



**James B. Lewis**  
State Treasurer

STATE OF NEW MEXICO  
**OFFICE OF THE TREASURER**

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**Marilyn L. Hill**  
Deputy State Treasurer

# **STATE TREASURER'S INVESTMENT COMMITTEE**

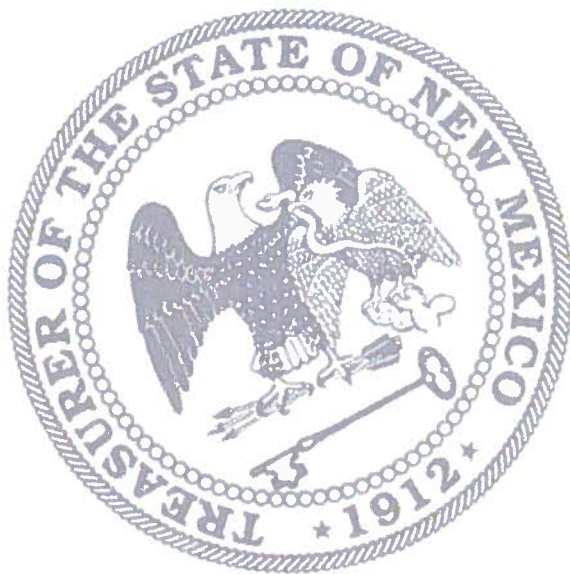
TREASURER'S CONFERENCE ROOM



**WEDNESDAY, MARCH 13, 2013  
9:00AM**

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Collateral Report on Agency Deposits & CDs



## 1. March 13 , 2013 Agenda



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

**MEETING AGENDA (5 Min)**

Roll Call

Introduction of Guests and Presenters

1. Approval of March 13, 2013 Agenda
2. Approval of February 13, 2013 Minutes

Action

Action

**INVESTMENT REPORTS (30 min)**

**Month Ended**  
**January 31, 2013**

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

Informational  
Informational  
Informational  
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Informational

**CASH MANAGEMENT**  
**& COLLATERAL REPORTS (10 Min)**

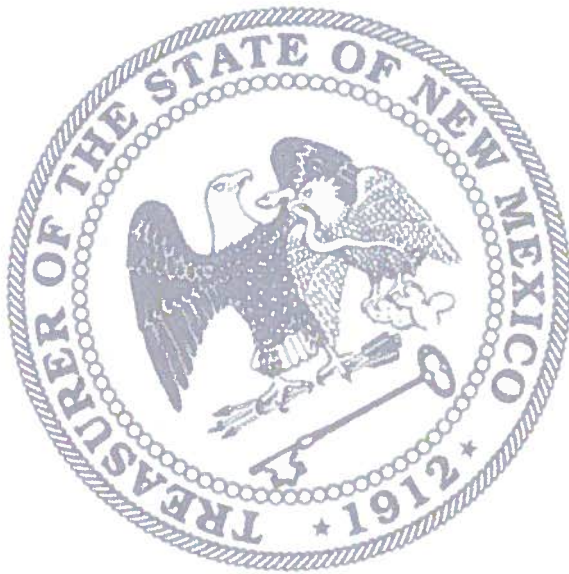
**Month Ended**  
**January 31, 2013**

11. State Agency Deposit Balances
12. Collateral Report on Agency Deposits & CDs

Informational  
Informational

**COMMITTEE REPORTS (10 min)**

13. 2/13/13 STIC discussion updates
14. Annual Report & Audit update
15. Legislative update
16. Question Period
17. Next Meeting --Wednesday, April 10, 2013, 9:00 am
18. Adjournment



## 2. February 13, 2013 Minutes

*New Mexico State Treasurer's Office*

*STIC Committee Meeting*

*Meeting Minutes*

**Wednesday, February 13, 2013**

**ROLL CALL – QUORUM PRESENT:**

A regular meeting of the New Mexico State Treasurer's Investment Committee (STIC) was called to order this date at 9:00 a.m. in the conference room of the State Treasurer's Office, 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 Boushelle, Public Member  
Mr. Paul Cassidy, Public Member

**Staff Present:**

Ms. Marilyn Hill, Deputy State Treasurer  
Mr. Spencer Wright, Portfolio Manager (PM)  
Ms. Vikki Hanges, Portfolio Manager (PM)  
Mr. Sam Collins, State Cash Manager  
Mr. Arsenio Garduño, Collateral Manager  
Ms. Cindy Cordova, General Counsel  
Ms. Hannah Chavez, STIC Secretary  
Mr. Clarence Smith, Chief Operational Director

**Guests Present:**

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

**1. Approval of Agenda:**

Mr. Boushelle moved approval of the February 13, 2013 agenda. Motion was seconded and passed unanimously by voice vote.

