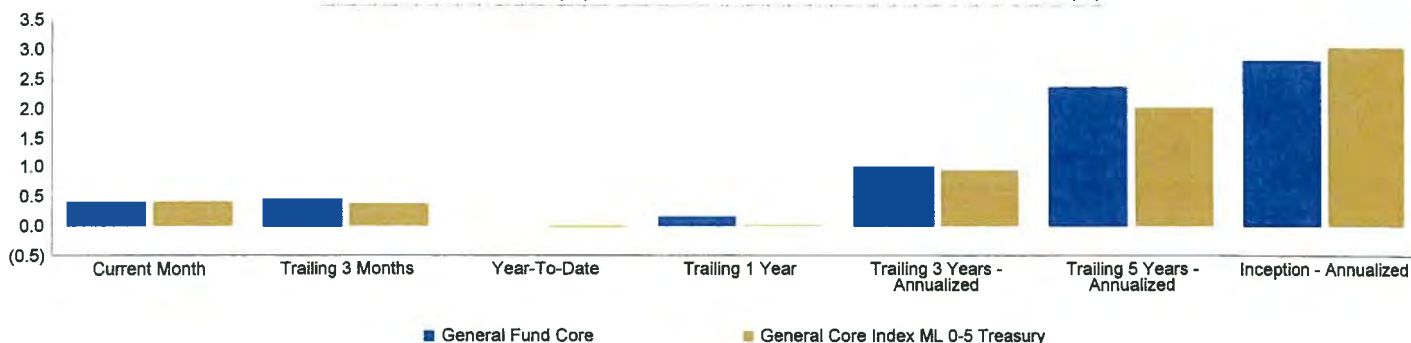


Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
General Fund Core	0.39	0.44	0.00	0.15	1.00	2.38	2.81
General Core Index ML 0-5 Treasury	0.41	0.38	(0.03)	0.02	0.95	2.01	3.04
Excess	(0.02)	0.07	0.03	0.13	0.05	0.35	(0.23)



STATE OF NEW MEXICO
GENERAL FUND (1000)
Portfolio Classification Summary
Positions Held as of 9/30/13 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	2	.0913	.00270	487,476,058	487,476,058	487,476,058		89.709
CERTIFICATES OF DEPOSIT	9	.4033	.64809	30,750,000	30,750,000	30,750,000		5.659
AGENCY US VARIABLE ACT/360 4X	1	.1110	.31510	20,000,000	19,999,052	20,001,200	2,148	3.681
MUNI US 30/360 2X	1	.3549	.66850	200,000	206,186	206,312	126	.038
MUNICIPAL BOND REVENUE	1	.3537	.74790	4,965,412	4,965,412	4,965,412		.914
	14	.1121	.05777	543,391,470	543,396,708	543,398,982	2,274	100.000

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: SVIGIL
 RUN: 10/18/13 @ 09:15:00
 BASIS: TRADE (SIC FROM SECURITY-MASTER)
 AS-OF: 9/30/13
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 9/30/13

STATE OF NEW MEXICO
 T R E A S U R E R ' S O F F I C E

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
5,000,000	FIRST NATIONAL BANK SANTA FE	10336906	.400	10/15/13	.400	100.000000000	5,000,000.00	5,000,000.00
8,000,000	CENTURY BANK SANTA FE	17099247	.300	10/31/13	.300	100.000000000	8,000,000.00	8,000,000.00

13,000,000					.063		13,000,000.00	13,000,000.00

====> 0002 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2013 <====

20,000,000	FEDERAL HOME LOAN BANKS	3133804M	.273	1/23/14	.112	99.995260300	19,999,052.06	20,001,200.00
4,965,412	STN SERIES 2013S-C	STN2013S	.350	6/30/14	.354	100.000008257	4,965,412.41	4,965,412.41
2,000,000	UNION SAVINGS BANK	00015400	.400	7/08/14	.400	100.000000000	2,000,000.00	2,000,000.00
2,000,000	UNION SAVINGS BANK	00156000	.600	8/27/14	.600	100.000000000	2,000,000.00	2,000,000.00
2,000,000	Bank 34	01010047	.550	8/28/14	.550	100.000000000	2,000,000.00	2,000,000.00
8,000,000	CENTURY BANK SANTA FE	17099245	.400	9/29/14	.400	100.000000000	8,000,000.00	8,000,000.00

38,965,412					.021		38,964,464.47	38,966,612.41

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

250,000	GUADALUPE CREDIT UNION	735605	1.000	3/26/15	1.000	100.000000000	250,000.00	250,000.00
3,000,000	FARMERS & STOCKMEN'S BANK	8521510	.400	4/23/15	.400	100.000000000	3,000,000.00	3,000,000.00
500,000	WESTERN BANK CLOVIS	0.515981	.500	6/03/15	.500	100.000000000	500,000.00	500,000.00

3,750,000					.217		3,750,000.00	3,750,000.00

====> 0003 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2015 <====

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: SVIGIL
 RUN: 10/18/13 @ 09:15:00
 BASIS: TRADE (SIC FROM SECURITY-MASTER)
 AS-OF: 9/30/13
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 9/30/13

STATE OF NEW MEXICO
 T R E A S U R E R ' S O F F I C E

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
200,000	GALLUP N MEX JT UTIL REV JT UTIL	364046EA	5.000	6/01/17	.355	103.093195000	206,186.39	206,312.00
200,000					3.948		206,186.39	206,312.00

====> 0001 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2017 <====

55,915,412	.015	55,920,650.86	55,922,924.41
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====> 0012 ITEMS IN SUBTOTAL FOR ====> FUND-NAME..... ====> GENERAL FUND <====

STATE OF NEW MEXICO
GENERAL FUND CORE (1001)
Portfolio Classification Summary
Positions Held as of 9/30/13 (TRADE BASIS)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (0/N)	1	.0913	.00270	707,766	707,766	707,766		.053
CERTIFICATES OF DEPOSIT	2	.4833	1.09680	15,000,000	15,000,000	15,000,000		1.127
U.S. TREASURY BONDS	1	.3822	2.12600	15,000,000	18,006,735	18,017,550	10,815	1.354
US TREASURY NOTE ACT/ACT 2X	16	.9047	1.65228	334,150,000	336,295,036	337,582,693	1,287,657	25.366
AGENCY US BOND 30/360 2X	7	.5811	2.31809	143,000,000	144,168,528	144,047,680	-120,848	10.824
AGENCY 30/360 2X	3	.9672	2.96707	66,000,000	65,982,082	66,356,050	373,968	4.986
AGENCY US NOTES 30/360 2X	24	.8160	2.52677	524,910,000	544,175,897	544,961,043	785,146	40.949
FED NATL MORTGAGE ASSN DEBS	7	.7126	2.38803	180,000,000	180,262,538	180,452,700	190,162	13.559
MUNI US 30/360 2X	22	.6849	1.15295	21,925,000	22,396,567	22,426,196	29,629	1.685
MUNICIPAL BOND REVENUE	4	.4798	1.37157	1,245,000	1,277,187	1,277,536	349	.096
UNITS - INVESTMENT POOL 1	1			1,300	1,300	1,300		
CASH ACCOUNT	1			5,384	5,384	5,384		
	89	.7939	2.23584	1,301,944,450	1,328,279,020	1,330,835,898	2,556,878	100.000

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: SVIGIL
 RUN: 10/18/13 @ 09:15:00
 BASIS: TRADE (SIC FROM SECURITY-MASTER)
 AS-OF: 9/30/13
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 9/30/13

STATE OF NEW MEXICO
 T R E A S U R E R ' S O F F I C E

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
1,300 UNITS -	INVESTMENT POOL 1	UNITS001				1.000346154	1,300.45	1,300.00
1,300					625.92		1,300.45	1,300.00
====> 0001 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> NO-MEANINGFUL-DATE <====								
10,000,000	FEDERAL HOME LOAN BANKS	313371UC	.875	12/27/13	1.110	99.947022200	9,994,702.22	10,019,000.00
10,000,000					.081		9,994,702.22	10,019,000.00
====> 0001 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2013 <====								
13,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MTP	5.125	1/02/14	.828	101.084213077	13,140,947.70	13,167,440.00
10,000,000	FED HOME LOAN BANKS	313376UF	.375	1/29/14	.323	100.018426400	10,001,842.64	10,009,700.00
20,000,000	UNITED STATES TREASURY NOTES	912828JZ	1.750	1/31/14	.666	100.357852750	20,071,570.55	20,113,200.00
20,000,000	UNITED STATES TREASURY NOTES	912828QH	1.250	2/15/14	1.413	99.938872450	19,987,774.49	20,089,000.00
40,000,000	UNITED STATES TREASURY NOTES	912828KF	1.875	2/28/14	1.048	100.340624500	40,136,249.80	40,301,600.00
15,000,000	UNITED STATES TREASURY NOTES	912828KJ	1.750	3/31/14	.729	100.505841067	15,075,876.16	15,126,000.00
2,075,000	NEW MEXICO ST UNIV REVS	647429V5	.300	4/01/14	.304	100.000000000	2,075,000.00	2,072,945.75
20,000,000	UNITED STATES TREASURY NOTES	912828KN	1.875	4/30/14	1.476	100.229479550	20,045,895.91	20,208,600.00
20,000,000	UNITED STATES TREASURY NOTES	912828KV	2.250	5/31/14	1.509	100.486686250	20,097,337.25	20,285,200.00
3,060,000	NEW MEXICO FIN AUTH REV	64711NNW	3.000	6/01/14	1.490	101.009999020	3,090,905.97	3,105,900.00
3,615,000	NEW MEXICO FIN AUTH REV	64711NPB	2.000	6/01/14	.456	101.030324205	3,652,246.22	3,656,283.30

SOURCE: VisualQED

MODEL: INVENTORY

USER: SVIGIL

RUN: 10/18/13 @ 09:15:00

BASIS: TRADE (SIC FROM SECURITY-MASTER)

AS-OF: 9/30/13

AMRTZD: BOOK VALUES AMORTIZED THROUGH 9/30/13

STATE OF NEW MEXICO
T R E A S U R E R ' S O F F I C E

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
770,000	NEW MEXICO FIN AUTH REV	64711NPX	2.000	6/01/14	1.014	100.662185714	775,098.83	776,591.20
165,000	UNIVERSITY OF NM-REFUNDING	914692Q6	3.000	6/01/14	.487	101.674690909	167,763.24	167,973.30
330,000	UNIVERSITY OF NM-REFUNDING	914692N3	2.000	6/01/14	.487	101.010124243	333,333.41	333,768.60
250,000	MC KINLEY CNTY N MEX GROSS RCP R	581615CZ	4.500	6/01/14	.356	102.760000000	256,900.00	256,725.00
15,000,000	UNITED STATES TREASURY NOTES	912828QS	.750	6/15/14	.771	99.985009667	14,997,751.45	15,069,150.00
200,000	ALBUQUERQUE N MEX ARPT REV SUB L	013538KJ	5.000	7/01/14	.406	103.440740000	206,881.48	206,830.00
15,000,000	UNITED STATES TREAS NTS	912828LC	2.625	7/31/14	1.513	100.913960267	15,137,094.04	15,313,500.00
2,175,000	BELEN N MEX CONS SCH DIST NO 2 G	077581NT	2.000	8/01/14	.356	101.371076782	2,204,820.92	2,205,624.00
1,310,000	ARTESIA N MEX SPL HOSP DIST GO B	04310KAW	3.000	8/01/14	.407	101.951000000	1,335,558.10	1,338,715.20
120,000	BELEN N MEX CONS SCH DIST NO 2 G	077581NM	2.500	8/01/14	.406	101.745000000	122,094.00	122,034.00
1,750,000	GADSDEN INDEPENDENT SCHOOL DIST	GISD14R1	.600	8/15/14	.608	100.000000000	1,750,000.00	1,750,000.00
20,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0BY	.875	8/28/14	.457	100.383461300	20,076,692.26	20,132,400.00
10,000,000	FIRST NATIONAL BANK SANTA FE	01033690	.550	10/15/14	.550	100.000000000	10,000,000.00	10,000,000.00
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACY	.750	11/25/14	.772	99.987289200	9,998,728.92	10,065,000.00
5,000,000	CENTURY BANK SANTA FE	17099243	.350	12/15/14	.350	100.000000000	5,000,000.00	5,000,000.00
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADA	.625	12/29/14	.364	100.330002150	20,066,000.43	20,099,600.00
268,820,000					.003		269,804,363.77	270,973,780.35

====> 0027 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2014 <====

29,000,000	FEDERAL HOME LOAN BANK	313381YP	.250	2/20/15	.297	99.940312345	28,982,690.58	28,991,300.00
20,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0HG	.375	3/16/15	.541	99.769565250	19,953,913.05	20,033,600.00
540,000	NEW MEXICO ST UNIV REVS	647429V6	.800	4/01/15	.811	100.000000000	540,000.00	539,519.40
20,000,000	UNITED STATES TREAS NTS	912828SP	.375	4/15/15	.387	99.981749500	19,996,349.90	20,043,000.00

SOURCE: VisualQED

MODEL: INVENTORY

USER: SVIGIL

RUN: 10/18/13 @ 09:15:00

BASIS: TRADE (SIC FROM SECURITY-MASTER)

AS-OF: 9/30/13

AMRTZD: BOOK VALUES AMORTIZED THROUGH 9/30/13

STATE OF NEW MEXICO
T R E A S U R E R ' S O F F I C E

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
1,500,000	ALBUQUERQUE BERNALILLO CNTY WT J	013493ER	5.000	7/01/15	.467	107.640000000	1,614,600.00	1,619,550.00
60,000,000	FED NATL MORTGAGE ASSN DEBS	3135GOLN	.500	7/02/15	.511	99.992807300	59,995,684.38	60,162,000.00
10,500,000	UNITED STATES TREASURY NOTES	912828TD	.250	7/15/15	.320	99.876009048	10,486,980.95	10,492,230.00
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134A4VC	4.375	7/17/15	.965	106.075517800	21,215,103.56	21,455,000.00
25,000	SOUTHERN SANDOVAL CNTY N MEX A	843789FH	2.000	8/01/15	.710	102.363200000	25,590.80	25,632.75
500,000	BELEN N MEX CONS SCH DIST NO 2 G	077581NU	2.000	8/01/15	.507	102.733246000	513,666.23	513,835.00
250,000	BERNALILLO NM MUNI SCH DIST #1	85279PF8	3.130	8/01/15	.512	104.783464000	261,958.66	261,958.66
500,000	ALBUQUERQUE N MEX MUN SCH DIST S	013595RX	2.000	8/01/15	.456	102.826132000	514,130.66	513,835.00
150,000	TRUTH OR CONSEQUENCES N MEX MU G	898439EE	2.000	8/01/15	.608	102.467000000	153,700.50	153,796.50
20,150,000	UNITED STATES TREAS NTS	912828EE	4.250	8/15/15	.346	107.278851663	21,616,688.61	21,632,032.50
1,000,000	GADSDEN INDEPENDENT SCHOOL DIST	GISD15R2	.800	8/15/15	.811	100.000000000	1,000,000.00	1,000,000.00
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACM	1.750	9/10/15	1.015	101.436362150	20,287,272.43	20,527,400.00
14,250,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135GONV	.500	9/28/15	.503	100.007925895	14,251,129.44	14,275,935.00
15,000,000	UNITED STATES TREASURY BONDS	912810DT	9.875	11/15/15	.382	120.044905533	18,006,735.83	18,017,550.00
13,000,000	FEDERAL HOME LOAN BANKS	313380L9	.500	11/20/15	.432	100.157577154	13,020,485.03	13,000,780.00
40,000,000	FNMA	3135G0SB	.375	12/21/15	.439	99.872832625	39,949,133.05	39,894,000.00
11,660,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3EG	1.150	12/30/15	1.166	100.000000000	11,660,000.00	11,684,252.80
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3FA	1.100	12/30/15	1.115	100.000000000	10,000,000.00	10,018,200.00
308,025,000					.003		314,045,813.66	314,855,407.61

