



James B. Lewis
State Treasurer

STATE OF NEW MEXICO
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STATE TREASURER'S INVESTMENT COMMITTEE

State Treasurer's conference room



"Taos Mountains, Taos NM" New Mexico True

Wednesday, November 12, 2014
9:00am

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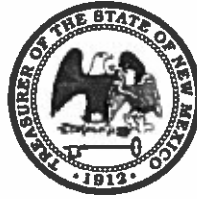
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1. Approval of November 12, 2014 Agenda



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STATE TREASURER'S INVESTMENT COMMITTEE
Treasurer's Conference Room
Wednesday, November 12, 2014, 9:00 a.m.

MEETING AGENDA (5 Min)

Roll Call

Introduction of Presenters and Guest

1. Approval of November 12, 2014 Agenda
2. Approval of October 8, 2014 Minutes

Action

Action

INVESTMENT REPORTS (45 min)

Month Ended
September 30, 2014

3. Executive Summary
4. Investment Policy Compliance Report
5. Investment Accounting Report
6. Financial Advisor- September 2014 Quarterly Investment Report
7. Quarterly Investment Review
8. Cash Projection
9. Portfolio Summary -- General Fund Investment Pool
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
Informational
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Informational
Informational

CASH MANAGEMENT
& COLLATERAL REPORTS (10 Min)

Month Ended
September 30, 2014

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 10, 2014, 9:00 am
19. Adjournment



2. Approval of October 8, 2014 Minutes

***New Mexico State Treasurer's Office
STIC Committee Meeting
Meeting Minutes
Wednesday, October 8, 2014***

ROLL CALL- QUORUM PRESENT:

A regular meeting of the New Mexico State Treasurer's Investment Committee (STIC) was called to order this date at 9:03 a.m. in the conference room of The State Treasurer's Office (STO), 2055 South Pacheco Street, Santa Fe, New Mexico 87505.

Members Present:

Honorable James B. Lewis, State Treasurer
Ms. Linda Roseborough, Chair
Ms. Stephanie Schardin Clarke, Board of Finance Director
Mr. Paul Cassidy, Public Member
Mr. Mark Pike. Pubic Member

Staff Present:

Mr. Arsenio Garduño, Collateral Manager
Mr. Spencer Wright, Portfolio Manager
Ms. Vikki Hanges, Portfolio Manager
Mr. Lee Griffin, Special Assistant
Ms. Cindy Cordova, General Counsel
Mr. Steve Vigil, Investment Accounting Bureau Chief
Ms. Marilyn Hill, Deputy Treasurer
Ms. Victoria Hutchison, STIC Secretary

Guest Present:

Ms. Deanne Woodring, GPA Government Portfolio Advisors (via phone)
Ms. Sally Lawson, GPA Government Portfolio Advisors (via phone)

1. Approval of October 8, 2014 Agenda:

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

2. Approval of July , 2014 Minutes:

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

3. Executive Summary, Mr. Wright:

Highlights of the Executive Summary report were presented.

- Chair Roseborough reported that for the first time, repo rates were being offered at -2%. Discussion was held regarding short-term overnight rates and diversification of the funds with regard to safety, liquidity, and yield.
- Member Cassidy asked about the status of the Statewide CAFR. Chair Roseborough and Member Clarke explained that it has not yet been released from the State Auditor. This will be the first audited CAFR in the state of New Mexico's history.

4. Investment Compliance Report, Chair Roseborough

Highlights of the Investment Compliance Report were presented.

5. Investment Accounting Report, Mr. Vigil:

Highlights of the Investment Accounting Report were presented.

6. Cash Projection, Mr. Garduño:

The STIC Cash Projections were presented.

- Member Cassidy asked about the replacement for the State Cash Manager. Treasurer Lewis indicated that Victor Vigil is interim director and the position will be filled by the next administration.

7. Portfolio Summary- General Fund Investment Pool, Mr. Wright:

Highlights of the Portfolio Summary General Fund report were presented.

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

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

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

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

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

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

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

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

12. Broker Dealer Activities: Mr. Wright:

The Broker Dealer Activities report was presented.

13. State Agency Deposit Balances, Mr. Garduño

Highlights of the State Agency Deposit Balance report were presented.

14. Collateral Report on Agency Deposits & CDs, Mr. Garduño

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

15. Question Period:

No questions were presented.

16. Next Meeting- Wednesday, November 11, 2014, 9:00am

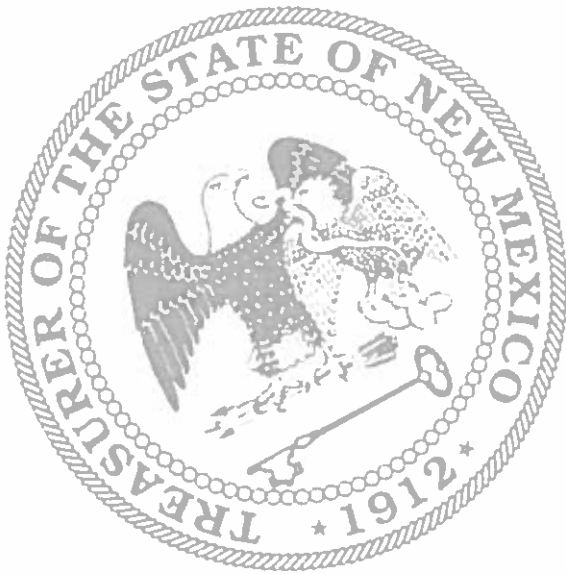
Chair Roseborough noted the date and time of next meeting.

17. Adjournment

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

Minutes were taken by Ms. Victoria Hutchison on October 8, 2014.

Minutes approved by Chair Roseborough on November 3, 2014.



3. Executive Summary

Executive Summary

- At the end of September, the State Treasurer managed \$4.1 billion in assets.
- During the month, the office earned approximately \$1.7 million on its investment positions.
- US Equity markets fell in September, posting year-to-date returns of 6.7%.
- Economic figures released in September were generally positive, although concerns about employment persisted throughout the month.
- The Fed continued to taper back its monthly purchases of MBS and UST Securities, reducing its monthly purchases by \$10B/month. The Fed is on track to end the securities purchase program by October.
- US Treasury prices fell, with some significant weakness over our area of the maturity curve.
- Language from the Federal Reserve statement in September indicated the fed's apprehension about growth, especially given a global perspective.
- The ECB shifted its monetary policy in an easing mode, cutting benchmark rates. The ECB also indicated its willingness to enter into asset purchases, similar to the purchases which are ongoing by the US Federal Reserve in a quantitative easing for the Eurozone.
- The US Dollar rallied during the month, decreasing the cost of dollar-denominated assets such as oil.

Table 1 - Comparative Interest Rates

<u>US Treasury Yields</u>			
<u>Maturity</u>	<u>August 31</u>	<u>September 30</u>	<u>Change</u>
3-Month	0.02%	0.02%	0.00%
6-Month	0.05%	0.03%	(0.02%)
2-Year	0.49%	0.57%	0.08%
5-Year	1.63%	1.76%	0.13%
10-Year	2.34%	2.49%	0.15%
30-Year	3.08%	3.20%	0.12%

Source: Bloomberg LP

Portfolio Mark-to-Market and Monthly Change

With the weakness in market yields, the STO portfolios¹ all had negative results on a mark-to-market basis. Rates in the longer end of our maturity area weakened significantly, resulting in a steeper yield curve.

Table 2 - Unrealized Gains and Losses

<u>Fund</u>	<u>Unrealized Gain/Loss²</u>	<u>Monthly Change in Unrealized Gain/Loss³</u>
<i>General Funds</i>	\$1.6 million	Decreased \$2.3 million
<i>Bond Proceeds Funds</i>	\$1.2 million	Decreased \$0.5 million
<i>Local Government Investment Pool</i>	Not Material	Not Material
<i>Severance Tax Bonding Fund</i>	Not Material	Not Material

Source: QED

Portfolio 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>Effective Duration⁴</u>		
		<u>Portfolio</u>	<u>Benchmark</u>	<u>Percentage</u>
<i>General Fund Liquidity</i>	0.00%	0.00 Years		
<i>General Fund CORE</i>	0.86%	2.19 Years	2.16 Years	101%
<i>Bond Proceeds – Tax Exempt</i>	0.42%	1.32 Years	1.40 Years	94%
<i>Bond Proceeds – Taxable</i>	0.42%	1.35 Years	1.40 Years	94%
<i>Local Government Investment Pool</i>	0.10%	0.16 Years		
<i>Severance Tax Bonding Fund</i>	0.04%	0.11 Years		

Source: QED, JPMorgan

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.

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

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 Weighted Average Effective Duration. Portfolio durations are calculated as of moment in time, specifically at month end.

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

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

Benchmark Performance Comparisons

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

Table 4 - Relative Performance of STO Funds

<i>Fund</i>	<i>Performance⁶</i>	
	<i>3 Months</i>	<i>12 Months</i>
<i>General Fund Liquidity</i>	0.03%	0.11%
S&P Government Bond Index (Gross)	<u>0.02%</u>	<u>0.10%</u>
Relative Performance (BPs)	0.01%	0.01%
Relative Performance (%)	150%	110%
<i>General Fund CORE</i>	0.00%	0.85%
BAML 0-5 US Treasury	<u>(0.03%)</u>	<u>0.53%</u>
Relative Performance (BPs)	0.03%	0.32%
Relative Performance (%)	333%	160%
<i>Bond Proceeds - Tax Exempt</i>	0.00%	0.48%
BAML 0-3 US Treasury	<u>(0.03%)</u>	<u>0.39%</u>
Relative Performance (BPs)	0.03%	0.09%
Relative Performance (%)	333%	123%
<i>Bond Proceeds - Taxable</i>	0.06%	0.45%
BAML 0-3 US Treasury	<u>0.03%</u>	<u>0.39%</u>
Relative Performance (BPs)	0.03%	0.06%
Relative Performance (%)	200%	115%
<i>Local Government Investment Pool</i>	0.04%	0.16%
S&P Government Bond Index (Gross)	<u>0.02%</u>	<u>0.10%</u>
Relative Performance (BPs)	0.02%	0.06%
Relative Performance (%)	200%	160%
<i>Severance Tax Bonding Fund</i>	0.03%	
S&P Government Bond Index (Gross)	<u>0.02%</u>	<u>0.10%</u>
Relative Performance (BPs)	0.01%	
Relative Performance (%)	150%	

Source: JPMorgan, STO Calculations

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

⁶ Relative performance is periodic total return compared to the return of the portfolio benchmarks.

Investment Earnings

Investment earnings for September are summarized in the table below.

Table 5 - Investment Earnings - September

<u>Fund</u>	<u>Investment Earnings⁷</u>		
	<u>MTD</u>	<u>YTD</u>	<u>FY'14 YTD</u>
General Funds	\$1,144,271	\$3,625,627	\$2,673,739
Bond Proceeds Funds	\$475,277	\$1,503,844	\$1,376,690
Local Government Investment Pool [®]	\$79,294	\$248,721	\$221,194
Severance Tax Bonding Fund	\$6,937	\$13,046	\$10,980

Source: QED

An increase in rates has resulted in increased investment income as compared to a year ago, particularly in the shorter end of the curve.

Compensating Balances at Fiscal Agent Bank

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

Table 6 - Compensating Balances at Fiscal Agent Bank

Average Collected Balance	\$40,575,934
Earnings Credit Rate	0.50%
Estimated Monthly Earnings	\$16,906
Estimated Fiscal YTD Earnings	\$40,107

Source: Wells, Fargo & Co.

Monthly Investment Outlook

The fixed income markets were weaker through the month of September and significantly stronger into October. The Federal Reserve reaffirmed its view that monetary policy will remain highly accommodative even after the asset purchase program ends.

We continue to believe that rate increases will not happen until the third quarter of 2015.

Implications for the Foreseeable Future

While we believe that interest rates will increase in 2015, we will continue to utilize the curve to our advantage in the interim period. STO will use the opportunity to maintain durations of the portfolios to be on top or slightly long to the benchmark durations.

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.

Vikki Hanges
Senior Portfolio Manager

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.

[®] Gross Earnings, Participant Earnings reflect 0.05% reduction for management fees.

New Mexico State Treasurer
Monthly Fund Summary Report
(Unaudited)

As of September 30, 2014

General Fund				Performance				Gross Earnings	
Account	Holdings		Unrealized	12-Month	Benchmark	Index	Relative	Monthly	YTD Earnings
	Cost Basis	Market Value	Gain/Loss	Total Return		Return	Performance	Earnings	
Cash Balances	\$ 40,575,934	\$ 40,575,934	\$ -						
Liquidity	668,934,838	668,934,940	102	0.11%	S&P LGIP Gross	0.10%	0.01%	\$ 33,329	\$ 128,843
CORE	1,482,785,708	1,484,420,545	1,634,837	0.85%	ML Treasury 0-5	0.53%	0.32%	1,110,942	3,496,784
TRAN	-	-	-	0.00%	All-In Tran TIC	0.00%	0.00%	-	-
Totals	\$ 2,192,296,480	\$ 2,193,931,419	\$ 1,634,939	0.62%	Blended	0.36%	0.26%	\$ 1,144,271	\$ 3,625,627
Bond Proceeds Investment Pool (BPIP)									
Account	Holdings		Unrealized	12-Month Total	Benchmark	Index	Relative	Monthly	YTD Earnings
	Cost Basis	Market Value	Gain/Loss	Return		Return	Performance	Earnings	
Tax-Exempt	\$ 498,637,725	\$ 499,158,708	\$ 520,983	0.48%	ML Treasury 0-3	0.39%	0.09%	\$ 189,485	\$ 573,007
Taxable	677,424,681	678,114,956	690,275	0.45%	ML Treasury 0-3	0.39%	0.06%	285,792	930,837
Totals	\$ 1,176,062,406	\$ 1,177,273,664	\$ 1,211,258	0.46%	Blended	0.39%	0.07%	\$ 475,277	\$ 1,503,844
Local Government Investment Pool (LGIP)									
Account	Holdings		Unrealized	12-Month Total	Benchmark	Index	Relative	Monthly	YTD Earnings
	Cost Basis	Market Value	Gain/Loss	Return		Return	Performance	Earnings	
LGIP	\$ 570,258,079	\$ 570,309,603	\$ 51,524	0.16%	S&P LGIP Gross	0.10%	0.06%	\$ 79,294	\$ 248,721
Severance Tax Bonding Fund									
Account	Holdings		Unrealized	12-Month Total	Benchmark	Index	Relative	Monthly	YTD Earnings
	Cost Basis	Market Value	Gain/Loss	Return		Return	Performance	Earnings	
STBF	\$ 170,418,195	\$ 170,426,054	\$ 7,859	0.16%	S&P LGIP Gross	0.10%	0.06%	\$ 6,937	\$ 13,046
Estimated Totals (all funds)			\$ 2,905,580					\$ 1,705,778	\$ 5,391,238

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) Cash Balances are month-end cash balances at Fiscal Agent Bank (Wells Fargo)
- (5) Source: STO Records, Wells Fargo Bank Statements, QED Financial Systems, JPMorgan Custody Reporting

New Mexico State Treasurers Office

Performance
As of September 2014

Account ID	Portfolio Name	Market Value	Month	Trailing 3M	Fiscal YTD	YTD	1 YR	Since Inception	Inception Date
10933300	Local Government Investment Pool	570,769,681	0.02	0.04	0.04	0.13	0.16	0.94	01-Jul-2007
10933400	Overnight Repo Pool	175,459,647	0.00	0.01	0.01	0.05	0.08	0.74	01-Jul-2007
10933500	Tax Exempt Bond Proceeds	500,377,764	0.00	0.08	0.08	0.39	0.48	1.90	01-Jul-2007
10933900	Taxable Bond Proceeds	679,944,586	(0.01)	0.06	0.06	0.37	0.45	2.00	01-Jul-2007
18952300	Severance Tax Bonding Fund	170,538,828	0.01	0.03	0.03			0.06	01-Mar-2014
00667701	General Fund	2,158,465,620	(0.06)	0.01	0.01	0.55	0.68	1.98	01-Jul-2007
10933700	General Fund Core	1,489,515,361	(0.08)	0.00	0.00	0.69	0.85	2.54	01-Jul-2007
10933600	General Fund Liquidity	668,950,258	0.01	0.03	0.03	0.09	0.11	0.72	01-Jul-2007
06677-BEN-0006	S&P Govt Pools Net yield		0.00	0.01	0.01	0.02	0.02	0.76	01-Jul-2007
06677-BEN-0012	BPIP Index ML 0-3 Treasury		(0.03)	0.03	0.03	0.34	0.39	1.93	01-Jul-2007
06677-BEN-0013	General Core Index ML 0-5 Treasury		(0.14)	(0.03)	(0.03)	0.62	0.53	2.69	01-Jul-2007
06677-BEN-0016	S&P LGIP Gross yield		0.01	0.02	0.02	0.07	0.10	0.13	01-Jun-2012
06677-BEN-0017	General Fund Total		(0.08)	(0.02)	(0.02)	0.38	0.33	0.24	30-Jun-2012

Performance shown is gross of manager fees

STATE OF NEW MEXICO
Investment Earnings and Interest Booked
For The Period 9/01/14 Through 9/30/14
GENERAL FUND (1000)

AMTZ-BASIS: COST

INVT#	DESCRIPTION	RATE	MATURITY	YIELD	BEGIN-PAR	ENDING-PAR	AVG-PAR-HELD	AVG-INVST-COST	RCVD-FROM-LAST	TO-RECV-NEXT
BEGINNNG-DISC	ENDING-DISC	PRD-EARND-DSC	REALIZED-DISC	REAL-G/L-BOOK	PURCHASED-INT	BEGINNING-ACRU	EX-PAY-INT-DUE	EX-PAY-PRN-DUE	INT-UNDR-BOOKD	END-INT-ACCRUL
BEGINNNG-PREM	ENDING-PREM	PRD-AMORTIZTN	REALIZED-PREM	REAL-G/L-COST	SOLD-INTEREST	PERIOD-EARNNGS	PRD-INT-BOOKED	PRD-PRN-BOOKED	PRN-UNDR-BOOKD	ENDING-RECVBLE
						951.44	27,123.75	6225317355.22	-4,377.23	4,152.09
33,521.85	33,521.85	5,321.37			3,949.33	38,650.78	20,951.75	6225317355.22		4,151.94
PAR-VALUE		BOOK-VALUE		CASH-FROM-LAST		CASH-FOR-NEXT	CASH-IN-PERIOD	PERIOD-EARNNGS		
TOTAL BEGINNING: 588,576,788.95		588,605,878.07		INTEREST: 8,039.73			28,991.48	EARNED-INTEREST: 38,650.78		
TOTAL ENDING: 668,911,070.43		668,934,838.18		PRINCIPAL:			6225317355.22	NET DISC/(PREM): -5,321.37		
CHANGE: 80,334,281.48		80,328,960.11		TOTAL: 8,039.73			6225346346.70	REALZO GAIN/(L):		
AVERAGE: 420,342,537.25		420,376,059.10 (COST)						EARNED-LOAN-FEE:		
								LESS EXPENSE:		
								TOTAL: 33,329.41		
								EARNED-YLD: .096463110		

37 ITEMS IN TOTAL: REPORT

*** Please see 3 adjustment memo entries on next page.

STATE OF NEW MEXICO
Investment Earnings and Interest Booked
For The Period 9/01/14 Through 9/30/14
GENERAL FUND CORE (1001)

AMTZ-BASIS: COST

INVT#	DESCRIPTION	RATE	MATURITY	YIELD	BEGIN-PAR	ENDING-PAR	-AVG-PAR-HELD-	AVG-INVST-COST	RCVD-FROM-LAST	-TO-RCV-NEXT-
BEGINNNG-DISC	ENDING-DISC	PRD-EARNND-DSC	REALIZED-DISC	REAL-G/L-BOOK	PURCHASED-INT	BEGINNING-ACRU	EX-PAY-INT-DUE	EX-PAY-PRN-DUE	INT-UNDR-BOOKD	END-INT-ACCRUL
BEGINNNG-PREM	ENDING-PREM	PRD-AMORTIZTN	REALIZED-PREM	REAL-G/L-COST	SOLD-INTEREST	PERIOD-EARNNGS	PRD-INT-BOOKED	PRD-PRN-BOOKED	PRN-UNDR-BOOKD	ENDING-RECVBLE

4,488,603.38	3,748,244.13	59,370.29	75,878.00	-20,273.65	146,470.77	6,315,299.45	3,523,284.90	299,255,858.01	-15,995.59	4,999,020.13
42,944,216.30	43,005,485.05	1,055,632.83	19,557.00	18,834,914.12	66,066.58	2,127,478.11	4,093,232.02	299,255,858.01		4,983,024.54

	PAR-VALUE	BOOK-VALUE		CASH-FROM-LAST	CASH-FOR-NEXT	CASH-IN-PERIOD		PERIOD-EARNNGS
TOTAL BEGINNING:	1457878731.24	1479863749.03	INTEREST:	553,951.53		4,647,183.55	EARNED-INTEREST:	2,127,478.11
TOTAL ENDING:	1461136389.70	1482860040.67	PRINCIPAL:			299,255,858.01	NET DISC/(PREM):	-996,262.54
							REALZD GAIN/(L):	-20,273.65
CHANGE:	3,257,658.46	2,996,291.64	TOTAL:	553,951.53		303,903,041.56	EARNED-LOAN-FEE:	
AVERAGE:	1459555201.06	1498637085.87 (COST)					LESS EXPENSE:	

199 ITEMS IN TOTAL: GENERAL FUND CORE

TOTAL: 1,110,941.92
EARNED-YLD: .901916825

4,488,603.38	3,748,244.13	59,370.29	75,878.00	-20,273.65	146,470.77	6,315,299.45	3,523,284.90	299,255,858.01	-15,995.59	4,999,020.13
42,944,216.30	43,005,485.05	1,055,632.83	19,557.00	18,834,914.12	66,066.58	2,127,478.11	4,093,232.02	299,255,858.01		4,983,024.54

	PAR-VALUE	BOOK-VALUE		CASH-FROM-LAST	CASH-FOR-NEXT	CASH-IN-PERIOD		PERIOD-EARNNGS
TOTAL BEGINNING:	1457878731.24	1479863749.03	INTEREST:	553,951.53		4,647,183.55	EARNED-INTEREST:	2,127,478.11
TOTAL ENDING:	1461136389.70	1482860040.67	PRINCIPAL:			299,255,858.01	NET DISC/(PREM):	-996,262.54
							REALZD GAIN/(L):	-20,273.65
CHANGE:	3,257,658.46	2,996,291.64	TOTAL:	553,951.53		303,903,041.56	EARNED-LOAN-FEE:	
AVERAGE:	1459555201.06	1498637085.87 (COST)					LESS EXPENSE:	

199 ITEMS IN TOTAL: REPORT

TOTAL: 1,110,941.92
EARNED-YLD: .901916825



4. Investment Policy Compliance Report

Investment Compliance Review

Primary and Secondary Bond Purchases/ Sales

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

Table 7 - Primary/Secondary Market Volume - September 2014

Primary Bond Volume	\$98,881,000	42%
Secondary Bond Volume	<u>133,950,000</u>	<u>58%</u>
Total	\$232,831,000	100%

Source: QED

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

Commissions Paid

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

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

Variable Rate and Structured Note Holdings

At the end of September, total holdings of Variable Rate Notes were \$90,400,000.

Table 8 - Variable Rate Note Holdings - September 2014

General Fund	-
Taxable BPIP	-
Tax Exempt BPIP	-
LGIP	<u>\$90,400,000</u>
Total Holdings	\$90,400,000

Source: QED

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

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

Transaction Variances and Inter-Portfolio Transactions

During September, there were no transaction variances or compliance issues. All trade information was entered correctly in our QED financial systems and within the custody bank by the Investment Transactions Bureau and are reconciled daily by the Investment Accounting Bureau.

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

There were 16 inter-portfolio trades during the month of September and all trades were Certificates of Deposits.

Table 9 - Inter-Portfolio Trades - September 2014

<u>Trade Date</u>	<u>Selling Account</u>	<u>Purchasing Account</u>	<u>Par Amount</u>	<u>Security</u>	<u>Realized Gain/Loss</u>
9/18	GF Liquidity	GF CORE	\$0.5MM	West Bank Clovis 0.500% 6/3/15	\$0.00
9/18	GF Liquidity	GF CORE	\$2MM	Bank'34 0.60% 8/31/16	0.00
9/18	GF Liquidity	GF CORE	\$10MM	SW Nat Bank 0.20% 6/17/15	0.00
9/18	GF Liquidity	GF CORE	\$8MM	Cent Bank 0.40% 9/29/14	0.00
9/18	GF Liquidity	GF CORE	\$5MM	Cent Bank 0.37% 3/15/15	0.00
9/18	GF Liquidity	GF CORE	\$3MM	Cent Bank 0.20% 6/17/15	0.00
9/18	GF Liquidity	GF CORE	\$0.25MM	Guadalupe CU 1.00% 3/26/15	0.00
9/18	GF Liquidity	GF CORE	\$3MM	Farm & Stockmn's 0.40% 4/23/15	0.00
Total			\$31.75MM		0.00

Unrealized Gains and Losses

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

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

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

Realized Gains and Losses

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

The following information is presented using the Trade Date versus Settlement Date.

Table 10 - Realized Gains and Losses on Securities Sold - September 2014

<u>Trade Date</u>	<u>Account</u>	<u>Par Amount</u>	<u>Security</u>	<u>Realized Gain/Loss</u>
9/18	GF Liquidity	\$0.5MM	West Bank Clovis 0.500% 6/3/15	\$0.00
9/18	GF Liquidity	\$2MM	Bank'34 0.60% 8/31/16	0.00
9/18	GF Liquidity	\$10MM	SW Nat Bank 0.20% 6/17/15	0.00
9/18	GF Liquidity	\$8MM	Cent Bank 0.40% 9/29/14	0.00
9/18	GF Liquidity	\$5MM	Cent Bank 0.37% 3/15/15	0.00
9/18	GF Liquidity	\$3MM	Cent Bank 0.20% 6/17/15	0.00
9/18	GF Liquidity	\$0.25MM	Guadalupe CU 1.00% 3/26/15	0.00
9/18	GF Liquidity	\$3MM	Farm & Stockman's 0.40% 4/23/15	0.00
9/18	GF CORE	\$15MM	UST 0.875% 1/31/18	(7,795.08)
9/18	GF CORE	\$20MM	UST 0.625% 4/30/18	(12,478.57)
9/30	GF CORE	\$4MM	FHLB 0.25% 2/20/15	3,107.25
Total				(\$17,166.40)

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

Trade Documentation⁹

Purchase/Sales Activity¹⁰

There were a total of 37 security trades that settled during the month of September.

Table 11 – Securities Trades - September

	Number	Par-Value	Cost/Proceeds	Recognized Gain/Loss
Securities Purchased	27	\$125,991,000	\$126,404,674.54	\$ -0-
Securities Sold	10	66,750,000	65,956,640.63	(20,273.65)
Total	37	\$192,741,000	\$192,361,315.17	(\$20,273.65)

The QED purchase/sale settlement report detailing each transaction can be found at the end of this section.

Trade documentation and Investment Processing Compliance

All trades have been accounted for by the Investment Transactions Bureau

There are no pending items for the month.

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

STATE OF NEW MEXICO Summary of Fixed-Income Purchases and Sales SETTLEMENTS During The Period 9/01/14 Through 9/30/14

TXN-DATE	CUSIP#	ASSET-TYPE	INVS#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
PURCHASE TRANSACTIONS													
9/19/14	0.515981	CERTIFICATES OF	22125	WESTERN BANK CLOVIS	.500	6/03/15	.5000	SYSTEM - UNIDEN	1001	500,000.00	500,000.00		
9/19/14	01010047	CERTIFICATES OF	22131	Bank 34	.600	8/31/16	.6000	SYSTEM - UNIDEN	1001	2,000,000.00	2,000,000.00		
9/19/14	1623234	CERTIFICATES OF	22126	SOUTHWEST NATIONAL BANK	.200	6/17/15	.2000	SYSTEM - UNIDEN	1001	10,000,000.00	10,000,000.00		
9/19/14	17099245	CERTIFICATES OF	22129	CENTURY BANK SANTA FE	.400	9/29/14	.3999	SYSTEM - UNIDEN	1001	8,000,000.00	8,000,000.00		
9/19/14	17099253	CERTIFICATES OF	22128	CENTURY BANK SANTA FE	.370	3/18/15	.3700	SYSTEM - UNIDEN	1001	5,000,000.00	5,000,000.00		
9/19/14	17099254	CERTIFICATES OF	22123	CENTURY BANK SANTA FE	.200	6/17/15	.2000	SYSTEM - UNIDEN	1001	3,000,000.00	3,000,000.00		
9/19/14	735605	CERTIFICATES OF	22132	GUADALUPE CREDIT UNION	1.000	3/26/15	1.0000	SYSTEM - UNIDEN	1001	250,000.00	250,000.00		
9/19/14	8521510	CERTIFICATES OF	22124	FARMERS & STOCKMEN'S BA	.400	4/23/15	.4000	SYSTEM - UNIDEN	1001	3,000,000.00	3,000,000.00		
9/03/14	313505SB	AGENCY US BOND	22029	FEDERAL NATIONAL MORTGA	.375	12/21/15	.2748	SOC GEN AMERICA	4001	12,000,000.00	12,015,600.00		
9/04/14	3130A2FT	AGENCY US BOND	22043	FEDERAL HOME LOAN BANKS	.125	6/19/15	.1718	WELLS FARGO SEC	4101	6,655,000.00	6,652,537.65		
9/08/14	313131HW	AGENCY US BOND	22097	FEDERAL FARM CREDIT BAN	1.625	11/19/14	.1031	DREXEL HAMILTON	4101	15,000,000.00	15,045,000.00		
9/10/14	3128X6VP	FHLB INDEX BOND	22071	FEDERAL HOME LOAN MORTG	8.322	11/28/14	.1390	BB&T CAPITAL MA	4101	14,476,000.00	14,732,514.72		
9/09/14	3131SPCT	AGENCY US NOTES	22064	FEDERAL AGRICULTURAL MO	2.125	9/15/15	.2229	WELLS FARGO SEC	4101	6,000,000.00	6,115,830.00		
9/17/14	3134G3GC	AGENCY US NOTES	22106	FEDERAL HOME LOAN MORTG	.350	3/18/15	.1106	G.X. CLARKE & C	4101	5,000,000.00	5,006,015.00		
9/18/14	3131SP3K	AGENCY US NOTES	22092	FEDERAL AGRICULTURAL MO	1.150	9/18/17	1.1704	MUTUAL SECURITI	1001	4,500,000.00	4,497,300.00		
9/18/14	3131SP3R	AGENCY US NOTES	22091	FEDERAL AGRICULTURAL MO	1.900	9/18/19	1.9200	CASTLEDAK SECUR	1001	13,000,000.00	12,987,650.00		
9/23/14	3134CA3B	FED NATL MORTGA	22145	FEDERAL HOME LOAN MORTG	1.250	10/30/18	.3818	ZIONS BANK	4000	4,500,000.00	4,504,005.00		10/30/14
9/10/14	3133EDPH	AGENCY US VARIA	22072	FEDERAL FARM CREDIT BAN	.100	6/30/15	.1196	DAIWA CAPITAL M	4101	4,000,000.00	3,999,347.17		
9/02/14	64711RAY	MUNI US 30/360	22011	NEW MEXICO FIN AUTH ST	5.250	6/15/15	.1501	SOUTHWEST	4001	300,000.00	312,015.00		
9/04/14	76218KEN	MUNI US 30/360	22030	RHODE ISLAND DEPOSITORS	6.250	8/01/16	1.9196	SOUTHWEST	1001	400,000.00	432,296.00		
9/05/14	903766SM	MUNI US 30/360	22028	ULSTER CNTY N Y	4.250	11/15/18	.1531	SOUTHWEST	1001	600,000.00	604,776.00		11/15/14
9/22/14	235036AK	MUNI US 30/360	22127	DALLAS FORT WORTH TEX I	5.000	11/01/19	.2042	SOUTHWEST	1001	2,500,000.00	2,512,975.00		11/01/14
9/22/14	64711HPZ	MUNI US 30/360	22107	NEW MEXICO FIN AUTH REV	2.500	6/01/16	.6803	FIRST SOUTHWEST	1001	125,000.00	128,818.75		
9/23/14	235036J5	MUNI US 30/360	22114	DALLAS FORT WORTH TEX I	5.375	11/01/21	.2063	SOUTHWEST	1001	4,000,000.00	4,021,800.00		11/01/14
9/24/14	013493AV	MUNI US 30/360	22122	ALBUQUERQUE BERNALILLO	4.500	7/01/25	.3001	SOUTHWEST	1001	160,000.00	165,160.00		7/01/15
9/09/14	7452682V	MUNICIPAL BOND	22050	PUERTO RICO ELEC PWR AU		7/01/17	.1031	SOUTHWEST	1001	390,000.00	350,442.30		
9/09/14	745268YF	MUNICIPAL BOND	22051	PUERTO RICO ELEC PWR AU		7/01/17	.1031	SOUTHWEST	1001	635,000.00	570,591.95		
27 PURCHASES DURING PERIOD TOTAL.....										125,991,000.00	126,404,674.54		

⁹ Trade Documentation information is presented on settlement date.

¹⁰ Excludes daily repurchase agreement transactions.

TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
SALE TRANSACTIONS													
9/19/14	0.515981	CERTIFICATES OF	19326	WESTERN BANK CLOVIS	.500	6/03/15	.5000	SYSTEM - UNIDEN	1000	500,000.00	500,000.00		
9/19/14	01010047	CERTIFICATES OF	22021	Bank 34	.600	8/31/16	.6000	SYSTEM - UNIDEN	1000	2,000,000.00	2,000,000.00		
9/19/14	1623234	CERTIFICATES OF	21620	SOUTHWEST CAPITAL BANK	.200	6/17/15	.2000	SYSTEM - UNIDEN	1000	10,000,000.00	10,000,000.00		
9/19/14	17099245	CERTIFICATES OF	18833	CENTURY BANK SANTA FE	.400	9/29/14	.3999	SYSTEM - UNIDEN	1000	8,000,000.00	8,000,000.00		
9/19/14	17099253	CERTIFICATES OF	20247	CENTURY BANK SANTA FE	.370	3/18/15	.3700	SYSTEM - UNIDEN	1000	5,000,000.00	5,000,000.00		
9/19/14	17099254	CERTIFICATES OF	21631	CENTURY BANK SANTA FE	.200	6/17/15	.2000	SYSTEM - UNIDEN	1000	3,000,000.00	3,000,000.00		
9/19/14	735605	CERTIFICATES OF	18820	GUADALUPE CREDIT UNION	1.000	3/26/15	1.0000	SYSTEM - UNIDEN	1000	250,000.00	250,000.00		
9/19/14	8521510	CERTIFICATES OF	19011	FARMERS & STOCKMEN'S BA	.400	4/23/15	.4000	SYSTEM - UNIDEN	1000	3,000,000.00	3,000,000.00		
9/19/14	912828UJ	US TREASURY NOT	21272	UNITED STATES TREASURY	.875	1/31/18	1.3251	GUGGENHEIM SECU	1001	15,000,000.00	14,778,515.63	-7,795.08	
9/19/14	912828UZ	US TREASURY NOT	21271	UNITED STATES TREASURY	.625	4/30/18		G.X. CLARKE & C	1001	20,000,000.00	19,428,125.00	-12,478.57	
10 SALES DURING PERIOD TOTAL.....										66,750,000.00	65,956,640.63	-20,273.65	
GRAND-TOTAL										192,741,000.00	192,361,315.17	-20,273.65	
*** END-OF-REPORT ***													

THIS CONCLUDES THE 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 17, 2014
TO: Linda Roseborough, Chief Investment Officer & Investments Division Director
FROM: Steve Vigil, Investment Accounting Bureau Chief *SV*
CC: STO Investments Division
SUBJECT: Weekly S&P Reconciliation and September 2014 Investments Reconciliation

Weekly S&P Reconciliation

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

September 2014 Investments Reconciliation

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

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

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

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

JP Morgan to QED Inventory Reconciliations
Sep-14

W/P Ref
503

Market Value Reconciliation

JPM Account	Market Value	QED Fund #	Name	Market Value	Difference	BPS Dollar Thresold *
P 09336	668,959,121.35	1000	GF Liquidity	668,934,940.23	24,181.12	334,479.56
P 09337	1,493,682,835.17	1001	GF Core	1,493,660,783.14	22,052.03	746,841.42
P 09334	175,459,647.18	1101	ONREPO	175,461,205.04	(1,557.86)	87,729.82
P 89523	170,426,054.28	4001	STB	170,426,054.28	-	85,213.03
P 09335	507,530,566.37	4000	BPIP#1	507,528,243.93	2,322.44	253,765.28
P 09339	678,130,530.22	4002	BPIP#2	678,114,955.24	15,574.98	339,065.27
P 09333	585,375,175.07	4101	LGIP	585,338,899.45	36,275.62	292,687.59
Total	4,279,563,929.64			4,279,465,081.31	98,848.33	2,139,781.96

Cost Reconciliation

JPM Account	Cost	QED Fund #	Name	Cost	Difference	BPS Dollar Thresold *
P 09336	668,968,773.40	1000	GF Liquidity	668,944,592.28	24,181.12	334,484.39
P 09337	1,509,559,469.88	1001	GF Core	1,509,554,092.11	5,377.77	754,779.73
P 09334	175,459,647.18	1101	ONREPO	175,461,205.04	(1,557.86)	87,729.82
P 89523	170,593,561.69	4001	STB	170,667,953.16	(74,391.47)	85,296.78
P 09335	510,500,256.74	4000	BPIP#1	510,500,256.75	(0.01)	255,250.13
P 09339	682,879,967.16	4002	BPIP#2	682,879,967.18	(0.02)	341,439.98
P 09333	585,810,881.25	4101	LGIP	585,774,671.64	36,209.61	292,905.44
Total	4,303,772,557.30			4,303,782,738.16	(10,180.86)	2,151,886.28

Position Reconciliation

JPM Account	Position Size	QED Fund #	Name	Position Size	Difference	BPS Dollar Thresold *
P 09336	668,935,251.55	1000	GF Liquidity	668,911,070.43	24,181.12	334,467.63
P 09337	1,470,293,069.34	1001	GF Core	1,470,287,691.56	5,377.78	735,146.53
P 09334	175,459,647.18	1101	ONREPO	175,461,205.04	(1,557.86)	87,729.82
P 89523	170,307,291.28	4001	STB	170,307,291.28	-	85,153.65
P 09335	503,940,617.10	4000	BPIP#1	503,940,617.10	-	251,970.31
P 09339	671,432,196.31	4002	BPIP#2	671,432,196.31	-	335,716.10
P 09333	584,637,548.57	4101	LGIP	584,601,338.96	36,209.61	292,318.77
Total	4,245,005,621.33			4,244,941,410.68	64,210.65	2,122,502.81

*Basis Point (BPS)Dollar Threshold

JPM Market Value x 5 BPS

JPM Cost x 5 BPS

JPM Postion Size x 5 BPS

0.0005

JP Morgan to QED Income Reconciliation
Sep-14

W/P Ref
504

JPM Account	Earned Interest	QED Fund #	Name	Earned Interest	Difference	BPS Dollar Threshold *
P 09336	45,549.60	1000	GF Liquidity	38,650.78	6,898.82	33,447.96
P 09337	2,129,804.65	1001	GF Core	2,127,478.11	2,326.54	74,684.14
P 09334	3,076.91	1101	ONREPO	3,076.78	0.13	8,772.98
P 89523	40,037.88	4001	STB	37,275.36	2,762.52	8,521.30
P 09335	445,653.54	4000	BPIP#1	445,710.33	(56.79)	25,376.53
P 09339	715,806.88	4002	BPIP#2	714,624.65	1,182.23	33,906.53
P 09333	278,230.25	4101	LGIP	278,219.90	10.35	29,268.76
Total	3,658,159.71			3,645,035.91	13,123.80	213,978.20

JP Morgan to QED Amortization/Accretion Reconciliation

JPM Account	Amortization/Accretion	QED Fund #	Name	Amortization/Accretion	Difference
P 09336	(5,204.97)	1000	GF Liquidity	(5,321.37)	116.40
P 09337	(944,470.93)	1001	GF Core	(990,614.32)	46,143.39
P 09334	-	1101	ONREPO	-	-
P 89523	(30,301.86)	4001	STB	(30,338.83)	36.97
P 09335	(247,883.99)	4000	BPIP#1	(256,225.29)	8,341.30
P 09339	(423,345.06)	4002	BPIP#2	(428,832.84)	5,487.78
P 09333	(194,068.24)	4101	LGIP	(198,926.08)	4,857.84
Total	(1,845,275.05)			(1,910,258.73)	64,983.68

BPS Dollar Threshold *

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

0.005%

Note: QED uses multiple methods (referenced below) to compute amortization/accretion where the configuration is matched with an asset type. JP Morgan uses, but is not limited to, the pro rata, straight line, and level yield methods for amortization/accretion. Therefore, the 64,983.68 difference stems from the accounting method JP Morgan uses to compute amortization/accretion vs. QED.

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



6. Financial Advisor- September 2014 Quarterly Investment Report

QUARTERLY REPORT

Quarter Ending September 30, 2014



New Mexico State Treasurer's Office Investment Portfolio Analysis



GOVERNMENT
PORTFOLIO
ADVISORS

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Market Commentary

Market Yields: Treasury yields were mixed with little change during the quarter. Two year and five year notes rose modestly while 10-year treasury yields declined by 4 basis points. The 2 year to 5 year sector of the yield curve steepen by just 3 basis points while the 5 year to 10 year part of the curve flatten by 18 basis points. **FOMC:** The Fed's bond buying program will end in October. The final \$15 billion purchase will follow the Fed's meeting in October. These purchases have been reduced from their peak of 85 billion per month.

Employment: The unemployment rate remained at 6.1% in September which is the lowest level since 2008. August nonfarm payrolls were weak at 143,000, however, job growth averaged 213,000 per month over the quarter.

GDP: Second quarter GDP was revised to +4.6%. First quarter GDP was -2.1%. Q3 forecasts are +3.00%.

Market Outlook

Fed Funds: The Fed Funds futures market is expecting rates to remain at 25 basis points or lower until second quarter of 2015 and slowly increase to 45 basis points in the second quarter of 2015.

2 year: The 2 year treasury note traded from a low of 41 basis points to a high of 59 basis points during the quarter and closed the quarter at 57 basis points.

Portfolio Positioning: GPA is focused on moving portfolio durations from neutral to slightly shorter than the established benchmark durations. We will continue to evaluate spreads on treasury securities vs. credit products to determine best value. If the curve steepens we will look for attractive opportunities in future barbell trades overweighting long and short maturities while underweighting the middle maturities.

Quarterly Yield Change

	12/31/13	03/31/14	06/30/14	09/30/14
3-month bill	.06	.04	.02	.02
2- year note	.38	.42	.46	.57
5 -year note	1.74	1.72	1.62	1.76
10- year note	3.03	2.72	2.53	2.49

Economist's Survey Projections

	Q3 14	Q4 14	Q1 15	Q2 15
Real GDP	3.00	3.00	3.00	3.00
CPI	2.00	2.00	2.00	2.00
Unemployment	6.10	5.90	5.80	5.70

Economist's Survey Projections for Rates

	Q3-14	Q4-14 est	Q1-15 est	Q2-15 est
Fed Funds	.25	.25	.25	.45
2 Year	.57	.73	.93	1.17
10 year	2.49	2.78	2.97	3.14

Sources: Bloomberg



EXECUTIVE SUMMARY

The purpose of this review is an analysis to provide the Treasurer of New Mexico, the State Treasurer's Investment Council ("STIC") and the State Treasurers investment team with of the risk and return components of the investment funds of the New Mexico State Treasurers Office ("STO"). The report includes an overview of performance measurements, asset allocation and investment strategy for the period.

STO's investment strategy is specific to each fund based on the objectives of the funds. The four primary investment funds are the LGIP, General fund core, BPIP taxable and BPIP tax exempt. The remaining funds provide for liquidity and specific cash requirements. . The key points of reference throughout this analysis will be on three specific strategies: 1) Management strategies to ensure that the policy objectives are being met, 2) Risk strategies to protect the market value of the funds, and 3) Investment strategy considerations based on the current rate environment.

Quarterly Statistics:

- ✓ Total Fund Market Value Balances as of 9/30/14 - \$4,246,698,379.06
- ✓ Liquidity requirements are managed in each fund to ensure cash is available when needed
- ✓ Investment components for each fund are targeted to a specific market benchmark
- ✓ Total purchases for the quarter in all funds: 90 purchases were made for a cost of \$522,099,056.72
- ✓ Total sales for the quarter in all funds: 23 sales were made this quarter for total proceeds of \$236,759,675.17
- ✓ Realized gains for the quarter were \$122,038.44 and these gains are distributed when they are realized

(Source: JP Morgan)

The overall investment funds are characterized as well-diversified, low risk portfolios with sufficient liquidity balances.



KEY POINTS OF FOCUS FOR THE COUNTY POOL

1. Objectives: Safety, Liquidity and Return

The investment policy objectives of safety, liquidity and return will be the basis of evaluation on the quarterly reports. Safety is addressed through asset diversification and credit quality. Liquidity is addressed through maturity distribution, cash flow analysis and overnight investments. Return is achieved through the selection of credit sector and maturity/duration management.

2. Risk: Credit Risk and Interest Rate Risk

The risks associated with STO's investment funds are: 1) Interest rate risk, which represents the negative impact on market value if interest rates move up. This is controlled by the overall maturity of the portfolio. 2) Credit risk, which is the risk associated with the ability of the issuers to pay its debt obligations. 3) Reinvestment rate risk, which is the risk associated with maturities and short-term securities that are coming due and are then reinvested at lower rates during declining interest rate cycles. The LGIP pool remains within the policy constraints of a weighted average maturity of under 60 days.

Ranking on Interest rate risk: **LOW**

Interest rate risk is directly correlated to average duration of each fund and articulates the amount of price movement that will occur given interest rate changes. Market benchmarks have been established for each of the investment funds to create discipline in market exposure. GPA is monitoring the duration of the three longer investment funds: General Fund Total, BPIP Tax Exempt and BPIP Taxable. The average duration of the combined specified funds is 1.45 years and the weighted benchmark is 1.519 years. The interest rate risk exposure of the funds are in line with the established goals and targets.

Ranking on Credit risk: **LOW -MEDIUM**

The portfolio continues to be invested in high quality securities with the majority of investments held in US treasury and Agency securities. The general core fund holds 67.80 % in agency securities and 25.82% in US Treasury securities. The BPIP Tax-exempt fund is 35.12% in Agency securities and 59.26% in Treasury securities and the BPIP Taxable fund is 45.21% in Agency securities and 50.18 % in US Treasury. The remaining credit exposure s in bank deposits, which are collateralized and in a multiple municipal securities. Consideration to complete a due diligence document on municipal issuers held will reinforce credit exposure in this asset class. For example: Puerto Rico Electric Power bonds were purchased on 9/4/14, (\$1,025M) these bonds are refunded bonds and escrowed with US treasury securities and Refcorps and have a AA- and A3 rating by S&P and Moody's respectively, however, the underlying rating by Moody's is Caa3 and S&P has them rated CCC.

Ranking on reinvestment rate risk: LOW

Reinvestment risk is the opportunity risk of having too much held in liquidity or being exposed to higher concentrations of callable securities in a declining market. STO is effectively incorporating a cash flow model to manage liquidity and callable holdings are being added in limited amounts, when there is value in that sector.

3. GPA Observations & Recommendations

- STO managers should continue to refine the cash flow model to minimize cash balances.
- Spreads have begun to widen out on agency issues relative to treasury securities, so when opportunities arise look at reducing treasury holdings and increasing agency exposure.
- Continue to evaluate the ability to purchase corporate securities to provide for further diversification in the funds.
- Through the transition of both a new Treasurer and changing in the Investment Manager staffing, focus should be on maintaining duration levels to the target benchmarks.

GPA is reporting on the following key measures:

Asset Allocation:

- 1) Presents the current asset allocation by funds
- 2) Presents the changes in asset allocation over the quarter

Performance Measurement and Risk Management:

- 1) Provides a comparison of the duration targets for each investment fund relative to the established benchmark.
- 2) Provides a return comparison over the last quarter, fiscal year and rolling one year period on the investment funds relative to the established benchmarks.
- 3) Potential price changes on the portfolio given changes in interest rates – Shock Analysis

Investment Strategy Review:

- 1) Provide an analysis on the current strategy
- 2) Considerations based on market outlook and funds objectives.

GPA relies on the performance data and information provided from STO's custodial bank JP Morgan and STO's internal reporting system.



ASSET ALLOCATION REPORT

<i>Allocation Report by Fund</i>	GPA has compiled a report that provides a summary of the asset allocation in each fund. The BPIP funds are holding in excess of 50% in US Treasury securities with the remaining funds concentrated on Agency holdings. The General Fund Core holds 25.82% in US Treasury securities and 67.08% in Agency securities.
<i>Change in Allocation over the Period</i>	Most of the funds held are similar allocations this quarter versus last quarter. The primary changes were in the short term and overnight markets, where the repurchase and overnight funds continue to have pressure at 0% rates. The GF liquidity shifted funds from Repo to Bank holdings and the Severance Tax Bonding fund is holding 66% in repo.
<i>Issuer Exposure</i>	Over the past year, the portfolio manager focused on adding value through the municipal market. In the General fund core, there are over 80 issues held representing 4.5% of the fund. The municipal sector has outperformed Treasury and Agencies and have contributed value. As municipal spreads have tightened, consideration to the effectiveness of adding smaller issues and their impact on the return of the fund should be reviewed.
<i>Relative Value between Asset Classes</i>	The municipal market was the best performing asset class this quarter and corporate bonds the worst. Volatility is increasing in the market and we expect variations in asset class returns to continue. Duration continues to be the greatest contributor to return.

9/30/14

ASSET ALLOCATION AND DIVERSIFICATION

Portfolio Name	Market Value+Int	% Fund	Repo	Bank	Treasury	Agency	Corp/CP	Muni	Other
Total LGIP	\$ 570,760,681.10	100%	0.00%	42.80%	0.50%	59.30%			-2.60%
Liquidity	\$ 229,292,938.96	40%							
Investments	\$ 341,467,742.14	60%							
LGIP GIP Index Benchmark			30.66%	12.17%	5.93%	50.45%	0.06%	0.15%	0.58%
Portfolio Name	Market Value+Int	% Fund	Repo	CD/Bank	Treasury	Agency	Corp/CP	LGIP	Muni
Total General Fund	\$ 2,158,465,619.55	100%							
Liquidity	\$ 668,950,258.48	31%	69.88%	29.92%		0.00%		0.00%	0.20%
Investment Core	\$ 1,489,515,361.07	69%	0.08%	3.68%	25.82%	67.08%		0.070%	3.27%
Portfolio Name	Market Value+Int	% Fund	Repo	CD/Other	Treasury	Agency	Corp/CP	LGIP	Muni
Total Tax Exempt	\$ 500,377,764.30	100%	2.82%	0.60%	59.26%	35.12%		0.40%	1.80%
Liquidity	\$ 19,052,325.57	4%							
Investments	\$ 481,325,438.73	96%							
Portfolio Name	Market Value+Int	% Fund	Repo	CD/Other	Treasury	Agency	Corp/CP	LGIP	Muni
Total Taxable	\$ 670,944,486.24	100%	0.06%	2.68%	50.18%	45.21%		0.49%	1.38%
Liquidity	\$ 12,924,305.07	2%							
Investments	\$ 658,020,181.17	98%							
Portfolio Name	Market Value+Int	% Fund	Repo	CD/Other	Treasury	Agency	Corp/CP	LGIP	Muni
Overnight Repo Pool	\$ 175,500,000.00	100%	100.00%						
Liquidity	\$ 175,500,000.00	100%							
Investments		0%							
Portfolio Name	Market Value+Int	% Fund	Repo	CD/Other	Treasury	Agency	Corp/CP	LGIP	Muni
Severance Tax Bonding	\$ 170,638,827.87	100%	66.85%		8.32%	7.06%		17.59%	0.18%
Liquidity	\$ 142,010,053.73	83%							
Investments	\$ 28,628,774.14	17%							
TOTAL STO FUNDS	\$ 4,246,687,379.06								

Source : JP Morgan Reports - Balances -Trade Date

Source: Asset Allocation STO - QED Reports

The benchmarks for STO Funds are 100% US Treasury Securities

Assumption: QED is traded date accounting, therefore, negative cash balances were reduced from Repo or bank deposits

9/30/14

CHANGE IN PORTFOLIO FROM 6/30/14 to 9/30/14

LGIP Fund	Market Value+Int	Repo	Bank	Treasury	Agency	Corp/CP	Other		
9/30/2014	\$ 570,769,681.10	0.00%	42.80%	0.50%	59.30%				
6/30/2014	\$ 567,384,387.36	0.00%	44.97%	2.31%	52.72%				
Change over Period	\$ 3,385,293.74	0%	-2%	-2%	7%				
General Fund Liquidity	Market Value+Int	Repo	CD/Bank	Treasury	Agency	Corp/CP	LGIP	Muni	
9/30/2014	\$ 668,950,258.48	69.88%	29.92%	0.00%	0.00%		0.00%	0.20%	
6/30/2014	\$ 716,845,983.12	76.26%	19.07%		0.00%		4.21%	0.45%	
Change over Period	\$ (47,895,724.64)	-6%	11%	0%	0%		-4.21%	-0.25%	
General Fund Core	Market Value+Int	Repo	CD/Bank	Treasury	Agency	Corp/CP	LGIP	Muni	
9/30/2014	\$ 1,489,515,361.07	0.08%	3.68%	25.82%	67.08%	0.00%	0.000%	4.50%	
6/30/2014	\$ 1,489,581,986.08	0.33%	0.69%	26.57%	67.91%	0.00%	0.070%	3.27%	
Change over Period	\$ (66,625.01)	-0.25%	2.99%	-0.75%	-0.83%	0.00%	-0.07%	1.23%	
BPIP Tax Exempt	Market Value+Int	Repo	CD/Other	Treasury	Agency	Corp/CP	LGIP	Muni	
9/30/2014	\$ 500,377,764.30	2.82%	0.60%	59.26%	35.12%		0.40%	1.80%	
6/30/2014	\$ 537,415,595.13	6.85%	0.56%	59.97%	27.94%		0.37%	4.31%	
Change over Period	\$ (37,037,830.83)	-4.03%	0.04%	-0.71%	7.18%		0.03%	-2.51%	
BPIP Taxable	Market Value+Int	Repo	CD/Other	Treasury	Agency	Corp/CP	LGIP	Muni	
9/30/2014	\$ 670,944,486.24	0.06%	2.68%	50.18%	45.21%		0.49%	1.38%	
6/30/2014	\$ 763,337,311.78	6.11%	2.39%	47.52%	40.30%		0.17%	3.51%	
Change over Period	\$ (92,392,825.54)	-6.05%	0.29%	2.66%	4.91%		0.32%	-2.13%	
Overnight Repo Pool	Market Value+Int	Repo	CD/Other	Treasury	Agency	Corp/CP	LGIP	Muni	
9/30/2014	\$ 175,500,000.00	100.00%							
6/30/2014	\$ 172,815,721.89	100.00%							
Change over Period	\$ 2,684,278.11								
Severance Tax Bonding	Market Value+Int	Repo	CD/Other	Treasury	Agency	Corp/CP	LGIP	Muni	
9/30/2014	\$ 170,638,827.87	66.85%		8.32%	7.06%		17.59%	0.18%	
6/30/2014	\$ 17,295,357.50	22.00%		82.00%					
Change over Period	\$ 153,343,470.37	44.85%		-73.68%					
TOTAL STO FUNDS 9/30/14	\$ 4,246,696,379.06								
TOTAL STO FUNDS 6/30/14	\$ 4,264,676,342.86								

Source : JP Morgan Reports - Balances

Source: Asset Allocation STO - QED Reports

Assumption: QED is traded date accounting, therefore, negative cash balances were reduced from Repo or bank deposits



PERFORMANCE REPORT

<i>Performance Report</i>	The following performance report compares the total return of each portfolio relative to the established benchmark. The LGIP portfolio is reported on a book yield basis. The only funds that utilize total return tracking are the general fund core and the two BPIP funds.
<i>Quarter Performance</i>	All three investment portfolios had slightly shorter durations than the benchmarks and that positioning resulting in outperforming the benchmark returns. For the trailing year, the general fund core performed at a .85% versus the benchmark at .53%. The BPIP tax exempt performed at .48% versus .39% and the taxable performed at .45% versus .39%.
<i>Attribution Analysis</i>	The primary contributor to return was the duration positioning relative to the benchmark. Credit exposure was minimal with the use of municipal securities. Asset Class performance is included in this report to compare the allowable asset class returns and the durations of each index.
<i>Observations and Considerations</i>	<p>Duration: Interest rates are expected to continue to be volatile and trending upwards. The yield curve will also be impacted by rates and we expect the 5 year sector to move earlier and by more in the coming months. GPA suggests allowing the portfolios to continue to shift shorter than the benchmarks by 85-90%. This will provide for protection of principal as well as provide for reinvestment opportunities into 2015-2016.</p> <p>Credit: Diversification should provide additional value, however, spreads remain very tight in credit and is expected to widen as rates rise. Continued evaluation and effort should be made into developing a credit process.</p> <p>Liquidity: The liquidity management process is improving and providing clearer communication within the investment team.</p>

PERFORMANCE BY INVESTMENT FUND

9/30/2014

<i>Portfolio Name</i>	<i>Market Value</i>	<i>Duration - End</i>	<i>Earnings Yield 6/30/14-9/30/14 Quarter End Yield</i>	<i>Earnings Yield 6/30/14-9/30/14 Fiscal Year</i>	<i>Total Return 6/30/14-9/30/14 Fiscal Year</i>
LGIP * Gross Yield	\$ 570,760,681.10	0.16	0.173%	0.173%	0.040%
Fund Benchmark Gross Return		0.12	0.090%	0.090%	0.010%
LGIP Net Yield		0.16	0.121%	0.121%	
Fund Benchmark Net Return		0.12	0.010%	0.010%	

STO INVESTMENT FUNDS

<i>Portfolio Name</i>	<i>Market Value</i>	<i>9/30/2014 Duration - End</i>	<i>Total Return 6/30/14-9/30/14 Quarter Return</i>	<i>6/30/14-9/30/14 Fiscal Year</i>	<i>Trailing 1 Year</i>	<i>Percent</i>
General Fund Liquidity	\$ 668,950,258.48	0.00	0.03%	0.03%	0.11%	20.09%
Fund Benchmark		0.01	0.01%	0.01%	0.02%	
<i>Portfolio Name</i>	<i>Market Value</i>	<i>Duration - End</i>	<i>Quarter Return</i>	<i>Fiscal Year</i>	<i>Trailing 1 Year</i>	<i>Percent</i>
General Fund Core	\$ 1,489,515,361.07	2.19	0.00%	0.00%	0.85%	44.73%
Fund Benchmark		2.25	-0.03%	-0.03%	0.53%	
<i>Portfolio Name</i>	<i>Market Value</i>	<i>Duration - End</i>	<i>Quarter Return</i>	<i>Fiscal Year</i>	<i>Trailing 1 Year</i>	<i>Percent</i>
BPIP Tax Exempt	\$ 500,377,764.30	1.32	0.08%	0.08%	0.48%	15.03%
Fund Benchmark		1.45	0.03%	0.03%	0.39%	
<i>Portfolio Name</i>	<i>Market Value</i>	<i>Duration - End</i>	<i>Quarter Return</i>	<i>Fiscal Year</i>	<i>Trailing 1 Year</i>	<i>Percent</i>
BPIP Taxable	\$ 670,944,486.24	1.35	0.06%	0.06%	0.45%	20.15%
Fund Benchmark		1.45	0.03%	0.03%	0.39%	
Total STO Investment Funds	\$ 3,329,787,870.09	1.450	0.030%	0.030%	0.565%	100.00%
Weighted Benchmark		1.519	-0.001%	-0.001%	0.378%	

Data Source: JP Morgan Custodial Reports

JP is based on trade date and includes accrued interest

Note: Benchmarks changed over this period of time.

*LGIP return data provided by STO



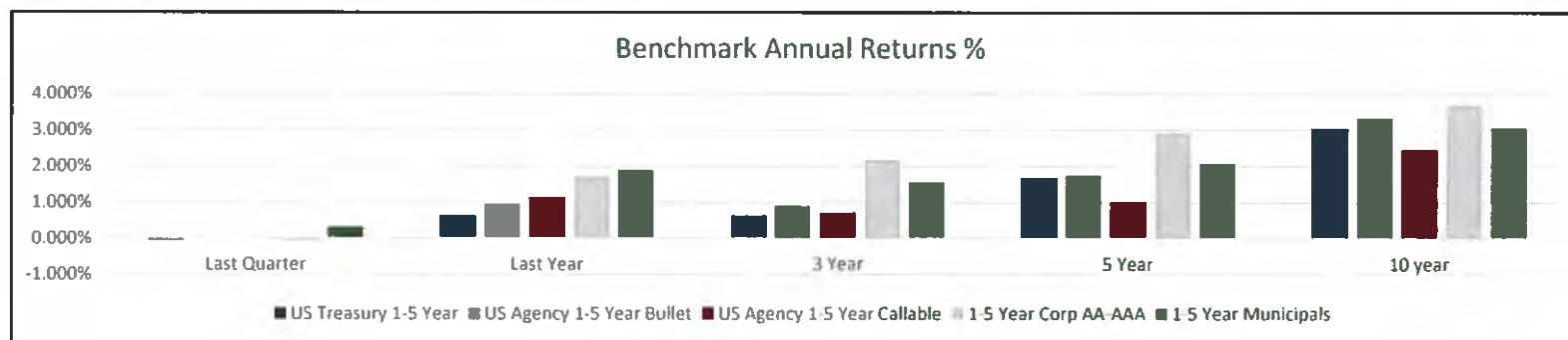
SHOCK ANALYSIS REPORT

<i>Shock Analysis</i>	The following shock analysis report illustrates market value change that can be expected given instantaneous interest rate changes.
<i>Strategy to Manage Risk</i>	It is inherent in owning longer term fixed income securities that the market value will change given interest rate moves. It is also inherent that the longer maturities historically have provided higher returns over interest rate cycles. The purpose of the shock analysis is to illustrate and manage the expected change in market value on the portfolio given a change in current interest rates.
<i>Expected Change in Market Value</i>	The total market value of the portfolio would move by approximately \$12,000,000 given a 25 basis points change in the market and a parallel yield curve shift. This does not incorporate credit spread changes.
<i>LGIP Market Value Change</i>	The LGIP shock report is included and this analysis shows the NAV price change expected on the LGIP fund given changes in interest rates and overall portfolio size. The LGIP policy establishes for the NAV to remain between 99.85 and 100.15.

Benchmarks	Date	Core Fund Size
GVQ0	9/30/2014	\$ 100,000,000.00
GVPB		
GVPC		
CVB0		
UVA0		

Benchmark	Duration	Last Quarter	Last Year	3 Year	5 Year	10 year
US Treasury 1-5 Year	2.743	-0.056%	0.636%	0.630%	1.661%	3.031%
US Agency 1-5 Year Bullet	2.499	-0.005%	0.958%	0.905%	1.740%	3.332%
US Agency 1-5 Year Callable	1.801	0.026%	1.116%	0.707%	0.991%	2.442%
1-5 Year Corp AA-AAA	2.848	-0.082%	1.718%	2.175%	2.926%	3.708%
1-5 Year Municipals	2.47	0.309%	1.880%	1.561%	2.079%	3.060%

Benchmark	Duration	Historical Returns for Invested Core Portfolio					10 year
		Last Quarter	Last Year	3 Year	5 Year		
US Treasury 1-5 Year	2.743	\$ (55,986.03)	\$ 636,140.79	\$ 1,901,506.12	\$ 8,585,515.06	\$ 34,800,707.83	
US Agency 1-5 Year Bullet	2.499	\$ (4,699.30)	\$ 958,400.77	\$ 2,739,777.47	\$ 9,007,650.10	\$ 38,791,735.21	
US Agency 1-5 Year Callable	1.801	\$ 25,707.11	\$ 1,116,156.99	\$ 2,134,710.54	\$ 5,052,884.52	\$ 27,279,789.99	
1-5 Year Corp AA-AAA	2.848	\$ (82,401.43)	\$ 1,718,312.26	\$ 6,666,740.63	\$ 15,512,007.74	\$ 43,921,360.22	
1-5 Year Municipals	2.47	\$ 308,656.41	\$ 1,880,429.39	\$ 4,757,020.76	\$ 10,838,634.85	\$ 35,171,414.17	



SHOCK ANALYSIS

Review of price sensitivity of the investment portfolio given an upward movement in rates.

9/30/14

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 25 Basis Pts	Up 50 Basis Pts	Up 100 Basis Pts
Portfolio Name	Market Value	Duration - End	Market Change	Market Change	Market Change
General Fund Core	\$ 1,489,515,361.07	2.19	\$ (8,155,096.60)	\$ (16,310,193.20)	\$ (32,620,386.41)
Fund Benchmark		2.25	\$ (8,378,523.91)	\$ (16,757,047.81)	\$ (33,514,095.62)
Portfolio Name	Market Value	Duration - End	Market Change	Market Change	Market Change
BPIP Tax Exempt	\$ 500,377,764.30	1.32	\$ (1,651,246.62)	\$ (3,302,493.24)	\$ (6,604,986.49)
Fund Benchmark		1.45	\$ (1,813,869.40)	\$ (3,627,738.79)	\$ (7,255,477.58)
Portfolio Name	Market Value	Duration - End	Market Change	Market Change	Market Change
BPIP Taxable	\$ 670,944,486.24	1.35	\$ (2,264,437.64)	\$ (4,528,875.28)	\$ (9,057,750.56)
Fund Benchmark		1.45	\$ (2,432,173.76)	\$ (4,864,347.53)	\$ (9,728,695.05)
Total STO Investment Funds	\$ 2,660,837,611.61	1.815	\$ (12,070,780.87)	\$ (24,141,561.73)	\$ (48,283,123.46)
Total Benchmark Change		1.898	\$ (12,624,567.06)	\$ (25,249,134.13)	\$ (50,498,268.26)

* Data Source: JP Morgan Custodial Reports

ASSUMED EARNINGS COMPARISON OF PORTFOLIO TO CASH EARNINGS

		9/30/2014	1 year	3 year*
Portfolio Name	Market Value	Book Yield	Earnings	Earnings
General Fund Core	\$ 1,489,515,361.07	0.93%	\$ 13,852,492.86	\$ 41,557,478.57
Cash		0.08%	\$ 1,191,612.29	\$ 3,574,836.87
Portfolio Name	Market Value	BookYield	Earnings	Earnings
BPIP Tax Exempt	\$ 500,377,764.30	0.48%	\$ 2,382,298.54	\$ 7,146,895.61
Cash		0.08%	\$ 400,302.21	\$ 1,200,906.63
Portfolio Name	Market Value	BookYield	Earnings	Earnings
BPIP Taxable	\$ 670,944,486.24	0.51%	\$ 3,421,816.88	\$ 10,265,450.64
Cash		0.08%	\$ 536,755.59	\$ 1,610,266.77
Total STO Investment Funds	\$ 2,660,837,611.61		\$ 19,656,608.27	\$ 58,969,824.82

Data Source: JP Morgan Custodial Reports and QED reports

* 3 year returns assumes the same rate as of 9/30/14 for the next 3 years.