**2. Approval of Minutes: January 13, 2013 Minutes**

Ms. Clarke moved approval of the January 13, 2013 minutes. Motion was seconded and passed unanimously by voice vote.

**3. Executive Summary, Mr. Wright:**

The STIC executive summary report content was presented.

**4. Investment Policy Compliance Report, Ms. Roseborough:**

Highlights of the STIC investment policy compliance report were presented.

**5. Davidson's- December 2012 Quarterly Investment Report, Deanne Woodring:**

Highlights of the December 2012 Quarterly Investment report were presented.

**6. General Fund, Mr. Wright:**

Highlights of the STIC General Fund report were presented.

**7. Local Government Investment Pool, Ms. Hanges:**

Highlights of the STIC Local Government Investment Pool report were presented.

**8. Tax Exempt BPIP, Ms. Hanges:**

Highlights of the STIC tax exempt BPIP report were presented.

**9. Taxable BPIP, Ms. Hanges:**

Highlights of the STIC taxable BPIP report were presented.

**10. Severance Tax Bonding Fund, Mr. Wright:**

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

**11. Broker Dealer, Mr. Wright:**

The STIC broker dealer report was presented.

**12. State Agency Deposit Balances, Mr. Collins:**

Highlights of the STIC state agency deposit balances were presented.

**13. Collateral Report on Agency Deposits & CD, Mr. Garduño:**

Highlights of the STIC collateral report were presented.

**14. 1/9/13 STIC Discussion Updates**

Ms. Roseborough presented to the committee three updates from the prior meeting minutes.

- A review of a longer duration LGIP has begun and staff will meet with STO's investment advisor and member Cassidy prior to next STIC meeting with an update.
- The review of a longer duration LGIP will include the analysis of permitting communities to opt into the Tax-Exempt and Taxable bond proceeds investment pools as an option for local governments understanding that the 5 year duration for the BPIP's could be an issue.
- Staff will have a red-line version of the STO Investment Policy to present to STIC and will work to schedule on agenda for approval during an upcoming Board of Finance meeting.

**15. Delinquent Interest Payment**

Ms. Roseborough provided to the committee with an update regarding the 12/31/12 debt service payments made, reporting that an interest payment was made late and disclosure was made by bond counsel within the requires timeframe. Also noted was the requirement by the Governor Martinez to report back to the Board of Finance with the review of the internal controls STO is taking to ensure this does not happen in the future.

**16. Annual Report & Audit Update**

It was announced that the Annual Report would be uploaded to the STO website sometime this week.

**17. Legislative Update**

Ms. Roseborough reported that STO presented the Treasurer's bill, SB24 to the Senate Public Affairs Committee and the bill passed with an amendment.

**18. Question Period**

No questions were asked

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

Ms. Roseborough noted the date and time of next meeting.

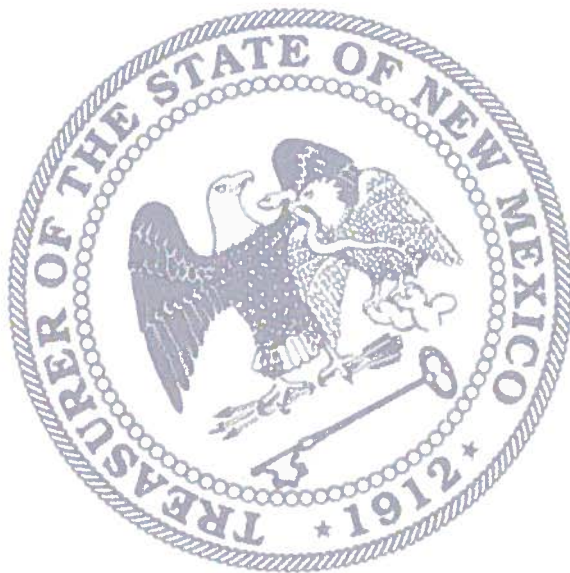
**20. Adjournment**

Ms. Roseborough adjourned the meeting at 10:11 a.m.

Minutes were taken by Ms. Hannah Chavez on February 13, 2013.

Minutes approved by Ms. Roseborough on March 6, 2013.