====> 0022 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2015 <====

12,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0TZ	.450	1/29/16	.456	100.000000000	12,000,000.00	11,975,880.00
40,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MH8	5.000	3/15/16	.763	110.313764700	44,125,505.88	44,280,400.00

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: SVIGIL
 RUN: 10/18/13 @ 09:15:00
 BASIS: TRADE (SIC FROM SECURITY-MASTER)
 AS-OF: 9/30/13
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 9/30/13

STATE OF NEW MEXICO
 T R E A S U R E R ' S O F F I C E

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
580,000	NEW MEXICO ST UNIV REVS	647429V7	1.000	4/01/16	1.014	100.000000000	580,000.00	575,882.00
35,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0BA	2.375	4/11/16	.804	103.952532169	36,903,148.92	37,050,995.00
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACT	2.500	5/27/16	1.095	103.705858050	20,741,171.61	20,960,000.00
25,000,000	FEDERAL AGRICULTURAL MORTG CORP	31315PB7	.900	6/09/16	.913	100.000000000	25,000,000.00	25,239,000.00
40,000,000	FEDERAL HOME LOAN BANK	3133834R	.375	6/24/16	.438	99.845025025	39,938,010.01	39,789,200.00
180,000	NEW MEXICO ST SEVERANCE TAX	647310Q4	5.000	7/01/16	.709	111.692533333	201,046.56	201,000.60
1,000,000	ALBUQUERQUE BERNALILLO CNTY WT J	013493ES	5.000	7/01/16	.842	111.075000000	1,110,750.00	1,114,930.00
500,000	ALBUQUERQUE BERNALILLO CNTY WT J	013493DW	4.000	7/01/16	.842	108.419000000	542,095.00	544,105.00
15,000,000	FANNIE MAE .0375 MAT 7/8/2016	3135G0XP	.375	7/05/16	.493	99.695658667	14,954,348.80	14,867,250.00
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MS6	5.375	7/15/16	1.142	111.631509650	22,326,301.93	22,578,400.00
16,000,000	FARMER MAC	31315PR8	.770	8/01/16	.821	99.888010625	15,982,081.70	15,960,800.00
500,000	BELEN N MEX CONS SCH DIST NO 2 G	077581NV	2.000	8/01/16	.781	103.440234000	517,201.17	517,265.00
125,000	TRUTH OR CONSEQUENCES N MEX MU G	898439EF	2.000	8/01/16	1.014	102.729000000	128,411.25	129,031.25
20,000,000	UNITED STATES TREASURY NOTES	912828VR	.625	8/15/16	.620	100.014873900	20,002,974.78	20,012,600.00
40,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	.844	103.339684075	41,335,873.63	41,447,200.00
20,000,000	UNITED STATES TREASURY NOTES	912828RF	1.000	8/31/16	.929	100.202133050	20,040,426.61	20,212,600.00
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0CM	1.250	9/28/16	1.218	100.144169550	20,028,833.91	20,290,200.00
30,000,000	FEDERAL HOME LOAN MORTGAGE CORP.	3137EADS	.875	10/14/16	.874	100.040104800	30,012,031.44	30,121,800.00
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EAAJ	5.125	10/18/16	.561	113.795342400	22,759,068.48	22,608,400.00
34,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359M2D	4.875	12/15/16	.590	113.613860735	38,628,712.65	38,301,680.00
10,000,000	FEDERAL HOME LOAN BANKS	3133XHZK	4.750	12/16/16	.704	112.845103700	11,284,510.37	11,246,600.00
25,000,000	UNITED STATES TREAS NTS	912828RX	.875	12/31/16	.776	100.317055440	25,079,263.86	25,086,000.00
445,385,000					.002		464,221,768.56	465,111,218.85

====> 0024 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2016 <====

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: SVIGIL
 RUN: 10/18/13 @ 09:15:00
 BASIS: TRADE (SIC FROM SECURITY-MASTER)
 AS-OF: 9/30/13
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 9/30/13

STATE OF NEW MEXICO
 T R E A S U R E R ' S O F F I C E

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
25,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PN8	1.100	1/26/17	1.115	100.000000000	25,000,000.00	25,156,250.00
40,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0GY	1.250	1/30/17	1.069	100.638498375	40,255,399.35	40,448,400.00
20,000,000	UNITED STATES TREAS NTS	912828SC	.875	1/31/17	.846	100.096060200	20,019,212.04	20,048,400.00
20,000,000	FEDERAL HOME LOAN BANK	3133786Q	1.000	2/13/17	1.044	99.899228450	19,979,845.69	20,088,400.00
33,500,000	UNITED STATES TREAS NTS	912828SJ	.875	2/28/17	.872	100.010704955	33,503,586.16	33,549,580.00
20,000,000	FED HOME LOAN MORTGAGE CORP DBS	3137EADC	1.000	3/08/17	1.121	99.642972150	19,928,594.43	20,062,000.00
10,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0JA	1.125	4/27/17	1.064	100.265056500	10,026,505.65	10,034,500.00
20,000,000	FEDERAL HOME LN MTG CORP	3137EADH	1.000	6/29/17	.934	100.288689500	20,057,737.90	19,954,000.00
25,500,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADJ	1.000	7/28/17	.932	100.304558275	25,577,662.36	25,421,460.00
25,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0MZ	.875	8/28/17	.799	100.334808960	25,083,702.24	24,752,000.00
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADL	1.000	9/29/17	.900	100.437906200	15,065,685.93	14,872,500.00
254,000,000					.003		254,497,931.75	254,387,490.00

====> 0011 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2017 <====

15,000,000	FED NAT'L MORTGAGE ASSN DEB	3136G1EN	1.100	3/13/18	1.115	100.000000000	15,000,000.00	14,774,550.00
15,000,000					.054		15,000,000.00	14,774,550.00

====> 0001 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2018 <====

1301231300					.001		1327565880.41	1330122746.81
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====> 0087 ITEMS IN SUBTOTAL FOR ====> FUND-NAME..... ====> GENERAL FUND CORE <====



10. Portfolio Summary- Local Government Investment Pool (LGIP)

Portfolio Summary – Local Government Investment Pool (LGIP)

Summary

- Ending September market value for the LGIP was \$558mil, higher than the \$545mil reported at the end of August.
- The LGIP maintains an AAAM rating by Standard & Poor's.
- At the end of September the STO LGIP participant balance was \$24,323,379.99 or 4.4% of the Pool.
- At the end of August the Judicial District Court LGIP participant balance was \$4,606.724.15 or 0.8% of the Pool.

Portfolio Mix

- At the end of September 2013 the portfolio was invested as follows: 19% in US Treasuries, 24% in US Government Agencies, 32% in collateralized demand deposit accounts with qualified banking institutions, 17% in floating rate securities, and 8% in corporates/commercial paper.
- At month-end, the LGIP held positions in 40 securities.

Investment Earnings

- In September, the fund earned \$75,546 for its participants.
- For Fiscal Year 2013, the fund has earned \$221,194.
- 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 0.16% at the end of September.
- Net yield to participants was 0.11%.

Investment Highlights

- For the LGIP, the WAM(R) of 60 days, and WAM (F) of 88 days, were within their maximums of 60 and 120 days respectively.
- The LGIP experienced net subscriptions for the month of September, \$13mil.
- Maturities for September totaled \$39.3mil face amount.
- LGIP utilized term investments to reduce exposure to lower yielding collateralized bank deposits and overnight repo.
- The WAMs extended as maturing securities and excess cash were reinvested in Treasuries and Agencies out to one year, \$47.5mil, at yields between 0.16% and 0.18%.

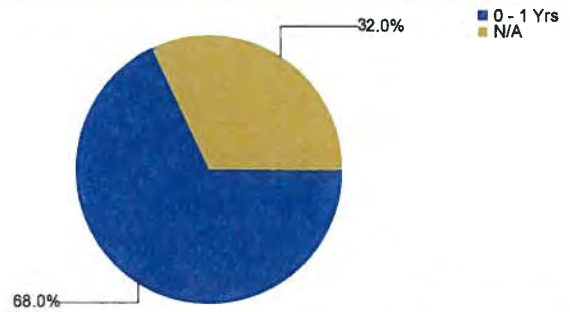
Investment Strategy

- LGIP WAMs are currently 53 and 80 days for WAM(R) and WAM (F) respectively.
- The LGIP has experienced net redemptions in October so far, ~ \$28mil.
- Maturities will total \$89.25mil in October.

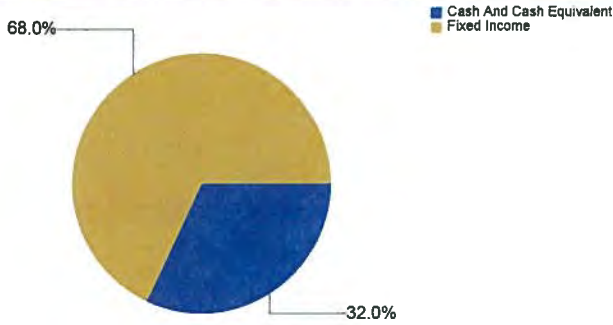
- For the month of October thus far, it would appear that interest rates have been relatively stable with 1, 2, 3 and 5 year maturities at 0.10%, 0.31%, 0.62% and 1.35% respectively.
- However, the federal government shutdown, which began on October 1, drove short term US Treasury yields sharply higher as investors feared that principal and interest payments on 1 to 2 month maturities would be delayed.
- One month Treasuries traded at a yield as high as 0.67% and two months at close to 0.30%.
- This short term dislocation snapped back to prior levels when the government reopened on October 16 with a debt limit extension to February 7, 2014.
- The LGIP was somewhat able to take advantage of the very short term yield spike by purchasing \$35mil Treasuries maturing in October and December 2013 at yields of 0.15% and 0.21%.
- Due to the shutdown's potentially negative effect on the economy, the Federal Reserve is now expected to postpone "tapering" of Treasury and mortgage-backed securities purchases until next year or possibly later.
- Janet Yellen was nominated to succeed Ben Bernanke as Chairman of the Federal Reserve. She is viewed by the financial markets as being more inclined to maintain stimulus.
- As WAMs recede and maturities occur, the LGIP will invest in securities that are longer dated and attractive vs. overnight collateralized bank deposits, as yields in very short paper, less than six months, have reverted back to unattractive levels.
- There may be the possibility of targeting maturities around early February 2014 in anticipation that the end of the debt limit extension may again cause some short term dislocations. However, the yields currently offered there are not attractive.
- LGIP will continue to focus on maximizing safety of principal and providing adequate liquidity through the use of conservative investments.

Portfolio Characteristics

Total Net Assets (Millions)	559.3
Weighted Average Life (Years)	0.24
Weighted Avg. Effective Duration (Years)	0.18
Weighted Average Coupon (%)	0.29
Weighted Average Current Yield (%)	0.08
Weighted Average Yield to Maturity (%)	0.08
Weighted Average Rating	AA-
Number of Holdings	40



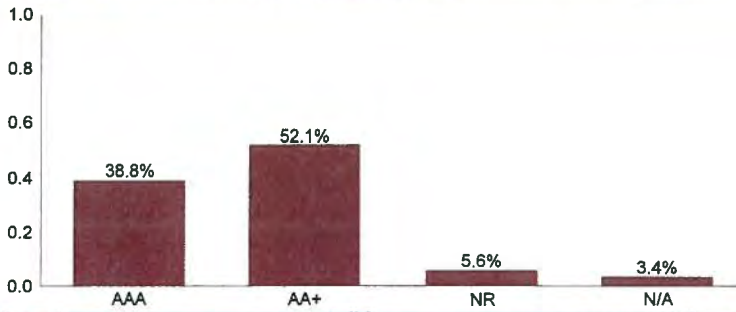
Asset Mix



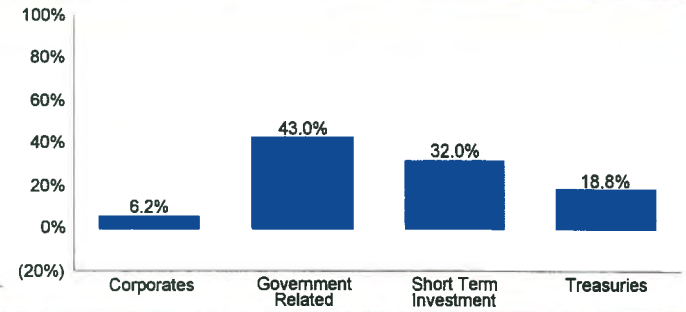
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
89498LC10	BANK OF THE WEST	21.21%	0.00	1/10/2013
91282BRW2	UNITED STATES TREAS NTS 0.125%31/DEC/2013	6.08%	0.12	31/12/2013
89498LC36	US BANK	5.38%	0.00	1/10/2013
894983C02	WELLS FARGO CHECKING 0.15% 31/DEC/2048	5.00%	0.15	1/10/2013
459058CB7	INTERNATIONAL BANK FOR REC & DEV 0.5% BDS	3.88%	0.50	28/11/2013
91282BRN2	UNITED STATES TREAS NTS 0.250% 31/OCT/2013	3.58%	0.25	31/10/2013
91282BR51	UNITED STATES TREAS NTS 0.25% 30/NOV/2013	3.58%	0.25	30/11/2013
313379QY8	FEDERAL HOME LOAN BANKS CONS BD FLT 13 20/DEC/2013	3.58%	0.15	20/12/2013
3133804M6	FEDERAL HOME LOAN BANKS CONS BD FLT 14 23/JAN/2014	3.58%	0.08	23/1/2014
313383RX1	FEDERAL HOME LOAN BANKS CONS BD 0.13% 22/APR/2014	3.40%	0.13	22/4/2014

Quality/Rating Weightings

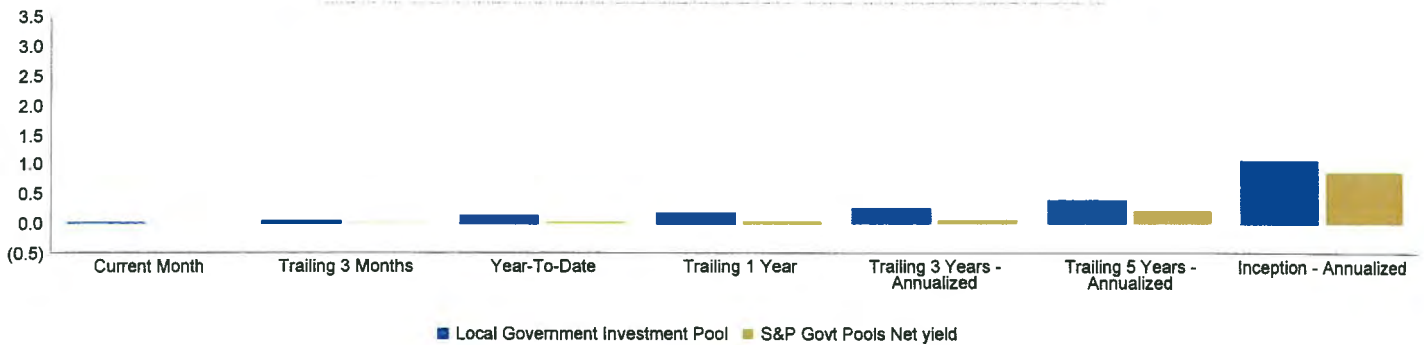


Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Local Government Investment Pool	0.02	0.05	0.14	0.18	0.28	0.39	1.07
S&P Govt Pools Net yield	0.00	0.01	0.03	0.05	0.08	0.22	0.88
Excess	0.01	0.04	0.11	0.13	0.20	0.17	0.19