SENSITIVITY ANALYSIS

9/30/2014

Weighted Average Maturity:	59	Current Maturity
Shares Outstanding:	570,080,568	Book Value
Market Value (NAV):	0.999922	
Total \$ Unrealized Loss:	\$44,295	
Total \$ Unrealized Gain	\$0	

Basis Point Shift								Gain (Loss)
300	0.992961	0.994526	0.994814	0.995073	0.995308	0.995521	0.996210	\$ (2,808,796)
250	0.994116	0.995424	0.995664	0.995881	0.996077	0.996256	0.996832	\$ (2,348,046)
200	0.995271	0.996322	0.996515	0.996689	0.996847	0.996990	0.997453	\$ (1,887,295)
150	0.996425	0.997220	0.997366	0.997498	0.997617	0.997725	0.998075	\$ (1,426,545)
100	0.997580	0.998118	0.998217	0.998306	0.998387	0.998460	0.998697	\$ (965,795)
50	0.998734	0.999016	0.999067	0.999114	0.999156	0.999195	0.999319	\$ (505,045)
0	0.999889	0.999914	0.999918	0.999922	0.999926	0.999929	0.999940	\$ (44,295)
-50	1.001044	1.000812	1.000769	1.000731	1.000696	1.000664	1.000562	\$ 416,455
-100	1.002198	1.001710	1.001620	1.001539	1.001465	1.001399	1.001184	\$ 877,205
-150	1.003353	1.002608	1.002470	1.002347	1.002235	1.002134	1.001805	\$ 1,337,955
-200	1.004507	1.003506	1.003321	1.003155	1.003005	1.002868	1.002427	\$ 1,798,705
-250	1.005662	1.004404	1.004172	1.003963	1.003775	1.003603	1.003049	\$ 2,259,455
-300	1.006817	1.005302	1.005023	1.004772	1.004544	1.004338	1.003670	\$ 2,720,205

Redemption/Inflow O/S Shares	-30%	-10%	-5%	0%	5%	10%	30%
	399,056,398	513,072,511	541,576,540	570,080,568	598,584,596	627,088,625	741,104,738

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

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

* Source: S&P rating matrix



INVESTMENT STRATEGY REVIEW

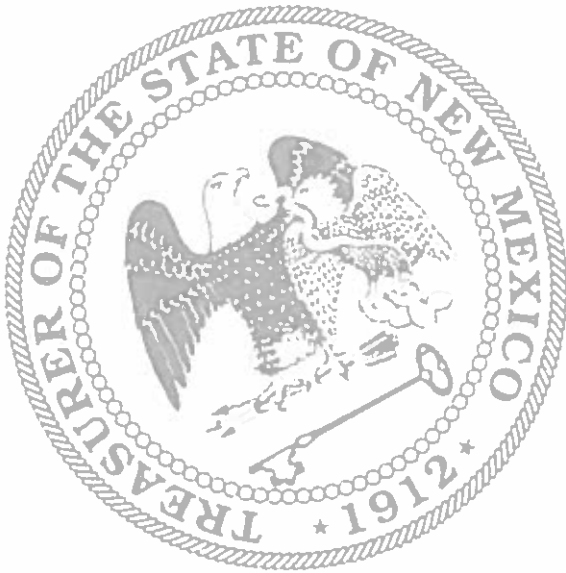
<i>Investment Strategy</i>	<p><i>General Fund:</i> The strategy has been to stabilize the size of the core investment fund and the duration of the core fund is at 2.19, slightly shorter than the benchmark. Inflows have occurred over the last two quarters and the current liquidity balance is at \$668MM. The total general fund balance decreased by \$47MM this quarter.</p> <p><i>BPIP Taxable and Tax Exempt Funds:</i> Both BPIP funds had a decline in overall fun balances with the Tax exempt declining by \$92MM and the taxable declining by \$37MM. The liquidity balances are getting low in both funds and securities have been liquidated to meet cash flow needs. It is a continuing effort to improve forecasting in these funds.</p> <p><i>LGIP Fund:</i> The LGIP balance remained stable with the slight growth of \$3MM. The earnings on the pool continues to be in excess of the second quartile of net yields for the S&P government funds. Returns on those funds are at .07%</p>
<i>Investment Objectives</i>	The structure of the portfolios are consistent with the investment policy objectives of safety, liquidity and return.
<i>Investment Results</i>	Earnings book yield in each fund as of 9/30/14: LGIP Net Yield: .093% General Fund Core Yield: .86% BPIP Tax Exempt Fund Yield: .48% BPIP Taxable Fund Yield: .51%
<i>Investment Team Projects</i>	Budget vs Actual Earnings Spreadsheet



Disclaimer & Terms

9/30/2014

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7. Quarterly Investment Review

Quarterly Investment Review

Market Summary

The quarter was marked by strength in the longer end of the fixed income marketplace with increases in the 2- and 5-year yields and decreases in 10- and 30-year yields. In September, the Federal Reserve reiterated its pledge that "for a considerable time" it would keep its federal funds target rate.

The Federal Reserve continued its announced program of decreasing its monthly purchases of US Treasury and MBS securities, decreasing its monthly purchases by \$10B per month. The purchase program is expected to continue through October.

Most equity indexes posted gains for the quarter, with the Dow Jones Industrial Average up 1.87%. Corporations posted better profitability numbers and investors were concerned about increased geopolitical issues and potential weakness in the emerging markets as well as China.

In the domestic economy, the outlook improved somewhat. Labor numbers showed some strength, the stock market continued to improve and we saw some additional strength in housing numbers.

On our area of the curve, rates ended the quarter higher. As we have alluded in previous summaries, we have positioned our portfolios to minimize our exposure to rate increases.

With regard to asset classes, municipals continued to outperform treasuries and agencies continued to be aggressively tight to treasury levels. Option-based bond structures continued to perform well, although volatility levels compressed relative spreads somewhat.

Table 12 – Comparative Quarterly Interest Rates

<i><u>US Treasury Yields</u></i>			
<i><u>Maturity</u></i>	<i><u>June 30</u></i>	<i><u>Sept 30</u></i>	<i><u>Change</u></i>
<i>3-Month</i>	0.02%	0.02%	0.00%
<i>6-Month</i>	0.06%	0.03%	(0.03%)
<i>2-Year</i>	0.46%	0.57%	0.11%
<i>5-Year</i>	1.63%	1.76%	0.13%
<i>10-Year</i>	2.53%	2.49%	(0.04%)
<i>30-Year</i>	3.36%	3.20%	(0.16%)

Source: Bloomberg LP

The chart below (Figure 1) compares the daily yield on the five year treasury to the two year treasury over the past 12 months (and into April). As you can see, the two year treasury has traded in a range from thirty to 60 basis points. During the quarter, the 5 year note saw violent swings, ranging from a low of 1.55% to approximately 1.85% on the high side in early April.

Quarter end saw 5-year levels at approximately 1.76% and they have improved significantly through the month of October. The two year has also improved with the overall firmer tone in the market..

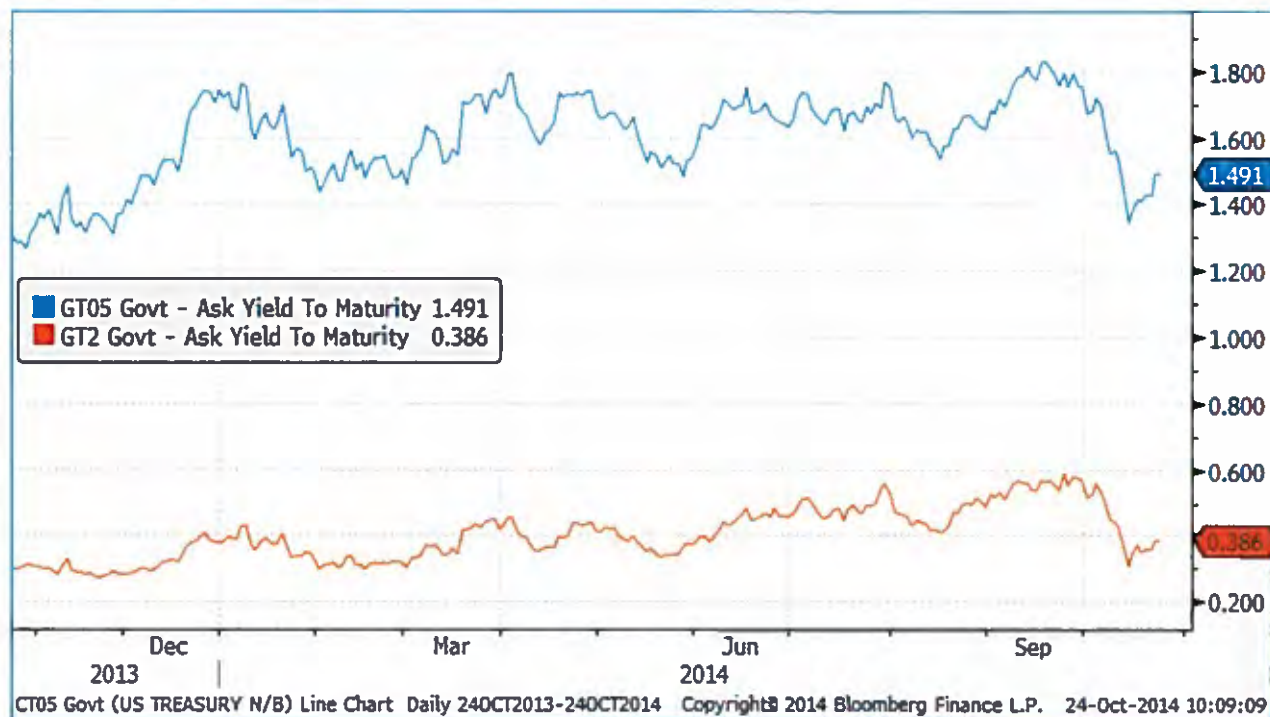


Figure 1- 12 Month Comparison of 2 Year and 5 Year US Treasury Yield

In our last quarterly review, we discussed how we had been generally reducing duration of the portfolios, from a position of overweighting to neutrality versus our indices. That strategy worked well during the quarter.

Investment Strategy Employed During the Past Quarter

Over the past quarter, our general strategy has been to match the duration of the benchmark index using a portfolio mix of securities that have a final maturity somewhat shorter than those which make up the index. The objective is to be somewhat defensive to rates while being able to earn a coupon rate which matches the index coupon. In addition to maturity distribution, we have added some security types that provide additional return relative to benchmark securities.

The strategy has served us well, but we continue to believe that we will see pressures on rates as the economy improves. We felt, and continue to feel, that rates would begin to move up during late 2014 and into the first half of 2015. As such, we were less aggressive in placing the portfolios long to our benchmark durations and had begun to move to bring the durations in relative to benchmark levels.

During the last quarter, the difference between 2-year and 5-year rates compressed somewhat. That difference, or the “steepness” of the curve, has moved in our favor as short-term rates have moved slightly higher, while longer rates moved slightly downward. 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, in the chart below (Figure 2) 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 being very closely tied to 2-year levels. The chart below shows dramatically the steepness of the curve and we have placed our portfolios to try and capitalize on this steepness.

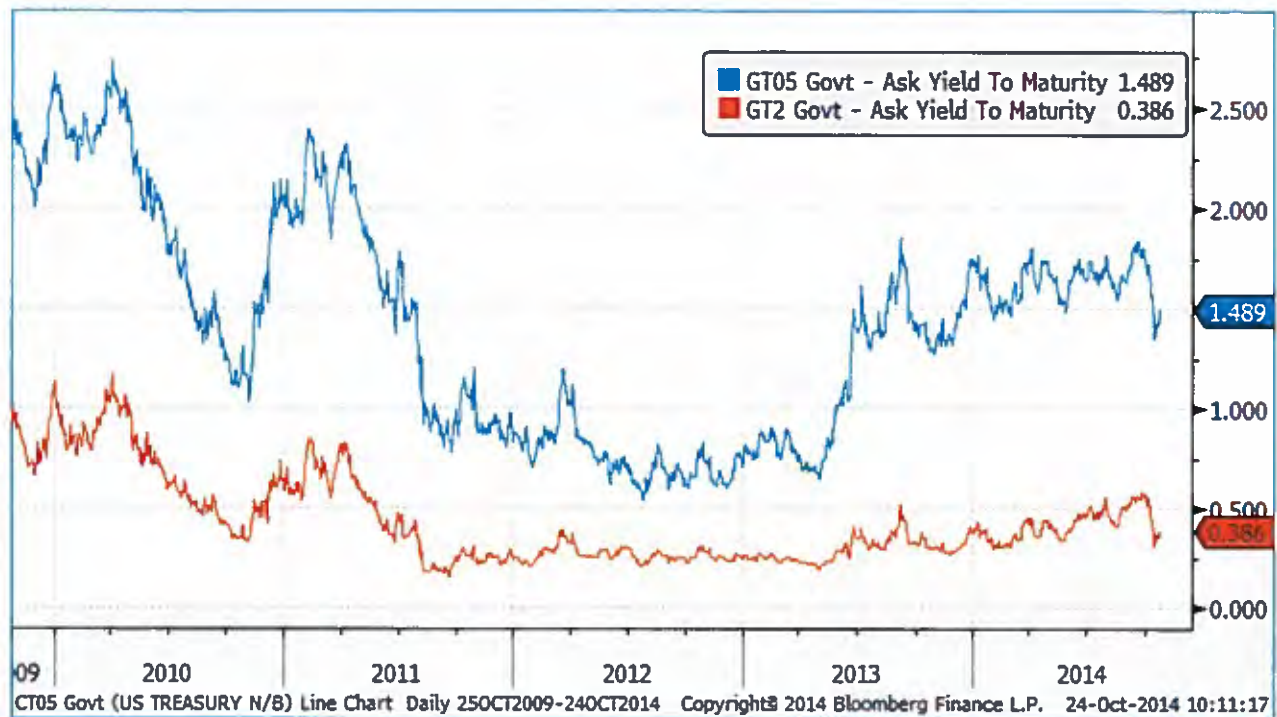


Figure 2 – 5 Year Comparison of 2 Year and 5 Year US Treasury Yield

On a relative basis, our strategy has resulted in outperformance to our benchmarks. We do not attempt to “time” the market or “trade” the portfolios, but we are sensitive to where we can add additional performance through the addition of duration, credit or other methods.

As always, we are limited by the goals of safety, liquidity and yield. The development of better cash forecasting models has helped the relative performance of the STO portfolios.

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 forces us to consider well our ratio of CORE to Liquidity balances in the General Fund Investment Pool.

In the first quarter, we moved to begin to address this differential, transferring an additional \$100MM between the Liquidity and CORE portions of the portfolios. Given the total size of the General Fund Liquidity Pool of approximately \$2.2Billion, this places approximately 70% in the longer markets and 30% of the balance in “cash-ready” liquid securities.

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 – Quarterly General Fund Investment Pool Relative Performance

<u>Fund</u>	<u>Performance</u>	
	<u>Quarter</u>	<u>12 Months</u>
<i>General Fund CORE</i>	0.00%	0.85%
<i>BAML 0-5 US Treasury</i>	<u>(0.03%)</u>	<u>0.53%</u>
<i>Relative Performance (BPs)</i>	0.03%	0.32%
<i>Relative Performance (%)</i>	NM	160%

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. During the quarter, we decreased portfolio duration by booking gains in the 1 year area and reinvesting slightly longer on the curve, while maintaining portfolio duration within the +/- 20% band as articulated in the current investment policy.

With regard to the composition of our portfolio, we have significantly less exposure to 4 and 5 year maturities than the benchmark while matching the benchmark duration.

Table 14 – Quarter-End General Fund Investment Pool Positioning versus Benchmark

<u>Fund</u>	<u>Duration</u>		
	<u>Portfolio</u>	<u>Benchmark</u>	<u>Percentage</u>
<i>General Fund Liquidity</i>	22 Days		
<i>General Fund CORE</i>	2.19 Years	2.16 Years	101%

Source: QED, JPMorgan

Bond Proceeds Funds

With regard to relative performance, the Bond Proceeds Investment Pool outperformed their benchmark performance for the quarter and on a 12-month basis.

Table 15 Quarterly Bond Proceeds Investment Pool Relative Performance

<u>Fund</u>	<u>Performance</u>	
	<u>Quarter</u>	<u>12 Months</u>
<i>Bond Proceeds - Tax Exempt</i>	0.08%	0.48%
<i>BAML 0-3 US Treasury</i>	<u>0.03%</u>	<u>0.39%</u>
<i>Relative Performance (BPs)</i>	0.05%	0.09%
<i>Relative Performance (%)</i>	266%	123%

<i>Bond Proceeds – Taxable</i>	0.06%	0.45%
<i>BAML 0-3 US Treasury</i>	<u>0.03%</u>	<u>0.39%</u>
<i>Relative Performance (BPs)</i>	0.03%	0.06%
<i>Relative Performance (%)</i>	200%	115%

Source: JPMorgan

With regard to positioning, we have allowed the portfolios to drift somewhat longer, to match the benchmark durations.

Table 16 Quarter-End Bond Proceeds Investment Pool Positioning versus Benchmark

<u>Fund</u>	<u>Duration</u>		<u>Percentage</u>
	<u>Portfolio</u>	<u>Benchmark</u>	
<i>Bond Proceeds - Tax Exempt</i>	1.32 Years	1.40 Years	94%
<i>Bond Proceeds – Taxable</i>	1.35 Years	1.40 Years	94%

Source: QED, JPMorgan

Local Government Investment Pool

The LGIP remained under pressure during the quarter. Balances ranged between \$525MM 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 – Quarterly Local Government Investment Pool Relative Performance

<u>Fund</u>	<u>Performance</u>	
	<u>Quarter</u>	<u>12 Months</u>
<i>Local Government Investment Pool</i>	0.04%	0.16%
<i>S&P Government Bond Index (Gross)</i>	<u>0.02%</u>	<u>0.10%</u>
<i>Relative Performance (BPs)</i>	0.02%	0.06%
<i>Relative Performance (%)</i>	200%	160%

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 to retire 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.

Update on Reserve Contingency Fund

On September 23rd, the Board of Trustees of the Primary Fund – In Liquidation approved the distribution of approximately \$67MM in remaining proceeds to the holders of the fund as of September 2008. It is anticipated that the distribution will be made in December.

Expectations for the Upcoming Quarter and Year

General Outlook

The Federal Reserve will end its monthly purchases of securities in October. With the end of the purchase program, we believe that the Fed will endeavor to keep rates low through the middle of 2015. As such, we expect short term rates to continue to be under pressure and that the curve will continue to remain steep.

With regard to spreads, we believe that US Agency products will continue to narrow. Given the additional limitations on investment alternatives, we believe that the percentage of US Treasury holdings will be greater at the end of the calendar year than it is currently.

We believe that the steepness contained in the short end of the yield curve will work to our advantage and that using the curve will outperform the previous strategy of short-duration higher coupon securities matching the benchmark duration on a portfolio level. The additional carrying yield from moving out on the curve will offset any significant upward pressure on rates.

We also believe that we should analyze current holdings on a relative basis and see if there are potential ways to increase portfolio yield without adding additional carrying duration.

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.

Bond Proceeds Pools

During the next quarter, the Bond Proceeds pools will remain fairly steady in size, decreasing as monthly draws are processed. At the end of the next quarter, the taxable bond proceeds pool will receive proceeds from the issuance of Supplemental and Severance Tax Notes. Debt service payments will be made on January 1, decreasing the amount in the various pools.

We continue to explore the possibility of consolidating the Bond Proceeds pools into a single pool with subaccounts for each series of debt. Consolidation will allow for improved management of the two pools, allowing for liquidity balances to be more actively managed and minimized.

Local Government Investment Pool

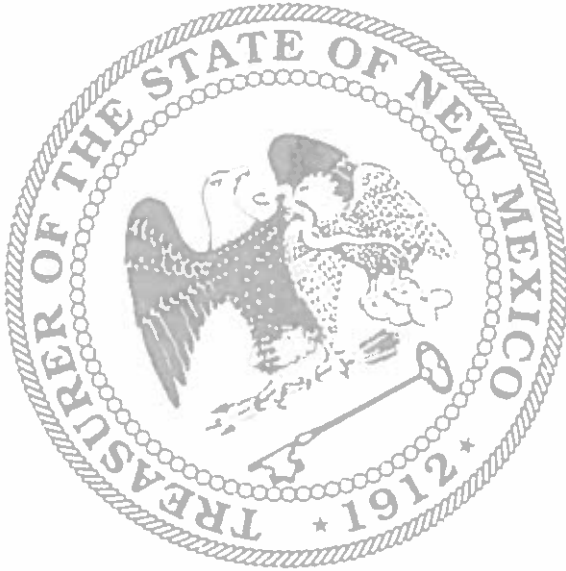
We continue to expect that the LGIP will remain under pressure, both in terms of overall yield as well as the relative size of the fund. We expect that pressure on the short end of the curve will continue, but will look toward floating rate notes and other spread products in order to increase portfolio yield.

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. We have actively managed investment of available proceeds into the December timeframe in order to meet expected debt service payments.

Deposits into the fund have increased sharply over recent months and we will continue to monitor potential growth.

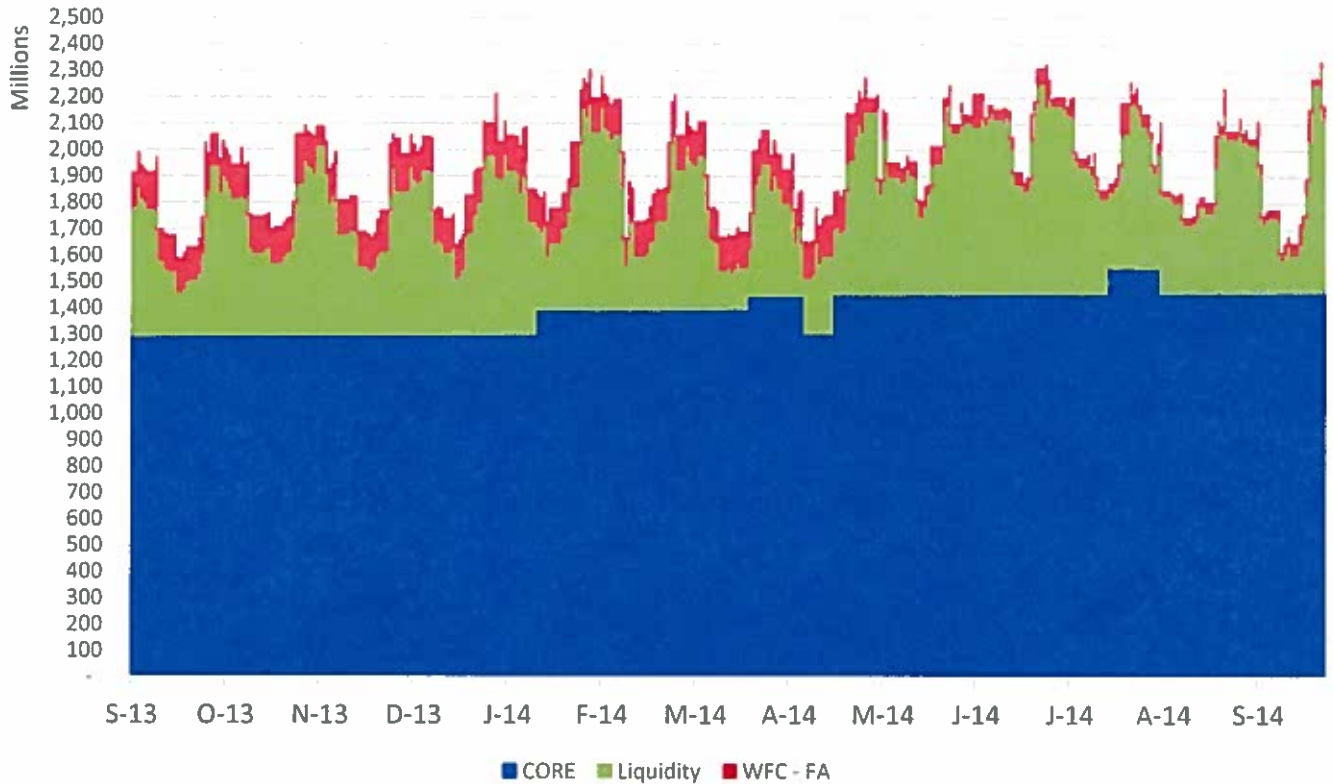
Vikki Hanges
Senior Portfolio Manager



8. Cash Projections

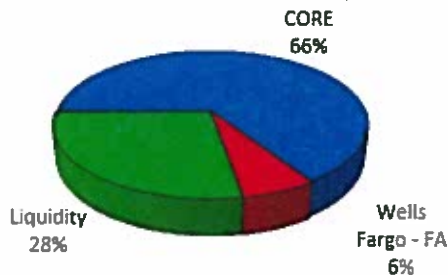


1 Year -Cash Balances (Liquidity, Core, & Fiscal Agent Accounts)

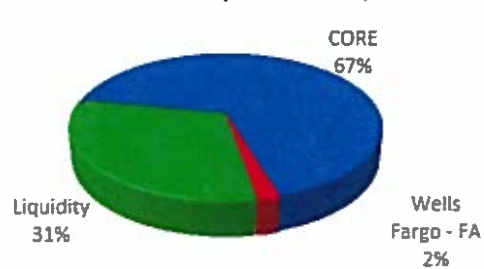


GENERAL FUND	Sep-13	Aug-14	Sep-14	Y-o-Y Change	M-o-M Change
Liquidity	543,391,470	588,576,788	668,911,070	125,519,600	80,334,282
CORE	1,294,234,066	1,457,880,033	1,461,137,692	166,903,625	3,257,658
Wells Fargo - FA	127,565,471	26,765,380	40,575,934	(86,989,537)	13,810,554
	1,965,191,008	2,073,222,201	2,170,624,696	205,433,688	97,402,494

General Fund September 30, 2013

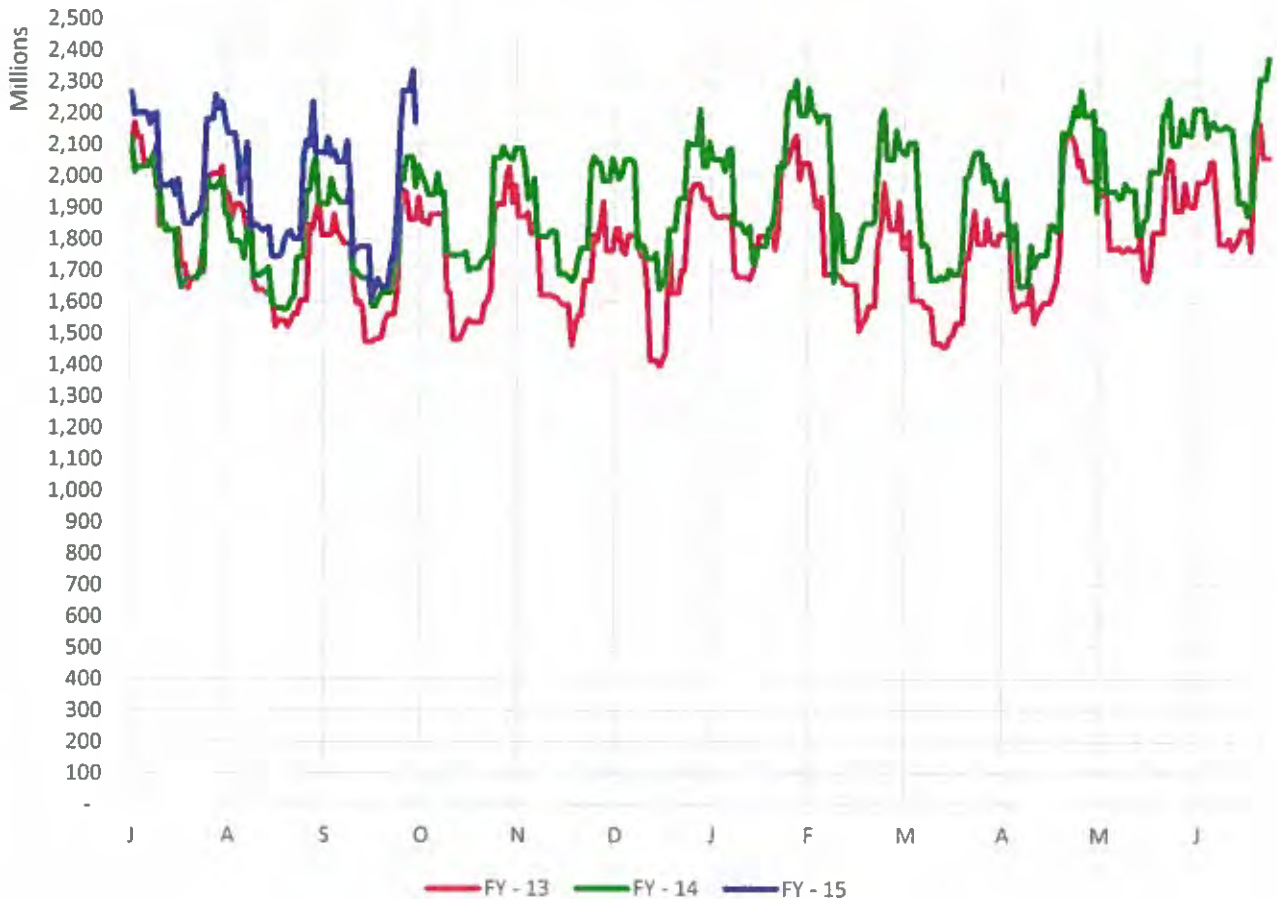


General Fund September 30, 2014

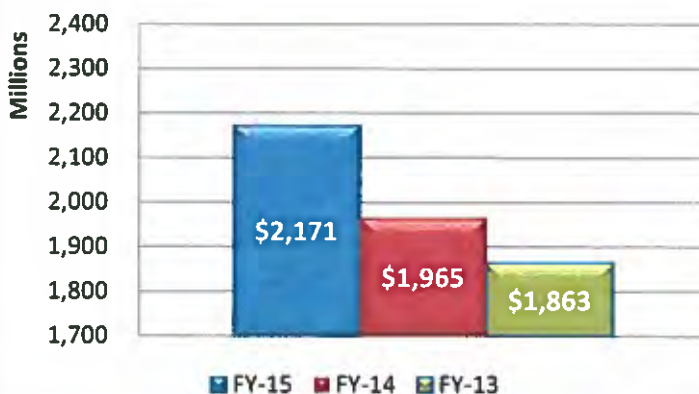




GFIP Y-o-Y



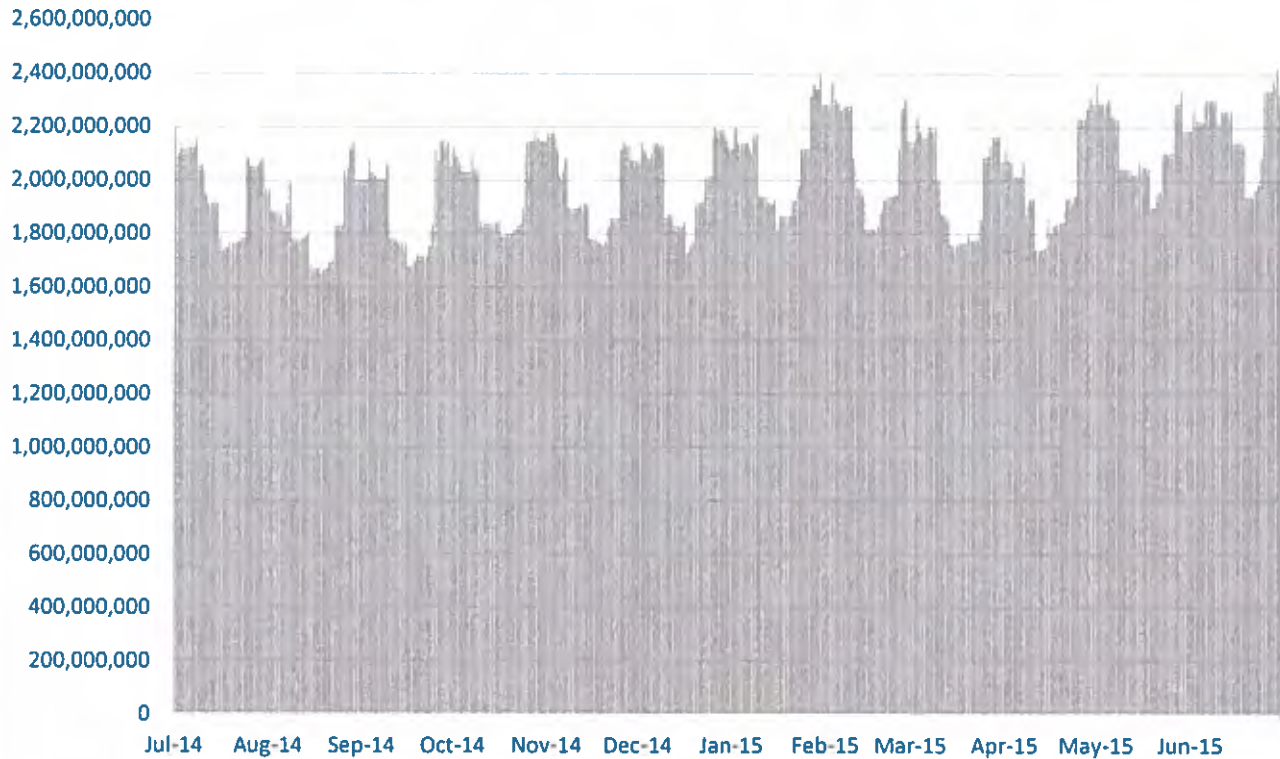
**GFIP September
Month-end balances Y-o-Y**



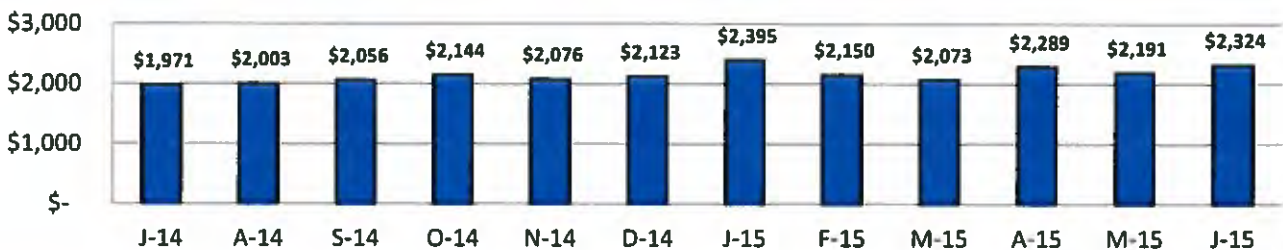
The balance as of September 30, 2014 of the General Fund Investments Pool (GFIP) Y-o-Y has increase 10.5% from September 30, 2013 and 16.5% increase from September 30, 2012 . M-o-M GFIP balances Increased to \$2.171 billion at September 30, 2014 from \$2.073 billion at August 31, 2014 a increase of \$97 million or 4.7%.