STATE OF NEW MEXICO
LGIP FUND (4101)
Portfolio Classification Summary
Positions Held as of 9/30/13 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
US TREASURY NOTE ACT/ACT 2X	7	.1440	.26633	104,500,000	104,769,240	104,792,205	22,965	18.749
AGENCY US BOND 30/360 2X	7	.1511	.44552	77,155,000	77,161,902	77,170,937	9,035	13.807
AGENCY US DISC ACT/360 360 DAY	6	.1212	.32217	28,704,000	28,691,688	28,695,365	3,677	5.134
AGENCY US NOTES 30/360 2X	2	.1508	.46008	27,370,000	27,453,813	27,456,170	2,357	4.912
AGENCY US VARIABLE ACT/360 4X	10	.1405	.46194	95,720,000	95,744,636	95,760,089	15,453	17.133
CORP US NOTE 30/360 2X	2	.1515	.10353	12,340,000	12,342,927	12,342,468	-459	2.208
MEDIUM-TERM NOTES	1	.1544	.15620	22,235,000	22,246,801	22,246,118	-683	3.980
CORP US DISC ACT/ACT 365 DAY	1	.1854	.06850	11,380,000	11,378,613	11,378,748	135	2.036
CASH ACCOUNT	4	.1927		179,067,660	179,067,660	179,067,660		32.039
	<u>40</u>	<u>.1606</u>	<u>.35264</u>	<u>558,471,660</u>	<u>558,857,280</u>	<u>558,909,760</u>	<u>52,480</u>	<u>100.000</u>

SOURCE: VisualQED
 MODEL: INVENTORY
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STATE OF NEW MEXICO
 T R E A S U R E R ' S O F F I C E

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
12,000,000	FEDERAL HOME LOAN BANKS	313380V6	.220	10/01/13	.116	100.000000000	12,000,000.00	12,000,000.00
14,000,000	FEDERAL HOME LOAN BANKS	313382NY	.120	10/16/13	.111	100.000447572	14,000,062.66	14,000,280.00
10,155,000	FEDERAL HOME LOAN BANKS	3133XSAE	3.625	10/18/13	.114	100.165808370	10,171,837.84	10,171,857.30
11,380,000	CORUS CONSTRUCTION VENTURE, LLC	22087WAC		10/25/13	.186	99.987808963	11,378,612.66	11,378,748.20
1,340,000	INTERNATIONAL FINANCE CORPORATIO	45950VBF	.526	10/28/13	.155	100.027961940	1,340,374.69	1,340,268.00
14,870,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACX	.375	10/30/13	.140	100.019032414	14,872,830.12	14,873,420.10
20,000,000	UNITED STATES TREASURY NOTES	912828RN	.250	10/31/13	.211	100.003153750	20,000,630.75	20,002,400.00
5,500,000	UNITED STATES TREASURY NOTES	912828JQ	2.750	10/31/13	.092	100.216616727	5,511,913.92	5,512,045.00
11,000,000	INTER-AMERICAN DEVELOPMENT BANK	4581X0BU	.375	11/08/13	.151	100.023201364	11,002,552.15	11,002,200.00
10,000,000	US TREASURY STRIP	912833KB		11/15/13		99.950000000	9,995,000.00	9,999,300.00
22,235,000	INTERNATIONAL BANK FOR RECONSTRU	459058CB	.500	11/26/13	.154	100.053072813	22,246,800.74	22,246,117.50
2,400,000	FEDERAL HOME LOAN MORTGAGE CORPO	313397PT	.120	11/26/13	.122	99.981333333	2,399,552.00	2,399,928.00
20,000,000	UNITED STATES TREASURY NOTES	912828RS	.250	11/30/13	.201	100.008064600	20,001,612.92	20,006,200.00
10,000,000	FEDERAL HOME LOAN BANKS	313381HG	.125	12/06/13	.216	99.984080700	9,998,408.07	10,000,800.00
8,200,000	FEDERAL HOME LOAN BANK	313379R2	.250	12/13/13	.132	100.007708293	8,200,632.08	8,201,968.00
2,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	313397QR	.115	12/18/13	.117	99.975083500	1,999,501.67	1,999,920.00
20,000,000	FEDERAL HOME LOAN BANKS	313379QY	.250	12/20/13	.132	100.008500850	20,001,700.17	20,005,200.00
3,200,000	FEDERAL HOME LOAN BANKS	313385QT	.105	12/20/13	.106	99.976666563	3,199,253.33	3,199,872.00
8,526,000	FEDERAL HOME LOAN BANKS	313385QZ	.110	12/26/13	.112	99.973722261	8,523,759.56	8,525,573.70
7,578,000	FEDERAL HOME LOAN MORTGAGE CORPO	313397RD	.115	12/30/13	.112	99.971250066	7,575,821.33	7,577,621.10
34,000,000	UNITED STATES TREASURY NOTES	912828RW	.125	12/31/13	.116	100.002321206	34,000,789.21	34,006,460.00

248,384,000					.003		248,421,645.87	248,450,178.90

====> 0021 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2013 <====

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 AS-OF: 9/30/13
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STATE OF NEW MEXICO
 T R E A S U R E R ' S O F F I C E

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
20,000,000	FEDERAL HOME LOAN BANKS	3133804M	.273	1/23/14	.100	99.995284000	19,999,056.80	20,001,200.00
4,000,000	FEDERAL HOME LOAN BANKS	3133783D	.300	2/13/14	.142	100.058632000	4,002,345.28	4,003,240.00
5,000,000	UNITED STATES TREASURY NOTES	912828KJ	1.750	3/31/14	.116	100.812206600	5,040,610.33	5,042,000.00
19,000,000	FEDERAL HOME LOAN BANKS	313383RX	.130	4/22/14	.139	99.996307105	18,999,298.35	19,002,660.00
2,700,000	FEDERAL FARM CREDIT BANKS	3133EATL	.250	6/11/14	.165	100.060255185	2,701,626.89	2,702,430.00
12,320,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0BQ	.360	6/23/14	.172	100.137721023	12,336,967.23	12,341,067.20
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313586QR		7/05/14	.163	99.876000000	4,993,800.00	4,992,450.00
12,500,000	FEDERAL FARM CR BKS	3133ECVA	.170	7/22/14	.176	99.995712640	12,499,464.08	12,499,464.08
12,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0BY	.875	8/28/14	.163	100.647866560	12,580,983.32	12,582,750.00
10,000,000	FEDERAL HOME LOAN BANKS	3130A03D	.125	9/12/14	.185	99.945654700	9,994,565.47	9,996,300.00
10,000,000	FEDERAL HOME LOAN BANKS	3130A04R	.125	9/23/14	.174	99.953846900	9,995,384.69	9,995,800.00
10,000,000	UNITED STATES TREASURY NOTES	912828LQ	2.375	9/30/14	.179	102.186815900	10,218,681.59	10,223,800.00
-----					-----			
123,020,000					.007		123,362,784.03	123,383,161.28

====> 0012 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ====> 2014 <====

2,000,000	FEDERAL FARM CREDIT BANKS	3133EAYU	.320	1/20/15	.135	100.150522000	2,003,010.44	2,003,620.00
4,000,000	FEDERAL FARM CREDIT BANKS	3133ECBF	.250	1/26/15	.228	100.032011000	4,001,280.44	4,003,880.00
2,000,000	FEDERAL FARM CREDIT BANKS	3133ECLM	.230	3/16/15	.202	100.044910500	2,000,898.21	2,001,260.00
-----					-----			
8,000,000					.102		8,005,189.09	8,008,760.00

====> 0003 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ====> 2015 <====

SOURCE: VisualQED
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 BASIS: TRADE (SIC FROM SECURITY-MASTER)
 AS-OF: 9/30/13
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 9/30/13

STATE OF NEW MEXICO
 T R E A S U R E R ' S O F F I C E

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
379,404,000					.002		379,789,618.99	379,842,100.18

==> 0036 ITEMS IN SUBTOTAL FOR ==> FUND-NAME..... ==> LGIP FUND <==

SOURCE: VisualQED

MODEL: INVENTORY

USER: SVIGIL

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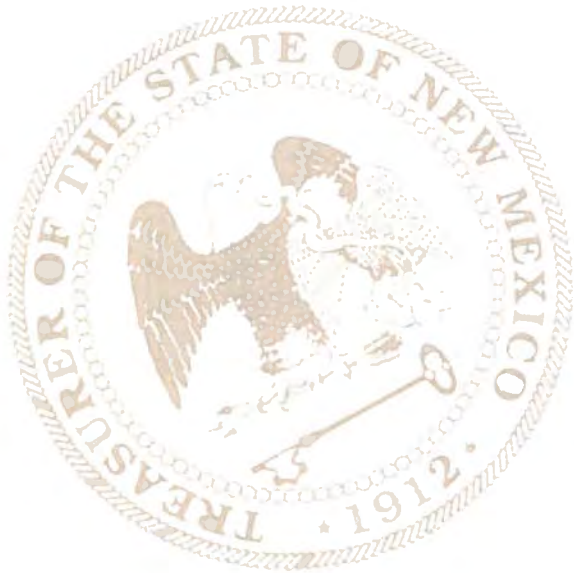
AS-OF: 9/30/13

AMRTZD: BOOK VALUES AMORTIZED THROUGH 9/30/13

STATE OF NEW MEXICO
T R E A S U R E R ' S O F F I C E

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
=====					=====		=====	=====
2839601792							2877438899.66	2881236446.17

==> 0260 ITEMS IN SUBTOTAL FOR ==> REPORT..... ==> GRAND-TOTAL <==



11. 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 September at \$487mil vs. \$490mil at the end of August.
- The Pool paid out \$4mil for capital spending in September 2013.

Portfolio Mix

- 98% of the Tax-Exempt BPIP portfolio was invested in fixed income securities and 2% in floating rate notes: 38% in Treasuries, 47% in Agency Securities, 2% in Supranational, 5% in NM municipal securities, 1% in NM bank collateralized CDs and the balance, approximately 7%, held in cash equivalents.
- 55% of the portfolio was invested in securities that mature in one year, 26% in securities that mature from 1-2 years, 19% in securities that mature from 2-4 years and 0% in securities out to 5 years.
- The Tax-Exempt BPIP held positions in 59 securities.
- Weighted Average Life of the Tax Exempt BPIP was 1.29 years. The Weighted Average duration was 1.11 years.
- The maximum security term for the BPIP portfolio is 5 years.

Investment Earnings

- Unrealized gains in the Tax-Exempt BPIP Portfolio were \$192,130 as of September 30th.
- Monthly Earnings on the portfolio for September were \$146,092.
- Earnings for FY2013 were \$427,604.
- 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 September was slightly shorter (1.11 yrs.) vs. August (1.19 yrs.) and shorter than the Benchmark (1.46 yrs.).
- The Tax-Exempt BPIP had no maturities in the month of September.
- There were no transactions in the Pool during September.
- Cash balances were maintained to provide liquidity for capital project withdrawals.
- With rising volatility in the short end of the yield curve, the Pool duration was allowed to drift lower in order to meet liabilities without the need to sell securities.

Performance

- The purchase yield was 0.38% at the end of September, similar to the yield reported for August.
- The Tax-Exempt BPIP returned 0.13% for the month of September and 0.22% for the three months ended September 30, 2013, vs. Index returns of 0.16% and 0.22% respectively. For the trailing 12 mos. the Pool returned 0.23% vs. 0.32% for the benchmark.
- US Treasury yields were lower for all maturities during September, with 1, 2, 3 and 5 year maturities declining by 3, 8, 17 and 26 basis points, respectively.

- The Federal Open Market Committee announced in September that they would not “taper” their \$85 billion in monthly purchases of Treasuries and mortgage-backed securities, thus providing the impetus for interest rates to move lower.
- For the month of September, the Pool’s shorter overall portfolio duration vs. the Benchmark was the main reason for underperformance as interest rates declined.
- Cash flows (debt service payments, capital project withdrawals, bond sale proceeds) have been the key driver of the portfolio’s structure and performance for year-to-date 2013.

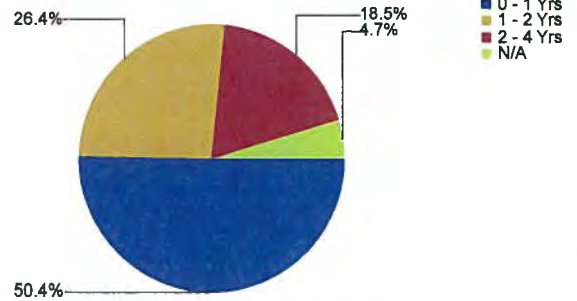
Investment Strategy

- The option-adjusted duration of the Tax-Exempt BPIP portfolio is currently 1.07 yrs. vs. 1.40 yrs. for the benchmark.
- For the month of October there will be \$17.584mil securities maturing in the Pool.
- Capital project withdrawals will be approximately \$14mil in October.
- The investment priority continues to be maintaining liquidity in a volatile interest rate environment.
- Overnight repo may not be attractive vs. longer dated maturities, but is a preferred alternative to selling into potentially rising interest rates with the possibility of taking losses.
- For the month of October thus far, it would appear that interest rates have been relatively stable with 1, 2, 3 and 5 year maturities at 0.10%, 0.31%, 0.62% and 1.35% respectively.
- However, the federal government shutdown, which began on October 1, drove short term US Treasury yields sharply higher as investors feared that principal and interest payments on 1 to 2 month maturities would be delayed.
- One month Treasuries traded at a yield as high as 0.67% and two months at close to 0.30%.
- This short term dislocation snapped back to prior levels when the government reopened on October 16 with a debt limit extension to February 7, 2014.
- The Tax-Exempt BPIP was unable to take advantage of the very short term yield spikes.
- Due to the shutdown’s potentially negative effect on the economy, the Federal Reserve is now expected to postpone “tapering” of Treasury and mortgage-backed securities purchases until next year or possibly later.
- Janet Yellen was nominated to succeed Ben Bernanke as Chairman of the Federal Reserve. She is viewed by the financial markets as being more inclined to maintain stimulus.
- The Pool purchased \$7.5mil 2.5 year bullet Agencies at 0.543% to maintain portfolio duration.
- The Tax-Exempt BPIP will maintain duration shorter than that of the benchmark. Larger 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 has been a key factor during the year and will continue to be so going forward.