FY - 15 GFIP Balance Projections



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

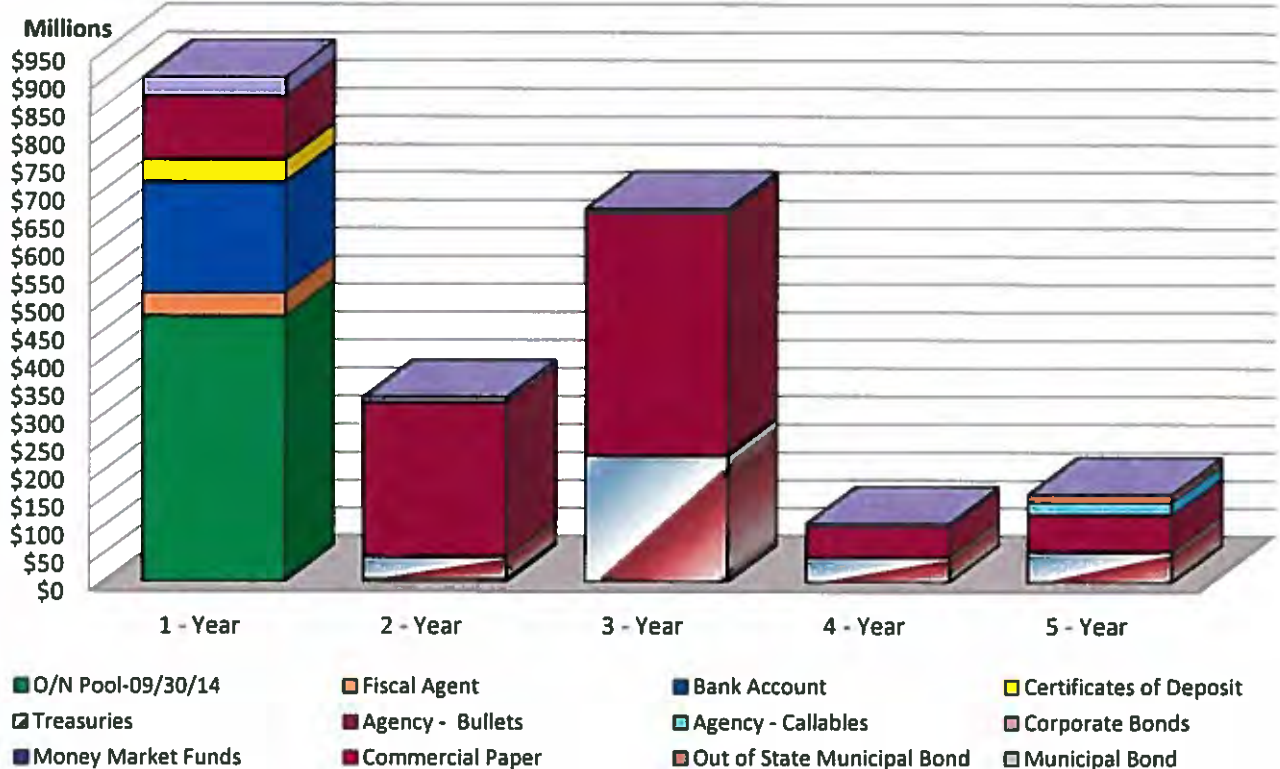


Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
\$ 1,971	\$ 2,003	\$ 2,056	\$ 2,144	\$ 2,076	\$ 2,123

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



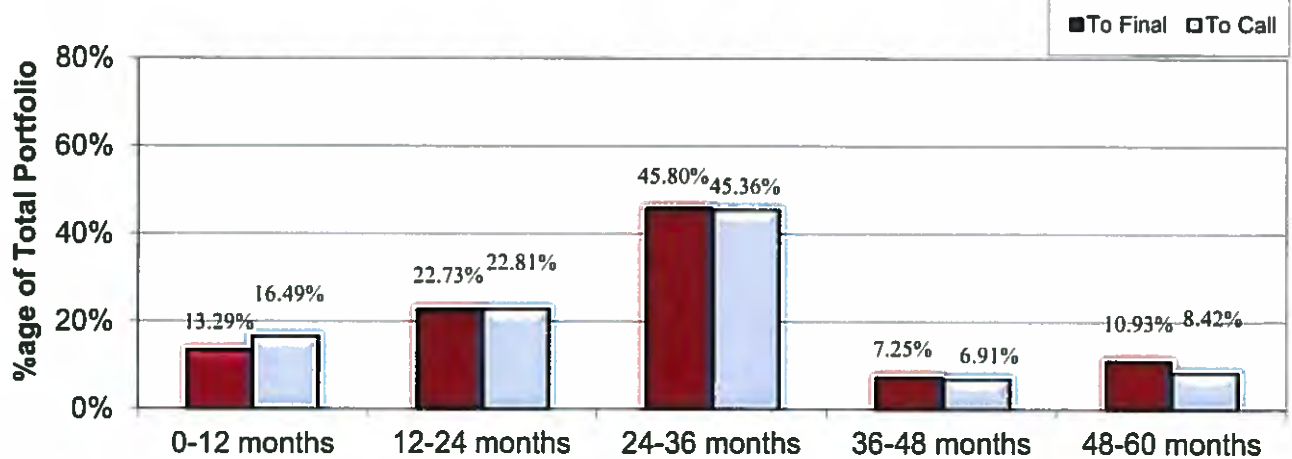
General Fund Maturity Ladder by Year & Asset Type as of September 30, 2014



Asset Allocation	1 - Year	2 - Year	3 - Year	4 - Year	5 - Year	Total	%
Agency - Bullets	114,000,000	277,627,000	433,000,000	56,000,000	68,000,000	948,627,000	44%
Agency - Callables	0	0	5,000,000	5,000,000	22,225,000	32,225,000	1%
Corporate Bonds	0	0	0	0	0	0	0%
Money Market Funds	1,302	0	0	0	0	1,302	0%
Certificates of Deposit	37,500,000	5,000,000	0	0	0	42,500,000	2%
Municipal Bond	31,855,000	8,860,000	0	0	635,000	41,350,000	2%
Out of State Municipal Bond	1,885,000	650,000	2,675,000	0	13,825,000	19,035,000	1%
Commercial Paper	0	0	0	0	0	0	0%
Treasuries	0	40,000,000	228,500,000	45,000,000	55,000,000	368,500,000	17%
Bank Account	200,087,647	0	0	0	0	200,087,647	9%
Fiscal Agent	40,575,934	0	0	0	0	40,575,934	2%
O/N Pool-09/30/14	477,722,813	0	0	0	0	477,722,813	22%
Total:	903,627,696	332,137,000	669,175,000	106,000,000	159,685,000	2,170,624,696	100%
% of Total:	42%	15%	31%	5%	7%		

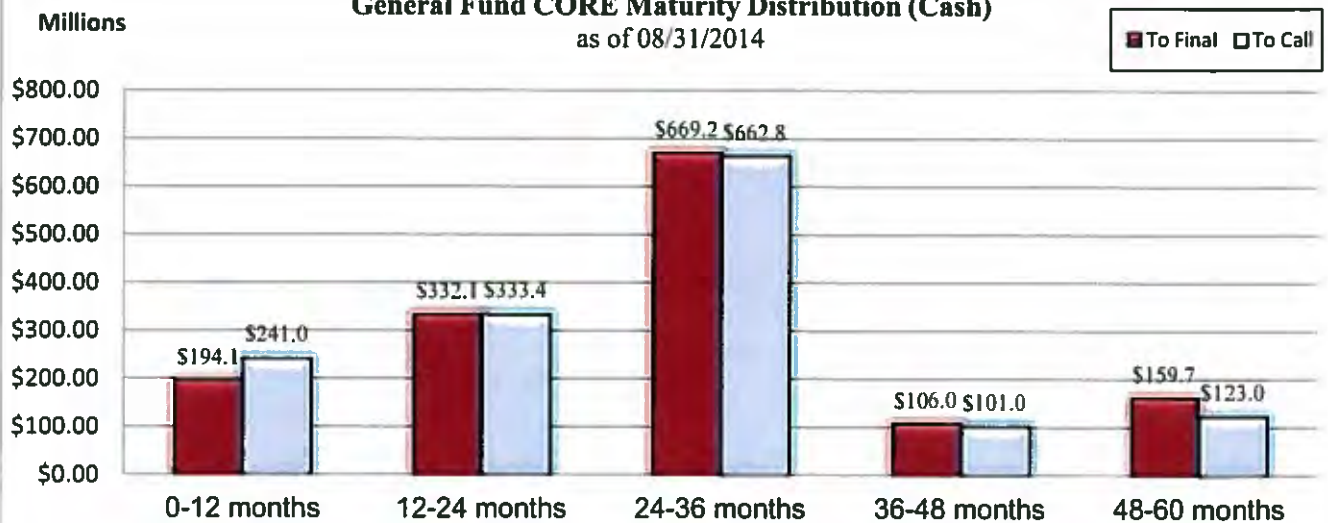


General Fund CORE, Maturity Distribution as of 09/30/2014



	Sep-14	Aug-14	Change \$	Change%
0-12 months	\$194,140,691.56	\$158,983,032.98	\$35,157,658.58	18.1%
12-24 months	\$332,137,000.00	\$291,762,000.00	\$40,375,000.00	12.2%
24-36 months	\$669,175,000.00	\$678,650,000.00	-\$9,475,000.00	-1.4%
36-48 months	\$106,000,000.00	\$186,000,000.00	-\$80,000,000.00	-75.5%
48-60 months	\$159,685,000.00	\$142,485,000.00	\$17,200,000.00	10.8%

General Fund CORE Maturity Distribution (Cash) as of 08/31/2014





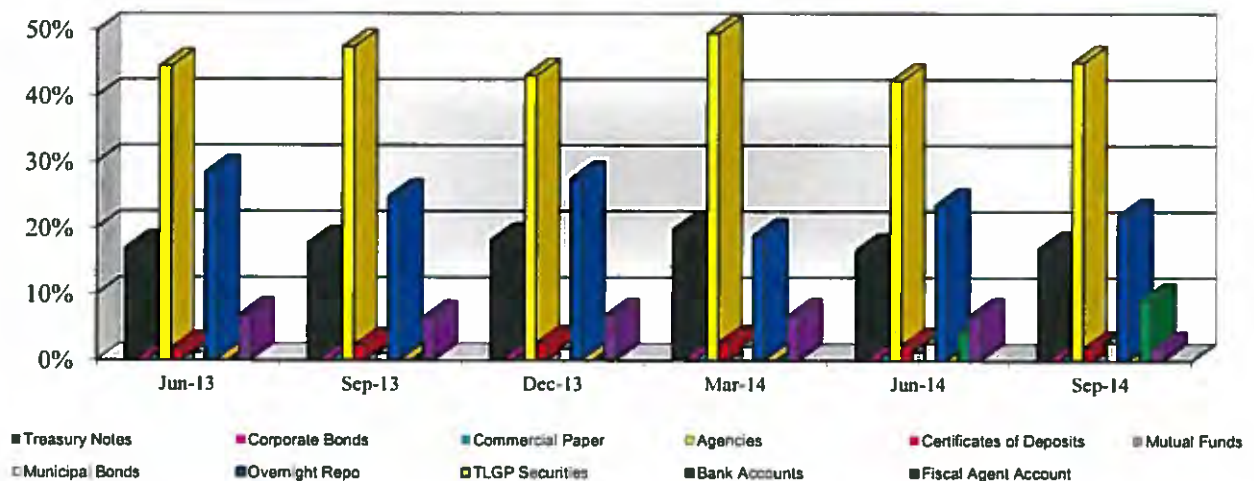
General Fund Portfolio Allocation - Month ending September 30, 2014

Allocation by Amount

Number of Items	100	99	92	134	169	170
	<u>Jun-13</u>	<u>Sep-13</u>	<u>Dec-13</u>	<u>Mar-14</u>	<u>Jun-14</u>	<u>Sep-14</u>
Treasury Notes	350,650,000	349,150,000	369,150,000	393,000,000	388,500,000	368,500,000
Corporate Bonds	0	0	0	0	0	0
Commercial Paper	0	0	0	0	0	0
TLGP Securities	0	0	0	0	0	0
Agencies	917,910,000	933,910,000	875,750,000	982,250,000	984,500,000	980,852,000
Bank Accounts	0	0	0	0	100,000,000	200,087,647
Certificates of Deposits	38,750,000	45,750,000	54,750,000	54,750,000	54,750,000	42,750,000
Money Market	1,300	1,300	1,301	1,301	30,001,301	1,302
Municipal Bonds	24,967,000	20,630,412	36,520,412	42,975,412	60,035,000	60,135,000
Overnight Repo	585,859,446	488,183,824	558,079,815	374,214,397	547,780,525	477,722,813
Fiscal Agent Account	141,908,562	127,565,471	137,755,614	134,841,869	159,519,679	40,575,934
Total :	2,060,046,308	1,965,191,007	2,032,007,142	1,982,032,979	2,325,086,505	2,170,624,696

Allocation by Percent

	<u>Jun-13</u>	<u>Sep-13</u>	<u>Dec-13</u>	<u>Mar-14</u>	<u>Jun-14</u>	<u>Sep-14</u>
Treasury Notes	17.0%	17.8%	18.2%	19.8%	16.7%	17.0%
Corporate Bonds	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Commercial Paper	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
TLGP Securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Agencies	44.6%	47.5%	43.1%	49.6%	42.3%	45.2%
Certificates of Deposits	1.9%	2.3%	2.7%	2.8%	2.4%	2.0%
Bank Accounts	0.0%	0.0%	0.0%	0.0%	4.3%	9.2%
Mutual Funds	0.0%	0.0%	0.0%	0.0%	1.3%	0.0%
Municipal Bonds	1.2%	1.0%	1.8%	2.2%	2.6%	2.8%
Overnight Repo	28.4%	24.8%	27.5%	18.9%	23.6%	22.0%
Fiscal Agent Account	6.9%	6.5%	6.8%	6.8%	6.9%	1.9%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%





9. Portfolio Summary- General Fund Investment Pool

Portfolio Summary – General Fund Investment Pool

Summary

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

Portfolio Mix

- At month end, 99% of the General Fund CORE portfolio was invested in fixed income securities; 26% in US Government Securities; 70% in Government Related Securities (Municipal Bonds and Agency Securities), and the balance ~4% in Cash and cash equivalents.
- 16% of the portfolio was invested in securities that mature in one year; 25% in securities that mature from 1-2 years; 52% in 2-4 years and 7% within 5 years.
- The General Fund Core portfolio held positions in 170 securities at the end of September.
- The Weighted Average Life of the CORE portion of the general fund was 2.33 years. The Weighted Average duration was 2.19 years.
- The benchmark duration for the CORE portfolio was 2.26 years.
- The maximum security term for the CORE portfolio is 5 years.

Performance

- For the last 3 months, the general fund outperformed its benchmark. The general fund gained 0.00% while the benchmark lost 0.03%.
- For the last 12-months, the general fund outperformed its benchmark by thirty-two basis points. The general fund gained 0.85% while the benchmark rose 0.53%.

Market Value and Investment Earnings

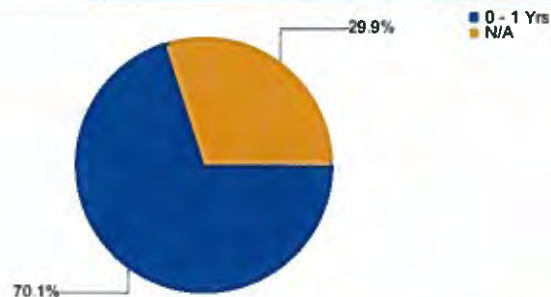
- Unrealized gains in the Core Portfolio at the end of September were \$1.6 million.
- Over the month, the unrealized value of the portfolio decreased by \$2.3 million due to an increase in relative interest rates.
- Monthly Earnings for September on the General Fund Portfolios were \$1.6 million.
- Year-to-date earnings were over \$3.6 million.
- STO projection of those earnings for FY15 is \$11.4 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.

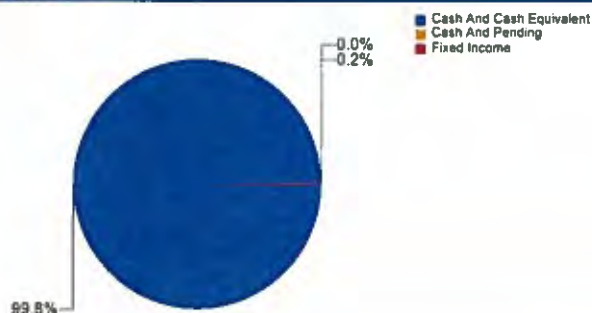
Portfolio Characteristics

Total Net Assets (Millions)	669.0
Weighted Average Life (Years)	0.00
Weighted Avg. Effective Duration (Years)	0.00
Weighted Average Coupon (%)	0.01
Weighted Average Current Yield (%)	0.00
Weighted Average Yield to Maturity (%)	0.00
Weighted Average Rating	AAA
Number of Holdings	25



Asset Mix

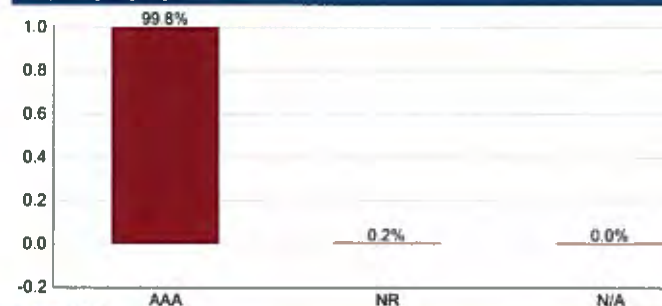
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
99499LC10	BANK OF THE WEST	29.91%	0.00	1/10/2014
99ER30121	REPO MITSUBISHI UFJ SECURITIES (USA), INC. 083014V	4.04%	0.00	1/10/2014
99ER30119	REPO MITSUBISHI UFJ SECURITIES (USA), INC. 083014Y	4.04%	0.00	1/10/2014
99ER30117	REPO LEHMAN BROTHERS, INC.	4.04%	0.00	1/10/2014
99ER30115	REPO LEHMAN BROTHERS, INC.	4.04%	0.00	1/10/2014
99ER30107	REPO MITSUBISHI UFJ SECURITIES (USA), INC. 083014AA	3.80%	0.00	1/10/2014
99ER30108	REPO MITSUBISHI UFJ SECURITIES (USA), INC. 083014AB	3.80%	0.00	1/10/2014
99ER30111	REPO MITSUBISHI UFJ SECURITIES (USA), INC. 083014AM	3.41%	0.00	1/10/2014
99ER30106	REPO MITSUBISHI UFJ SECURITIES (USA), INC. 083014AD	3.38%	0.00	1/10/2014
99ER30105	REPO MITSUBISHI UFJ SECURITIES (USA), INC. 083014AF	3.38%	0.00	1/10/2014
99ER30104	REPO NOMURA SECURITIES INTERNATIONAL, INC.	3.38%	0.00	1/10/2014
99ER30109	REPO MITSUBISHI UFJ SECURITIES (USA), INC. 083014AC	3.38%	0.00	1/10/2014
99ER30110	REPO MITSUBISHI UFJ SECURITIES (USA), INC. 083014Z	4.04%	0.00	1/10/2014

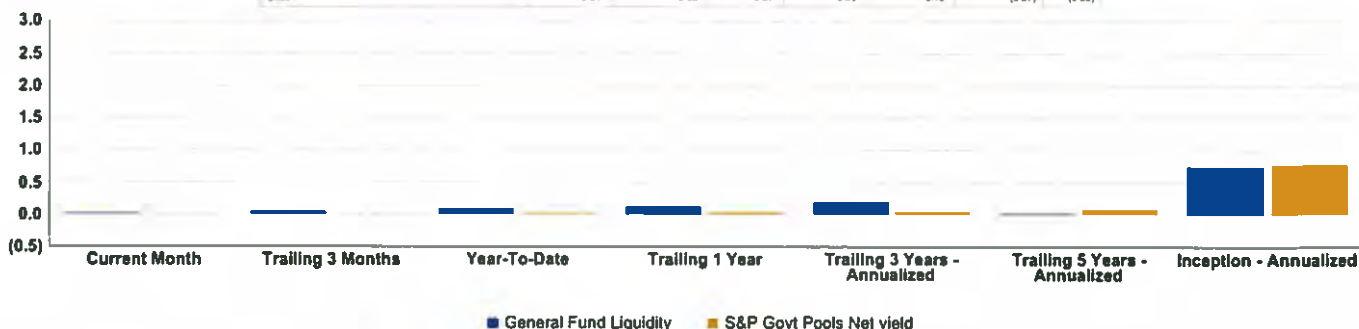
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

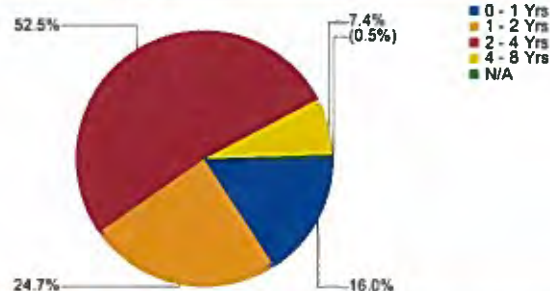
	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
General Fund Liquidity	0.01	0.03	0.09	0.11	0.18	0.01	0.72
S&P Govt Pools Net yield	0.00	0.01	0.02	0.02	0.04	0.07	0.76
Essex	0.01	0.03	0.07	0.09	0.13	(0.07)	(0.03)



Portfolio Characteristics

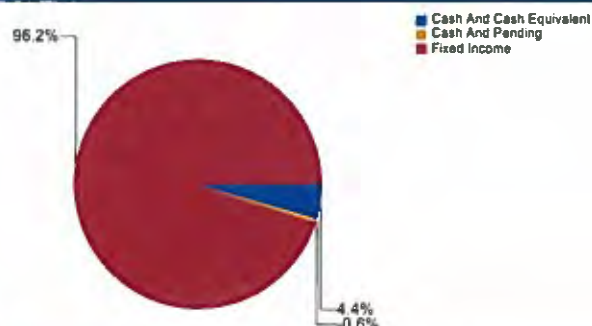
Total Net Assets (Millions)
Weighted Average Life (Years)
Weighted Avg. Effective Duration (Years)
Weighted Average Coupon (%)
Weighted Average Current Yield (%)
Weighted Average Yield to Maturity (%)
Weighted Average Rating
Number of Holdings

1,489.5
2.33
2.19
1.84
0.83
0.86
AA
170



Asset Mix

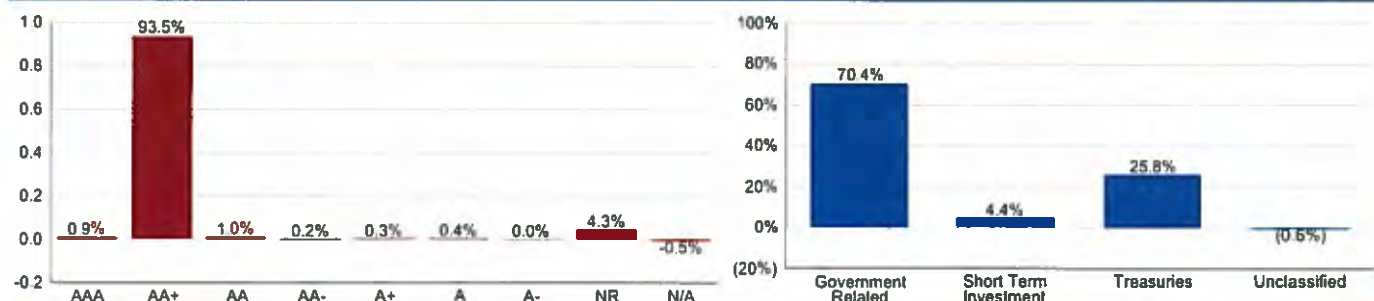
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
31359M99	FEDERAL NATIONAL MORTGAGE ASSOC 5% BDS 15/MAR/2016	4.29%	5.00	15/3/2016
31350DLH1	FEDERAL NATIONAL MORTGAGE ASSOC 0.5% NTS	4.62%	0.50	27/2/2015
3137EACW7	FEDERAL HOME LOAN MORTGAGE CORP 2% BDS 25/AUG/2016	2.78%	2.00	25/8/2016
31350OCM3	FEDERAL NATIONAL MORTGAGE ASSOC 1.25% BDS	2.70%	1.25	26/9/2016
31350OQY3	FEDERAL NATIONAL MORTGAGE ASSOC 1.25% MTG BDS	2.70%	1.25	30/1/2017
3137EADC0	FEDERAL HOME LOAN MORTGAGE CORP 1% BDS 08/MAR/2017	2.66%	1.00	03/2/2017
31359M2D4	FEDERAL NATIONAL MORTGAGE ASSOC 4.875% BDS	2.51%	4.88	15/12/2016
31350QB80	FEDERAL NATIONAL MORTGAGE ASSOC 2.375% NTS	2.46%	2.38	11/4/2016
912628C45	UNITED STATES OF AMERICA NOTES FIXED 1.625%	2.33%	1.62	31/3/2019
912628B30	UNITED STATES 0.875% Q2/17	2.24%	0.88	28/2/2017

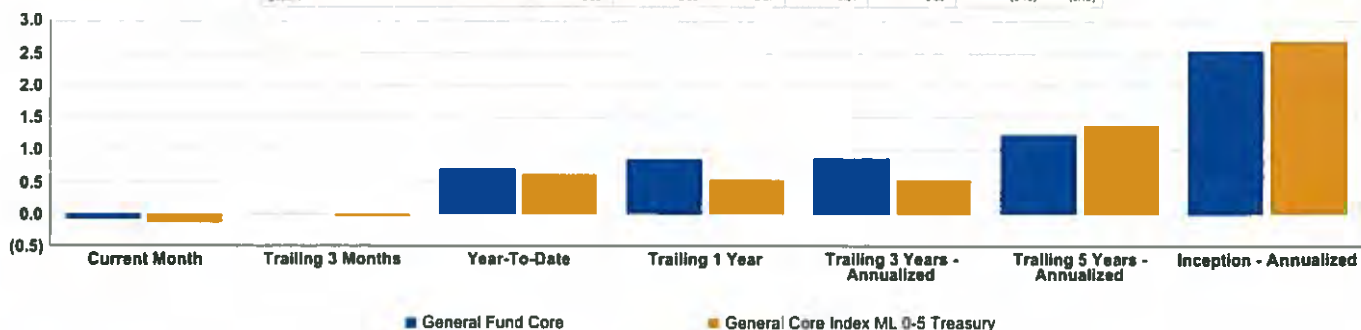
Quality/Rating Weightings

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	(0.08)	0.00	0.09	0.85	0.88	1.23	2.54
General Core Index ML 0-5 Treasury	(0.14)	(0.03)	0.02	0.53	0.53	1.38	2.69
Excess	0.06	0.03	0.07	0.31	0.33	(0.15)	(0.15)



STATE OF NEW MEXICO
GENERAL FUND (1000)
Portfolio Classification Summary
Positions Held as of 9/30/14 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1		.00270	467,488,423	467,488,423	467,488,423		69.885
MUNI US 30/360 2X	1	.2148	.37810	1,335,000	1,358,768	1,358,870	102	.203
CASH ACCOUNT	1			200,087,647	200,087,647	200,087,647		29.911
	<u>3</u>	<u>.0004</u>	<u>.00377</u>	<u>668,911,070</u>	<u>668,934,838</u>	<u>668,934,940</u>	<u>102</u>	<u>100.000</u>

STATE OF NEW MEXICO
TREASURERS OFFICE
Position holdings as of 9/30/14 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	UNIT-BOOK	BASE\$-BOOK-VAL	LOC-MKT-VALUE
200,087,647.43	UNITS - INVESTMENT POOL 1 BANK OF THE WEST	UNITS001 CASHCASH				1.000000000	200,087,647.43	200,087,647.43
200,087,647.43					.002805201		200,087,647.43	200,087,647.43
====> 0002 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== NO-MEANINGFUL-DATE <====								
467,488,423.00	OVERNIGHT REPO	1001RP		10/01/14		1.000000000	467,488,423.00	467,488,423.00
467,488,423.00					.001200642		467,488,423.00	467,488,423.00
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2014 <====								
1,335,000.00	LANCASTER TEX INDPT SCH DIST	514462C8	5.000000000	2/15/35	.214772612	101.780355805	1,358,767.75	1,358,869.80
1,335,000.00					.413084576		1,358,767.75	1,358,869.80
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2035 <====								
668,911,070.43					.000839074		668,934,838.18	668,934,940.23
====> 0004 ITEMS IN SUBTOTAL FOR ==== FUND NAME..... ==== GENERAL FUND <====								

STATE OF NEW MEXICO
GENERAL FUND CORE (1001)
Portfolio Classification Summary
Positions Held as of 9/30/14 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1		.00270	10,234,390	10,234,390	10,234,390		.689
CERTIFICATES OF DEPOSIT	12	.3754	.54570	42,750,000	42,750,000	42,750,000		2.880
US TREASURY NOTE ACT/ACT 2X	18	1.0401	2.85255	378,500,000	383,554,177	383,659,920	105,743	25.846
AGENCY US BOND 30/360 2X	14	.8359	2.00432	159,352,000	160,460,718	160,448,854	-11,864	10.809
AGENCY 30/360 2X	3	.9672	1.96707	66,000,000	65,988,349	66,212,030	223,681	4.460
AGENCY US NOTES 30/360 2X	26	1.0091	2.39408	606,500,000	622,403,665	623,480,765	1,077,100	42.002
FED NATL MORTGAGE ASSN DEBS	5	.7702	1.55302	145,000,000	145,182,370	145,401,200	218,830	9.795
MUNI US 30/360 2X	78	.4231	.79873	56,950,000	57,951,775	57,970,833	19,058	3.905
MUNICIPAL BOND REVENUE	4	.5109	.90317	1,015,000	1,030,710	1,031,842	1,132	.070
MUNICIPAL BOND REVENUE ZERO CPN	6	.1229	1.29425	3,985,000	2,460,162	2,461,318	1,156	.166
UNITS - INVESTMENT POOL 1	1			1,302	1,302	1,302		
CASH ACCOUNT	1			-9,231,909	-9,231,909	-9,231,909		-.622
	169	.9294	2.23156	1,461,055,783	1,482,785,709	1,484,420,545	1,634,836	100.000

STATE OF NEW MEXICO
TREASURERS OFFICE
Position holdings as of 9/30/14 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	UNIT-BOOK	BASE\$-BOOK-VAL	LOC-MKT-VALUE
- 9,231,909.39	(TD)-CASH KEY	CASHCASH				1.000000000	- 9,231,909.39	- 9,231,909.39
1,301.86	UNITS - INVESTMENT POOL 1	UNITS001				1.000000000	1,301.86	1,301.86
- 9,230,607.53					.060807049		- 9,230,607.53	- 9,230,607.53

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

10,234,389.70	OVERNIGHT REPO	1001RP		10/01/14		1.000000000	10,234,389.70	10,234,389.70
10,000,000.00	FIRST NATIONAL BANK SANTA FE	01033690	.550000000	10/15/14	.550000000	1.000000000	10,000,000.00	10,000,000.00
10,000,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACY	.750000000	11/25/14	.771560773	99.998053900	9,999,805.39	10,010,500.00
5,000,000.00	CENTURY BANK SANTA FE	17099243	.350000000	12/15/14	.350000000	1.000000000	5,000,000.00	5,000,000.00
500,000.00	NEW MEXICO FIN AUTH ST TRANSN RE	64711IREK	4.000000000	12/15/14	.183353189	100.784320000	503,921.60	504,005.00
35,734,389.70					.015705528		35,738,116.69	35,748,894.70

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

20,000,000.00	FED NATL MORTGAGE ASSN DEBS	3135G0HG	.375000000	3/16/15	.541240145	99.927344350	19,985,468.87	20,021,200.00
5,000,000.00	CENTURY BANK SANTA FE	17099253	.370000000	3/18/15	.370000000	1.000000000	5,000,000.00	5,000,000.00
250,000.00	GUADALUPE CREDIT UNION	735605	1.000000000	3/26/15	1.000000000	1.000000000	250,000.00	250,000.00
540,000.00	NEW MEXICO ST UNIV REVS	647429V6	.800000000	4/01/15	.811077277	100.000000000	540,000.00	540,912.60
155,000.00	BERNALILLO CNTY N MEX GROSS RCPT	08527NDX	5.125000000	4/01/15	.274633154	102.423780645	158,756.86	158,689.00
345,000.00	LOS LUNAS NM GROSS RECPTS TAX RE	54559CT	2.000000000	4/01/15	.304977066	100.848324638	347,926.72	347,926.72
3,000,000.00	FARMERS & STOCKMEN'S BANK	8521510	.400000000	4/23/15	.400000000	1.000000000	3,000,000.00	3,000,000.00
1,000,000.00	FARMERS AND STOCKMENS BANK	8521543	.300000000	4/29/15	.300000000	1.000000000	1,000,000.00	1,000,000.00
130,000.00	VILLAGE OF CORRALES NM	22026TAB	2.000000000	5/01/15	.456550733	100.901638462	131,172.13	131,363.70
400,000.00	NEW MEXICO MILITARY INST AT ROSW	647183BU	.751000000	6/01/15	.761401368	100.000000000	400,000.00	400,368.00
200,000.00	SANTA FE N MEX GROSS RCPTS TAX/W	80207RAJ	5.000000000	6/01/15	.375779620	103.079070000	206,158.14	205,760.00
650,000.00	UNIVERSITY N MEX UNIV REVS	914692N4	3.000000000	6/01/15	.203114124	101.864100000	662,116.65	662,278.50
1,610,000.00	SANDOVAL CNTY NM INCENT PAY REV	800051AT	.579000000	6/01/15	.586960621	100.000000000	1,610,000.00	1,611,078.70
1,030,000.00	LAS CRUCES N MEX GROSS RCPTS TAX	51748TGS	2.000000000	6/01/15	.203819424	101.197799029	1,042,337.33	1,041,989.20
500,000.00	WESTERN BANK CLOVIS	0.515981	.500000000	6/03/15	.500000000	1.000000000	500,000.00	500,000.00
200,000.00	NEW MEXICO FIN AUTH REV	64711NTU	.950000000	6/15/15	.963088383	100.000000000	200,000.00	200,424.00
530,000.00	NEW MEXICO FIN AUTH REV	64711NVF	2.000000000	6/15/15	.203018134	101.268181132	536,721.36	536,614.40
3,000,000.00	CENTURY BANK SANTA FE	17099254	.200000000	6/17/15	.200000000	1.000000000	3,000,000.00	3,000,000.00
10,000,000.00	SOUTHWEST NATIONAL BANK	1623234	.200000000	6/17/15	.200000000	1.000000000	10,000,000.00	10,000,000.00
1,500,000.00	ALBUQUERQUE BERNALILLO CNTY WT J	013493ER	5.000000000	7/01/15	.466923627	103.394112667	1,550,911.69	1,554,225.00