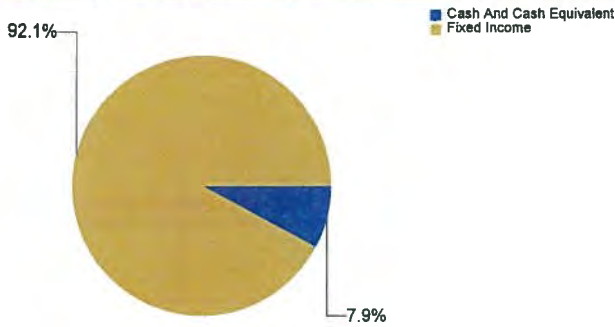
Portfolio Characteristics

Total Net Assets (Millions) **487.8**
 Weighted Average Life (Years) **1.29**
 Weighted Avg. Effective Duration (Years) **1.11**
 Weighted Average Coupon (%) **1.17**
 Weighted Average Current Yield (%) **0.31**
 Weighted Average Yield to Maturity (%) **0.34**
 Weighted Average Rating **A+**
 Number of Holdings **56**

Duration Mix



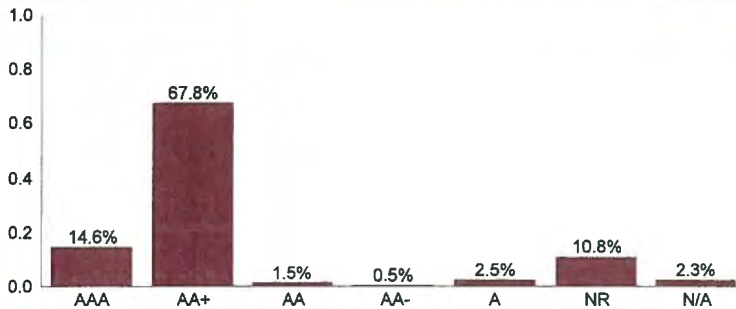
Asset Mix



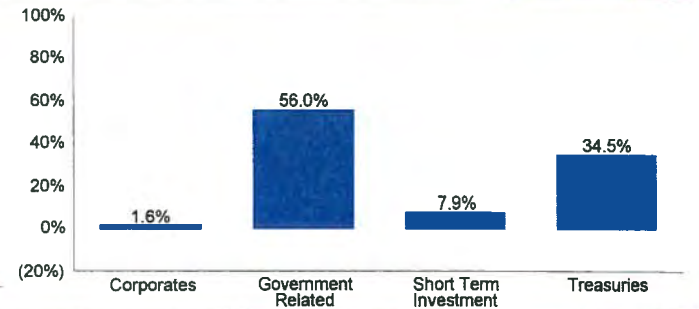
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
862998X00	LGIP POOL PARTICIPANT	4.72%	0.11	
3134G3NLO	FEDERAL HOME LOAN MORTGAGE CORP 0.5% MTG BDS	4.30%	0.50	24/2/2015
3137EACW7	FEDERAL HOME LOAN MORTGAGE CORP 2% BDS 25/AUG/2016	4.28%	2.00	25/8/2016
912828PM6	US 2 12500 '15	3.21%	2.12	31/12/2015
912828LS7	US 2 37500 '14	3.18%	2.38	31/10/2014
912828KY5	UNITED STATES TREAS NTS 2.625% 30/JUN/2014	3.15%	2.82	30/6/2014
912828LQ1	US 2 37500 '14	3.14%	2.38	30/9/2014
912828KF8	UNITED STATES OF AMER TREAS NOTES 1.875% TB	3.10%	1.88	28/2/2014
912828RB6	UNITED STATES TREAS NTS 0.5% 15/AUG/2014	3.00%	0.50	15/8/2014
912828SR2	UNITED STATES TREAS NTS 0.25% 30/APR/2014	3.08%	0.25	30/4/2014

Quality/Rating Weightings

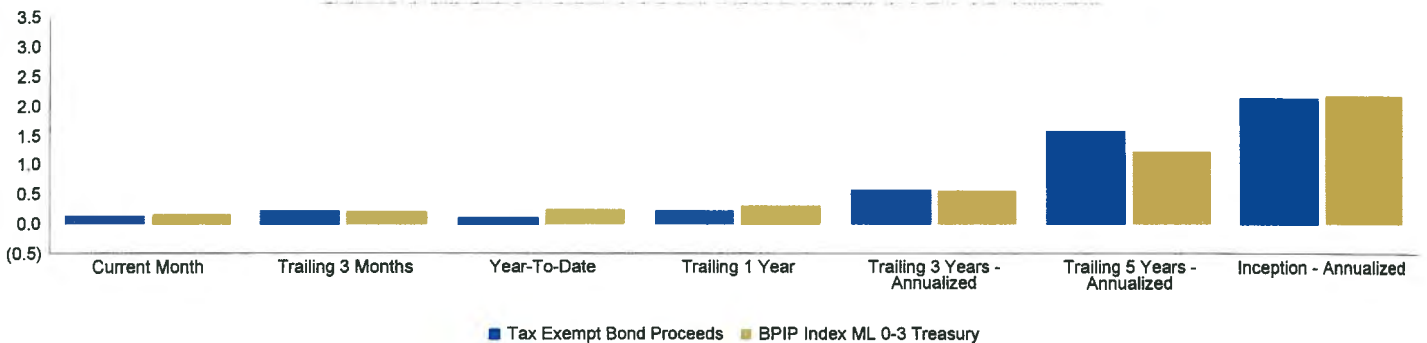


Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years - Annualized	Trailing 5 Years - Annualized	Inception
Tax Exempt Bond Proceeds	0.13	0.22	0.11	0.23	0.57	1.57	2.13
BPIP Index ML 0-3 Treasury	0.16	0.22	0.25	0.32	0.56	1.22	2.18
Excess	(0.03)	0.00	(0.14)	(0.09)	0.01	0.35	(0.05)



STATE OF NEW MEXICO
BOND PROCEEDS INV POOL1 TAX EX (4000)
Portfolio Classification Summary
Positions Held as of 9/30/13 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.0913	.00270	12,453,714	12,453,714	12,453,714		2.559
CERTIFICATES OF DEPOSIT	2	.6000	.76710	3,000,000	3,000,000	3,000,000		.617
U.S. TREASURY BONDS	1	.2045	1.16710	10,000,000	10,223,140	10,228,900	5,760	2.102
US TREASURY NOTE ACT/ACT 2X	12	.3062	1.29120	155,000,000	157,403,746	157,404,300	554	32.348
US TREASURY (STRIP/ZERO) 30/360	3	.3740	1.60606	16,034,000	15,914,229	15,863,382	-50,847	3.260
AGENCY US BOND 30/360 2X	3	.2363	1.04153	27,008,000	27,002,538	26,994,457	-8,081	5.548
AGENCY US DISC ACT/360 360 DAY	3	.0846	.10604	42,000,000	41,991,091	41,999,040	7,949	8.631
AGENCY US NOTES 30/360 2X	13	.5532	1.05387	132,921,000	133,557,848	133,723,674	165,826	27.481
FED NATL MORTGAGE ASSN DEBS	4	.9932	1.39394	28,495,000	28,790,321	28,856,772	66,451	5.930
AGENCY US VARIABLE ACT/360 4X	1	.2155	.63560	7,934,000	7,959,084	7,957,881	-1,203	1.635
MUNI US 30/360 2X	12	.4418	1.05305	23,160,000	23,772,667	23,778,804	6,137	4.887
MUNICIPAL BOND REVENUE	2	.4119	1.40338	1,300,000	1,326,212	1,325,796	-416	.272
UNITS - INVESTMENT POOL 1	1			23,014,293	23,014,293	23,014,293		4.730
CASH ACCOUNT	1			1,479	1,479	1,479		
	59	.3790	1.05275	482,321,486	486,410,362	486,602,492	192,130	100.000

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: SVIGIL
 RUN: 10/18/13 @ 09:15:00
 BASIS: TRADE (SIC FROM SECURITY-MASTER)
 AS-OF: 9/30/13
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 9/30/13

STATE OF NEW MEXICO
 T R E A S U R E R ' S O F F I C E

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
23,014,293	UNITS - INVESTMENT POOL 1	UNITS001				.999999995	23,014,292.89	23,014,293.00
23,014,293					.035		23,014,292.89	23,014,293.00

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

15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313589NA		10/16/13	.073	99.987800000	14,998,170.00	14,999,850.00
2,584,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACL	.875	10/28/13	.082	100.059508127	2,585,537.69	2,585,550.40
15,000,000	FEDERAL HOME LOAN BANKS	313385PG		11/15/13	.081	99.979777800	14,996,966.67	14,999,550.00
2,008,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134A4UK	4.875	11/15/13	.083	100.585577191	2,019,758.39	2,019,907.44
12,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315LPU		11/27/13	.103	99.966283333	11,995,954.00	11,999,640.00
46,592,000					.017		46,596,386.75	46,604,497.84

====> 0005 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2013 <====

11,997,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MTP	5.125	1/02/14	.208	101.242355839	12,146,045.43	12,151,521.36
6,000,000	FEDERAL HOME LOAN BANKS	313383M2	.100	1/06/14	.103	99.999398167	5,999,963.89	6,000,300.00
15,000,000	FEDERAL HOME LOAN BANKS	313383W4	.100	2/14/14	.110	99.996904200	14,999,535.63	15,001,050.00
15,000,000	UNITED STATES TREASURY NOTES	912828KF	1.875	2/28/14	.986	100.366310333	15,054,946.55	15,113,100.00
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3NS	.300	3/21/14	.133	100.079604200	5,003,980.21	5,006,000.00
15,000,000	UNITED STATES TREASURY NOTES	912828SR	.250	4/30/14	.122	100.074118333	15,011,117.75	15,015,300.00
400,000	TORRANCE ETC CNTYS N MEX MUN S	891400NA	1.000	5/15/14	.356	100.403127500	401,612.51	401,748.00

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: SVIGIL
 RUN: 10/18/13 @ 09:15:00
 BASIS: TRADE (SIC FROM SECURITY-MASTER)
 AS-OF: 9/30/13
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 9/30/13

STATE OF NEW MEXICO
 T R E A S U R E R ' S O F F I C E

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
1,190,000	RIO RANCHO N MEX WTR & WASTEWT	767175GD	2.000	5/15/14	.254	101.086610924	1,202,930.67	1,202,673.50
10,000,000	UNITED STATES TREASURY NOTES	912828QM	1.000	5/15/14	.128	100.542203900	10,054,220.39	10,056,600.00
7,934,000	INTER-AMERICAN DEVELOPMENT BANK	45818WAE	.739	5/20/14	.216	100.316154777	7,959,083.72	7,957,881.34
15,000,000	UNITED STATES TREASURY NOTES	912828KY	2.625	6/30/14	.137	101.857342267	15,278,601.34	15,283,050.00
6,485,000	NEW MEXICO ST SEVERANCE TAX	647310P4	4.000	7/01/14	.406	102.692511797	6,659,609.39	6,669,174.00
4,780,000	NEW MEXICO ST SEVERANCE TAX	647310N4	4.000	7/01/14	.406	102.692511925	4,908,702.07	4,908,868.80
2,000,000	FARMERS & STOCKMENS BANK	8521444	.600	7/07/14	.600	100.000000000	2,000,000.00	2,000,000.00
1,000,000	FARMERS & STOCKMENS BANK	8521448	.600	7/07/14	.600	100.000000000	1,000,000.00	1,000,000.00
500,000	ALBUQUERQUE N MEX MUN SCH DIST	013595RR	2.000	8/01/14	.466	101.278872000	506,394.36	507,040.00
5,570,000	ALBUQUERQUE N MEX MUN SCH DIST	013595RE	3.000	8/01/14	.456	102.117895691	5,687,966.79	5,699,112.60
270,000	CLOUDCROFT N MEX MUN SCH DIST	189134ET	2.000	8/01/14	.406	101.329155556	273,588.72	273,464.10
420,000	ALBUQUERQUE N MEX MUN SCH DIST	013595QT	4.000	8/01/14	.406	102.991238095	432,563.20	433,263.60
15,000,000	UNITED STATES TREASURY NOTES	912828RB	.500	8/15/14	.160	100.296321933	15,044,448.29	15,050,400.00
15,000,000	UNITED STATES TREASURY NOTES	912828LQ	2.375	9/30/14	.176	102.190134333	15,328,520.15	15,335,700.00
15,000,000	UNITED STATES TREASURY NOTES	912828LS	2.375	10/31/14	.190	102.359178533	15,353,876.78	15,360,300.00
10,000,000	UNITED STATES TREASURY NOTES	912828LZ	2.125	11/30/14	.205	102.231390600	10,223,139.06	10,228,900.00
10,000,000	FEDERAL HOME LOAN MORTGAGE CORP	3134G3Y6	.375	12/10/14	.380	100.000000000	10,000,000.00	10,004,100.00

188,546,000					.004		190,530,846.90	190,659,547.30

====> 0024 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2014 <====

20,940,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3NL	.500	2/24/15	.253	100.099126982	20,960,757.19	20,962,615.20
10,000,000	UNITED STATES TREASURY NOTES	912828UT	.250	3/31/15	.207	100.064069600	10,006,406.96	10,004,700.00
7,306,000	FINANCING-FED BK ENTY CPN STRP	31771JLV		4/06/15	.363	99.308000000	7,255,442.48	7,234,620.38

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: SVIGIL
 RUN: 10/18/13 @ 09:15:00
 BASIS: TRADE (SIC FROM SECURITY-MASTER)
 AS-OF: 9/30/13
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 9/30/13

STATE OF NEW MEXICO
 T R E A S U R E R ' S O F F I C E

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
6,400,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PWM	.270	4/17/15	.292	99.972450781	6,398,236.85	6,397,888.00
5,888,000	FINANCING CORP CPN FICO STRIPS	31771CS5		6/06/15	.383	99.207000000	5,841,308.16	5,821,053.44
2,840,000	FINANCING CORP CPN FICO STRIPS	31771DKR		6/06/15	.383	99.207000000	2,817,478.80	2,807,709.20
900,000	ALBUQUERQUE NM GROSS RECPTS.TAX	01354PDX	2.000	7/01/15	.436	102.733266667	924,599.40	924,048.00
550,000	ALBUQUERQUE N MEX MUN SCH DIST	013595RS	2.000	8/01/15	.598	102.566440000	564,115.42	565,218.50
550,000	CLOUDCROFT N MEX MUN SCH DIST	189134EU	2.000	8/01/15	.497	102.751834546	565,135.09	563,920.50
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3ZA	.500	8/28/15	.450	100.105636467	15,015,845.47	15,022,200.00
10,000,000	UNITED STATES TREASURY NOTES	912828TP	.250	9/15/15	.278	99.945537000	9,994,553.70	9,985,900.00
10,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31398A4M	1.625	10/26/15	.318	102.701156400	10,270,115.64	10,244,600.00
10,000,000	FNMA	3135G0SB	.375	12/21/15	.457	99.832446600	9,983,244.66	9,973,500.00
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G32F	.520	12/28/15	.526	100.000000000	10,000,000.00	9,974,700.00
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3FA	1.100	12/30/15	1.115	100.000000000	10,000,000.00	10,018,200.00
15,000,000	UNITED STATES TREAS NTS	912828PM	2.125	12/31/15	.433	103.778511933	15,566,776.79	15,581,250.00

135,374,000					.006		136,164,016.61	136,082,123.22

====> 0016 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2015 <====

10,000,000	UNITED STATES TREASURY NOTES	912828KS	2.625	2/29/16	.395	105.354126000	10,535,412.60	10,525,000.00
400,000	TORRANCE ETC CNTYS N MEX MUN S	891400NC	1.000	5/15/16	.560	101.164987500	404,659.95	403,264.00
1,220,000	RIO RANCHO N MEX WTR & WASTEWT	767175GF	3.000	5/15/16	.558	106.368979508	1,297,701.55	1,291,150.40
1,225,000	SANTA FE N MEX GROSS RCPTS TAX	802072RG	2.000	6/01/16	.639	103.616337143	1,269,300.13	1,261,652.00
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	1.160	102.433746200	20,486,749.24	20,723,600.00
10,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0VF	.750	9/13/16	.759	100.000000000	10,000,000.00	9,968,900.00
10,000,000	UNITED STATES TREASURY NOTES	912828RM	1.000	10/31/16	.428	101.748648200	10,174,864.82	10,093,000.00

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: SVIGIL
 RUN: 10/18/13 @ 09:15:00
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 AS-OF: 9/30/13
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 9/30/13

STATE OF NEW MEXICO
 T R E A S U R E R ' S O F F I C E

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
5,000,000	FEDERAL NATL MTG ASSN DEBS	3135GOES	1.375	11/15/16	1.227	100.504102200	5,025,205.11	5,083,300.00
10,000,000	FED NATL MORTGAGE ASSN DEBS	3136FTUZ	1.400	12/30/16	1.419	100.000000000	10,000,000.00	10,025,100.00
3,495,000	FED NATL MORTGAGE ASSN DEBS	3136FTUZ	1.400	12/30/16	1.419	100.000000000	3,495,000.00	3,503,772.45
71,340,000					.011		72,688,893.40	72,878,738.85

====> 0010 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2016 <====

5,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PZT	.650	7/10/17	.874	99.214692600	4,960,734.63	4,908,100.00
5,000,000					.164		4,960,734.63	4,908,100.00

====> 0001 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2017 <====

469,866,293					.002		473,955,171.18	474,147,300.21
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====> 0057 ITEMS IN SUBTOTAL FOR ====> FUND-NAME..... ====> BOND PROCEEDS INV POOL1 TAX EX <



12. 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 September at \$694mil vs. \$699mil at the end of August 2013.
- The Pool paid out approximately \$5mil for capital spending in September 2013.

Portfolio Mix

- 99% of the Taxable BPIP portfolio was invested in fixed income securities and 1% in floating rate securities; 41% in US Treasuries, 45% in Agency securities, 1% in Supranational, 3% in NM municipal securities and the balance, approximately 10%, was held in cash equivalents and collateralized NM bank CDs.
- 49% of the portfolio was invested in securities that mature in one year, 30% in securities that mature from 1-2 years, 21% in securities that mature from 2-4 years and 0% in securities out to 5 years.
- The Taxable BPIP held positions in 69 securities.
- Weighted Average Life of the Taxable BPIP was 1.31 years. The Weighted Average duration was 1.19 years.
- The maximum security term for the BPIP portfolio is 5 years.

Investment Earnings

- The unrealized gains in the Taxable BPIP Portfolio were \$993,797 as of September 30th.
- Monthly earnings on the portfolio for September were \$304,991.
- For fiscal year 2013, the fund has earned \$949,086.
- 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 September was 1.19 yrs. vs. 1.25 yrs. for month end August, and was shorter than the Benchmark (1.40 yrs.).
- Maturities totaled \$20.54mil in the month of September 2013.
- The Taxable BPIP purchased \$10.4mil Agency securities to July 2014 at 0.16% and \$0.725mil of NM municipal securities maturing in August 2014 at 0.50%.
- During this period of extremely low overnight repo rates, the Pool invested in less than one year maturities at more attractive yields.
- The main objective of maintaining liquidity to meet capital project withdrawals was emphasized by targeting gaps in the near term maturity schedule.

Performance

- Purchase Yield at the end of September was 0.51%, similar to August.
- The Taxable BPIP returned 0.13% for the month of September and 0.21% for the three months ended September 30, 2013, vs. Index returns of 0.16% and 0.22% respectively. For the trailing 12 mos. the Pool returned 0.24% vs. 0.32% for the benchmark.

- US Treasury yields were lower for all maturities during September, with 1, 2, 3 and 5 year maturities declining by 3, 8, 17 and 26 basis points, respectively.
- The Federal Open Market Committee announced in September that they would not “taper” their \$85 billion in monthly purchases of Treasuries and mortgage-backed securities, thus providing the impetus for interest rates to move lower.
- For the month of September, the Pool's shorter overall portfolio duration vs. the Benchmark was the main reason for underperformance as interest rates declined.
- Cash flows (debt service payments, capital project withdrawals, bond sale proceeds) have been the key driver of the portfolio's structure and performance for year-to-date 2013.

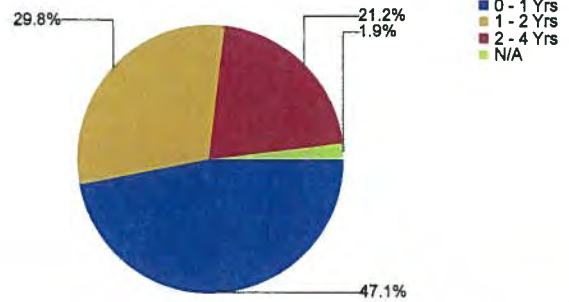
Investment Strategy

- The option adjusted duration of the portfolio is currently 1.18 yrs. vs. 1.40 yrs. for the Benchmark.
- The Pool has \$25mil in maturities scheduled for October.
- Capital project withdrawals will total \$12.5mil in October.
- The investment priority continues to be maintaining liquidity in a volatile interest rate environment.
- Overnight repo may not be attractive vs. longer dated maturities, but is a preferred alternative to selling into potentially rising interest rates with the possibility of taking losses.
- For the month of October thus far, it would appear that interest rates have been relatively stable with 1, 2, 3 and 5 year maturities at 0.10%, 0.31%, 0.62% and 1.35% respectively.
- However, the federal government shutdown, which began on October 1, drove short term US Treasury yields sharply higher as investors feared that principal and interest payments on 1 to 2 month maturities would be delayed.
- One month Treasuries traded at a yield as high as 0.67% and two months at close to 0.30%.
- This short term dislocation snapped back to prior levels when the government reopened on October 16 with a debt limit extension to February 7, 2014.
- The Taxable BPIP was able to take advantage of the very short term yield spike by purchasing \$15mil US Treasury securities maturing October 31, 2013 at 0.18%.
- Due to the shutdown's potentially negative effect on the economy, the Federal Reserve is now expected to postpone “tapering” of Treasury and mortgage-backed securities purchases until next year or possibly later.
- Janet Yellen was nominated to succeed Ben Bernanke as Chairman of the Federal Reserve. She is viewed by the financial markets as being more inclined to maintain stimulus.
- The Pool purchased \$12.5mil 2.5 year bullet Agencies at 0.543% to maintain portfolio duration.
- The Taxable BPIP will maintain duration shorter than that of the benchmark. Larger 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 has been a key factor during the year and will continue to be so going forward.

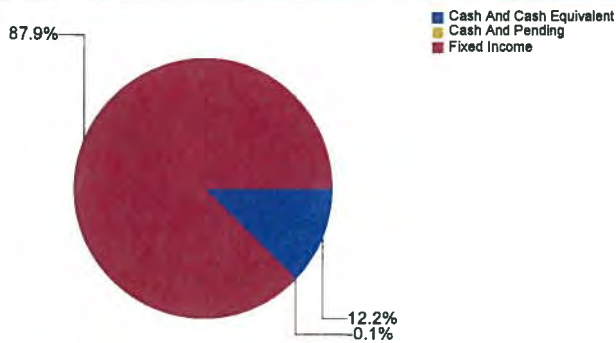
Portfolio Characteristics

Total Net Assets (Millions)	696.8
Weighted Average Life (Years)	1.31
Weighted Avg. Effective Duration (Years)	1.19
Weighted Average Coupon (%)	1.42
Weighted Average Current Yield (%)	0.32
Weighted Average Yield to Maturity (%)	0.33
Weighted Average Rating	AA-
Number of Holdings	68

Duration Mix



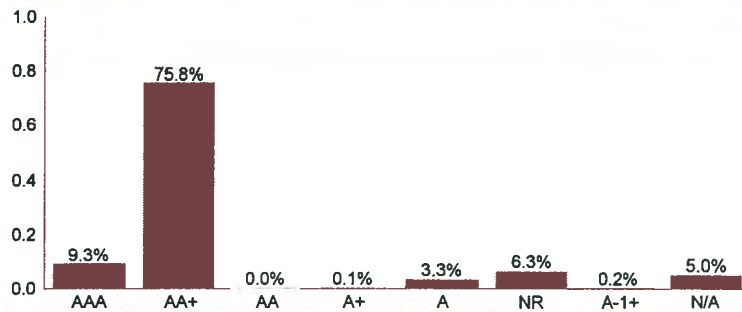
Asset Mix



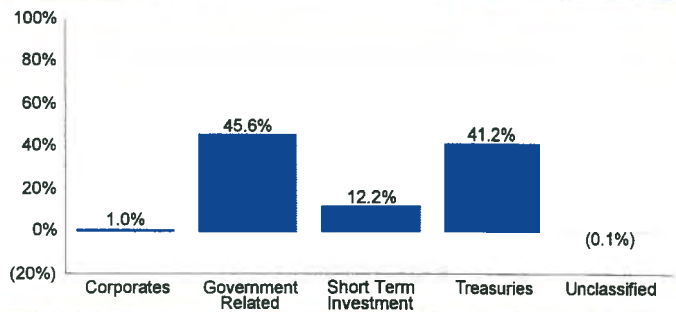
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
99DR30048	REPO BANK OF NEW YORK/SOUTH STREET SECS 093013J	6.56%	0.00	1/10/2013
912828KF8	UNITED STATES OF AMER TREAS NOTES 1.875% TB	5.79%	1.88	28/2/2014
3137EACW7	FEDERAL HOME LOAN MORTGAGE CORP 2% BDS 25/AUG/2016	3.72%	2.00	25/8/2016
31359MTP8	FED NATL MTG ASSN 5.12% 02/JAN/2014	3.34%	5.12	2/1/2014
912828DV9	US 4.12500 '15	3.09%	4.12	15/5/2015
912828M20	US 2.50000 '15	3.00%	2.50	30/4/2015
912828MW7	US 2.50000 '15	2.98%	2.50	31/3/2015
912828LS7	US 2.37500 '14	2.98%	2.38	31/10/2014
912828NLO	US 1.87500 '15	2.96%	1.88	30/6/2015
31368A4M1	FED NATL MORT ASSC 1.625% BDS 26/OCT/2015 USD1000	2.96%	1.62	26/10/2015

Quality/Rating Weightings

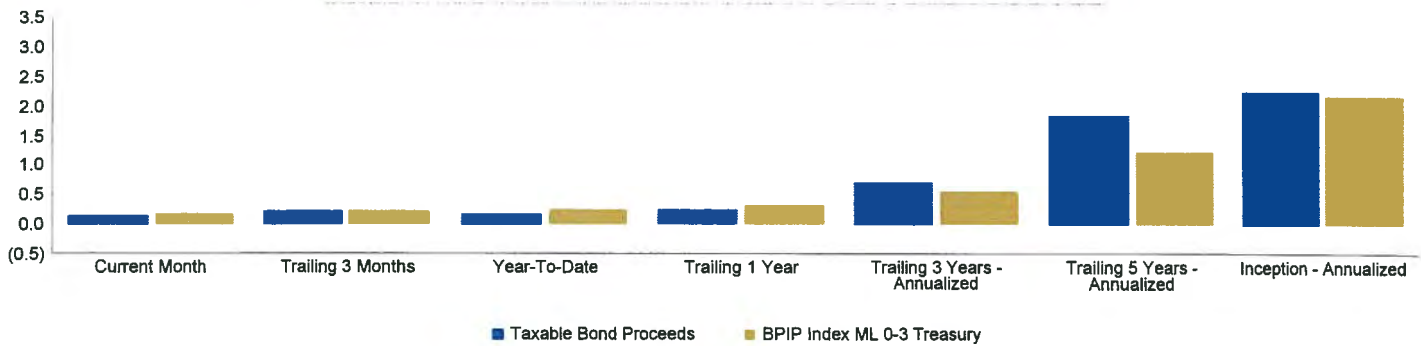


Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Taxable Bond Proceeds	0.13	0.21	0.16	0.24	0.71	1.84	2.25
BPIP Index ML 0-3 Treasury	0.16	0.22	0.25	0.32	0.56	1.22	2.18
Excess	(0.03)	(0.01)	(0.10)	(0.08)	0.15	0.61	0.07



STATE OF NEW MEXICO
BOND PROCEEDS INV POOL TAXABL (400)
 Portfolio Classification Summary
 Positions Held as of 9/30/13 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (0/N)	1	.0913	.00270	54,006,041	54,006,041	54,006,041		7.768
CERTIFICATES OF DEPOSIT	4	.4275	.52420	14,200,000	14,200,000	14,200,000		2.043
LINKED-CERTIFICATE OF DEPOSIT	2	.5000	.29320	4,000,000	4,000,000	4,000,000		.575
US TREASURY NOTE ACT/ACT 2X	17	.4843	1.21697	280,000,000	285,395,210	285,970,550	575,340	41.134
AGENCY US BOND 30/360 2X	6	.4709	2.09999	66,750,000	66,819,252	66,619,635	-199,617	9.583
AGENCY US DISC ACT/360 360 DAY	4	.1093	.34751	27,772,000	27,755,736	27,756,851	1,115	3.993
AGENCY US NOTES 30/360 2X	10	.6812	1.31109	153,510,000	154,340,611	154,688,831	348,220	22.251
FED NATL MORTGAGE ASSN DEBS	4	.9667	.97061	55,000,000	55,356,914	55,621,650	264,736	8.001
AGENCY US VARIABLE ACT/360 4X	1	.2155	.63560	7,000,000	7,022,131	7,021,070	-1,061	1.010
MUNI US 30/360 2X	19	.4413	1.01313	23,645,000	24,009,938	24,015,002	5,064	3.454
UNITS - INVESTMENT POOL 1	1			1,307,787	1,307,787	1,307,787		.188
CASH ACCOUNT	1			6,633	6,633	6,633		.001
	70	.5135	1.14071	687,197,461	694,220,253	695,214,050	993,797	100.000

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: SVIGIL
 RUN: 10/18/13 @ 09:15:00
 BASIS: TRADE (SIC FROM SECURITY-MASTER)
 AS-OF: 9/30/13
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 9/30/13

STATE OF NEW MEXICO
 T R E A S U R E R ' S O F F I C E

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
1,307,787 UNITS -	INVESTMENT POOL 1	UNITS001				.999999732	1,307,786.65	1,307,787.00
1,307,787					.622		1,307,786.65	1,307,787.00

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

5,000,000	FEDERAL FARM CREDIT BANKS	31331GCS	3.875	10/07/13	.101	100.062884400	5,003,144.22	5,003,150.00
5,000,000	UNITED STATES TREASURY NOTES	912828PB	.500	10/15/13	.575	99.997099000	4,999,854.95	5,000,800.00
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313589NA		10/16/13	.073	99.987800000	14,998,170.00	14,999,850.00
8,250,000	FEDERAL HOME LOAN BANKS	3133762C	.375	11/27/13	.083	100.045607273	8,253,762.60	8,253,795.00
8,000,000	CENTURY BANK SANTA FE	17099241	.400	12/30/13	.400	100.000000000	8,000,000.00	8,000,000.00
41,250,000					.020		41,254,931.77	41,257,595.00