STATE OF NEW MEXICO TREASURERS OFFICE

Position holdings as of 9/30/14 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	UNIT-BOOK	BASES-BOOK-VAL	LOC-MKT-VALUE
115,000.00	CITY OF ALBUQUERQUE NM	01354MEW	2.000000000	7/01/15	.314487983	101.264721739	116,454.43	116,524.90
200,000.00	ALBUQUERQUE BERNALILLO CNTY WT	013493BE	4.250000000	7/01/15	.274029517	102.979400000	205,958.80	206,114.00
300,000.00	WESTMORELAND CNTY PA MUN AUTH MU	961017BV		7/01/15		99.692000000	299,076.00	299,265.00
100,000.00	ABQ BERN CNTY WT JT WTR & SWR S	013493DV	3.000000000	7/01/15	.274340866	102.043350000	102,043.35	102,069.00
60,000,000.00	FED NATL MORTGAGE ASSN DEBS	3135G0LN	.500000000	7/02/15	.511082940	99.996858333	59,998,115.00	60,139,800.00
25,000.00	SOUTHERN SANDOVAL CNTY N MEX A	843789FH	2.000000000	8/01/15	.709945508	101.077720000	25,269.43	25,332.00
500,000.00	BELEN N MEX CONS SCH DIST NO 2 G	077581NU	2.000000000	8/01/15	.507222869	101.245338000	506,226.69	507,270.00
250,000.00	BERNALILLO NM MUNI SCH DIST #1	85279PF8	3.130000000	8/01/15	.512219204	102.179548000	255,448.87	255,448.87
500,000.00	ALBUQUERQUE N MEX MUN SCH DIST S	013595RX	2.000000000	8/01/15	.456484606	101.287358000	506,436.79	507,270.00
150,000.00	TRUTH OR CONSEQUENCES N MEX MU G	898439EE	2.000000000	8/01/15	.608765070	101.161326667	151,741.99	151,992.00
125,000.00	BERNALILLO N MEX MUN SCH DIST GO	085279RU	2.000000000	8/01/15	.507010174	101.245512000	126,556.89	126,660.00
200,000.00	SANDOVAL CNTY N MEX	80004PDN	2.000000000	8/01/15	.496964297	101.253830000	202,507.66	202,656.00
225,000.00	RUIDOSS MUNICIPAL SCHOOL DISTRIC	781338JL	2.000000000	8/01/15	.304943538	101.413026667	228,179.31	228,271.50
9,000,000.00	SANTA FE PUBLIC SCHOOL ETN 2014	SFPS2015	.350000000	8/01/15	.354829716	100.000000000	9,000,000.00	9,000,000.00
3,500,000.00	ALBUQUERQUE N MEX MUN SCH DISTNO	013595TL	2.000000000	8/01/15	.223391657	101.480759143	3,551,826.57	3,550,890.00
1,000,000.00	GADSDEN INDEPENDENT SCHOOL DIST	GISD15R2	.800000000	8/15/15	.811011145	100.000000000	1,000,000.00	1,000,000.00
5,025,000.00	GALLUP N MEX POLLUTION CTL REV	364070BE	5.000000000	8/15/15	.507093257	103.910851542	5,221,520.29	5,224,743.75
1,000,000.00	GADSDEN IND SCH DIST EDU TECH GO	GISD2015	.800000000	8/15/15	.810954135	100.000000000	1,000,000.00	1,000,000.00
235,000.00	DONA ANA CNTY N MEX	257579CM	2.000000000	9/01/15	.476619609	101.397600000	238,284.36	238,750.60
300,000.00	LOVINGTON N MEX MUN SCH DIST NO	547473DH	2.000000000	9/01/15	.355440144	101.508110000	304,524.33	304,788.00
335,000.00	TAOS N MEX SCH DIST	87601UAK	4.000000000	9/01/15	.273819556	103.412388060	346,431.50	346,440.25
250,000.00	MID PENINSULA REGL OPEN SPACE DI	598024AU		9/01/15		99.366000000	248,415.00	249,022.50
165,000.00	FARMINGTON N MEX MUN SCH DIST NO	311441KV	2.000000000	9/01/15	.304846505	101.554303030	167,564.60	167,633.40
865,000.00	FARMINGTON N MEX MUN SCH DIST NO	311441LJ	2.000000000	9/01/15	.304846505	101.554302890	878,444.72	878,805.40
20,000,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACM	1.750000000	9/10/15	1.014966555	100.699967850	20,139,993.57	20,291,600.00
100,000.00	AZTEC N MEX MUN SCH DIST NO 002	054879GZ	3.250000000	10/01/15	.334720925	102.912650000	102,912.65	102,826.00
130,000.00	GRANTS / CIBOLA CNTY N MEX SCHDI	388240GD	2.000000000	10/01/15	.365412626	101.635169231	132,125.72	132,089.10
2,000,000.00	FARMERS AND STOCKMENS BANK	8521544	.350000000	10/29/15	.350000000	1.000000000	2,000,000.00	2,000,000.00
250,000.00	GOAT HILL PPTYS WASH LEASE REV	38020YAH	5.000000000	12/01/15	.253618255	100.790620000	251,976.55	251,972.50
750,000.00	NEW MEXICO EDL ASSISTANCE FNDTN	647110ET	4.000000000	12/01/15	.284043326	104.329400000	782,470.50	782,182.50
300,000.00	NEW MEXICO FIN AUTH ST TRANSN RE	64711RDC	5.000000000	12/15/15	.365498298	105.575490000	316,726.47	317,013.00
100,000.00	NEW MEXICO FIN AUTH ST TRANSN RE	64711RHW	5.000000000	12/15/15	.334788296	105.613390000	105,613.39	105,625.00
158,035,000.00					.003538236		158,634,415.18	158,975,885.09

==== 0052 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2015 <====

60,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MH8	5.000000000	3/15/16	.670134769	106.274790817	63,764,874.49	63,989,400.00
580,000.00	NEW MEXICO ST UNIV REVS	647429V7	1.000000000	4/01/16	1.013853672	100.000000000	580,000.00	579,826.00

STATE OF NEW MEXICO TREASURERS OFFICE

Position holdings as of 9/30/14 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	UNIT-BOOK	BASE\$-BOOK-VAL	LOC-MKT-VALUE
720,000.00	LOS LUNAS NM GROSS RECPTS TAX RE	545559CU	2.000000000	4/01/16	.537398311	102.193309722	735,791.83	735,120.00
35,500,000.00	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0BA	2.375000000	4/11/16	.803508469	102.398285240	36,351,391.26	36,543,700.00
1,000,000.00	FARMERS AND STOCKMENS BANK	8521545	.450000000	4/29/16	.450000000	1.000000000	1,000,000.00	1,000,000.00
135,000.00	VILLAGE OF CORRALES NM	22026TAC	2.000000000	5/01/16	.760568243	101.963303704	137,650.46	137,759.40
20,000,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACT	2.500000000	5/27/16	1.095337791	102.322508550	20,464,501.71	20,667,000.00
100,000.00	NEW MEXICO MILITARY INST AT ROSW	647183BV	1.182000000	6/01/16	1.198372489	100.000000000	100,000.00	100,266.00
160,000.00	LOS ALAMOS CNTY N MEX INC GROSS	54423TAM	5.750000000	6/01/16	.542661966	108.640275000	173,824.44	172,736.00
205,000.00	LAS VEGAS N MEX GROSS RCPTS TAX	51778TBN	2.000000000	6/01/16	.557857779	102.401668293	209,923.42	209,698.60
100,000.00	SANTA FE N MEX GROSS RCPTS TAXRE	802072MS	5.000000000	6/01/16	.507071127	107.458640000	107,458.64	106,811.00
125,000.00	NEW MEXICO FIN AUTH REV	64711NPZ	2.500000000	6/01/16	.689757258	103.010128000	128,762.66	128,038.75
25,000,000.00	FEDERAL AGRICULTURAL MORTG CORP	31315PB7	.900000000	6/09/16	.912500000	100.000000000	25,000,000.00	25,139,750.00
100,000.00	NEW MEXICO FIN AUTH REV	64711NTV	1.250000000	6/15/16	1.267247424	100.000000000	100,000.00	100,353.00
325,000.00	NEW MEXICO FIN AUTH REV	64711NVG	3.000000000	6/15/16	.486944117	104.274433846	338,891.91	339,209.00
7,500,000.00	FEDERAL FARM CREDIT BANKS	3133EDDP	.520000000	6/17/16	.527222222	100.000000000	7,500,000.00	7,481,550.00
12,500,000.00	FEDERAL HOME LOAN BANK	3133834R	.375000000	6/24/16	.438135937	99.901550640	12,487,693.83	12,474,375.00
180,000.00	NEW MEXICO ST SEVERANCE TAX	647310Q4	5.000000000	7/01/16	.709036744	107.466261111	193,439.27	194,542.20
1,000,000.00	ALBUQUERQUE BERNALILLO CNTY WT J	013493ES	5.000000000	7/01/16	.841836074	107.228028000	1,072,280.28	1,080,610.00
500,000.00	ALBUQUERQUE BERNALILLO CNTY WT J	013493DW	5.000000000	7/01/16	.841793302	105.494586000	527,472.93	531,050.00
200,000.00	RUIDOSO N MEX WASTEWATER REV REF	781324AC	2.000000000	7/01/16	.811276343	102.080450000	204,160.90	203,894.00
200,000.00	CITY OF ALBUQUERQUE NM	01354MEX	3.000000000	7/01/16	.567943681	104.242420000	208,484.84	208,948.00
20,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MS6	5.375000000	7/15/16	1.141743667	107.502023550	21,500,404.71	21,681,200.00
16,000,000.00	FARMER MAC	31315PR8	.770000000	8/01/16	.821249048	99.927183188	15,988,349.31	15,985,280.00
500,000.00	BELEN N MEX CONS SCH DIST NO 2 G	077581NV	2.000000000	8/01/16	.780713013	102.234428000	511,172.14	514,045.00
125,000.00	TRUTH OR CONSEQUENCES N MEX MU G	898439EF	2.000000000	8/01/16	1.014074475	101.811256000	127,264.07	128,211.25
225,000.00	SANDOVAL CNTY N MEX	80004PDP	2.000000000	8/01/16	.719933608	102.345013333	230,276.28	230,697.00
2,000,000.00	SANTA FE PUBLIC SCHOOLS ETN 2014	SFPS2016	.750000000	8/01/16	.760336559	100.000000000	2,000,000.00	2,000,000.00
400,000.00	RHODE ISLAND DEPOSITORS ECONOMIC	76218KEN	6.250000000	8/01/16	1.946308359	107.761037500	431,044.15	429,868.00
40,000,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000000000	8/25/16	.843482149	102.197026600	40,878,810.64	41,060,800.00
1,127,000.00	FEDERAL FARM CREDIT BANKS	31331V2U	5.125000000	8/25/16	.598483788	108.554669920	1,223,411.13	1,222,389.28
20,000,000.00	UNITED STATES TREASURY NOTES	912828RF	1.000000000	8/31/16	.929480479	100.133334400	20,026,666.88	20,162,600.00
2,000,000.00	Bank 34	01010047	.600000000	8/31/16	.600000000	1.000000000	2,000,000.00	2,000,000.00
40,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0CM	1.250000000	9/28/16	.930583020	100.654041850	40,261,616.74	40,473,200.00
20,000,000.00	UNITED STATES TREASURY NOTES	912828RJ	1.000000000	9/30/16	.618841101	100.755420250	20,151,084.05	20,150,000.00
600,000.00	ATLANTA GA URBAN RESIDENTIAL FIN	047856DL		10/01/16	.203114124	85.295000000	511,770.00	511,854.00
30,000,000.00	FEDERAL HOME LOAN MORTGAGE CORP.	3137EADS	.875000000	10/14/16	.873533932	100.026990400	30,008,097.12	30,126,300.00
20,000,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3137EAAJ	5.125000000	10/18/16	.560874165	109.293632500	21,858,726.50	21,802,000.00
250,000.00	GOAT HILL PPTYS WASH LEASE REV	38020YAJ	5.250000000	12/01/16	.254357497	100.832108000	252,080.27	252,072.50
34,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MZD	4.875000000	12/15/16	.589947740	109.393816647	37,193,897.66	37,085,500.00
10,000,000.00	FEDERAL HOME LOAN BANKS	3133XH2K	4.750000000	12/16/16	.703955430	108.871723000	10,887,172.30	10,876,800.00
25,000,000.00	UNITED STATES TREAS NTS	912828RX	.875000000	12/31/16	.775872266	100.220201840	25,055,050.46	25,066,500.00
448,357,000.00					.001213635		462,483,497.28	463,883,953.98

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

STATE OF NEW MEXICO
TREASURERS OFFICE
Position holdings as of 9/30/14 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	UNIT-BOOK	BASES-BOOK-VAL	LOC-MKT-VALUE
800,000.00	INDIANA BD BK REV	45462TAH	5.120000000	1/15/17	.284988927	101.395897500	811,167.18	810,744.00
25,000,000.00	FEDERAL AGRICULTURAL MORTGAGE CO	31315PN8	1.100000000	1/26/17	1.115277778	100.000000000	25,000,000.00	25,087,000.00
40,000,000.00	FED NATL MORTGAGE ASSN DEBS	3135G0GY	1.250000000	1/30/17	1.068930633	100.449023475	40,179,609.39	40,370,000.00
20,000,000.00	UNITED STATES TREAS NTS	912828SC	.875000000	1/31/17	.845634367	100.067448300	20,013,489.66	20,037,600.00
20,000,000.00	FEDERAL HOME LOAN BANK	3133786Q	1.000000000	2/13/17	1.044767166	99.928723700	19,985,744.74	20,027,400.00
20,000,000.00	FREDDIE MAC	3137EADT	.875000000	2/22/17	.940926732	99.874665000	19,974,933.00	19,992,000.00
33,500,000.00	UNITED STATES TREAS NTS	912828SJ	.875000000	2/28/17	.871770785	100.007563433	33,502,533.75	33,534,170.00
20,000,000.00	UNITED STATES TREASURY NOTES	912828MS	3.000000000	2/28/17	.863142959	105.094436300	21,018,887.26	21,039,000.00
40,000,000.00	FED HOME LOAN MORTGAGE CORP DBS	3137EADC	1.000000000	3/08/17	1.032866656	99.954933950	39,981,973.58	40,113,200.00
20,000,000.00	FEDERAL HOME LOAN BANKS	3133782N	.875000000	3/10/17	.793798073	100.222164800	20,044,432.96	19,984,600.00
20,000,000.00	UNITED STATES TREASURY NOTES	912828SM	1.000000000	3/31/17	.905407286	100.233044000	20,046,608.80	20,061,000.00
9,000,000.00	FARMER MAC	31315PS2	.980000000	4/10/17	1.029094608	99.912913222	8,992,162.19	9,022,680.00
10,000,000.00	FED NATL MORTGAGE ASSN DEBS	3135G0JA	1.125000000	4/27/17	1.063726649	100.191802700	10,019,180.27	10,050,200.00
8,000,000.00	FARMER MAC	31315PY8	.930000000	5/01/17	.983469471	99.898044750	7,991,843.58	7,996,640.00
20,000,000.00	UNITED STATES TREASURY NOTES	912828SY	.625000000	5/31/17	1.008779518	98.993579800	19,798,715.96	19,826,600.00
23,000,000.00	FEDERAL HOME LOAN BANKS	313379FW	1.000000000	6/09/17	.940390894	100.191798783	23,044,113.72	23,024,610.00
30,000,000.00	FEDERAL HOME LN MTG CORP	3137EADH	1.000000000	6/29/17	.994293092	100.051903800	30,015,571.14	29,954,400.00
20,000,000.00	UNITED STATES TREASURY NOTES	912828TB	.750000000	6/30/17	1.028388047	99.247557150	19,849,511.43	19,867,200.00
390,000.00	PUERTO RICO ELEC PWR AUTH PWR RE	745268JV		7/01/17	.104488362	89.857000000	350,442.30	351,327.60
635,000.00	PUERTO RICO ELEC PWR AUTH PWR RE	745268YF		7/01/17	.104488362	89.857000000	570,591.95	569,601.35
9,000,000.00	FEDERAL AGRICULTURAL MORTGAGE CO	31315PDT	3.020000000	7/14/17	1.070661936	105.377272000	9,483,954.48	9,481,770.00
30,000,000.00	UNITED STATES TREASURY NOTES	912828WT	.875000000	7/15/17	.965605384	99.751092700	29,925,327.81	29,896,800.00
25,500,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADJ	1.000000000	7/28/17	.931477484	100.225895961	25,557,603.47	25,395,195.00
20,000,000.00	UNITED STATES TREASURY NOTES	912828NR	2.375000000	7/31/17	1.121612504	103.482883550	20,696,576.71	20,743,800.00
5,000,000.00	FEDERAL HOME LOAN BANKS	3130A0QE	1.250000000	8/14/17	1.263412946	100.000000000	5,000,000.00	5,006,650.00
20,000,000.00	UNITED STATES TREASURY NOTES	912828HA	4.750000000	8/15/17	1.027224116	110.508931050	22,101,786.21	22,090,600.00
10,000,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3137EAAY	5.500000000	8/23/17	1.086483193	112.586618100	11,258,661.81	11,247,300.00
10,000,000.00	UNITED STATES TREASURY NOTES	912828D9	1.000000000	9/15/17	1.057833389	99.832031300	9,983,203.13	9,984,400.00
4,500,000.00	FEDERAL AGRICULTURAL MORTGAGE CO	31315P3K	1.150000000	9/18/17	1.186665333	99.940603333	4,497,327.15	4,505,040.00
15,000,000.00	FNMA	3135G0ZL	1.000000000	9/27/17	1.133420288	99.654368400	14,948,155.26	14,936,850.00
30,000,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADL	1.000000000	9/29/17	1.074137344	99.825294167	29,947,588.25	29,864,700.00
25,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0PQ	.875000000	10/26/17	1.180020346	99.131351280	24,782,837.82	24,762,750.00
5,000,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3T7	2.000000000	11/06/17	.223017825	100.172850000	5,008,642.50	5,008,650.00
20,000,000.00	UNITED STATES TREASURY NOTES	912828HH	4.250000000	11/15/17	1.085101942	109.689300900	21,937,860.18	21,893,800.00
20,000,000.00	UNITED STATES TREASURY NOTES	912828UA	.625000000	11/30/17	1.075275454	98.602823100	19,720,564.62	19,639,000.00
629,325,000.00					.000882468		636,041,602.26	636,177,277.95

==> 0035 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2017 <==

STATE OF NEW MEXICO
TREASURERS OFFICE
Position holdings as of 9/30/14 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	UNIT-BOOK	BASES-BOOK-VAL	LOC-MKT-VALUE
5,000,000.00	UNITED STATES TREASURY NOTES	912828UJ	.875000000	1/31/18	1.309157844	98.588876400	4,929,443.82	4,934,000.00
15,000,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADP	.875000000	3/07/18	1.474092704	98.067892867	14,710,183.93	14,744,550.00
15,000,000.00	FED NAT'L MORTGAGE ASSN DEB	3136G1EN	1.100000000	3/13/18	1.115277778	100.000000000	15,000,000.00	14,820,000.00
1,000,000.00	FEDERAL FARM CREDIT BANKS	3133EATP	1.500000000	6/11/18	1.626369465	99.627351000	996,273.51	995,810.00
600,000.00	ULSTER CNTY N Y	903766SM	4.250000000	11/15/18	.155205399	100.500340000	603,002.04	602,892.00
15,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0YT	1.625000000	11/27/18	1.771292774	99.512164000	14,926,824.60	14,968,950.00
20,000,000.00	UNITED STATES TREASURY NOTES	912828RT	1.375000000	11/30/18	1.403701755	99.883777000	19,976,755.40	19,831,200.00
					<u>.007889604</u>			
<u>71,600,000.00</u>							<u>71,142,483.30</u>	<u>70,897,402.00</u>

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

20,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0ZA	1.875000000	2/19/19	1.701203567	100.828902350	20,165,780.47	20,057,800.00
20,000,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACA	3.750000000	3/27/19	1.786502635	108.543691200	21,708,738.24	21,656,800.00
35,000,000.00	UNITED STATES TREASURY NOTES	912828C6	1.625000000	3/31/19	1.744321854	99.486019686	34,820,106.89	34,901,650.00
19,500,000.00	FEDERAL HOME LOAN BANKS	3130A2A4	2.125000000	6/26/19	.620493949	100.355912923	19,569,403.02	19,580,145.00
2,725,000.00	FEDERAL HOME LOAN BANKS	3130A2H8	2.500000000	7/09/19	.669660530	101.414056514	2,763,533.04	2,763,204.50
13,000,000.00	FEDERAL AGRICULTURAL MORTGAGE CO	31315P3R	1.900000000	9/18/19	1.946669913	99.905418154	12,987,704.36	13,051,610.00
2,500,000.00	DALLAS FORT WORTH TEX INTL ARPT	235036MK	5.000000000	11/01/19	.207008462	100.399230000	2,509,980.75	2,509,025.00
175,000.00	KNOX CNTY KY	499422DH	5.800000000	12/01/19	.790836982	110.763211429	193,835.62	193,217.50
					<u>.004892700</u>			
<u>112,900,000.00</u>							<u>114,719,082.39</u>	<u>114,713,452.00</u>

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

635,000.00	RIO RANCHO NM EVENT	76717PAJ	5.000000000	6/01/20	.388901465	103.070214173	654,495.86	654,945.35
					<u>.857585257</u>			
<u>635,000.00</u>							<u>654,495.86</u>	<u>654,945.35</u>

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

4,000,000.00	DALLAS FORT WORTH TEX INTL ARPT	235036JS	5.375000000	11/01/21	.209208656	100.430262250	4,017,210.49	4,015,600.00
					<u>.139720336</u>			
<u>4,000,000.00</u>							<u>4,017,210.49</u>	<u>4,015,600.00</u>

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

STATE OF NEW MEXICO
TREASURERS OFFICE
Position holdings as of 9/30/14 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/14

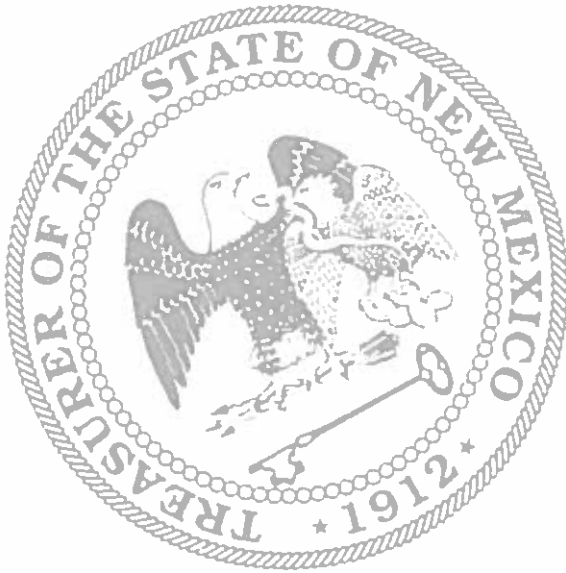
POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	UNIT-BOOK	BASES-BOOK-VAL	LOC-MKT-VALUE
250,000.00	GREENSBURG SALEM PA SCH DIST	395704HS	3.750000000	1/01/22	.304723664	100.861012000	252,152.53	252,185.00
250,000.00					2.225978062		252,152.53	252,185.00
====> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2022 <===								
345,000.00	WILL CNTY ILL SCH DIST NO 122	968852B8	4.500000000	10/01/24	.375293738	104.118411594	359,208.52	359,624.55
345,000.00					1.562563160		359,208.52	359,624.55
====> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2024 <===								
160,000.00	ALBUQUERQUE BERNALILLO CNTY WT	013493AV	4.500000000	7/01/25	.304301330	103.143581250	165,029.73	165,139.20
160,000.00					3.401120513		165,029.73	165,139.20
====> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2025 <===								
750,000.00	VOLUSIA CNTY FLA SCH BRD CTFS PA	92884EFD	5.000000000	8/01/27	.284591716	103.925020000	779,437.65	779,887.50
750,000.00					.720116612		779,437.65	779,887.50
====> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2027 <===								
255,000.00	CHOCTAW CNTY MISS HOSP REV	170323AR	7.500000000	8/01/28	.780900495	112.226294118	286,177.05	283,728.30
255,000.00					1.961324292		286,177.05	283,728.30
====> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2028 <===								
320,000.00	PASCO CNTY FLA SCH BRD CTFS PART	702528DG	5.000000000	8/01/30	.284591716	103.925018750	332,560.06	332,752.00
320,000.00					1.687773330		332,560.06	332,752.00

STATE OF NEW MEXICO
TREASURERS OFFICE
Position holdings as of 9/30/14 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	UNIT-BOOK	BASES-BOOK-VAL	LOC-MKT-VALUE
====> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2030 <===								
2,025,000.00	MONTGOMERY CNTY OHIO REV	613549GY	6.250000000	11/15/33	.153119807	100.711000000	2,039,397.75	2,039,397.75
<u>2,025,000.00</u>					<u>.275221447</u>		<u>2,039,397.75</u>	<u>2,039,397.75</u>
====> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2033 <===								
355,000.00	ATLANTA GA ARPT PASSENGER FAC CH	04780TAJ	5.000000000	1/01/34	.345346653	101.162791549	359,127.91	359,189.00
125,000.00	WASHINGTON ST HIGHER ED FACS AUT	939781VL	5.125000000	4/01/34	.206084264	100.000000000	125,000.00	125,000.00
375,000.00	UNIVERSITY MASS BLDG AUTH FACSRE	914438CC	5.125000000	11/01/34	.224450232	100.408165333	376,530.62	376,451.25
<u>855,000.00</u>					<u>.652158760</u>		<u>860,658.53</u>	<u>860,640.25</u>
====> 0003 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2034 <===								
300,000.00	GUAM GOVT WTRWKS AUTH WTR & WAST	40065FAJ	5.875000000	7/01/35	.304374485	104.172713333	312,518.14	312,774.00
790,000.00	SYLACAUGA ALA HEALTH CARE AUTHRE	871244AC	6.000000000	8/01/35	.304502560	104.739731646	827,443.88	827,675.10
<u>1,090,000.00</u>					<u>.492372544</u>		<u>1,139,962.02</u>	<u>1,140,449.10</u>
====> 0002 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2035 <===								
340,000.00	KNOX CNTY KY	499422DL	5.875000000	12/01/36	.790867291	110.923950000	377,141.43	375,938.00
<u>340,000.00</u>					<u>1.488263965</u>		<u>377,141.43</u>	<u>375,938.00</u>
====> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2036 <===								
375,000.00	GAYLORD MICH HOSP FIN AUTH LTD0B	368177AD	6.500000000	1/01/37	.294405006	101.550101333	380,812.88	380,748.75
<u>375,000.00</u>					<u>1.473915483</u>		<u>380,812.88</u>	<u>380,748.75</u>

STATE OF NEW MEXICO
TREASURERS OFFICE
Position holdings as of 9/30/14 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	UNIT-BOOK	BASE\$-BOOK-VAL	LOC-MKT-VALUE
====> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2037 <===								
1,125,000.00	MONTGOMERY CNTY OHIO REV	613549GZ	6.250000000	11/15/39	.153119807	100.711000000	1,132,998.75	1,132,998.75
<u>1,125,000.00</u>					<u>.495398605</u>		<u>1,132,998.75</u>	<u>1,132,998.75</u>
====> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2039 <===								
1,810,000.00	PROSPER TEX INDPT SCH DIST	743600LB		8/15/40	.212916667	26.512000000	479,867.20	480,247.30
<u>1,810,000.00</u>					<u>1.169669442</u>		<u>479,867.20</u>	<u>480,247.30</u>
====> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2040 <===								
<u>1461055782.17</u>					<u>.000378535</u>		<u>1482785700.02</u>	<u>1484420539.99</u>
====> 0169 ITEMS IN SUBTOTAL FOR ==> FUND NAME..... ==> GENERAL FUND CORE <===								



10. Portfolio Summary- Local Government Investment Pool

Portfolio Summary – Local Government Investment Pool (LGIP)

Summary

- Ending September market value for the LGIP was \$570mil, lower than the \$585mil 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 \$35,335,866 or 6.1% of the Pool.
- At the end of September the Judicial District Court LGIP participant balance was \$4,209,168 or 0.7% of the Pool.

Portfolio Mix

- At the end of September 2014 the portfolio was invested as follows: 1% in US Treasuries, 40% in US Government Agencies, 40% in collateralized demand deposit accounts with qualified banking institutions, 19% in floating rate securities, and 0% in overnight repurchase agreements.
- At month-end, the LGIP held positions in 43 securities.

Investment Earnings

- In September, the fund earned \$79,294.
- For Fiscal Year 2015, the fund has earned \$248,721.
- 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 0.161% at the end of September.
- Net yield to participants was 0.111%.

Investment Highlights

- For the LGIP, the WAM(R) of 56 days, and WAM (F) of 112 days, were within their maximums of 60 and 120 days respectively.
- The LGIP experienced net redemptions for the month of September, ~\$15mil.
- Maturities for September totaled \$50.21mil face amount.
- The LGIP purchased \$47.131mil fixed coupon Agencies maturing in 2 months to one year at yields between 0.10% and 0.22%.
- The LGIP purchased \$19mil Agencies with coupons that float vs. the Prime Rate and maturing in less than one year at yields of 0.11%.
- The LGIP transferred \$25mil from the Wells Fargo checking account to the Bank of the West deposit account increasing exposure to Bank of the West to 22% of the total portfolio.
- LGIP utilized term investments to reduce exposure to lower yielding overnight investments.
- The LGIP continued to keep WAMs close to the maximum allowable 60 days.

Investment Strategy

- LGIP WAMs are currently 58 and 111 days for WAM(R) and WAM (F) respectively.
- The LGIP has experienced net subscriptions in October so far, ~ \$2mil.
- Maturities will total \$17.87mil in October.
- For the month of October thus far, interest rates have been lower with the 1, 2, 3 and 5 yr. US Treasury yields down by 0, 17, 21, and 24 bp respectively.
- The LGIP has purchased \$38.927mil. US Government Agency fixed rate securities maturing in 1 mos. to 1 year at yields of 0.10% to 0.20%.
- The LGIP has purchased \$10mil. US Government Agency floating rate securities maturing in 6 mos. that resets its coupon daily vs. the Prime Rate.
- With WAMs tight to the maximums allowable to maintain the AAAM rating, the Pool has been monitoring cash flows carefully.
- As WAMs recede the LGIP will invest in securities that are longer dated and attractive vs. overnight collateralized bank deposits and repo.
- It is expected that the LGIP WAMs will remain close to the allowable maximums.
- LGIP will continue to focus on maximizing safety of principal and providing adequate liquidity through the use of conservative investments.

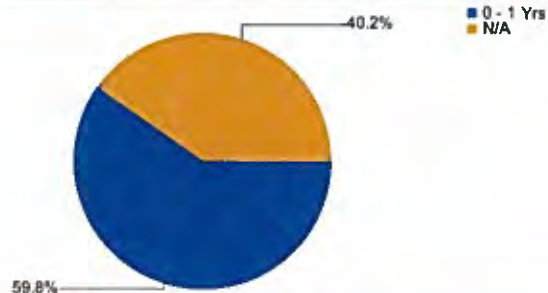
Net Asset Value/Share

At month-end, the Net Asset Value per Share of the Local Government Investment Pool was \$0.99992.

Portfolio Characteristics

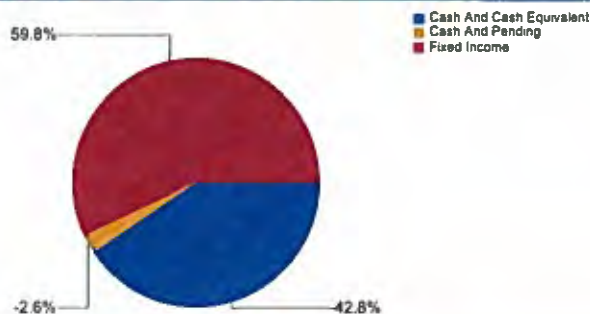
Total Net Assets (Millions)
Weighted Average Life (Years)
Weighted Avg. Effective Duration (Years)
Weighted Average Coupon (%)
Weighted Average Current Yield (%)
Weighted Average Yield to Maturity (%)
Weighted Average Rating
Number of Holdings

570.8
0.31
0.16
0.56
0.08
0.10
AAA
44



Asset Mix

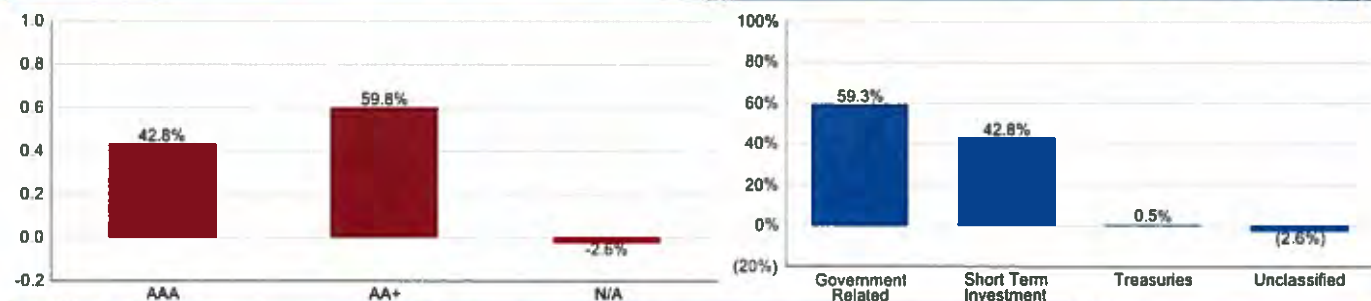
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
09499LC10	BANK OF THE WEST	23.72%	0.00	1/10/2014
09499LC36	US BANK	8.14%	0.00	1/10/2014
31331KHW3	FEDERAL FARM CREDIT BANKS 1.825% BDS 19/NOV/2014	4.80%	1.82	19/11/2014
3133EAMP9	FEDERAL FARM CR BKS CONS BD FLT 19 01/MAY/2015	3.76%	0.35	1/5/2015
31350FT4	FEDERAL NATL MTO ASSN FR 0.75% 19/DEC/2014	3.80%	0.75	19/12/2014
31319PH28	FEDERAL AGRICULTURAL MORTGAGE CORP MEDIUM TERM	3.42%	0.16	1/7/2015
31319PV22	FEDERAL AGRICULTURAL MORTGAGE CORP MEDIUM TERM	3.42%	0.11	1/5/2015
3133ED5G3	FEDERAL FARM CREDIT BANK DISCOUNT NOTES VARIABLE	2.56%	0.21	22/10/2015
3133EDAW2	FEDERAL FARM FLT 12/15	2.56%	0.20	2/12/2015
09499SC02	Wells Fargo Checking	12.44%	0.13	1/10/2014

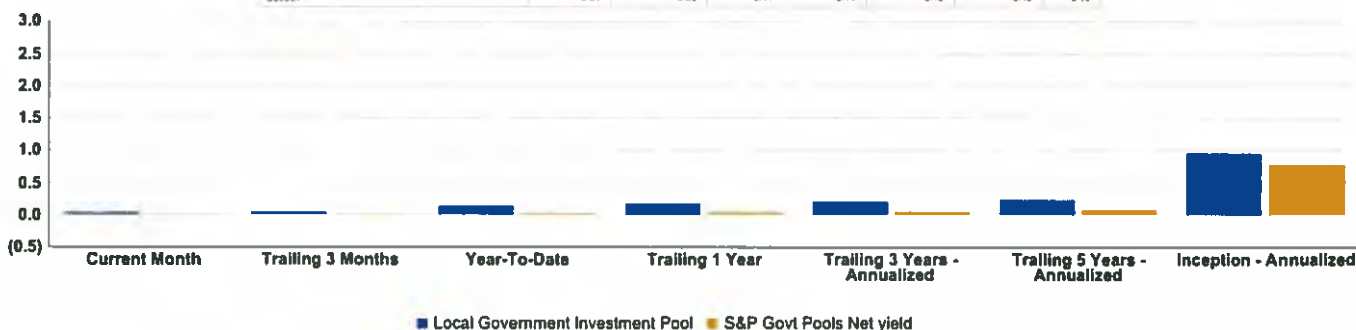
Quality/Rating Weightings

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	0.04	0.13	0.18	0.20	0.23	0.94
S&P Govt Pools Net yield	0.00	0.01	0.02	0.02	0.04	0.07	0.75
Brexit	0.01	0.03	0.11	0.14	0.15	0.18	0.19



STATE OF NEW MEXICO
LGIP FUND (4101)
Portfolio Classification Summary
Positions Held as of 9/30/14 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
US TREASURY NOTE ACT/ACT 2X	1	.1593	.49860	3,000,000	3,034,891	3,036,450	1,559	.532
AGENCY US FLOAT ACT/360 12X	1	.1130	.58360	20,000,000	20,000,000	20,003,000	3,000	3.507
AGENCY US BOND 30/360 2X	15	.1534	.39627	112,265,000	112,357,943	112,366,710	8,767	19.703
AGENCY US DISC ACT/360 360 DAY	1	.2296	.12600	9,000,000	8,981,973	8,998,200	16,227	1.578
FED HOME LOAN BANKS	1	.1115	.29320	15,000,000	14,999,132	14,998,200	-932	2.630
FHLB INDEX BOND 12X	1	.1409	.16160	14,476,000	14,663,515	14,663,464	-51	2.571
AGENCY US NOTES 30/360 2X	9	.1603	.43311	76,138,000	76,494,022	76,502,687	8,665	13.414
AGENCY US VARIABLE ACT/360 4X	10	.1664	.83869	90,400,000	90,433,561	90,447,850	14,289	15.859
CASH ACCOUNT	4			229,293,042	229,293,042	229,293,042		40.205
	<u>43</u>	<u>.0931</u>	<u>.51229</u>	<u>569,572,042</u>	<u>570,258,079</u>	<u>570,309,603</u>	<u>51,524</u>	<u>100.000</u>

STATE OF NEW MEXICO
TREASURERS OFFICE
Position holdings as of 9/30/14 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	UNIT-BOOK	BASE\$-BOOK-VAL	LOC-MKT-VALUE
57,870,635.08	(TD)-WELLS FARGO CASH ACCOUNT	CASHCASH	.100000000			1.000000000	57,870,635.08	57,870,635.08
2,362,936.46	WELLS FARGO SAVINGS	CASHCASH	.100000000			1.000000000	2,362,936.46	2,362,936.46
138,924,520.47	BANK OF THE WEST	CASHCASH	.250000000			1.000000000	138,924,520.47	138,924,520.47
30,134,951.12	US BANK	CASHCASH	.200000000			1.000000000	30,134,951.12	30,134,951.12
					<u>.002447898</u>			
229,293,043.13							<u>229,293,043.13</u>	<u>229,293,043.13</u>

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

1,331,000.00	FEDERAL FARM CREDIT BANKS	3133ECL7	.200000000	10/15/14	.179786942	100.000875282	1,331,011.65	1,331,039.93
10,000,000.00	FEDERAL FARM CREDIT BANKS	3133ED5P	.160000000	10/24/14	.177430517	99.999034000	9,999,903.40	10,000,300.00
7,456,000.00	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0DW	.625000000	10/30/14	.166942563	100.037043589	7,458,761.97	7,459,280.64
9,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCI	31358C7G		11/15/14	.229637618	99.799705000	8,981,973.45	8,998,200.00
26,154,000.00	FEDERAL FARM CREDIT BANKS	31331KHW	1.625000000	11/19/14	.112499762	100.201754187	26,206,766.79	26,208,400.32
2,176,000.00	FEDERAL NATIONAL MORTGAGE ASSOCI	31398AZV	2.625000000	11/20/14	.179769887	100.332847427	2,183,242.76	2,183,507.20
14,476,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3128X6VP	8.321500000	11/28/14	.140895987	101.295346781	14,663,514.40	14,663,464.20
12,925,000.00	FEDERAL HOME LOAN BANKS	313371PC	.875000000	12/12/14	.115594427	100.149990638	12,944,386.29	12,944,516.75
5,000,000.00	FEDERAL HOME LOAN BANKS	3133XVNU	2.750000000	12/12/14	.102907780	100.522072200	5,026,103.61	5,025,950.00
21,012,000.00	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0FY	.750000000	12/19/14	.160078173	100.128174995	21,038,932.13	21,040,576.32
9,920,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADA	.625000000	12/29/14	.102929509	100.127890524	9,932,686.74	9,932,201.60
					<u>.004686472</u>			
119,450,000.00							<u>119,767,283.19</u>	<u>119,787,436.96</u>

==== 0011 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2014 <====

15,000,000.00	FEDERAL HOME LOAN BANKS	3130A2LD	.090000000	1/15/15	.111538932	99.994214867	14,999,132.23	14,998,200.00
2,000,000.00	FEDERAL FARM CREDIT BANKS	3133EAYU	.320000000	1/20/15	.145281246	100.033876500	2,000,677.53	2,000,760.00
5,000,000.00	FARMER MAC	31315PZ5	.200000000	1/20/15	.202777778	100.000000000	5,000,000.00	5,000,950.00
4,000,000.00	FEDERAL FARM CREDIT BANKS	3133ECBF	.250000000	1/26/15	.227759028	100.006703750	4,000,268.15	4,002,120.00
2,500,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACH	2.875000000	2/09/15	.160677924	100.965097200	2,524,127.43	2,524,400.00
3,600,000.00	FEDERAL HOME LOAN BANKS	3130A16W	.125000000	3/04/15	.174879151	99.979827500	3,599,273.79	3,599,640.00
7,000,000.00	FED HOME LN BANK FHLB	3130A1DM	.150000000	3/12/15	.164506169	99.994518572	6,999,616.30	6,999,930.00
6,000,000.00	FEDERAL HOME LOAN BANKS	3130A1D3	.130000000	3/12/15	.153904328	99.990254333	5,999,415.26	6,000,360.00
2,000,000.00	FEDERAL FARM CREDIT BANKS	3133ECLM	.230000000	3/16/15	.201531963	100.013749000	2,000,274.98	2,001,220.00
5,000,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3134G36G	.350000000	3/18/15	.112132666	100.110993200	5,005,549.66	5,006,800.00
3,000,000.00	UNITED STATES TREASURY NOTES	912828MW	2.500000000	3/31/15	.159267424	101.163009333	3,034,890.28	3,036,450.00
12,074,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADD	.500000000	4/17/15	.130850181	100.201814892	12,098,367.13	12,100,200.58

STATE OF NEW MEXICO
TREASURERS OFFICE
Position holdings as of 9/30/14 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	UNIT-BOOK	BASE\$-BOOK-VAL	LOC-MKT-VALUE
3,600,000.00	FEDERAL HOME LOAN BANKS	3130A1QG	.125000000	4/21/15	.138829367	99.993376111	3,599,761.54	3,599,424.00
22,000,000.00	FEDERAL FARM CREDIT BANKS	3133EANP	.350000000	5/01/15	.145874293	100.118804182	22,026,136.92	22,030,800.00
20,000,000.00	FARMER MAC	31315PV2	.111500000	5/01/15	.113048611	100.000000000	20,000,000.00	20,003,000.00
5,000,000.00	FEDERAL FARM CREDIT BANKS	3133EDKV	.130000000	5/01/15	.133905288	99.998789800	4,999,939.49	4,998,400.00
6,655,000.00	FEDERAL HOME LOAN BANKS	3130A2FT	.125000000	6/19/15	.174174649	99.966496469	6,652,770.34	6,655,598.95
4,000,000.00	FEDERAL FARM CREDIT BANKS	3133EDPH	.100000000	6/30/15	.121242999	99.984712250	3,999,388.49	3,999,280.00
20,000,000.00	FARMER MAC FAMCA FLOAT	31315PH2	.130000000	7/01/15	.161325249	100.000000000	20,000,000.00	20,001,600.00
1,400,000.00	FEDERAL FARM CREDIT BANKS	3133ECTP	.200000000	8/03/15	.202060748	100.000000000	1,400,000.00	1,400,770.00
5,000,000.00	FEDERAL HOME LOAN BANKS	3130A2P9	.200000000	8/17/15	.200689025	100.001796800	5,000,089.84	5,000,400.00
10,000,000.00	FEDERAL HOME LOAN BANKS	3130A2PZ	.210000000	8/21/15	.212916667	100.000000000	10,000,000.00	10,002,800.00
10,000,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACM	1.750000000	9/10/15	.226872546	101.434839700	10,143,483.97	10,145,800.00
5,000,000.00	FEDERAL HOME LOAN BANK	3130A2WZ	.190000000	9/11/15	.216204377	99.978077400	4,998,903.87	4,999,000.00
6,000,000.00	FEDERAL AGRICULTURAL MORTGAGE CO	31315PGT	2.125000000	9/15/15	.226033678	101.814534000	6,108,872.04	6,109,920.00
15,000,000.00	FEDERAL FARM CREDIT BANKS	3133ED5G	.210000000	10/22/15	.157184843	100.056947467	15,008,542.12	15,008,700.00
15,000,000.00	FEDERAL FARM CREDIT BANK	3133EDAW	.200000000	12/02/15	.207858922	99.993575667	14,999,036.35	15,006,300.00
<u>215,829,000.00</u>					<u>.002596160</u>		<u>216,198,517.71</u>	<u>216,232,823.53</u>
====> 0027 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2015 <====								
5,000,000.00	FEDERAL FARM CREDIT BANK	3133EDMK	.140000000	3/29/16	.152021563	99.984749400	4,999,237.47	4,996,300.00
<u>5,000,000.00</u>					<u>.112274323</u>		<u>4,999,237.47</u>	<u>4,996,300.00</u>
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2016 <====								
<u>569,572,043.13</u>					<u>.000984267</u>		<u>570,258,081.50</u>	<u>570,309,603.62</u>
====> 0043 ITEMS IN SUBTOTAL FOR ===== FUND NAME..... ==== LGIP FUND <====								



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 \$499mil vs. \$517mil at the end of August.
- The Pool paid out \$18mil for capital spending in September 2014.

Portfolio Mix

- 100% of the Tax-Exempt BPIP portfolio was invested in fixed income securities and 0% in floating rate notes: 62% in Treasuries, 32% in Agency Securities, 2% in NM municipal securities, 1% in NM bank collateralized CDs and the balance, approximately 3%, held in cash equivalents.
- 37% of the portfolio was invested in securities that mature in one year, 42% 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 Tax-Exempt BPIP held positions in 58 securities.
- Weighted Average Life of the Tax Exempt BPIP was 1.40 years. The Weighted Average duration was 1.32 years.
- The maximum security term for the BPIP portfolio is 5 years.

Investment Earnings

- Unrealized gains in the Tax-Exempt BPIP Portfolio were \$520,983 as of September 30th.
- Monthly Earnings on the portfolio for July were \$189,485.
- Earnings for FY2015 were \$573,007.
- 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 1.32 yrs. vs. the Benchmark at 1.40 yrs.
- The Tax-Exempt BPIP had maturities of \$15mil in the month of September.
- The Pool paid out \$18mil for capital spending in September 2014.
- The Pool purchased \$8.82mil US Government Agency short 1x cushion callable securities at yields to call ~0.40%.
- The Pool purchased \$3.92mil NM municipal securities in one year at yields between 0.25% and 0.30%.
- The Pool duration remained relatively stable during the month of September.

Performance

- The purchase yield was 0.48% at the end of September, higher than the 0.46% reported for August.
- The Tax-Exempt BPIP returned 0.00% for the month of September and 0.08% for the three months ended September 30, 2014, vs. Index returns of (0.03)% and 0.03% respectively. For the trailing 12 mos. the Pool returned 0.48% vs. 0.39% for the benchmark.

- The Tax-Exempt BPIP had a duration shorter than the benchmark for the month of September, outperforming as interest rates rose.
- Cash flows (debt service payments, capital project withdrawals, bond sale proceeds) will continue to be the key driver of the portfolio's structure and cash position going forward.

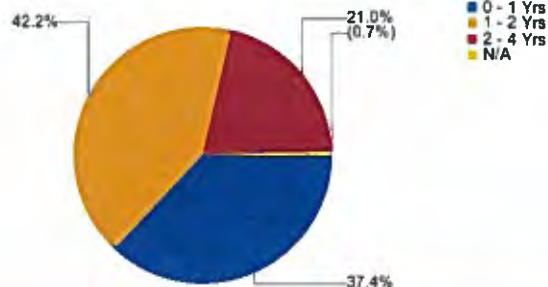
Investment Strategy

- The option-adjusted duration of the Tax-Exempt BPIP portfolio is currently 1.31 yrs. vs. 1.39 yrs. for the benchmark.
- For the month of October \$15mil maturities are scheduled.
- A total of \$16.5mil in US Government Agency securities were called in October.
- Capital project withdrawals will total approximately ~\$23mil in September.
- The Tax-Exempt BPIP has purchased \$0.475mil of a new issue NM municipal security maturing in two years at 0.65%.
- The Pool purchased \$10mil of a US Government Agency cushion callable at a yield to call of 0.25%.
- The Pool sold \$15mil US Treasury notes maturing 10/31/14 at a small gain to cover capital project withdrawals.
- The Pool will continue to purchase 1 to 3 year Treasury and Agency securities as maturities and cash flows allow.
- The Tax-Exempt BPIP has maintained duration shorter than that of the benchmark in order to provide adequate liquidity for project withdrawals while minimizing overnight cash positions.
- Project withdrawals will have the effect of lengthening duration and as they have had a high degree of variability month-to-month, cash flow management will dominate portfolio decisions.

Portfolio Characteristics

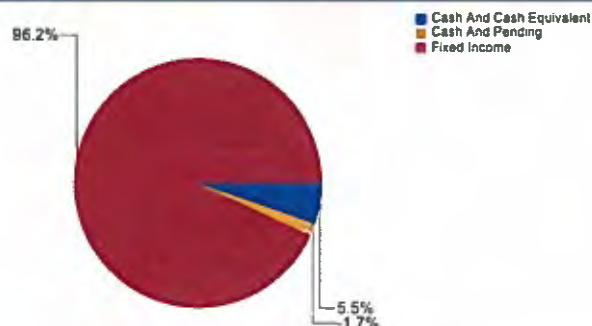
Total Net Assets (Millions)
Weighted Average Life (Years)
Weighted Avg. Effective Duration (Years)
Weighted Average Coupon (%)
Weighted Average Current Yield (%)
Weighted Average Yield to Maturity (%)
Weighted Average Rating
Number of Holdings

500.4
1.40
1.32
1.08
0.40
0.42
AA+
59



Asset Mix

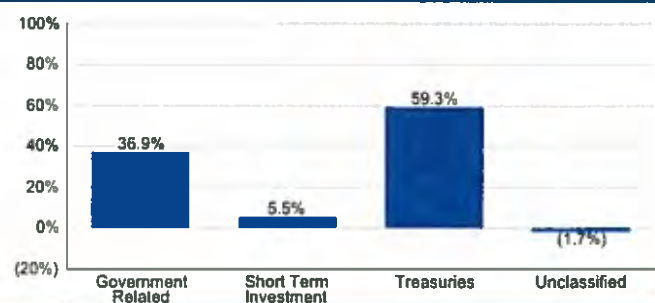
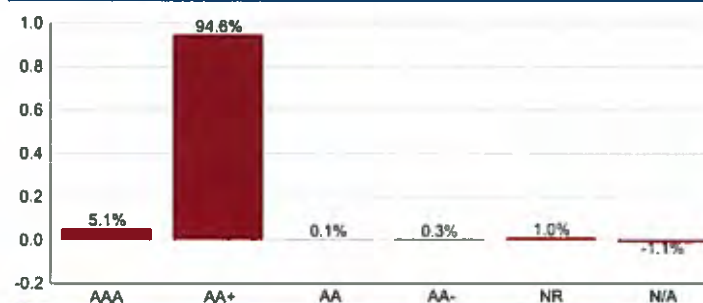
Top Ten Portfolio Holdings



Security ID	Security Name	Total Assets	Coupon Rate	Maturity Date
912828PW7	FEDERAL HOME LOAN MORTGAGE CORP 2% BGS 23/AUG/2018	4.04%	2.00	23/8/2018
912828PM6	UNITED STATES 2.125% 12/15	3.03%	2.12	31/12/2015
912828QP8	UNITED STATES 1.75% 05/16	3.03%	1.75	31/5/2016
912828QR4	UNITED STATES 1.8% 05/16	3.01%	1.80	30/5/2016
912828PJ3	UNITED STATES 1.375% 11/15	3.00%	1.38	30/11/2015
912828LS7	UNITED STATES 2.375% 10/14	2.98%	2.38	31/10/2014
912828VL1	US 6 62500 '18	2.96%	0.62	15/7/2018
913403ZA1	FEDERAL HOME LOAN MORTGAGE CORP 0.5% BGS	2.96%	0.50	28/8/2015
912828SC8	UNITED STATES 0.875% 01/17	2.96%	0.88	31/1/2017
98ER30124	REPO MITSUBISHI UFJ SECURITIES (USA) INC. 09/30/14P	3.90%	0.00	1/10/2014

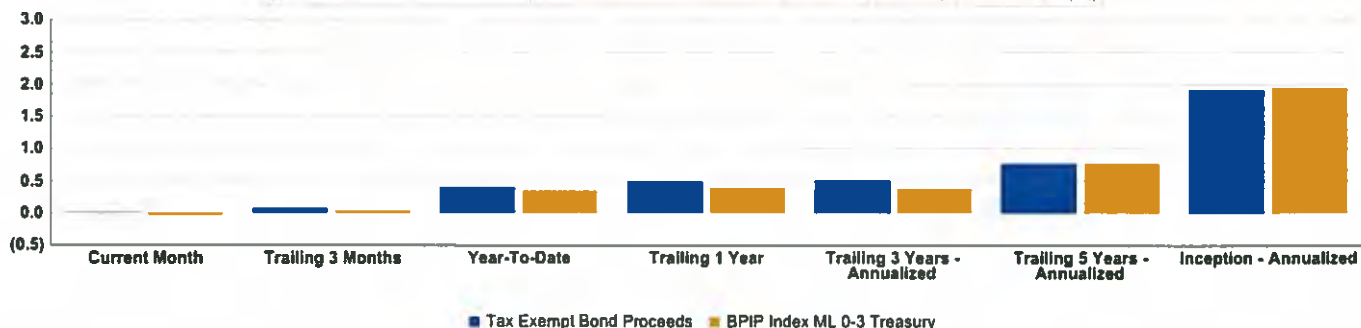
Quality/Rating Weightings

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
Tax Exempt Bond Proceeds	0.00	0.08	0.39	0.48	0.50	0.75	1.90
BPI Index ML 0-3 Treasury	(0.02)	0.03	0.34	0.39	0.38	0.75	1.83
Excess	0.03	0.04	0.05	0.09	0.12	0.00	(0.03)



STATE OF NEW MEXICO
BOND PROCEEDS INV POOL1 TAX EX (4000)
Portfolio Classification Summary
Positions Held as of 9/30/14 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1		.00270	22,401,874	22,401,874	22,401,874		4.488
CERTIFICATES OF DEPOSIT	2	.7250	2.26435	3,000,000	3,000,000	3,000,000		.601
U.S. TREASURY BONDS	1	.2045	.16710	10,000,000	10,031,449	10,034,000	2,551	2.010
US TREASURY NOTE ACT/ACT 2X	22	.4777	1.54124	284,000,000	285,603,436	285,696,750	93,314	57.236
US TREASURY (STRIP/ZERO) 30/360	3	.3740	.60606	16,034,000	15,914,229	16,001,776	87,547	3.206
AGENCY US BOND 30/360 2X	4	.2584	.66668	45,000,000	45,005,871	45,040,050	34,179	9.023
AGENCY US NOTES 30/360 2X	10	.7121	1.62776	86,220,000	87,393,857	87,603,109	209,252	17.550
FED NATL MORTGAGE ASSN DEBS	5	.4870	.96696	26,500,000	26,669,923	26,739,910	69,987	5.357
MUNI US 30/360 2X	7	.4386	1.14415	7,865,000	8,056,316	8,078,586	22,270	1.618
MUNICIPAL BOND REVENUE	1	.4364	.75070	900,000	910,564	912,447	1,883	.183
UNITS - INVESTMENT POOL 1	1			2,019,743	2,019,743	2,019,743		.405
CASH ACCOUNT	1			-8,369,537	-8,369,537	-8,369,537		-1.677
	<u>58</u>	<u>.4761</u>	<u>1.31814</u>	<u>495,571,080</u>	<u>498,637,725</u>	<u>499,158,708</u>	<u>520,983</u>	<u>100.000</u>

STATE OF NEW MEXICO
TREASURERS OFFICE
Position holdings as of 9/30/14 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	UNIT-BOOK	BASES-BOOK-VAL	LDC-MKT-VALUE
- 8,369,537.08	(TD)-CASH KEY	CASHCASH				1.000000000	- 8,369,537.08	- 8,369,537.08
2,019,742.93	UNITS - INVESTMENT POOL 1	UNITS001				1.000000000	2,019,742.93	2,019,742.93
- 6,349,794.15					- .088394362		- 6,349,794.15	- 6,349,794.15

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

22,401,874.17	OVERNIGHT REPO	1001RP		10/01/14		1.000000000	22,401,874.17	22,401,874.17
15,000,000.00	UNITED STATES TREASURY NOTES	912828LS	2.375000000	10/31/14	.190294573	100.177919200	15,026,687.88	15,028,200.00
10,000,000.00	UNITED STATES TREASURY NOTES	912828LZ	2.125000000	11/30/14	.204523868	100.314487300	10,031,448.73	10,034,000.00
10,000,000.00	UNITED STATES TREASURY NOTES	912828ME	2.625000000	12/31/14	.164309043	100.607969500	10,060,796.95	10,063,700.00
57,401,874.17					.009757965		57,520,807.73	57,527,774.17

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

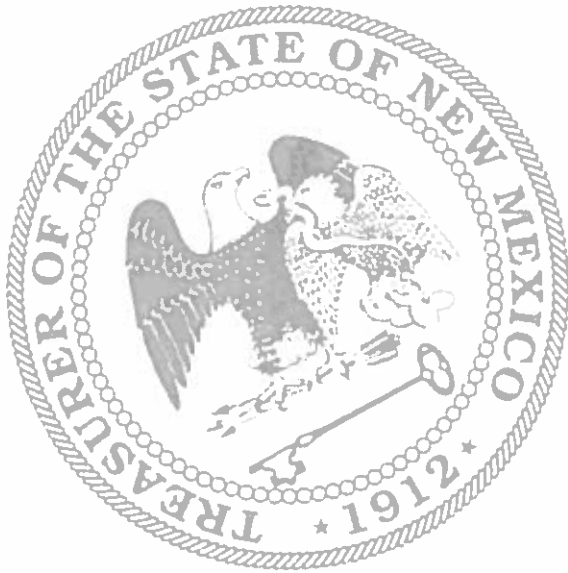
15,000,000.00	FEDERAL HOME LOAN BANKS	3130A0JV	.190000000	1/06/15	.195278808	99.999290467	14,999,893.57	15,003,450.00
10,000,000.00	UNITED STATES TREASURY NOTES	912828UT	.250000000	3/31/15	.207119814	100.021299700	10,002,129.97	10,009,800.00
7,306,000.00	FINANCING-FED BK ENTY CPN STRP	31771JLV		4/06/15	.362824584	99.308000000	7,255,442.48	7,292,191.66
6,400,000.00	FEDERAL AGRICULTURAL MORTGAGE CO	31315PMM	.270000000	4/17/15	.291883392	99.990269375	6,399,377.24	6,405,184.00
10,000,000.00	FEDERAL HOME LOAN BANKS	3130A2AM	.125000000	6/03/15	.154281385	99.981748000	9,998,174.80	9,999,500.00
5,888,000.00	FINANCING CORP CPN FICO STRIPS	31771CS5		6/06/15	.383388497	99.207000000	5,841,308.16	5,875,576.32
2,840,000.00	FINANCING CORP CPN FICO STRIPS	31771DKR		6/06/15	.383388497	99.207000000	2,817,478.80	2,834,007.60
10,000,000.00	FEDERAL HOME LOAN BANKS	313379ER	.500000000	6/12/15	.258688672	100.170419900	10,017,041.99	10,021,400.00
900,000.00	ALBUQUERQUE NM GROSS RECPTS.TAX	01354PDX	2.000000000	7/01/15	.436387505	101.173765556	910,563.89	912,447.00
5,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0LN	.500000000	7/02/15	.269648560	100.175849600	5,008,792.48	5,011,650.00
15,000,000.00	UNITED STATES TREASURY NOTES	912828VN	.250000000	7/31/15	.168165296	100.067959467	15,010,193.92	15,021,150.00
550,000.00	ALBUQUERQUE N MEX MUN SCH DIST	013595RS	2.000000000	8/01/15	.598489323	101.169823636	556,434.03	557,997.00
550,000.00	CLOUDCROFT N MEX MUN SCH DIST	189134EU	2.000000000	8/01/15	.497064778	101.253749091	556,895.62	557,304.00
670,000.00	RIO RANCHO N MEX PUB SCH DIST NO	767171MS	1.000000000	8/01/15	.254509701	100.567000000	673,798.90	674,200.90
3,250,000.00	GADSDEN N MEX INDPT SCH DIST NO	362550MH	4.000000000	8/15/15	.304645994	102.933000000	3,345,322.50	3,355,625.00
15,000,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3ZA	.500000000	8/28/15	.450497509	100.050371000	15,007,555.65	15,044,400.00
10,000,000.00	UNITED STATES TREASURY NOTES	912828TP	.250000000	9/15/15	.277938411	99.973343400	9,997,334.34	10,012,900.00
10,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCI	31398A4M	1.625000000	10/26/15	.318796284	101.398055500	10,139,805.55	10,150,500.00
15,000,000.00	UNITED STATES TREASURY NOTES	912828PJ	1.375000000	11/30/15	.351797809	101.187330267	15,178,099.54	15,203,250.00
10,000,000.00	FNMA	3135G0SB	.375000000	12/21/15	.457100366	99.907614800	9,990,761.48	10,015,700.00
15,000,000.00	UNITED STATES TREAS NTS	912828PM	2.125000000	12/31/15	.433477814	102.101554667	15,315,233.20	15,351,000.00
168,354,000.00					.003320794		169,021,638.11	169,309,233.48

STATE OF NEW MEXICO
TREASURERS OFFICE
Position holdings as of 9/30/14 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	UNIT-BOOK	BASE\$-BOOK-VAL	LOC-MKT-VALUE
====> 0021 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2015 <====								
15,000,000.00	UNITED STATES TREASURY NOTES	912828UG	.375000000	1/15/16	.319552495	100.071178733	15,010,676.81	15,021,600.00
3,000,000.00	FEDERAL AGRICULTURAL MORTGAGE CO	31315PWQ	.675000000	1/19/16	.385325183	100.382054667	3,011,461.64	3,003,060.00
10,000,000.00	UNITED STATES TREASURY NOTES	912828KS	2.625000000	2/29/16	.394545143	103.142617000	10,314,261.70	10,326,900.00
7,500,000.00	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MH8	5.000000000	3/15/16	.550497299	106.452911600	7,983,968.37	7,998,675.00
15,000,000.00	UNITED STATES TREASURY NOTES	912828C4	.375000000	3/31/16	.406099581	99.953623200	14,993,043.48	15,003,450.00
15,000,000.00	UNITED STATES TREASURY NOTES	912828UW	.250000000	4/15/16	.491177428	99.630847067	14,944,627.06	14,970,150.00
400,000.00	TORRANCE ETC CNTYS N MEX MUN S	891400NC	1.000000000	5/15/16	.559506251	100.722647500	402,890.59	403,836.00
1,220,000.00	RIO RANCHO N MEX WTR & WASTWT	767175GF	3.000000000	5/15/16	.557747063	103.950803279	1,268,199.80	1,270,971.60
10,000,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACT	2.500000000	5/27/16	.485437365	103.328714700	10,332,871.47	10,333,500.00
15,000,000.00	UNITED STATES TREASURY NOTES	912828QP	1.750000000	5/31/16	.521833707	102.031851933	15,304,777.79	15,324,600.00
1,225,000.00	SANTA FE N MEX GROSS RCPTS TAX	802072RG	2.000000000	6/01/16	.638931779	102.267185306	1,252,773.02	1,258,650.75
15,000,000.00	UNITED STATES TREASURY NOTES	912828QR	1.500000000	6/30/16	.510229482	101.719301133	15,257,895.17	15,265,350.00
1,500,000.00	FARMERS & STOCKMENS BANK	8521620	.500000000	7/06/16	.500000000	1.000000000	1,500,000.00	1,500,000.00
15,000,000.00	UNITED STATES TREASURY NOTES	912828VL	.625000000	7/15/16	.531216628	100.166573533	15,024,986.03	15,034,500.00
20,000,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000000000	8/25/16	1.160109930	101.603448450	20,320,689.69	20,530,400.00
14,000,000.00	UNITED STATES TREASURY NOTES	912828RJ	1.000000000	9/30/16	.631488990	100.730238357	14,102,233.37	14,105,000.00
10,000,000.00	UNITED STATES TREASURY NOTES	912828RM	1.000000000	10/31/16	.428154702	101.183686100	10,118,368.61	10,071,100.00
5,000,000.00	FEDERAL NATL MTG ASSN DEBS	3135G0ES	1.375000000	11/15/16	1.226665516	100.344586600	5,017,229.33	5,074,650.00
15,000,000.00	UNITED STATES TREASURY NOTES	912828WF	.625000000	11/15/16	.692683346	99.857552333	14,978,632.85	14,981,250.00
15,000,000.00	UNITED STATES TREASURY NOTES	912828A5	.625000000	12/15/16	.727188402	99.776744667	14,966,511.70	14,968,350.00
203,845,000.00					.002723287		206,106,098.48	206,445,993.35
====> 0020 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2016 <====								
15,000,000.00	UNITED STATES TREASURY NOTES	912828SC	.875000000	1/31/17	.709830927	100.381082533	15,057,162.38	15,028,200.00
15,000,000.00	UNITED STATES TREASURY NOTES	912828SJ	.875000000	2/28/17	.788189246	100.207085067	15,031,062.76	15,015,300.00
10,000,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADC	1.000000000	3/08/17	.766360961	100.588097200	10,058,809.72	10,028,300.00
5,000,000.00	UNITED STATES TREASURY NOTES	912828TB	.750000000	6/30/17	1.006489740	99.306487000	4,965,324.35	4,966,800.00
1,500,000.00	FARMERS & STOCKMENS BANK	8521621	.950000000	7/05/17	.950000000	1.000000000	1,500,000.00	1,500,000.00
5,000,000.00	FEDERAL AGRICULTURAL MORTGAGE CO	31315PZT	.650000000	7/10/17	.873801937	99.420200000	4,971,010.00	4,957,400.00
5,000,000.00	UNITED STATES TREASURY NOTES	912828TG	.500000000	7/31/17	.905840917	98.867867400	4,943,393.37	4,924,200.00
5,000,000.00	FNMA	3135G0ZL	1.000000000	9/27/17	1.133420288	99.654368400	4,982,718.42	4,978,950.00
4,320,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3T4	1.500000000	11/13/17	.406059768	100.124900000	4,325,395.68	4,323,240.00
65,820,000.00					.008525664		65,834,876.68	65,722,390.00

STATE OF NEW MEXICO
TREASURERS OFFICE
Position holdings as of 9/30/14 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	UNIT-BOOK	BASE\$-BOOK-VAL	LOC-MKT-VALUE
====> 0009 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2017 <===								
2,000,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3134G4JF	1.000000000	10/24/18	.254216016	100.047792500	2,000,955.85	2,000,500.00
4,500,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3134G4JB	1.250000000	10/30/18	.387121434	100.069754222	4,503,138.94	4,502,610.00
<u>6,500,000.00</u>					<u>.086297328</u>		<u>6,504,094.79</u>	<u>6,503,110.00</u>
====> 0002 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2018 <===								
<u>495,571,080.02</u>					<u>.001125639</u>		<u>498,637,721.64</u>	<u>499,158,706.85</u>
====> 0058 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 \$678mil vs. \$706mil at the end of August 2014.
- The Pool paid out approximately \$28mil for capital spending in September 2014.