====> 0005 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2013 <====

14,260,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MTP	5.125	1/02/14	.828	101.084213044	14,414,608.78	14,443,668.80
8,450,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MTP	5.125	1/02/14	.854	101.077777515	8,541,072.20	8,558,836.00
2,000,000	WESTERN COMMERCE BANK	2012477	.500	1/15/14	.500	100.000000000	2,000,000.00	2,000,000.00
2,000,000	WESTERN COMMERCE BANK	2012634	.500	1/15/14	.500	100.000000000	2,000,000.00	2,000,000.00
2,300,000	FEDERAL HOME LOAN MORTGAGE CORPO	313397TM		2/24/14	.101	99.948610870	2,298,818.05	2,299,724.00
20,000,000	FED NATIONAL MTG ASSN DEB	3135G0AP	1.250	2/27/14	.725	100.215808450	20,043,161.69	20,094,800.00
3,500,000	FEDERAL FARM CREDIT BANKS	31331KAH	1.125	2/27/14	.103	100.414523714	3,514,508.33	3,514,840.00

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: SVIGIL
 RUN: 10/18/13 @ 09:15:00
 BASIS: TRADE (SIC FROM SECURITY-MASTER)
 AS-OF: 9/30/13
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 9/30/13

STATE OF NEW MEXICO
 T R E A S U R E R ' S O F F I C E

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
40,000,000	UNITED STATES TREASURY NOTES	912828KF	1.875	2/28/14	1.007	100.357433100	40,142,973.24	40,301,600.00
10,000,000	UNITED STATES TREASURY NOTES	912828KN	1.875	4/30/14	1.298	100.333051100	10,033,305.11	10,104,300.00
200,000	SANTA ROSA N MEX CONS SCH DIST	802751DL	1.000	5/15/14	.507	100.310080000	200,620.16	200,688.00
7,000,000	INTER-AMERICAN DEVELOPMENT BANK	45818WAE	.739	5/20/14	.216	100.316154714	7,022,130.83	7,021,070.00
10,000,000	UNITED STATES TREASURY NOTES	912828KV	2.250	5/31/14	1.346	100.594460000	10,059,446.00	10,142,600.00
1,325,000	CLOVIS N MEX GROSS RCPTS TAX R	189387CV	2.000	6/01/14	.659	100.896045283	1,336,872.60	1,337,918.75
20,000,000	UNITED STATES TREASURY NOTES	912828KY	2.625	6/30/14	.189	101.817960450	20,363,592.09	20,377,400.00
350,000	SANTA FE CNTY N MEX	801889MX	2.000	7/01/14	.304	101.272360000	354,453.26	354,438.00
11,675,000	ALBUQUERQUE NM 2013C	ABQ2013C	.350	7/01/14	.355	100.000000000	11,675,000.00	11,675,000.00
9,175,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313586QR		7/05/14	.164	99.874000000	9,163,439.50	9,161,145.75
2,600,000	WESTERN BANK CLOVIS	15985	.450	7/15/14	.450	100.000000000	2,600,000.00	2,600,000.00
2,500,000	WESTERN BANK ALAMOGORDO	78945612	.350	7/22/14	.350	100.000000000	2,500,000.00	2,500,000.00
10,000,000	UNITED STATES TREAS NTS	912828LC	2.625	7/31/14	.201	102.013128200	10,201,312.82	10,209,000.00
1,297,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315LA2	.155	7/31/14	.157	99.869542020	1,295,307.96	1,296,131.01
500,000	RIO RANCH NM PUBLIC SCH DIST 94	767171JU	3.000	8/01/14	.406	102.160362000	510,801.81	511,170.00
435,000	ALAMOGORDO NM MUNI SCH DIST #1	011464HB	2.000	8/01/14	.406	101.329314943	440,782.52	441,124.80
725,000	TRUTH OR CONSEQUENCES N MEX MU G	898439ED	2.000	8/01/14	.508	101.158000000	733,395.50	734,301.75
2,005,000	GADSDEN N MEX INDPT SCH DIST N	362550KU	2.000	8/15/14	.507	101.303321696	2,031,131.60	2,031,907.10
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACV	1.000	8/27/14	.279	100.654978500	20,130,995.70	20,161,200.00
20,000,000	UNITED STATES TREASURY NOTES	912828TQ	.250	9/30/14	.216	100.034340450	20,006,868.09	20,026,600.00
20,000,000	UNITED STATES TREASURY NOTES	912828LS	2.375	10/31/14	.220	102.326354550	20,465,270.91	20,480,400.00
20,000,000	FEDERAL HOME LOAN MORTGAGE CORP	3134G3Y6	.375	12/10/14	.380	100.000000000	20,000,000.00	20,008,200.00
10,000,000	UNITED STATES TREAS NTS	912828RV	.250	12/15/14	.330	99.904279900	9,990,427.99	10,010,900.00
1,100,000	WESTERN BANK ALAMOGORDO	81185441	.750	12/31/14	.750	100.000000000	1,100,000.00	1,100,000.00
273,397,000					.003		275,170,296.74	275,698,963.96

====> 0031 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2014 <====

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: SVIGIL
 RUN: 10/18/13 @ 09:15:00
 BASIS: TRADE (SIC FROM SECURITY-MASTER)
 AS-OF: 9/30/13
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 9/30/13

STATE OF NEW MEXICO
 T R E A S U R E R ' S O F F I C E

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
20,000,000	UNITED STATES TREASURY NOTES	912828RZ	.250	1/15/15	.263	99.983629550	19,996,725.91	20,018,800.00
650,000	NEW MEXICO ST	647293NQ	5.000	3/01/15	.426	106.461786154	692,001.61	693,082.00
20,000,000	UNITED STATES TREASURY NOTES	912828MW	2.500	3/31/15	.316	103.259230400	20,651,846.08	20,679,600.00
20,000,000	UNITED STATES TREASURY NOTES	912828MZ	2.500	4/30/15	.346	103.394815650	20,678,963.13	20,711,800.00
225,000	SANTA ROSA N MEX CONS SCH DIST	802751DM	1.000	5/15/15	.659	100.563417778	226,267.69	226,446.75
20,000,000	UNITED STATES TREASURY NOTES	912828DV	4.125	5/15/15	.311	106.166464650	21,233,292.93	21,252,400.00
1,350,000	CLOVIS N MEX GROSS RCPTS TAX R	189387CW	2.000	6/01/15	.760	102.065536296	1,377,884.74	1,379,835.00
20,000,000	UNITED STATES TREASURY NOTES	912828NL	1.875	6/30/15	.327	102.694147650	20,538,829.53	20,553,200.00
500,000	SANTA FE CNTY N MEX	801889KB	5.500	7/01/15	.436	108.828216000	544,141.08	544,740.00
275,000	SANTA FE CNTY N MEX	801889MY	2.000	7/01/15	.406	102.786483636	282,662.83	282,268.25
405,000	RUIDOSO N MEX WASTEWATER REV	781324AB	2.000	7/01/15	.710	102.256582716	414,139.16	414,039.60
10,000,000	UNITED STATES TREAS NTS	912828NP	1.750	7/31/15	.453	102.362661600	10,236,266.16	10,264,400.00
400,000	RUIDOSO N MEX MUN SCH DIST NO	781338HY	2.000	8/01/15	.568	102.622130000	410,488.52	411,216.00
200,000	ALBUQUERQUE N MEX MUN SCH DIST	013595QU	5.000	8/01/15	.507	108.200785000	216,401.57	216,814.00
350,000	ALAMOGORDO NM MUNI SCH DIST #1	011464HC	2.000	8/01/15	.558	102.640517143	359,241.81	359,814.00
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3ZA	.500	8/28/15	.450	100.105636467	15,015,845.47	15,022,200.00
20,000,000	FED NATL MORTGAGE ASSN DEBS	31398A4M	1.625	10/26/15	.870	101.568757350	20,313,751.47	20,489,200.00
20,000,000	FNMA	3135G0SB	.375	12/21/15	.457	99.832446600	19,966,489.32	19,947,000.00
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G32F	.520	12/28/15	.526	100.000000000	20,000,000.00	19,949,400.00
7,300,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3FA	1.100	12/30/15	1.115	100.000000000	7,300,000.00	7,313,286.00
15,000,000	UNITED STATES TREAS NTS	912828PM	2.125	12/31/15	.433	103.778511933	15,566,776.79	15,581,250.00
211,655,000					.004		216,022,015.80	216,310,791.60

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

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: SVIGIL
 RUN: 10/18/13 @ 09:15:00
 BASIS: TRADE (SIC FROM SECURITY-MASTER)
 AS-OF: 9/30/13
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 9/30/13

STATE OF NEW MEXICO
 T R E A S U R E R ' S O F F I C E

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
15,500,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PVS	.430	1/08/16	.470	99.924163290	15,488,245.31	15,474,580.00
15,000,000	FANNIE MAE	3135G0VA	.500	3/30/16	.544	99.908748400	14,986,312.26	14,963,250.00
1,000,000	NEW MEXICO FIN AUTH REV	64711NSK	4.000	6/01/16	.578	109.063424000	1,090,634.24	1,087,400.00
1,075,000	NEW MEXICO FIN AUTH ST TRANSN	64711RAZ	5.250	6/15/16	.234	103.536228837	1,113,014.46	1,112,797.00
10,000,000	UNITED STATES TREAS NTS	912828QR	1.500	6/30/16	.656	102.294571800	10,229,457.18	10,255,500.00
25,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	1.295	102.050685000	25,512,671.25	25,904,500.00
10,000,000	FED NATL MORTGAGE ASSN DEBS	3136FTUZ	1.400	12/30/16	1.419	100.000000000	10,000,000.00	10,025,100.00
5,000,000	FED NATL MORTGAGE ASSN DEBS	3136FTUZ	1.400	12/30/16	1.419	100.000000000	5,000,000.00	5,012,550.00
82,575,000					.010		83,420,334.70	83,835,677.00

====> 0008 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ====> 2016 <====

15,000,000	FEDERAL HOME LOAN BANKS	313379FW	1.000	6/09/17	.836	100.633581000	15,095,037.15	14,937,600.00
8,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PZT	.650	7/10/17	.874	99.214692625	7,937,175.41	7,852,960.00
23,000,000					.035		23,032,212.56	22,790,560.00

====> 0002 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ====> 2017 <====

633,184,787					.001		640,207,578.22	641,201,374.56
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====> 0068 ITEMS IN SUBTOTAL FOR ==== FUND-NAME..... ====> BOND PROCEEDS INV POOL2 TAXABL <



13. Portfolio Summary- Severance Tax Bonding Fund

Portfolio Summary – Severance Tax Bonding Fund

Summary

- The Severance Tax Bonding Fund¹³ closed the month of September at \$136 Million.
- The Severance Tax Bonding Fund earned over \$6,100 during September.
- The Severance Tax Bonding Fund earned over \$10.900 during FY2014.

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 \$30 and \$35MM per month.
- On January 1st, the STBF will transfer available balances, in excess of debt service needs, to the Severance Tax Permanent Fund.

Investment Strategy

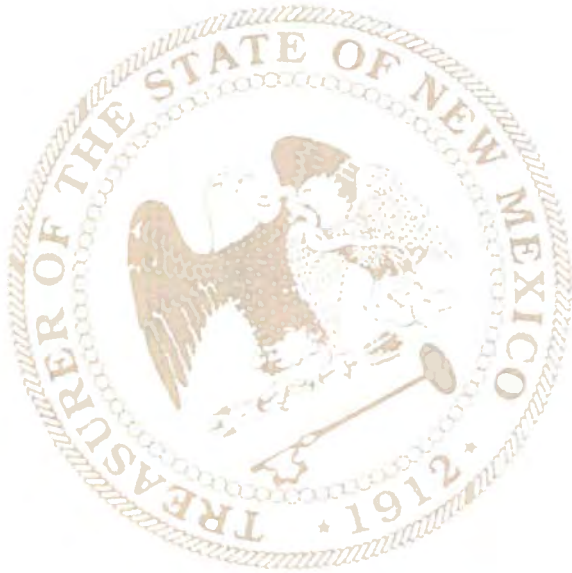
- Due to its short-term nature, investments of three to six month maturities are viable investments for the STBF pool.

¹³ The Severance Tax Bonding Fund as included in this report excludes debt service fund amounts on outstanding Severance Tax and Supplemental Severance Tax Bonds and Notes. Such debt service balances are included in, and reported on, the Tax-Exempt Bond Purchase Investment Pool.

STATE OF NEW MEXICO
STB FUND (4001)
Portfolio Classification Summary
Positions Held as of 9/30/13 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	2	.0913	.00270	136,102,753	136,102,753	136,102,753		99.999
UNITS - INVESTMENT POOL 1	1			1,319	1,319	1,319		.001
	<u>3</u>	<u>.0912</u>	<u>.00270</u>	<u>136,104,072</u>	<u>136,104,072</u>	<u>136,104,072</u>		<u>100.000</u>



14. 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 Offices

As required by the investment policy, the following broker-dealers or associated companies maintain offices in New Mexico:

BNP Paribas	Bank of the West	Various Locations
BOSC	Bank of Albuquerque	Various Locations
Citigroup	OneMain Consumer Finance	Various Locations
Fidelity Capital Markets	Fidelity Investments	Albuquerque, NM
George K. Baum & Company		Albuquerque, NM
BA Merrill Lynch	Bank of America	Various Locations
Morgan Stanley		Various Locations
Raymond James & Associates		Various Locations
Southwest Securities		Albuquerque, NM
UBS		Various Locations
Wells Fargo Securities	Wells Fargo Bank	Various Locations

New Mexico State Treasurer's
Executive Summary of Investment Activity
Summary of Broker Participation
Purchases and Sales By Broker, Market & Security Type
All Funds
2013-2014

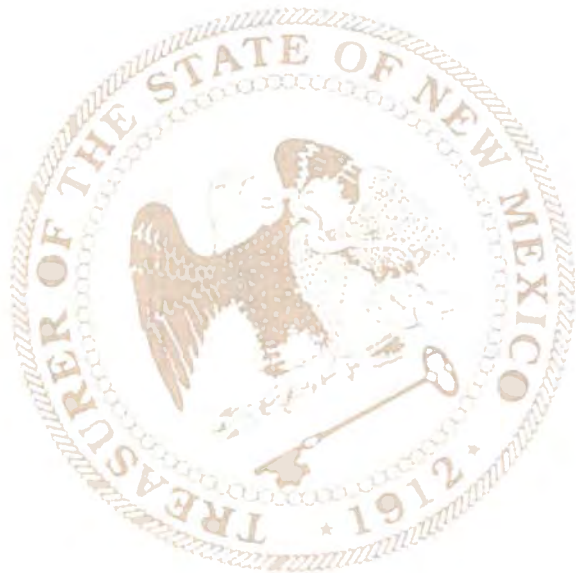
Volume at Par (\$ in thousands)