Portfolio Mix

- 100% of the Taxable BPIP portfolio was invested in fixed income securities and 0% in floating rate securities; 50% in US Treasuries, 46% in Agency securities, 1% in NM municipal securities and the balance, approximately 3%, was held in cash equivalents and collateralized NM bank CDs.
- 35% of the portfolio was invested in securities that mature in one year, 43% in securities that mature from 1-2 years, 22% in securities that mature from 2-4 years and 0% in securities out to 5 years.
- The Taxable BPIP held positions in 71 securities.
- Weighted Average Life of the Taxable BPIP was 1.37 years. The Weighted Average duration was 1.35 years.
- The maximum security term for the BPIP portfolio is 5 years.

Investment Earnings

- The unrealized gains in the Taxable BPIP were \$690,275 as of September 30th.
- Monthly earnings on the portfolio for September were \$285,792.
- For fiscal year 2015, the fund has earned \$930,837.
- 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 1.35 years vs. the Benchmark at 1.40 years.
- Maturities totaled \$0mil in the month of September 2014.
- The Pool paid out ~\$28mil for capital projects in September.
- There were no purchases or sales in the Taxable BPIP in September.

Performance

- Purchase Yield at the end of September was 0.51%.
- The Taxable BPIP returned (0.01)% for the month of September and 0.06% for the three months ended September 30, 2014, vs. Index returns of (0.03)% and 0.03% respectively. For the trailing 12 mos. the Pool returned 0.45% vs. 0.39% for the benchmark.
- The Taxable BPIP had a duration shorter than the benchmark for the month of September, outperforming as interest rates rose.
- Cash flows (debt service payments, capital project withdrawals, bond sale proceeds) will continue to be the key driver of the portfolio's structure and cash position going forward.

Investment Strategy

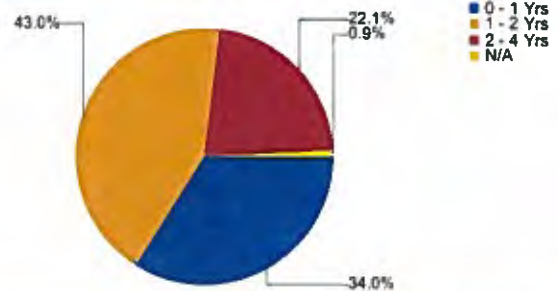
- The option adjusted duration of the portfolio is currently 1.35 yrs. vs. 1.39 yrs. for the benchmark.
- The Pool has maturities of \$0mil scheduled for October.
- Capital project withdrawals will total ~\$32mil in October.
- The Pool sold \$23mil of US Treasury and Agency securities, at small gains, maturing in one to two months at yields of ~0.07% to cover capital project withdrawals.
- The Pool will continue to purchase 1 to 3 year Treasury and Agency securities as maturities and cash flows allow.
- The Taxable BPIP has maintained duration shorter than the benchmark in order to provide adequate liquidity for project withdrawals while minimizing overnight cash positions.
- Project withdrawals will have the effect of lengthening duration and as they have had a high degree of variability month-to-month, cash flow management will dominate portfolio decisions.

Portfolio Characteristics

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

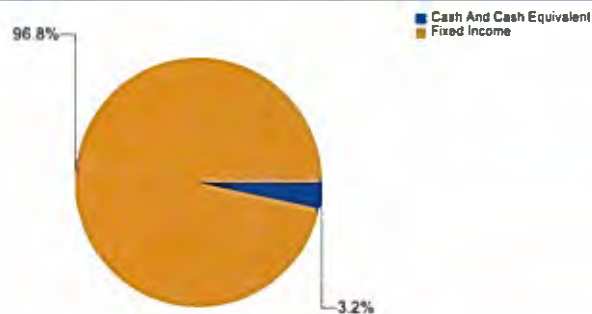
679.9
1.37
1.35
1.30
0.42
0.42
AA
71

Duration Mix



Asset Mix

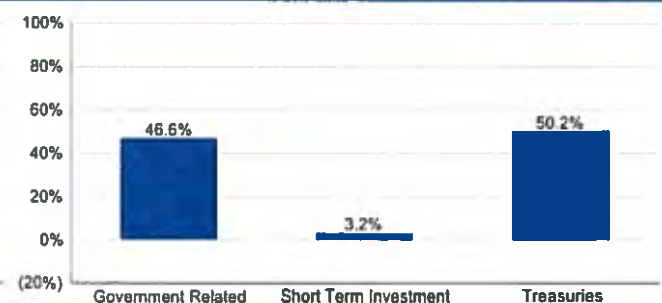
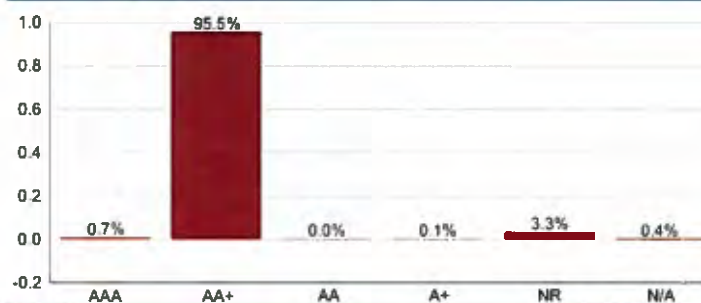
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
912825QRA	UNITED STATES 1.5% 04/15	4.51%	1.50	30/6/2018
912825UW9	UNITED STATES 0.25% 04/15	4.41%	0.25	15/4/2018
3137EACH7	FEDERAL HOME LOAN MORTGAGE CORP 2% BDS 25/AUG/2016	3.75%	2.00	25/8/2016
912825LU2	US 3 12500 '18	3.13%	3.12	31/10/2016
3135GOKM4	FEDERAL NATIONAL MORTGAGE ASSOC 0.5% BDS	3.10%	0.50	27/5/2015
31396AAM1	FED NATL MORT ASSC 1.625% BDS 26/OCT/2015 USD1000	3.01%	1.62	26/10/2015
912825HLD	UNITED STATES 1.875% 06/15	2.99%	1.88	30/6/2015
912825PW7	UNITED STATES 2.5% 03/15	2.88%	2.50	31/3/2015
912825RUB	UNITED STATES 0.875% 11/16	2.96%	0.88	30/11/2016
3135GDSB0	FEDERAL NATIONAL MORTGAGE ASSOC 0.375% BDS	2.95%	0.38	21/12/2015

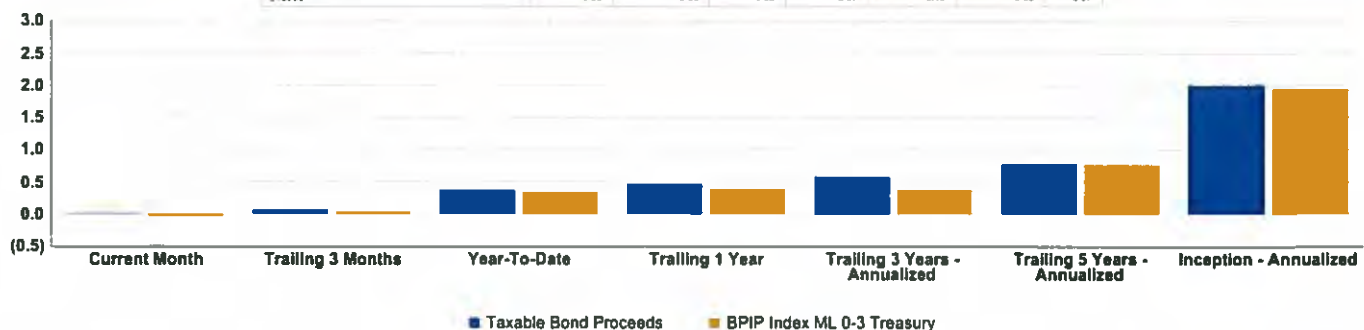
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year To Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Taxable Bond Proceeds	(0.01)	0.08	0.37	0.45	0.57	0.78	2.00
BPI Index ML 0-3 Treasury	(0.03)	0.03	0.34	0.39	0.36	0.75	1.93
Excess	0.03	0.03	0.02	0.07	0.19	0.00	0.07



STATE OF NEW MEXICO
BOND PROCEEDS INV POOL2 TAXABL (4002)
Portfolio Classification Summary
Positions Held as of 9/30/14 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1		.00270	411,917	411,917	411,917		.061
CERTIFICATES OF DEPOSIT	5	.4296	.87535	14,200,000	14,200,000	14,200,000		2.094
LINKED-CERTIFICATE OF DEPOSIT	2	.4500	1.29320	4,000,000	4,000,000	4,000,000		.590
US TREASURY NOTE ACT/ACT 2X	22	.5316	1.61745	336,500,000	339,910,932	340,061,245	150,313	50.148
AGENCY US BOND 30/360 2X	7	.4092	1.09547	99,170,000	99,388,233	99,418,414	30,181	14.661
AGENCY US NOTES 30/360 2X	15	.5081	1.16433	184,709,000	186,698,282	187,051,092	352,810	27.584
FED NATL MORTGAGE ASSN DEBS	1	.8704	1.07120	20,000,000	20,162,815	20,301,000	138,185	2.994
MUNI US 30/360 2X	17	.5760	1.04580	9,130,000	9,341,222	9,360,009	18,787	1.380
UNITS - INVESTMENT POOL 1	1			3,311,279	3,311,279	3,311,279		.488
	71	.5123	1.37183	671,432,196	677,424,680	678,114,956	690,276	100.000

STATE OF NEW MEXICO
TREASURERS OFFICE
Position holdings as of 9/30/14 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	UNIT-BOOK	BASE\$-BOOK-VAL	LOC-MKT-VALUE
3,311,279.42	UNITS - INVESTMENT POOL 1	UNITS001				1.000000000	3,311,279.42	3,311,279.42
3,311,279.42					.169507290		3,311,279.42	3,311,279.42

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

411,916.89	OVERNIGHT REPO	1001RP		10/01/14		1.000000000	411,916.89	411,916.89
15,000,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACY	.750000000	11/25/14	.176826737	100.086248067	15,012,937.21	15,015,750.00
5,500,000.00	UNITED STATES TREAS NTS	912828RV	.250000000	12/15/14	.329643795	99.983640727	5,499,100.24	5,502,145.00
4,000,000.00	CENTURY BANK SANTA FE	17099248	.300000000	12/30/14	.300000000	1.000000000	4,000,000.00	4,000,000.00
1,100,000.00	WESTERN BANK ALAMOGORDO	81185441	.750000000	12/31/14	.750000000	1.000000000	1,100,000.00	1,100,000.00
15,000,000.00	UNITED STATES TREASURY NOTES	912828ME	2.625000000	12/31/14	.166961109	100.607305667	15,091,095.85	15,095,550.00
41,011,916.89					.013651595		41,115,050.19	41,125,361.89

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

10,000,000.00	FEDERAL HOME LOAN BANKS	3130A0JV	.190000000	1/06/15	.195278808	99.999290400	9,999,929.04	10,002,300.00
15,000,000.00	FARMER MAC	31315PZ5	.200000000	1/20/15	.202777778	100.000000000	15,000,000.00	15,002,850.00
9,170,000.00	FEDERAL HOME LOAN BANKS	3133XASA	4.500000000	2/18/15	.202974638	101.634660087	9,319,898.33	9,322,313.70
9,000,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3134G4FJ	.305000000	2/23/15	.215905195	100.036252111	9,003,262.69	9,006,120.00
650,000.00	NEW MEXICO ST	647293NQ	5.000000000	3/01/15	.425940610	101.904226154	662,377.47	663,084.50
4,000,000.00	CENTURY BANK SANTA FE	17099249	.350000000	3/30/15	.350000000	1.000000000	4,000,000.00	4,000,000.00
20,000,000.00	UNITED STATES TREASURY NOTES	912828MW	2.500000000	3/31/15	.316309666	101.084130000	20,216,826.00	20,243,000.00
10,000,000.00	FEDERAL AGRICULTURAL MORTGAGE CO	31315PX3	.245000000	4/21/15	.264662053	99.991095200	9,999,109.52	10,006,800.00
225,000.00	SANTA ROSA N MEX CONS SCH DIST	802751DM	1.000000000	5/15/15	.659227289	100.216715556	225,487.61	225,859.50
21,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0KM	.500000000	5/27/15	.148667265	100.231437476	21,048,601.87	21,048,090.00
1,350,000.00	CLOVIS N MEX GROSS RCPTS TAX R	189387CW	2.000000000	6/01/15	.760759398	100.829060741	1,361,192.32	1,363,689.00
15,000,000.00	FEDERAL HOME LOAN BANKS	313379ER	.500000000	6/12/15	.258688672	100.170419933	15,025,562.99	15,032,100.00
20,000,000.00	UNITED STATES TREASURY NOTES	912828NL	1.875000000	6/30/15	.327308099	101.154015300	20,230,803.06	20,268,000.00
500,000.00	SANTA FE CNTY N MEX	801889KB	5.500000000	7/01/15	.436409553	103.791234000	518,956.17	520,010.00
275,000.00	SANTA FE CNTY N MEX	801889MY	2.000000000	7/01/15	.405961893	101.196454546	278,290.25	278,605.25
405,000.00	RUIDOSO N MEX WASTEWATER REV	781324AB	2.000000000	7/01/15	.709825136	100.970239506	408,929.47	409,608.90
10,000,000.00	UNITED STATES TREAS NTS	912828NP	1.750000000	7/31/15	.453059326	101.074969300	10,107,496.93	10,136,700.00
400,000.00	RUIDOSO N MEX MUN SCH DIST NO	781338HY	2.000000000	8/01/15	.567998316	101.195042500	404,780.17	405,816.00
200,000.00	ALBUQUERQUE N MEX MUN SCH DIST	013595QU	5.000000000	8/01/15	.507272352	103.736570000	207,473.14	207,918.00
350,000.00	ALAMOGORDO NM MUNI SCH DIST #1	011464HC	2.000000000	8/01/15	.557935237	101.203368572	354,211.79	355,089.00

STATE OF NEW MEXICO
TREASURERS OFFICE
Position holdings as of 9/30/14 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	UNIT-BOOK	BASE\$-BOOK-VAL	LDC-MKT-VALUE
550,000.00	LAS CRUCES N MEX SCH DIST NO 002	517534SC	2.000000000	8/01/15	.456674462	101.287201818	557,079.61	557,304.00
1,100,000.00	RIO RANCHO N MEX PUB SCH DIST NO	767171ME	2.000000000	8/01/15	.456674462	101.287200909	1,114,159.21	1,115,994.00
400,000.00	SAN JUAN CNTY N MEX CENT CONS IN	798359KB	3.000000000	8/01/15	.456274232	102.118247500	408,472.99	409,120.00
15,000,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3ZA	.500000000	8/28/15	.450497509	100.050371000	15,007,555.65	15,044,400.00
15,000,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACH	1.750000000	9/10/15	.345542532	101.323658533	15,198,548.78	15,218,700.00
5,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0PR	.480000000	10/09/15	.204876114	100.006165600	5,000,308.28	5,000,400.00
20,000,000.00	FED NATL MORTGAGE ASSN DEBS	31398A4M	1.625000000	10/26/15	.870384897	100.814071900	20,162,814.38	20,301,000.00
5,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0RS	.500000000	11/06/15	.152178114	100.033984400	5,001,699.22	4,994,500.00
15,000,000.00	UNITED STATES TREASURY NOTES	912828PJ	1.375000000	11/30/15	.351797809	101.187330267	15,178,099.54	15,203,250.00
20,000,000.00	FNMA	3135G0S8	.375000000	12/21/15	.457100366	99.907614800	19,981,522.96	20,031,400.00
15,000,000.00	UNITED STATES TREAS NTS	912828PM	2.125000000	12/31/15	.433477814	102.101554667	15,315,233.20	15,351,000.00
					<u>.002148063</u>			
<u>259,575,000.00</u>							<u>261,298,682.64</u>	<u>261,725,021.85</u>

====> 0031 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2015 <==>

15,500,000.00	FEDERAL AGRICULTURAL MORTGAGE CO	31315PVS	.430000000	1/08/16	.470042710	99.957454323	15,493,405.42	15,494,265.00
2,000,000.00	WESTERN COMMERCE BANK	2012823	.450000000	1/15/16	.450000000	1.000000000	2,000,000.00	2,000,000.00
2,000,000.00	WESTERN COMMERCE BANK	2010824	.450000000	1/15/16	.450000000	1.000000000	2,000,000.00	2,000,000.00
15,000,000.00	UNITED STATES TREASURY NOTES	912828QJ	2.125000000	2/29/16	.429394000	102.388220600	15,358,233.09	15,383,250.00
12,500,000.00	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MH8	5.000000000	3/15/16	.550497299	106.452911600	13,306,613.95	13,331,125.00
8,709,000.00	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0AL	2.250000000	3/15/16	.402591773	102.686504995	8,942,967.72	8,934,301.83
15,000,000.00	FANNIE MAE	3135G0VA	.500000000	3/30/16	.544290996	99.945142333	14,991,771.35	15,011,400.00
30,000,000.00	UNITED STATES TREASURY NOTES	912828UW	.250000000	4/15/16	.434771035	99.717020900	29,915,106.27	29,940,300.00
10,000,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACT	2.500000000	5/27/16	.485437365	103.328714700	10,332,871.47	10,333,500.00
15,000,000.00	UNITED STATES TREASURY NOTES	912828QP	1.750000000	5/31/16	.521833707	102.031851933	15,304,777.79	15,324,600.00
1,000,000.00	NEW MEXICO FIN AUTH REV	64711NSK	4.000000000	6/01/16	.578147028	105.680521000	1,056,805.21	1,060,570.00
30,000,000.00	UNITED STATES TREAS NTS	912828QR	1.500000000	6/30/16	.531855247	101.681313267	30,504,393.98	30,530,700.00
2,600,000.00	WESTERN BANK CLOVIS	15985	.500000000	7/13/16	.500000000	1.000000000	2,600,000.00	2,600,000.00
15,000,000.00	UNITED STATES TREASURY NOTES	912828VL	.625000000	7/15/16	.530597854	100.167674400	15,025,151.16	15,034,500.00
2,500,000.00	WESTERN BANK ALAMOGORDO	81187124	.550000000	7/22/16	.550000000	1.000000000	2,500,000.00	2,500,000.00
600,000.00	RIO RANCHO N MEX PUB SCH DIST NO	767171MF	2.000000000	8/01/16	.659028896	102.455983333	614,735.90	616,854.00
475,000.00	LAS CRUCES N MEX SCH DIST NO 002	517534SD	3.000000000	8/01/16	.659152683	104.275090526	495,306.68	495,648.25
250,000.00	GALLUP MC KINLEY CNTY N MEX SCH	364010QJ	2.000000000	8/01/16	.720114003	102.344688000	255,861.72	256,330.00
400,000.00	SAN JUAN CNTY N MEX CENT CONS IN	798359KC	3.000000000	8/01/16	.659082518	104.275220000	417,100.88	418,508.00
25,000,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000000000	8/25/16	1.294995188	101.351915320	25,337,978.83	25,663,000.00
15,000,000.00	UNITED STATES TREASURY NOTES	912828RJ	1.000000000	9/30/16	.677203290	100.639287200	15,095,893.08	15,112,500.00
15,000,000.00	UNITED STATES TREASURY NOTES	912828RM	1.000000000	10/31/16	.631682818	100.760342000	15,114,051.30	15,106,650.00
20,000,000.00	UNITED STATES TREASURY NOTES	912828LU	3.125000000	10/31/16	.584092081	105.249007350	21,049,801.47	21,018,800.00

STATE OF NEW MEXICO
TREASURERS OFFICE
Position holdings as of 9/30/14 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	UNIT-BOOK	BASE\$-BOOK-VAL	LOC-MKT-VALUE
20,000,000.00	UNITED STATES TREASURY NOTES	912828RU	.875000000	11/30/16	.751438768	100.264542400	20,052,908.48	20,073,400.00
20,000,000.00	UNITED STATES TREASURY NOTES	912828A5	.625000000	12/15/16	.664959939	99.912553050	19,982,510.61	19,957,800.00
					<u>.001885103</u>		<u>297,748,246.36</u>	<u>298,198,002.08</u>
293,534,000.00								

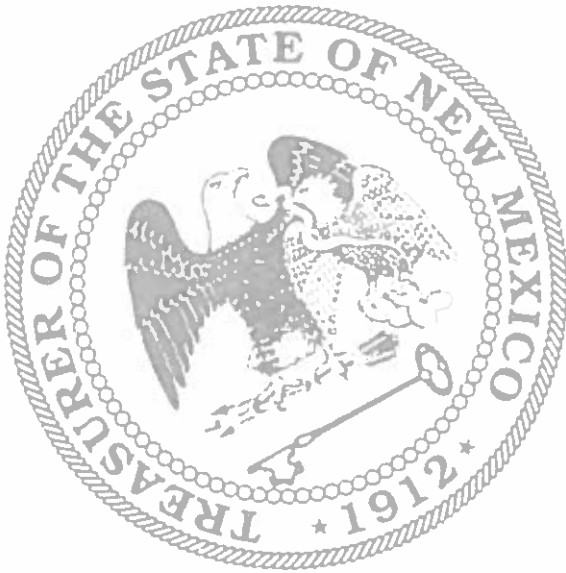
====> 0025 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2016 <==

15,000,000.00	UNITED STATES TREASURY NOTES	9128285C	.875000000	1/31/17	.699566338	100.404837067	15,060,725.56	15,028,200.00
5,000,000.00	UNITED STATES TREASURY NOTES	9128285J	.875000000	2/28/17	.788189222	100.207085000	5,010,354.25	5,005,100.00
10,000,000.00	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADC	1.000000000	3/08/17	.766360961	100.588097200	10,058,809.72	10,028,300.00
15,000,000.00	FEDERAL HOME LOAN BANKS	313379FW	1.000000000	6/09/17	.836658983	100.463659400	15,069,548.91	15,016,050.00
5,000,000.00	UNITED STATES TREASURY NOTES	912828TB	.750000000	6/30/17	1.006489740	99.306487000	4,965,324.35	4,966,800.00
8,000,000.00	FEDERAL AGRICULTURAL MORTGAGE CO	31315PZT	.650000000	7/10/17	.873801937	99.420199875	7,953,615.99	7,931,840.00
5,000,000.00	UNITED STATES TREASURY NOTES	912828TG	.500000000	7/31/17	.905840917	98.867867400	4,943,393.37	4,924,200.00
11,000,000.00	UNITED STATES TREASURY NOTES	912828TH	.625000000	8/31/17	.974930339	98.996827909	10,889,651.07	10,854,800.00
					<u>.007589928</u>		<u>73,951,423.22</u>	<u>73,755,290.00</u>
74,000,000.00								

====> 0008 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2017 <==

671,432,196.31					<u>.000828559</u>		<u>677,424,681.83</u>	<u>678,114,955.24</u>
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====> 0071 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 Fund¹⁴ closed the month of September at \$170 Million.
- The Severance Tax Bonding Fund earned over \$6,000 during September.
- The Severance Tax Bonding Fund earned over \$13,000 during FY2015.

Portfolio Mix

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

Investment Strategy

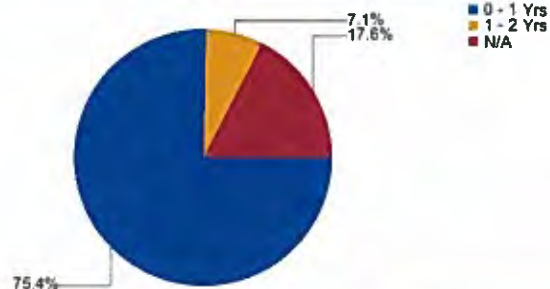
- Due to its short-term nature, investments of three to six month maturities are viable investments for the STBF pool.

¹⁴ The Severance Tax Bonding Fund as included in this report excludes debt service fund amounts on outstanding Severance Tax and Supplemental Severance Tax Bonds and Notes. Such debt service balances are included in, and reported on, the Tax-Exempt Bond Purchase Investment Pool.

Portfolio Characteristics

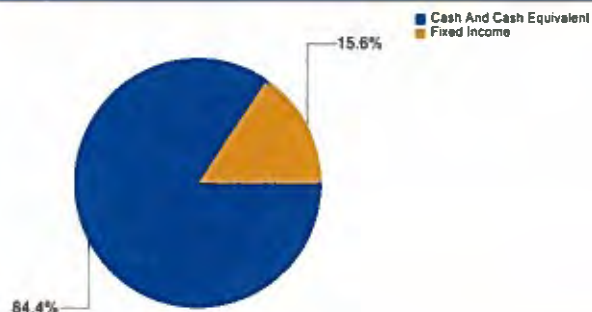
Total Net Assets (Millions) 170.5
Weighted Average Life (Years) 0.11
Weighted Avg. Effective Duration (Years) 0.11
Weighted Average Coupon (%) 0.27
Weighted Average Current Yield (%) 0.02
Weighted Average Yield to Maturity (%) 0.04
Weighted Average Rating AAA
Number of Holdings 10

Duration Mix



Asset Mix

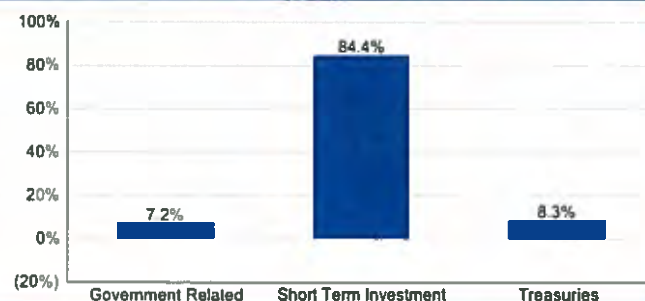
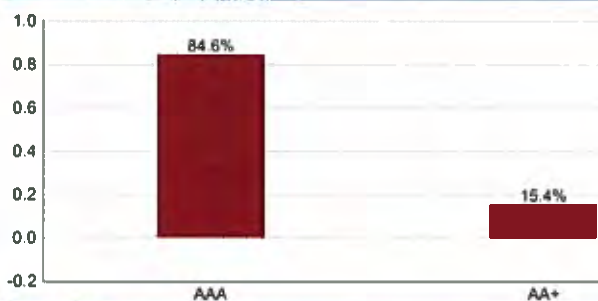
Top Ten Portfolio Holdings



Security ID	Security Name	Yield Assets	Coupon Rate	Maturity Date
092998700	LOP POOL PARTICIPANT	17.59%	0.09	
99ER30141	REPO MITSUBISHI UFJ SECURITIES (USA) INC. 093014B	13.21%	0.00	1/10/2014
99ER30140	REPO MITSUBISHI UFJ SECURITIES (USA) INC. 093014A	13.21%	0.00	1/10/2014
99ER30139	REPO MITSUBISHI UFJ SECURITIES (USA) INC. 093014C	13.21%	0.00	1/10/2014
04711RAY2	NEW MEXICO FRN AUTH ST TRANSN REV BR LEN SER A	0.18%	8.25	10/1/2015
99ER30129	REPO MITSUBISHI UFJ SECURITIES (USA) INC. 093014D	13.21%	0.00	1/10/2014
91282ME7	UNITED STATES 2.825% 12/14	8.32%	2.82	12/1/2014
3135C0580	FEDERAL NATIONAL MORTGAGE ASSOC 0.375% BDS	7.05%	0.38	2/1/2015
99ER30134	REPO MITSUBISHI UFJ SECURITIES (USA) INC. 093014F	0.81%	0.00	1/10/2014
99ER30136	REPO MITSUBISHI UFJ SECURITIES (USA) INC. 093014E	13.21%	0.00	1/10/2014

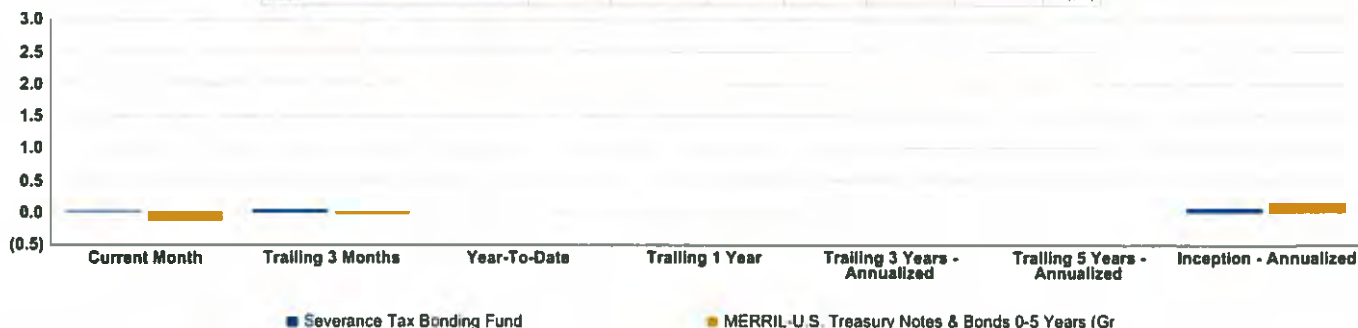
Quality/Rating Weightings

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
Severance Tax Bonding Fund	0.01	0.03					0.06
MERRIL U.S. Treasury Notes & Bonds 0-5 Years (Gross)	(0.14)	(0.03)					0.16
Excess	0.15	0.07	0.00	0.00	0.00	0.00	(0.10)



STATE OF NEW MEXICO
STB FUND (4001)
Portfolio Classification Summary
Positions Held as of 9/30/14 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1		.00270	114,003,749	114,003,749	114,003,749		66.893
US TREASURY NOTE ACT/ACT 2X	1	.1547	.25210	14,000,000	14,085,455	14,089,180	3,725	8.267
AGENCY US BOND 30/360 2X	1	.2786	1.22470	12,000,000	12,014,665	12,018,840	4,175	7.052
MUNI US 30/360 2X	1	.1522	.70680	300,000	310,784	310,743	-41	.182
UNITS - INVESTMENT POOL 1	1			30,003,542	30,003,542	30,003,542		17.605
	<u>5</u>	<u>.0327</u>	<u>.13361</u>	<u>170,307,291</u>	<u>170,418,195</u>	<u>170,426,054</u>	<u>7,859</u>	<u>100.000</u>

STATE OF NEW MEXICO
TREASURERS OFFICE
Position holdings as of 9/30/14 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	UNIT-BOOK	BASE\$-BOOK-VAL	LOC-MKT-VALUE
30,003,542.22	UNITS - INVESTMENT POOL 1	UNITS001				1.000000000	30,003,542.22	30,003,542.22
30,003,542.22					.018707325		30,003,542.22	30,003,542.22
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== NO-MEANINGFUL-DATE <====								
114,003,749.06	OVERNIGHT REPO	1001RP		10/01/14		1.000000000	114,003,749.06	114,003,749.06
14,000,000.00	UNITED STATES TREASURY NOTES	912828ME	2.625000000	12/31/14	.154652196	100.610386929	14,085,454.17	14,089,180.00
128,003,749.06					.004381993		128,089,203.23	128,092,929.06
====> 0002 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2014 <====								
300,000.00	NEW MEXICO FIN AUTH ST TRANSN RE	64711RAY	5.250000000	6/15/15	.152160778	103.594790000	310,784.37	310,743.00
12,000,000.00	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0S8	.375000000	12/21/15	.278568733	100.122203417	12,014,664.41	12,018,840.00
12,300,000.00					.045538788		12,325,448.78	12,329,583.00
====> 0002 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2015 <====								
170,307,291.28					.003293580		170,418,194.23	170,426,054.28
====> 0005 ITEMS IN SUBTOTAL FOR ==== FUND NAME..... ==== STB FUND <====								

STATE OF NEW MEXICO
TREASURERS OFFICE
Position holdings as of 9/30/14 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/14

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	UNIT-BOOK	BASE\$-BOOK-VAL	LOC-MKT-VALUE
					<u>.000137960</u>		<u>4068459217.40</u>	<u>4071364800.21</u>
<u>4036849463.34</u>								

==> 0350 ITEMS IN SUBTOTAL FOR ==> REPORT..... ==> GRAND-TOTAL <===



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

Volume at Par (\$ in thousands)

Broker/Dealer:	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	YTD Total	YTD Percent
Arbor Research and Trading	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
BAML	-	20,000	-	-	-	-	-	-	-	-	-	-	20,000	2.5%
Barclays	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
BB and T (Scott & Stringfellow)	32,000	-	18,796	-	-	-	-	-	-	-	-	-	50,796	6.2%
BMO Capital Markets	30,000	30,000	10,000	-	-	-	-	-	-	-	-	-	70,000	8.6%
BNP Paribas	-	10,000	-	-	-	-	-	-	-	-	-	-	10,000	1.2%
BOSC, Inc	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Cantor, Fitzgerald	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Carolina Capital Markets	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
CastleOak Securities LP	-	61,000	13,635	-	-	-	-	-	-	-	-	-	74,635	9.2%
Citigroup	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
CRT Capital Group	20,000	-	-	-	-	-	-	-	-	-	-	-	20,000	2.5%
DA Davidson & Co	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Daiwa Capital Markets America	-	-	4,000	-	-	-	-	-	-	-	-	-	4,000	0.5%
Deutsche Bank	-	5,000	-	-	-	-	-	-	-	-	-	-	5,000	0.6%
Drexel Hamilton LLC	5,000	-	15,000	-	-	-	-	-	-	-	-	-	20,000	2.5%
First Southwest	-	-	125	-	-	-	-	-	-	-	-	-	125	0.0%
FTN Financial	5,000	-	3,170	-	-	-	-	-	-	-	-	-	8,170	1.0%
G.X.Clarke & Co	35,000	14,600	29,000	-	-	-	-	-	-	-	-	-	78,600	9.6%
George K Baum & Co	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Goldman Sachs	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Government Perspectives, Inc	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Great Pacific Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Guggenheim Securities LLC	-	-	15,000	-	-	-	-	-	-	-	-	-	15,000	1.8%
Harveston Securities Inc	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
HSBC	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
InCapital LLC	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Jefferies	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
JP Morgan & Co	40,000	-	-	-	-	-	-	-	-	-	-	-	40,000	4.9%
KeyBanc Capital Markets	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Lawson Financial	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Loop Capital Markets	-	5,000	-	-	-	-	-	-	-	-	-	-	5,000	0.6%
MBS (Multi-Bank Securities)	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
MFR Securities	-	5,000	-	-	-	-	-	-	-	-	-	-	5,000	0.6%
Mitsubishi UFJ Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Mizuho Securities USA	5,000	-	15,000	-	-	-	-	-	-	-	-	-	20,000	2.5%
Morgan Stanley	15,000	5,000	-	-	-	-	-	-	-	-	-	-	20,000	2.5%
Muriel Siebert & Co.	5,000	-	-	-	-	-	-	-	-	-	-	-	5,000	0.6%
Mutual Securities nInc.	-	-	4,500	-	-	-	-	-	-	-	-	-	4,500	0.6%
Nomura	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Northern Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Piper Jaffray	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Raymond, James & Associates	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
RBS Securities	20,000	40,000	-	-	-	-	-	-	-	-	-	-	60,000	7.4%
Robert W. Baird & Co.	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
RW Pressprich	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
RBC Capital Markets	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Samuel A Ramirez & Co.	-	5,000	-	-	-	-	-	-	-	-	-	-	5,000	0.6%
Sea Port Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Societe General Americas	20,000	18,820	12,000	-	-	-	-	-	-	-	-	-	50,820	6.2%
South Street Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Southwest Securities	6,235	6,437	11,950	2,845	-	-	-	-	-	-	-	-	27,467	3.4%
Sterne Agee & Leach, Inc.	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Stifel Nicklaus & Co	5,000	-	-	-	-	-	-	-	-	-	-	-	5,000	0.6%
SunTrust Robinson Humphrey	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
TD Securities	10,000	-	-	-	-	-	-	-	-	-	-	-	10,000	1.2%
Tradition Asset Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
UBS Financial Services	-	1,415	-	-	-	-	-	-	-	-	-	-	1,415	0.2%
Vining Sparks	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Wedbush Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%

Volume at Par

(\$ in thousands)

Broker/Dealer:													YTD	
	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	YTD Total	Percent
Wells Fargo Securities	15,000	5,000	12,655	-	-	-	-	-	-	-	-	-	32,655	4.0%
Williams Capital Group	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Zions Direct	-	2,000	4,500	-	-	-	-	-	-	-	-	-	6,500	0.8%
Direct Purchase	10,200	2,000	-	65,000	-	-	-	-	-	-	-	-	77,200	9.5%
Interfund	-	-	63,500	-	-	-	-	-	-	-	-	-	63,500	7.8%
Total	278,435	236,272	232,831	67,845	-	-	-	-	-	-	-	-	815,383	100.0%
Market type:														
-	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	YTD Total	YTD %
Primary Market	102,200	45,000	98,881	65,000	-	-	-	-	-	-	-	-	311,081	38.2%
Secondary Market	176,235	191,272	133,950	2,845	-	-	-	-	-	-	-	-	504,302	61.8%
Total	278,435	236,272	232,831	67,845	-	-	-	-	-	-	-	-	815,383	100.0%
Security type:														
- 2	Jul-13	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	YTD Total	YTD %
ABS	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Agencies	159,725	148,962	108,451	-	-	-	-	-	-	-	-	-	417,138	51.2%
Certificates of Deposit/Bank MMDA	8,100	2,000	63,500	65,000	-	-	-	-	-	-	-	-	138,600	17.0%
Commercial Paper	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Corporate Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
MBS	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Municipal/Sponge	5,810	5,310	15,880	2,845	-	-	-	-	-	-	-	-	29,845	3.6%
Treasuries	105,000	80,000	45,000	-	-	-	-	-	-	-	-	-	230,000	28.2%
Total	278,435	236,272	232,831	67,845	-	-	-	-	-	-	-	-	815,383	100.0%

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 9/01/14 Through 9/30/14

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													
9/18/14	0.515981	CERTIFICATES OF	22125	WESTERN BANK CLOVIS	.500	6/03/15	.5000	SYSTEM - UNIDEN	1001	500,000.00	500,000.00		
9/18/14	01010047	CERTIFICATES OF	22131	Bank 34	.600	8/31/16	.6000	SYSTEM - UNIDEN	1001	2,000,000.00	2,000,000.00		
9/18/14	1623234	CERTIFICATES OF	22126	SOUTHWEST NATIONAL BANK	.200	6/17/15	.2000	SYSTEM - UNIDEN	1001	10,000,000.00	10,000,000.00		
9/18/14	17099245	CERTIFICATES OF	22129	CENTURY BANK SANTA FE	.400	9/29/14	.3999	SYSTEM - UNIDEN	1001	8,000,000.00	8,000,000.00		
9/18/14	17099253	CERTIFICATES OF	22128	CENTURY BANK SANTA FE	.370	3/18/15	.3700	SYSTEM - UNIDEN	1001	5,000,000.00	5,000,000.00		
9/18/14	17099254	CERTIFICATES OF	22123	CENTURY BANK SANTA FE	.200	6/17/15	.2000	SYSTEM - UNIDEN	1001	3,000,000.00	3,000,000.00		
9/18/14	735605	CERTIFICATES OF	22132	GUADALUPE CREDIT UNION	1.000	3/26/15	1.0000	SYSTEM - UNIDEN	1001	250,000.00	250,000.00		
9/18/14	8521510	CERTIFICATES OF	22124	FARMERS & STOCKMEN'S BA	.400	4/23/15	.4000	SYSTEM - UNIDEN	1001	3,000,000.00	3,000,000.00		
9/30/14	912828D9	US TREASURY NOT	22180	UNITED STATES TREASURY	1.000	9/15/17	1.0578	BMO CAPITAL MAR	1001	10,000,000.00	9,983,203.13		
9/02/14	3135G0SB	AGENCY US BOND	22029	FEDERAL NATIONAL MORTGA	.375	12/21/15	.2748	SOC GEN AMERICA	4001	12,000,000.00	12,015,600.00		
9/03/14	3130A2FT	AGENCY US BOND	22043	FEDERAL HOME LOAN BANKS	.125	6/19/15	.1718	WELLS FARGO SEC	4101	6,655,000.00	6,652,537.65		
9/04/14	31331KHW	AGENCY US BOND	22027	FEDERAL FARM CREDIT BAN	1.625	11/19/14	.1031	DREXEL HAMILTON	4101	15,000,000.00	15,045,000.00		
9/09/14	3128X6VP	FHLB INDEX BOND	22071	FEDERAL HOME LOAN MORTG	8.322	11/28/14	.1390	BB&T CAPITAL MA	4101	14,476,000.00	14,732,514.72		
9/08/14	31315PGT	AGENCY US NOTES	22064	FEDERAL AGRICULTURAL MO	2.125	9/15/15	.2229	WELLS FARGO SEC	4101	6,000,000.00	6,115,830.00		
9/11/14	31315P3K	AGENCY US NOTES	22092	FEDERAL AGRICULTURAL MO	1.150	9/18/17	1.1704	MUTUAL SECURITI	1001	4,500,000.00	4,497,300.00		
9/11/14	31315P3R	AGENCY US NOTES	22091	FEDERAL AGRICULTURAL MO	1.900	9/18/19	1.9200	CASTLEOAK SECUR	1001	13,000,000.00	12,987,650.00		
9/16/14	3134G36G	AGENCY US NOTES	22106	FEDERAL HOME LOAN MORTG	.350	3/18/15	.1106	G.X. CLARKE & C	4101	5,000,000.00	5,006,015.00		
9/30/14	3134G3T4	AGENCY US NOTES	22190	FEDERAL HOME LOAN MORTG	1.500	11/13/17	.4005	BB&T CAPITAL MA	4000	4,320,000.00	4,325,395.68		11/13/14
9/22/14	3134G4JB	FED NATL MORTGA	22145	FEDERAL HOME LOAN MORTG	1.250	10/30/18	.3818	ZIONS BANK	4000	4,500,000.00	4,504,005.00		10/30/14
9/09/14	3133EDPH	AGENCY US VARIA	22072	FEDERAL FARM CREDIT BAN	.100	6/30/15	.1196	DAIWA CAPITAL M	4101	4,000,000.00	3,999,347.17		
9/30/14	3133EAMP	AGENCY US VARIA	20296	FEDERAL FARM CREDIT BAN	.350	5/01/15	.1145	MIZUHO SECURITI	4101	15,000,000.00	15,020,400.00		
9/02/14	76218KEN	MUNI US 30/360	22030	RHODE ISLAND DEPOSITORS	6.250	8/01/16	1.9196	SOUTHWEST	1001	400,000.00	432,296.00		
9/02/14	903766SM	MUNI US 30/360	22028	ULSTER CNTY N Y	4.250	11/15/18	.1531	SOUTHWEST	1001	600,000.00	604,776.00		11/15/14
9/17/14	64711NPZ	MUNI US 30/360	22107	NEW MEXICO FIN AUTH REV	2.500	6/01/16	.6803	FIRST SOUTHWEST	1001	125,000.00	128,818.75		
9/18/14	235036J5	MUNI US 30/360	22114	DALLAS FORT WORTH TEX I	5.375	11/01/21	.2063	SOUTHWEST	1001	4,000,000.00	4,021,800.00		11/01/14
9/19/14	013493AV	MUNI US 30/360	22122	ALBUQUERQUE BERNALILLO	4.500	7/01/25	.3001	SOUTHWEST	1001	160,000.00	165,160.00		7/01/15
9/19/14	235036MK	MUNI US 30/360	22127	DALLAS FORT WORTH TEX I	5.000	11/01/19	.2042	SOUTHWEST	1001	2,500,000.00	2,512,975.00		11/01/14
9/23/14	767171MS	MUNI US 30/360	22159	RIO RANCHO N MEX PUB SC	1.000	8/01/15	.2510	FTN FINANCIAL S	4000	670,000.00	673,798.90		
9/26/14	362550MH	MUNI US 30/360	22187	GADSDEN N MEX INDPT SCH	4.000	8/15/15	.3005	FTN FINANCIAL S	4000	3,250,000.00	3,345,322.50		
9/30/14	613549GY	MUNI US 30/360	22188	MONTGOMERY CNTY OHIO RE	6.250	11/15/33	.1510	SOUTHWEST	1001	2,025,000.00	2,039,397.75		11/15/14
9/30/14	613549GZ	MUNI US 30/360	22189	MONTGOMERY CNTY OHIO RE	6.250	11/15/39	.1510	SOUTHWEST	1001	1,125,000.00	1,132,998.75		11/15/14
9/04/14	745268JV	MUNICIPAL BOND	22050	PUERTO RICO ELEC PWR AU		7/01/17	.1031	SOUTHWEST	1001	390,000.00	350,442.30		
9/04/14	745268YF	MUNICIPAL BOND	22051	PUERTO RICO ELEC PWR AU		7/01/17	.1031	SOUTHWEST	1001	635,000.00	570,591.95		
33 PURCHASES DURING PERIOD TOTAL.....										162,081,000.00	162,613,176.25		

SALE TRANSACTIONS													
9/18/14	0.515981	CERTIFICATES OF	19326	WESTERN BANK CLOVIS	.500	6/03/15	.5000	SYSTEM - UNIDEN	1000	500,000.00	500,000.00		

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 9/01/14 Through 9/30/14

TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
9/18/14	01010047	CERTIFICATES OF	22021	Bank 34	.600	8/31/16	.6000	SYSTEM - UNIDEN	1000	2,000,000.00	2,000,000.00		
9/18/14	1623234	CERTIFICATES OF	21620	SOUTHWEST CAPITAL BANK	.200	6/17/15	.2000	SYSTEM - UNIDEN	1000	10,000,000.00	10,000,000.00		
9/18/14	17099245	CERTIFICATES OF	18833	CENTURY BANK SANTA FE	.400	9/29/14	.3999	SYSTEM - UNIDEN	1000	8,000,000.00	8,000,000.00		
9/18/14	17099253	CERTIFICATES OF	20247	CENTURY BANK SANTA FE	.370	3/18/15	.3700	SYSTEM - UNIDEN	1000	5,000,000.00	5,000,000.00		
9/18/14	17099254	CERTIFICATES OF	21631	CENTURY BANK SANTA FE	.200	6/17/15	.2000	SYSTEM - UNIDEN	1000	3,000,000.00	3,000,000.00		
9/18/14	735605	CERTIFICATES OF	18820	GUADALUPE CREDIT UNION	1.000	3/26/15	1.0000	SYSTEM - UNIDEN	1000	250,000.00	250,000.00		
9/18/14	8521510	CERTIFICATES OF	19011	FARMERS & STOCKMEN'S BA	.400	4/23/15	.4000	SYSTEM - UNIDEN	1000	3,000,000.00	3,000,000.00		
9/18/14	912828UJ	US TREASURY NOT	21272	UNITED STATES TREASURY	.875	1/31/18	1.3251	GUGGENHEIM SECU	1001	15,000,000.00	14,778,515.63	-7,795.08	
9/18/14	912828UZ	US TREASURY NOT	21271	UNITED STATES TREASURY	.625	4/30/18		G.X. CLARKE & C	1001	20,000,000.00	19,428,125.00	-12,478.57	
9/30/14	313381YP	AGENCY US NOTES	18357	FEDERAL HOME LOAN BANK	.250	2/20/15		G.X. CLARKE & C	1001	4,000,000.00	4,002,440.00	3,107.25	

11 SALES DURING PERIOD TOTAL.....

70,750,000.00 69,959,080.63 -17,166.40

=== GRAND-TOTAL ==>

232,831,000.00 232,572,256.88 -17,166.40

*** 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 29, 2014

To: James B. Lewis, State Treasurer

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

From: Victor Vigil, Interim State Cash Manager

Subject: State Fund Deposit Activity for the month ending September 30, 2014

Pursuant to section 8-6-3.1 NMSA 1978, the State Cash Manager shall submit to the State Board of Finance a report showing state fund balances in each Financial Institution. Attached for your review is a summary of State fund balances in each institution through September 30, 2014.

Additionally, the State Treasurer's Office is required to report to the State Board of Finance any Financial Institution that exceeds certain equity capital and deposit ratios and notify all state agencies who maintain State fund deposits within those institutions of the violation. Agencies are also advised not to make any new deposits until the violations are corrected. Pursuant to section 6-10-24.1 NMSA 1978 there were no Financial Institutions exceeding the statutory limitations on equity capital and deposit ratios for the month ending September 30, 2014.

(Attachments)

State Fund Balances by Financial Institution
September 2014

Bank 34	\$	2,001,019
First National Bank/Alamogordo	\$	150,546
Bank of America/Albuquerque	\$	547,496
Wells Fargo Bank/Albuquerque	\$	21,536,770
Compass Bank/Albuquerque	\$	2,572,702
Bank of the West/Albuquerque	\$	12,565
First American Bank/Artesia	\$	80,156
My Bank/Belen	\$	6,982
Carlsbad National Bank/Carlsbad	\$	800
Western Commerce Bank/Carlsbad	\$	88,035
Farmers and Stockmens Bank/Clayton	\$	21,192
First National Bank/Clayton	\$	3,227,552
Citizens Bank/Clovis	\$	15,697
NM Bank & Trust/Albuquerque	\$	143,028
Community Bank/Santa Fe	\$	390
Valley National Bank/Espanola	\$	405
Lea County State Bank/Hobbs	\$	258,502
Southwest Capitol/Las Vegas	\$	183,329
Community 1st Bank/Las Vegas	\$	216,364
Western Bank/Lordsburg	\$	56,092
Los Alamos National Bank/Los Alamos	\$	29,771
International Bank/Raton	\$	58,465
Valley Bank of Commerce/Roswell	\$	81,571
First State Bank/Socorro	\$	4,040
Centinel Bank/Taos	\$	71,038
US Bank/Albuquerque	\$	45,031
Bank of the Southwest/Roswell	\$	205,301
People's Bank	\$	19,689
AmBank	\$	13,339
Washington Federal	\$	11,608
Total:	\$	31,659,475

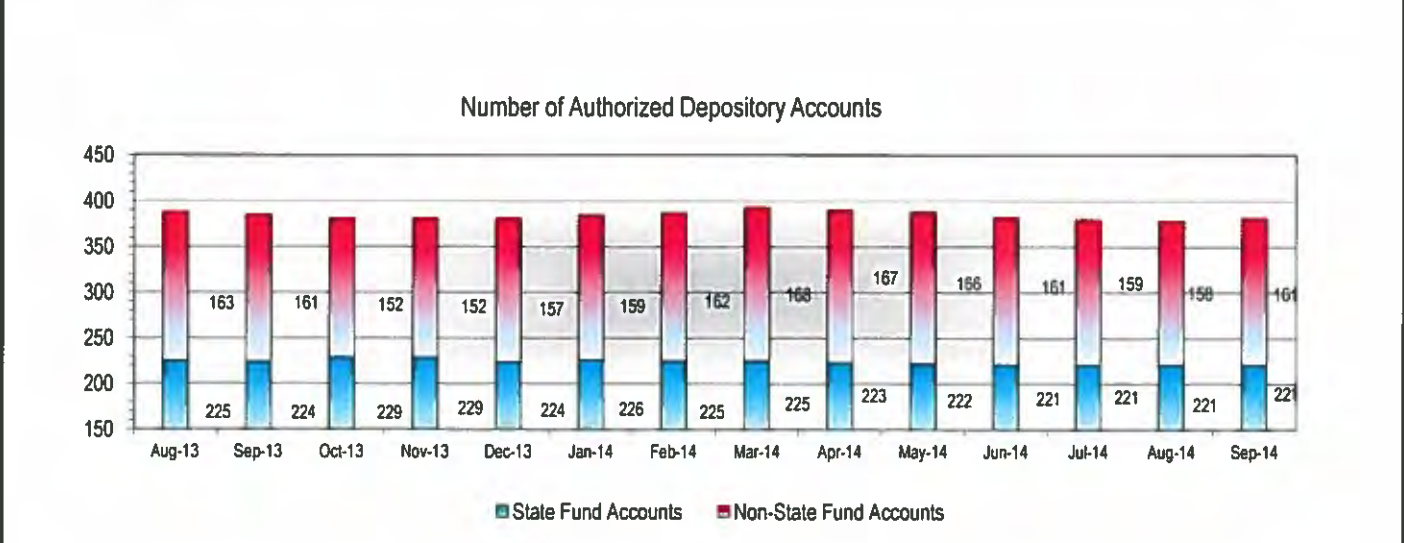
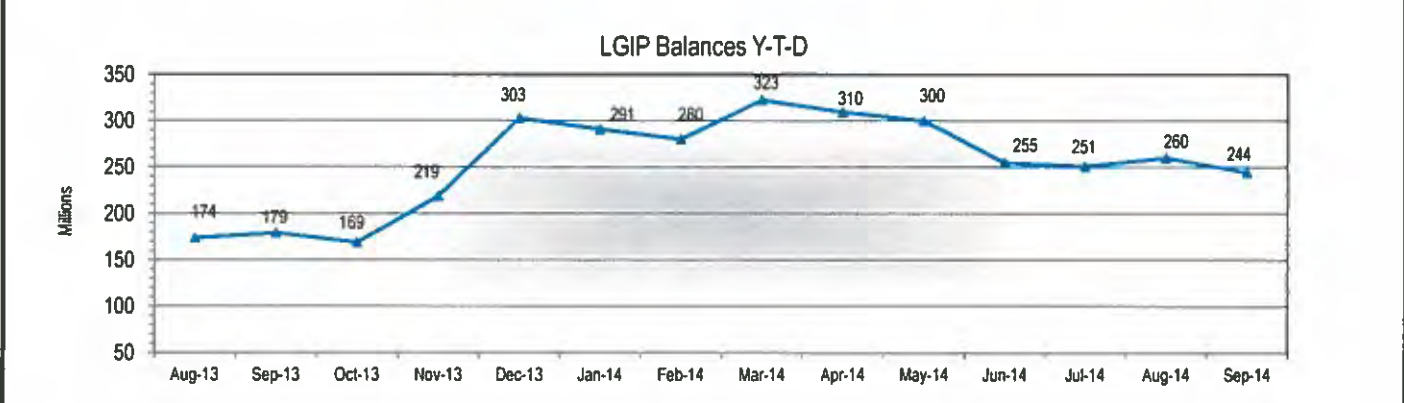
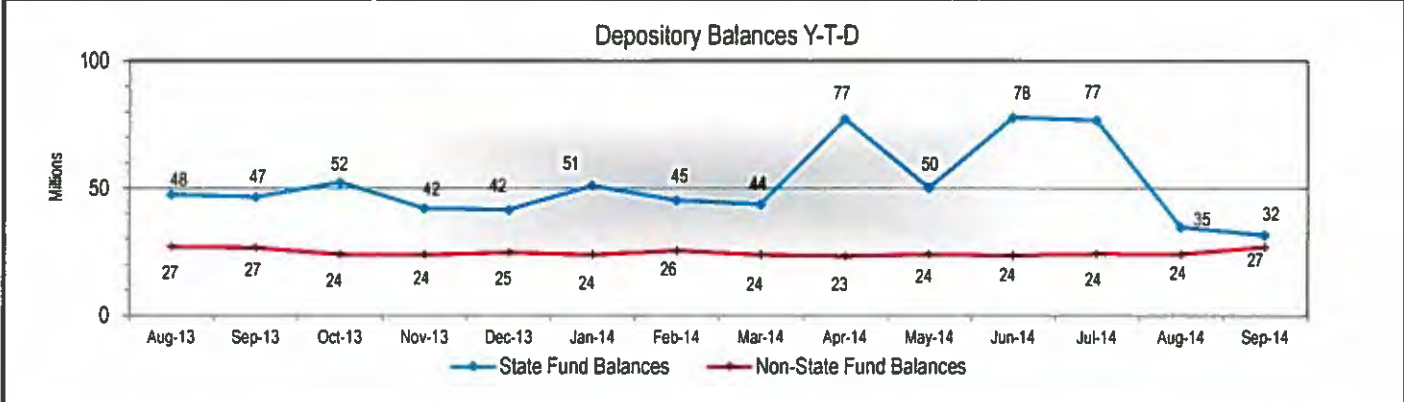
Depository Account Summary by Agency

September 2014

STATE FUNDS			NON-STATE FUNDS		
AGENCY	# OF ACCTS.	BALANCE	AGENCY	# OF ACCTS.	BALANCE
AOC (fines, fees etc.)	53	\$1,415,413	AOC	49	\$1,766,173
BERN. CO. METRO COURT	2	\$769,662	1ST JUDICIAL DIST. COURT	3	\$1,265,046
1-13 DISTRICT ATTORNEY	6	\$42,118	2ND JUDICIAL DIST. COURT	2	\$2,530,067
EDUCATION RETIREMENT BOARD	1	\$260,597	3RD JUDICIAL DIST. COURT	2	\$1,320,820
TAXATION & REVENUE DEPT.	27	\$130,136	4TH JUDICIAL DIST. COURT	4	\$168,642
PUBLIC SCHOOL INS. AUTHORITY	6	\$16,931,002	5TH JUDICIAL DIST. COURT	3	\$2,217,509
NMRHCA	1	\$0	6TH JUDICIAL DIST. COURT	3	\$293,610
PUBLIC DEFENDER	1	\$755	7TH JUDICIAL DIST. COURT	4	\$144,495
SECRETARY OF STATE	1	\$0	8TH JUDICIAL DIST. COURT	4	\$218,052
STATE TREASURER (JDC)	35	\$2,499,957	9TH JUDICIAL DIST. COURT	2	\$619,041
STATE TREASURER (OTHER INVEST)	0	\$0	10TH JUDICIAL DIST. COURT	2	\$453,358
NM RACING COMMISSION	6	\$67,068	11TH JUDICIAL DIST. COURT	10	\$1,057,700
SPACEPORT AUTHORITY	0	\$0	12TH JUDICIAL DIST. COURT	2	\$1,135,827
DEPT. OF GAME & FISH	2	\$92,528	13TH JUDICIAL DIST. COURT	66	\$8,033,471
SOUTHWEST REGION ED.	1	\$2,455,687	BERNALILLO CO. METRO COURT	2	\$120,388
ENERGY & MINERALS	4	\$314,610	6TH DISTRICT ATTORNEY	3	\$96
COMMISSION PUBLIC LAND	2	\$51,849	7TH DISTRICT ATTORNEY	1	\$1,466
STATE ENGINEER'S OFFICE	4	\$37,418	10TH DISTRICT ATTORNEY	1	\$677
IRRG WKS CONST	1	\$252,451	11TH JUDICIAL DIST. ATTORNEY	0	\$718
HUMAN SERVICES DEPT.	6	\$17,673	ATTORNEY GENERAL	1	\$2,025
WORKFORCE SOLUTIONS	5	\$294,242	LGIP	4	\$244,322,339
DIVISION OF VOCATIONAL REHAB	1	\$30,548	PUBLIC REG. COMMISSION	2	\$628,482
MINER'S HOSPITAL	5	\$3,205,933	SUPERSTENDENT OF INSURANCE	1	\$98,547
DEPARTMENT OF HEALTH	37	\$795,199	NM STATE FAIR	5	\$2,747,992
ENVIRONMENT DEPARTMENT	1	\$0	SOUTHWEST REGION ED.	1	\$15
CHILDREN YOUTH AND FAMILIES	2	\$823	MINER'S HOSPITAL	1	\$10,375
CORRECTIONS DEPARTMENT	5	\$756	DEPARTMENT OF HEALTH	11	\$749,197
DEPT. OF PUBLIC SAFETY	2	\$46,371	CHILDREN, YOUTH & FAMILIES	6	\$87,886
HIGHWAY & TRANSPORTATION	4	\$1,402	CORRECTIONS DEPARTMENT	12	\$2,620,850
CENTRAL REGIONAL CO-OP	1	\$179,104	DEPT. OF PUBLIC SAFETY	2	\$30,003
			CENTRAL REGION CO-OP	1	\$368,715
sub-total: 221 \$31,659,475			sub-total: 161 \$273,013,582		

Total Depository Balance: \$304,673,057
Total Depository Accounts: 382

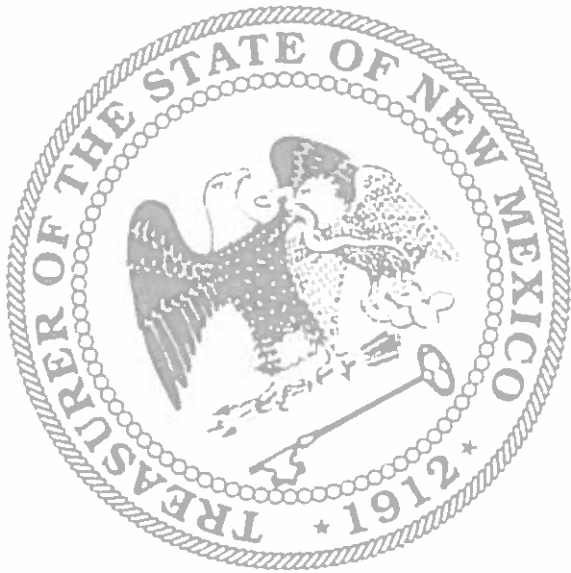
<p align="center">Depository Account Summary - September 2014</p>
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Depository accounts authorized in September 2014 pursuant to Section 6-1-13 NMSA

Depository accounts opened in September 2014	3	13th Judicial District Court
	1	11th Judicial District Court

Depository accounts closed in September 2014 1 13th Judicial District Court



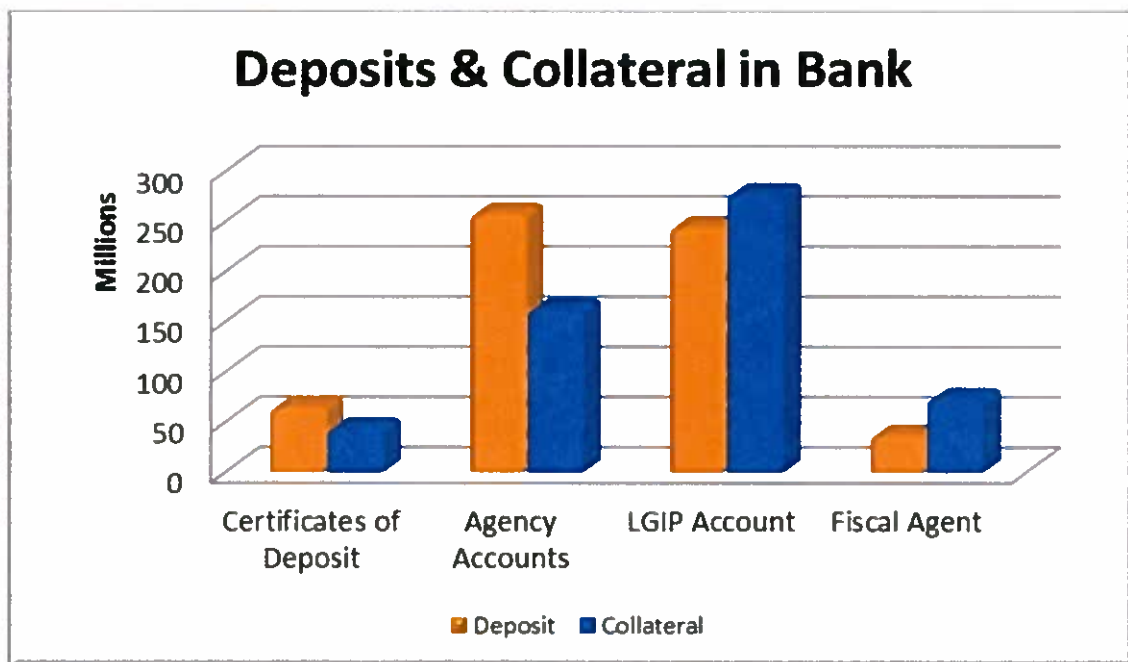
16. Collateral Report on Agency Deposits & CDs

Office of the Treasurer

Collateral Summary Review

September 30, 2014

As of September 2014 there were one depository institution holding state funds that were deficient in their collateral levels. Southwest Capital Bank was deficient by \$62,064. Once notified of their deficiency, Southwest Capital Bank pledged additional collateral. All other depository institutions holding public funds 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	\$ 64.0 Million	\$ 43.0 Million	67.2%
Agency Deposit	257.3 Million	161.7 Million	62.8%
LGIP Deposits	244.3 Million	276.9 Million	113.3%
Fiscal Agent	36.7 Million	72.8 Million	198.3%
Totals →	602.3 Million	554.3 Million	92.0%



Office of the Treasurer

Collateral Review

Accumulated Total by Institution

September 30, 2014

FINANCIAL INSTITUTION	%	TOTAL DEPOSITS	FDIC / NCUA INSURANCE	LESS INSURANCE COVERAGE	SUBJECT TO BE COLLATERALIZED	COLLATERAL PLEDGED	EXCESS (UNDER)
First National - Alamogordo	50%	150,546	150,546	0	0	1,518,900	1,518,900
Western - Alamogordo	75%	3,612,893	250,000	3,362,893	2,522,170	2,570,347	48,177
Bank of America	50%	1,077,148	250,000	827,148	413,574	4,757,251	4,343,677
Bank of the West	50%	340,341,917	250,000	340,091,917	170,045,958	255,310,278	85,264,320
BBVA Compass	75%	2,572,706	250,000	2,322,706	1,742,029	6,494,877	4,752,847
US Bank	50%	31,206,473	250,000	30,956,473	15,478,236	35,000,000	19,521,764
Wells Fargo	50%	117,671,379	250,000	117,421,379	58,710,690	130,141,809	71,431,120
First American	50%	80,156	80,156	0	0	0	0
My Bank	102%	179,958	179,958	0	0	0	0
Carlsbad National	50%	800	800	0	0	0	0
Western Commerce	50%	4,088,505	250,000	3,838,505	1,919,253	2,197,950	278,697
Farmers & Stockmen	50%	10,052,261	250,000	9,802,261	4,901,131	5,108,549	207,418
First National - Clayton	50%	3,227,552	250,000	2,977,552	1,488,776	2,183,047	694,272
Bank of Clovis	50%	619,041	250,000	369,041	184,520	820,668	636,148
Citizens - Clovis	50%	15,697	15,697	0	0	0	0
NM Bank & Trust	50%	143,028	143,028	0	0	274,378	274,378
Western - Clovis	50%	3,100,000	250,000	2,850,000	1,425,000	1,864,482	439,482
Valley National	102%	405	405	0	0	0	0
Grants State	50%	0	0	0	0	0	0
Lea County State	50%	258,502	258,502	0	0	100,000	100,000
Citizens - Las Cruces	50%	3,599	3,599	0	0	0	0
Southwest Capital	50%	10,879,617	250,000	10,629,617	5,314,809	5,252,745	(62,064)
Community 1st - Las Vegas	102%	216,364	216,364	0	0	515,347	515,347
Western - Lordsburg	50%	126,643	126,643	0	0	0	0
Los Alamos National	102%	29,771	29,771	0	0	0	0
James Polk Stone Communi	50%	368,715	368,715	0	0	157,460	157,460
International	50%	107,386	107,386	0	0	0	0
Bank of the Southwest	50%	493,913	250,000	243,913	121,956	317,855	195,899
Valley Commerce	50%	81,571	81,571	0	0	0	0
Century	50%	21,727,029	250,000	21,477,029	10,738,515	15,844,716	5,106,201
Community	102%	152,758	152,758	0	0	0	0
First National - Santa Fe	50%	10,000,000	250,000	9,750,000	4,875,000	5,363,973	488,973
First State	50%	52,484	52,484	0	0	0	0
AM	102%	13,339	13,339	0	0	0	0
Centinel	50%	71,038	71,038	0	0	0	0
Peoples	102%	19,689	19,689	0	0	0	0
BANK'34	102%	2,000,000	250,000	1,750,000	1,785,000	2,260,316	475,316
United Labor Bank	50%	0	0	0	0	4,012,051	4,012,051
Guadalupe Credit	50%	250,000	250,000	0	0	0	0
Washington Federal	50%	31,608	31,608	0	0	0	0
		565,024,490	6,354,057	558,670,433	281,666,616	482,066,998	200,400,381

LGIP Bank Deposits

September 30, 2014

<u>Financial Insitution</u>	<u>Percentage</u>	<u>Deposit</u>	<u>Collateral</u>
Bank of the West	103.2%	138,924,520	143,331,311
US Bank	116.1%	30,134,951	35,000,000
Wells Fargo	131.0%	75,262,867	98,562,952
Totals	113.3%	244,322,339	276,894,263