Broker/Dealer:	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	YTD Total	YTD Percent
Arbor Research and Trading	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
BAML	13,526	-	-	-	-	-	-	-	-	-	-	-	13,526	2.1%
Barclays	15,000	26,077	-	-	-	-	-	-	-	-	-	-	41,077	6.4%
BB and T (Scott & Stringfellow)	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
BMO Capital Markets	55,000	-	10,000	40,000	-	-	-	-	-	-	-	-	105,000	16.4%
BNP Paribas	-	8,250	-	20,000	-	-	-	-	-	-	-	-	28,250	4.4%
BOSC, Inc	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Cantor, Fitzgerald	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Carolina Capital Markets	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
CastleOak Securities LP	16,000	-	10,000	-	-	-	-	-	-	-	-	-	26,000	4.1%
Citigroup	12,500	30,000	10,000	5,000	-	-	-	-	-	-	-	-	57,500	9.0%
Credit Suisse	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
CRT Capital Group	-	20,000	-	-	-	-	-	-	-	-	-	-	20,000	3.1%
Daiva Capital Markets America	-	21,000	-	-	-	-	-	-	-	-	-	-	21,000	3.3%
Deutsche Bank	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Fidelity Capital Markets	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
First Southwest	200	200	11,680	4,110	-	-	-	-	-	-	-	-	16,190	2.5%
FTN Financial	6,000	20,000	-	-	-	-	-	-	-	-	-	-	26,000	4.1%
George K Baum & Co	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Goldman Sachs	15,000	-	10,000	10,000	-	-	-	-	-	-	-	-	35,000	5.5%
Great Pacific	25,000	10,000	-	-	-	-	-	-	-	-	-	-	35,000	5.5%
Guggenheim Securities LLC	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Harvestons Securities Inc	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
HSBC	18,578	15,000	-	-	-	-	-	-	-	-	-	-	33,578	5.3%
InCapital LLC	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Jeffries	15,000	-	2,500	2,500	-	-	-	-	-	-	-	-	20,000	3.1%
KeyBanc Capital Markets	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Lawson Financial	-	2,675	-	-	-	-	-	-	-	-	-	-	2,675	0.4%
Loop Capital Markets	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
MFR Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Mitsubishi UFJ	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Mizuho Securities USA	15,000	-	-	-	-	-	-	-	-	-	-	-	15,000	2.3%
Morgan Stanley	-	6,000	14,175	-	-	-	-	-	-	-	-	-	20,175	3.2%
Muriel Siebert & Co.	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Mutual Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Nomura	1,300	-	-	-	-	-	-	-	-	-	-	-	1,300	0.2%
Northern Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Piper Jaffrey	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Raymond, James & Associates	-	-	1,000	-	-	-	-	-	-	-	-	-	1,000	0.2%
RBS Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Robert W. Baird & Co.	-	500	3,000	-	-	-	-	-	-	-	-	-	3,500	0.6%
RW Pressprich	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Societe General Americas	-	-	-	10,000	-	-	-	-	-	-	-	-	10,000	1.6%
South Street	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Southwest Securities	-	-	-	235	-	-	-	-	-	-	-	-	235	0.0%
Stifel Nicklaus	12,000	750	-	-	-	-	-	-	-	-	-	-	12,750	2.0%
SunTrust Robinson Humphrey	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Tradition Asiel Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
TD Securities	10,500	15,800	-	20,000	-	-	-	-	-	-	-	-	46,300	7.2%
UBS Financial Services	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Vining Sparks	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Wedbush Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Wells Fargo Securities	16,900	-	8,297	-	-	-	-	-	-	-	-	-	23,197	3.6%
Williams Capital Group	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Direct Purchase	12,065	-	5,000	8,000	-	-	-	-	-	-	-	-	25,065	3.9%
Interfund	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Total	259,569	176,252	83,652	119,845	-	-	-	-	-	-	-	-	639,318	100.0%
Market type:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Primary Market	84,765	136,252	46,152	8,390	-	-	-	-	-	-	-	-	276,529	43.1%
Secondary Market	174,804	40,000	37,500	111,485	-	-	-	-	-	-	-	-	363,789	56.9%
Total	259,569	176,252	83,652	119,845	-	-	-	-	-	-	-	-	639,318	100.0%
Security type:	-	-	-	-	-	-	-	-	-	-	-	-	-	-
ABS	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Agencies	110,804	150,642	57,972	47,500	-	-	-	-	-	-	-	-	366,918	57.4%
Certificates of Deposit	7,100	-	5,000	8,000	-	-	-	-	-	-	-	-	20,100	3.1%
Commercial Paper	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Corporate Bonds	-	1,485	-	-	-	-	-	-	-	-	-	-	1,485	0.2%
MBS	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Municipal/Sponge	5,165	4,125	5,680	4,345	-	-	-	-	-	-	-	-	19,315	3.0%
Treasuries	136,500	20,000	15,000	60,000	-	-	-	-	-	-	-	-	231,500	36.2%
Total	259,569	176,252	83,652	119,845	-	-	-	-	-	-	-	-	639,318	100.0%

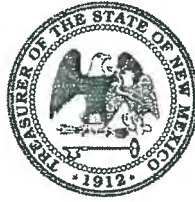
STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 9/01/13 Through 9/30/13

TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
PURCHASE TRANSACTIONS													
9/12/13	17099243	CERTIFICATES OF	19913	CENTURY BANK SANTA FE	.350	12/15/14	.3500	SYSTEM - UNIDEN	1001	5,000,000.00	5,000,000.00		
9/09/13	912828LQ	US TREASURY NOT	19898	UNITED STATES TREASURY	2.375	9/30/14	.1792	GOLDMAN SACHS	4101	10,000,000.00	10,231,250.00		
9/13/13	3130A03D	AGENCY US BOND	19921	FEDERAL HOME LOAN BANKS	.125	9/12/14	.1824	FIRST SOUTHWEST	4101	10,000,000.00	9,994,326.90		
9/17/13	3130A04R	AGENCY US BOND	19950	FEDERAL HOME LOAN BANKS	.125	9/23/14	.1723	CITI GROUP	4101	10,000,000.00	9,995,280.00		
9/19/13	31315LA2	AGENCY US DISC	19966	FEDERAL AGRICULTURAL MO	.155	7/31/14	.1552	WELLS FARGO SEC	4002	1,297,000.00	1,295,246.53		
9/26/13	313586QR	AGENCY US DISC	20010	FEDERAL NATIONAL MORTGA		7/05/14	.1616	MORGAN STANLEY	4002	9,175,000.00	9,163,439.50		
9/26/13	313586QR	AGENCY US DISC	20009	FEDERAL NATIONAL MORTGA		7/05/14	.1608	MORGAN STANLEY	4101	5,000,000.00	4,993,800.00		
9/19/13	3135G0BY	AGENCY US NOTES	19967	FEDERAL NATIONAL MORTGA	.875	8/28/14	.1606	BMO CAPTIAL MAR	4101	10,000,000.00	10,067,000.00		
9/20/13	3137EADS	AGENCY US NOTES	19746	FEDERAL HOME LOAN MORTG	.875	10/14/16	.8251	CASTLEOAK SECUR	1001	10,000,000.00	10,015,074.60		
9/25/13	3135G0BY	AGENCY US NOTES	19967	FEDERAL NATIONAL MORTGA	.875	8/28/14	.1623	JEFFRIES & CO	4101	2,500,000.00	2,516,412.50		
9/16/13	898439ED	MUNI US 30/360	19939	TRUTH OR CONSEQUENCES N	2.000	8/01/14	.5006	RAYMOND JAMES &	4002	725,000.00	733,395.50		
9/16/13	898439EE	MUNI US 30/360	19940	TRUTH OR CONSEQUENCES N	2.000	8/01/15	.6004	RAYMOND JAMES &	1001	150,000.00	153,700.50		
9/16/13	898439EF	MUNI US 30/360	19941	TRUTH OR CONSEQUENCES N	2.000	8/01/16	1.0002	RAYMOND JAMES &	1001	125,000.00	128,411.25		
9/19/13	013493DW	MUNI US 30/360	19970	ALBUQUERQUE BERNALILLO	4.000	7/01/16	.8303	ROBERT W BAIRD	1001	500,000.00	542,095.00		
9/19/13	013493ER	MUNI US 30/360	19968	ALBUQUERQUE BERNALILLO	5.000	7/01/15	.4605	ROBERT W BAIRD	1001	1,500,000.00	1,614,600.00		
9/19/13	013493ES	MUNI US 30/360	19969	ALBUQUERQUE BERNALILLO	5.000	7/01/16	.8303	ROBERT W BAIRD	1001	1,000,000.00	1,110,750.00		
9/24/13	04310KAW	MUNI US 30/360	19985	ARTESIA N MEX SPL HOSP	3.000	8/01/14	.4013	FIRST SOUTHWEST	1001	1,310,000.00	1,335,558.10		
9/26/13	581615CZ	MUNI US 30/360	20011	MC KINLEY CNTY N MEX GR	4.500	6/01/14	.3509	FIRST SOUTHWEST	1001	250,000.00	256,900.00		
9/30/13	077581NM	MUNI US 30/360	20020	BELEN N MEX CONS SCH DI	2.500	8/01/14	.4001	FIRST SOUTHWEST	1001	120,000.00	122,094.00		
19 PURCHASES DURING PERIOD TOTAL.....										78,652,000.00	79,269,334.38		
SALE TRANSACTIONS													
9/11/13	912828QS	US TREASURY NOT	15351	UNITED STATES TREASURY	.750	6/15/14		WELLS FARGO SEC	1001	5,000,000.00	5,023,828.13	24,632.33	
1 SALES DURING PERIOD TOTAL.....										5,000,000.00	5,023,828.13	24,632.33	
== GRAND-TOTAL ==>										83,652,000.00	84,293,162.51	24,632.33	

*** END-OF-REPORT ***



15. State Agency Deposit Balances



James B. Lewis
State Treasurer

STATE OF NEW MEXICO
OFFICE OF THE TREASURER


Marilyn L. Hill
Deputy State Treasurer

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

Date: October 25, 2013

To: James B. Lewis, State Treasurer

For: Governor Martinez and Members of the State Board of Finance

From: Samuel K. Collins, Jr., State Cash Manager 

Subject: State Fund Deposit Activity for the month ending September 30, 2013

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 September 30, 2013.

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 September 30, 2013

(Attachments)

Depository Account Summary by Agency

September 2013

STATE FUNDS

NON-STATE FUNDS

AGENCY	# OF ACCTS.	BALANCE
AOC (fines, fees etc.)	50	\$3,170,182
BERN. CO. METRO COURT	2	\$356,707
1-13 DISTRICT ATTORNEY	6	\$40,227
EDUCATION RETIREMENT BOARD	1	\$49,066
TAXATION & REVENUE DEPT.	31	\$113,497
PUBLIC SCHOOL INS. AUTHORITY	6	\$33,386,083
NMRHCA	1	\$0
PUBLIC DEFENDER	1	\$735
SECRETARY OF STATE	1	\$0
STATE TREASURER (JDC)	36	\$200,106
STATE TREASURER (OTHER INVEST)	0	\$0
NM RACING COMMISSION	7	\$162,455
SPACEPORT AUTHORITY	0	\$0
DEPT. OF GAME & FISH	2	\$93,362
SOUTHWEST REGION ED.	1	\$2,395,624
ENERGY & MINERALS	4	\$214,944
COMMISSION PUBLIC LAND	2	\$18,302
STATE ENGINEER'S OFFICE	4	\$678,528
IRRG WKS CONST	1	\$252,362
COMMISSION FOR THE BLIND	0	\$0
HUMAN SERVICES DEPT.	5	\$25,519
WORKFORCE SOLUTIONS	5	\$884,615
DIVISION OF VOCATIONAL REHAB	1	\$28,154
MINER'S HOSPITAL	5	\$3,535,693
DEPARTMENT OF HEALTH	39	\$805,443
ENVIRONMENT DEPARTMENT	1	\$0
CORRECTIONS DEPARTMENT	5	\$1,589
DEPT. OF PUBLIC SAFETY	2	\$53,594
HIGHWAY & TRANSPORTATION	4	\$986
CENTRAL REGIONAL CO-OP	1	\$181,849

AGENCY	# OF ACCTS.	BALANCE
AOC (Bonds)	50	
1ST JUDICIAL DIST. COURT	3	\$1,419,643
2ND JUDICIAL DIST. COURT	2	\$1,043,038
3RD JUDICIAL DIST. COURT	2	\$1,775,663
4TH JUDICIAL DIST. COURT	4	\$91,335
5TH JUDICIAL DIST. COURT	3	\$1,247,909
6TH JUDICIAL DIST. COURT	3	\$347,612
7TH JUDICIAL DIST. COURT	4	\$148,620
8TH JUDICIAL DIST. COURT	4	\$233,514
9TH JUDICIAL DIST. COURT	2	\$560,839
10TH JUDICIAL DIST. COURT	2	\$482,432
11TH JUDICIAL DIST. COURT	10	\$802,793
12TH JUDICIAL DIST. COURT	4	\$1,365,878
13TH JUDICIAL DIST. COURT	65	\$10,361,622
BERNALILLO CO. METRO COURT	2	\$694,560
6TH DISTRICT ATTORNEY	3	\$22,540
7TH DISTRICT ATTORNEY	1	\$1,728
10TH DISTRICT ATTORNEY	1	\$240
11TH JUDICIAL DIST. ATTORNEY	1	\$2,967
ATTORNEY GENERAL	1	\$2,331
LGIP	3	\$179,067,659
PUBLIC REG. COMMISSION	2	\$628,667
NM STATE FAIR	5	\$2,372,816
SOUTHWEST REGION ED.	1	\$15
COMM STATUS OF WOMEN	0	\$0
COMM FOR THE BLIND	0	\$0
WORKFORCE SOLUTIONS	0	\$0
MINER'S HOSPITAL	1	\$1,610
DEPARTMENT OF HEALTH	11	\$797,869
CHILDREN, YOUTH & FAMILIES	6	\$93,287
CORRECTIONS DEPARTMENT	12	\$1,863,774
DEPT. OF PUBLIC SAFETY	2	\$22,573
CENTRAL REGION CO-OP	1	\$367,099

Total: 224 \$46,649,622

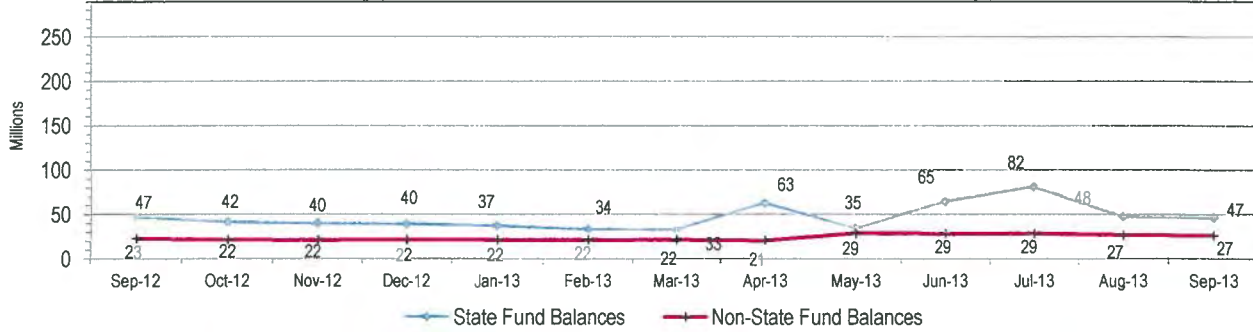
Total: 161 \$205,820,633

Total Depository Balances: \$252,470,255

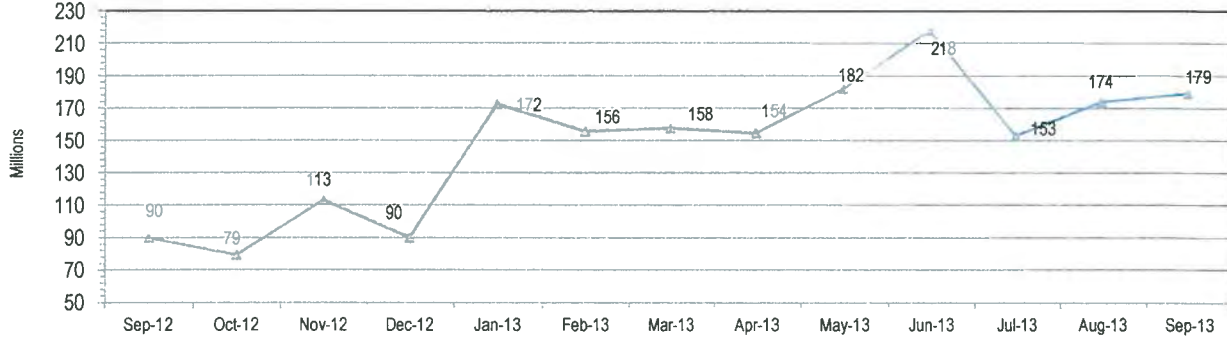
Total Depository Accounts: 385

Depository Account Summary -September 2013

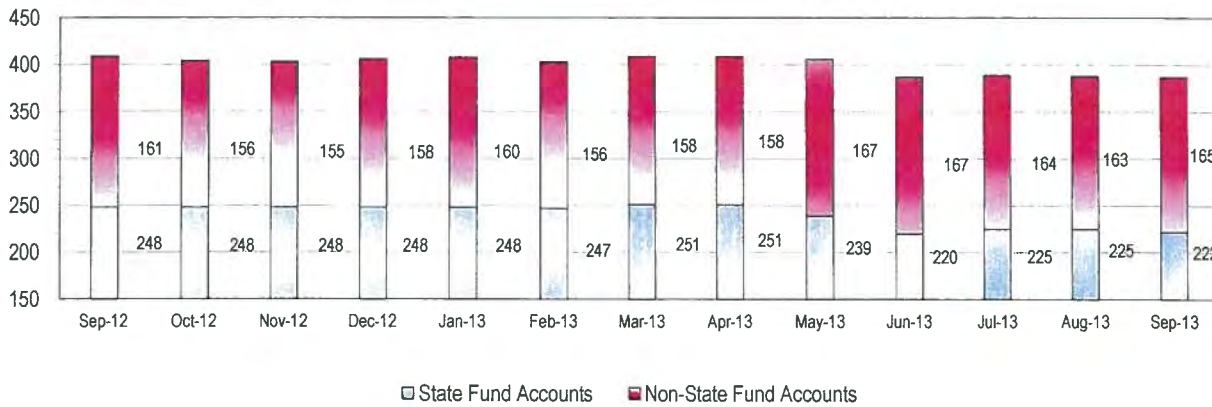
Depository Balances Y-T-D



LGIP Balances Y-T-D



Number of Authorized Depository Accounts



Depository accounts authorized in Sept 2013 pursuant to Section 6-1-13 NMSA :

Depository accounts opened in Sept 2013 4 13th Judicial District Court

Depository accounts closed in Sept 2013 1 13th Judicial District Court
 1 AOC
 2 Commission of the Blind
 1 Dept of Health

State Fund Balances by Financial Institution

Sept-2013

Bank 34/Alamogordo	0
Century Bank/Santa Fe	8,147
First National Bank/Alamogordo	109,903
Bank of America/Albuquerque	527,417
Wells Fargo Bank/Albuquerque	37,870,516
Compass Bank/Albuquerque	2,572,979
Bank of the West/Albuquerque	621
First American Bank/Artesia	111,955
My Bank/Belen	6,441
Carlsbad National Bank/Carlsbad	800
Western Commerce Bank/Carlsbad	81,202
Farmers/Stockmens Bank/Clayton	27,423
First National Bank/Clayton	3,550,391
Bank of Clovis/Clovis	0
Citizens Bank/Clovis	115,151
NM Bank & Trust/Albuquerque	188,835
Community Bank/Santa Fe	2,434
Valley National Bank/Espanola	500
Pinnacle Bank/Gallup	0
Grants State Bank/Grants	100
Lea County State Bank/Hobbs	149,502
Citizens Bank/Las Cruces	0
Southwest Capitol/Las Vegas	155,775
Community 1st Bank/Las Vegas	213,067
Western Bank/Lordsburg	57,133
Los Alamos National Bank/Los Alamos	35,987
James Polk Stone National Bank/Portales	425
International Bank/Raton	34,927
Valley Bank of Commerce/Roswell	69,270
First National Bank of Santa Fe/Santa Fe	0
First State Bank/Socorro	21,378
Centinel Bank/Taos	99,038
US Bank/Albuquerque	112,282
Bank of the Southwest/Roswell	483,084
People's Bank	16,869
AmBank	26,070
Total:	<u>46,649,622</u>



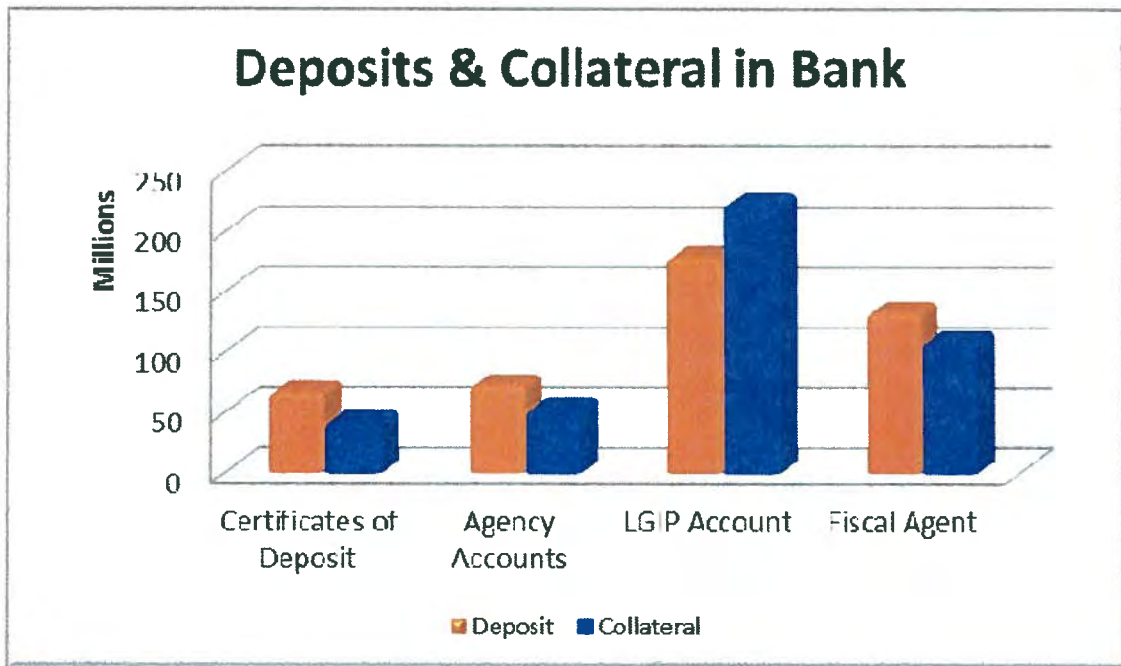
16. Collateral Report on Agency Deposits & CDs

Office of the Treasurer

Collateral Summary Review

September 30, 2013

All depository institutions holding public funds for the month ending September 2013 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.

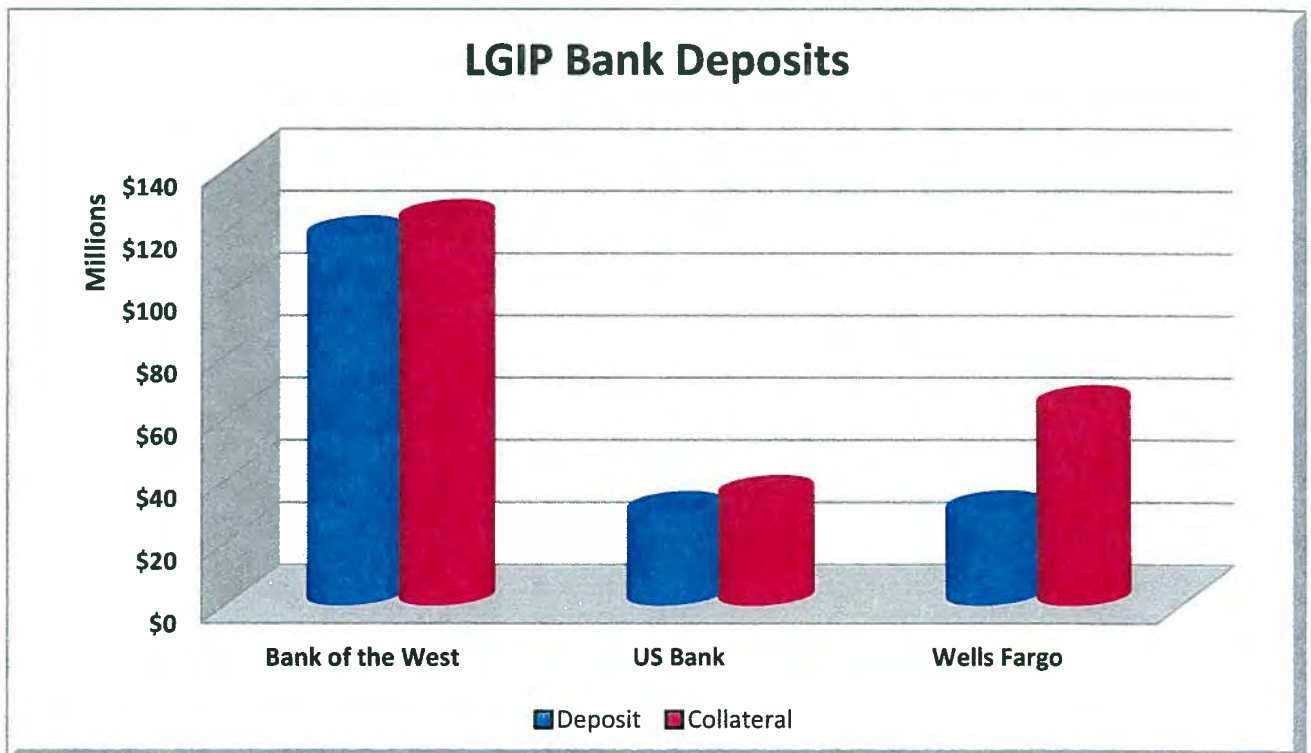


Balances

	<u>Deposit</u>	<u>Collateral</u>	<u>Percentage</u>
Certificate of Deposit	\$ 67.0 Million	\$ 42.6 Million	63.7%
Agency Deposit	72.8 Million	52.4 Million	72.0%
LGIP Deposits	179.1 Million	222.6 Million	124.3%
Fiscal Agent	133.2 Million	108.9 Million	81.8%
Totals →	451.9 Million	426.5 Million	94.4%

LGIP Bank Deposits September 30, 2013

<u>Financial Insitution</u>	<u>Percentage</u>	<u>Deposit</u>	<u>Collateral</u>
Bank of the West	104.2%	118,610,319	123,647,488
US Bank	116.2%	30,108,831	35,000,000
Wells Fargo	210.7%	30,348,509	63,946,687





Office of the Treasurer
Collateral Review
 Accumulated Total by Institution
September 30, 2013

FINANCIAL INSTITUTION	%	TOTAL DEPOSITS	FDIC / NCUA INSURANCE	LESS INSURANCE COVERAGE	SUBJECT TO BE COLLATERALIZED	COLLATERAL PLEDGED	EXCESS (UNDER)
First National - Alamogordo	50%	535,715	250,000	285,715	142,858	245,040	102,182
Western - Alamogordo	75%	3,600,000	250,000	3,350,000	2,512,500	3,457,988	945,488
Bank of America	50%	823,436	250,000	573,436	286,718	4,099,936	3,813,218
Bank of the West	50%	120,383,008	250,000	120,133,008	60,066,504	124,692,706	64,626,202
BBVA Compass	50%	2,573,001	250,000	2,323,001	1,161,501	4,645,172	3,483,672
US Bank	50%	31,236,154	250,000	30,986,154	15,493,077	35,000,000	19,506,923
Wells Fargo	50%	87,929,645	250,000	87,679,645	43,839,823	101,138,701	57,298,878
First American	50%	111,955	111,955	0	0	0	0
My Bank	102%	189,679	189,679	0	0	0	0
Carlsbad National	50%	800	800	0	0	0	0
Western Commerce	50%	4,081,202	250,000	3,831,202	1,915,601	2,057,871	142,270
Farmers & Stockmen	50%	6,074,935	250,000	5,824,935	2,912,467	3,052,025	139,558
First National - Clayton	50%	3,550,391	250,000	3,300,391	1,650,195	1,993,793	343,598
Bank of Clovis	50%	560,839	250,000	310,839	155,419	560,839	405,419
Citizens - Clovis	50%	115,151	115,151	0	0	0	0
NM Bank & Trust	50%	188,836	188,836	0	0	265,353	265,353
Western - Clovis	50%	2,600,000	250,000	2,350,000	1,175,000	1,938,988	763,988
Valley National	102%	500	500	0	0	0	0
Pinnacle	50%	0	0	0	0	0	0
Grants State	50%	88,367	88,367	0	0	0	0
Lea County State	50%	149,502	149,502	0	0	100,000	100,000
Citizens - Las Cruces	50%	3,595	3,595	0	0	0	0
Southwest Capital	50%	701,257	250,000	451,257	225,629	739,778	514,149
Community 1st - Las Vegas	102%	213,067	213,067	0	0	641,532	641,532
Western - Lordsburg	50%	99,746	99,746	0	0	0	0
Los Alamos National	102%	35,987	35,987	0	0	0	0
James Polk Stone Communi International	50%	367,524	250,000	117,524	58,762	160,482	101,720
Bank of the Southwest	50%	63,579	63,579	0	0	0	0
Valley Commerce	50%	753,996	250,000	503,996	251,998	252,284	286
Century	50%	69,270	69,270	0	0	0	0
Community	50%	29,636,814	250,000	29,386,814	14,693,407	19,146,628	4,453,221
Community	102%	207,297	207,297	0	0	0	0
First National - Santa Fe	50%	15,000,000	250,000	14,750,000	7,375,000	7,628,700	253,700
First State	50%	76,064	76,064	0	0	0	0
AM	50%	26,070	26,070	0	0	0	0
Centinel	50%	99,038	99,038	0	0	0	0
Peoples	50%	16,869	16,869	0	0	0	0
BANK'34	102%	2,500,975	250,000	2,250,975	2,295,995	2,330,951	34,956
Union Savings	50%	4,000,000	250,000	3,750,000	1,875,000	3,816,751	1,941,751
Guadalupe Credit	50%	250,000	250,000	0	0	0	0
318,914,263		6,755,370	312,158,893	158,087,454	317,965,516	159,878,062	