### 3. Executive Summary

## Executive Summary

- Rate pressures continued during the months of January and February.
- The Federal Reserve continued its monthly purchases of securities of \$85 billion.
- Minutes of the January FOMC meeting showed some concern regarding the effectiveness of the bond purchase program and some members expressed concern that the program should be discontinued earlier than earlier forecasted.
- The effect of these announcements pushed rates somewhat higher into the end of January.
- The focus of the market during the month of February was on the effects of sequestration agreed to in the last round of debt ceiling negotiations. Those cuts were scheduled to take effect on March 1<sup>st</sup>.
- Uncertainty in Europe pushed domestic yields lower during February, erasing much of January's pullback.

### US Treasury Yields

<u>Maturity</u>	<u>Dec 31</u>	<u>Jan 31</u>	<u>Change</u>
3-Month	0.05%	0.07%	0.02%
6-Month	0.12%	0.11%	(0.01%)
2-Year	0.25%	0.26%	0.01%
5-Year	0.72%	0.88%	0.16%
10-Year	1.76%	1.98%	0.22%
30-Year	2.95%	3.17%	0.22%

Source: Bloomberg LP

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

With the backup in yields, the STO-managed portfolios<sup>1</sup> had slightly negative results on a mark-to-market basis at the end of January.

January's markets placed continued pressure on the longer end of the curve, resulting in decreases in mark to market basis during the month.

For each of the STO portfolios:

<u>Fund</u>	<u>Unrealized Gains<sup>2</sup></u>	<u>Monthly Change in Unrealized Gains/Losses<sup>3</sup></u>
General Funds	\$0.2 million	(\$9.8 million)
Bond Proceeds Funds	(\$2.8 million)	(\$6.7 million)
Local Government Investment Pool	Not Material	Not Material
Severance Tax Bonding Fund	Not Material	Not Material

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

<sup>2</sup> Calculated Unrealized Gains represent the market "value" of the portfolios as compared to their accounting book value. As such, they approximate the values if they were to be liquidated on the day that the calculation was performed. Market conditions change on a daily basis and the resulting calculations will also change with market movements.

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

### Portfolio Yields and Duration

As of the end of January, the portfolios had the following weighted average purchase yields:

<u>Fund</u>	<u>Portfolio Yield<sup>5</sup></u>	<u>Duration<sup>4</sup></u>		<u>Percentage</u>
		<u>Portfolio</u>	<u>Benchmark</u>	
General Fund Liquidity	0.22%	6 Days		
General Fund CORE	0.77%	2.55 Years	2.25 Years	113%
Bond Proceeds - Tax Exempt	0.59%	1.52 Years	1.43 Years	106%
Bond Proceeds - Taxable	0.65%	1.38 Years	1.43 Years	97%
Local Government Investment Pool	0.13%	95 Days		
Severance Tax Bonding Fund	0.13%	6 Days		

### Investment Earnings

Investment earnings for January are summarized in the table below. Declines in interest rates have adversely affected annual earnings amounts.

For each of the portfolios:

<u>Fund</u>	<u>Investment Earnings<sup>6</sup></u>	
	<u>MTD</u>	<u>YTD</u>
General Funds	\$901,175	\$8,327,660
Bond Proceeds Funds	492,631	4,376,080
Local Government Investment Pool	101,095	715,553
Severance Tax Bonding Fund	20,903	166,317

### Compensating Balances at Fiscal Agent Bank

During January, STO maintained Average Daily Collected Balances at the Fiscal Agent Bank of approximately \$121 million. This balance earned a "soft-dollar" credit against processing fees assessed by the bank.

In December, the CIO in conjunction with the State Cash Manager targeted an overnight balance target of \$125MM at the fiscal agent bank. Maintenance of higher cash balances at the fiscal agent will decrease general fund returns.

Fiscal Agent Bank Summary:

Average Collected Balance	\$121,094,356
Earnings Credit Rate	0.50%
Estimated Monthly Earnings	\$50,455
Estimated Fiscal Year Earnings	\$233,602

### Monthly Investment Outlook

January and February were marked by continued paralysis in the markets as market participants attempted to understand and project the impact of legislative maneuvering on the future direction of the economy. The

<sup>4</sup> Portfolio Durations are also calculated as of moment in time, specifically at month end.

<sup>5</sup> 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.

<sup>6</sup> Each fund is managed using different objectives, as more fully detailed in this report. As such, returns and earnings on the funds will vary on a month to month basis.

impact of sequestration (agreed to during the last round of debt-ceiling negotiations) was delayed for two months, expected to take effect on March 1<sup>st</sup>.

*Implications for the Foreseeable Future*

Unfortunately, current economic conditions portend low rates for the near term future – at least through the end of 2013.

Unclear outlooks on fiscal and tax policy does little to reassure the markets and as such, they have continued to grind lower.

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

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

**New Mexico State Treasurer**  
**Monthly Fund Summary Report**  
**(Unaudited)**

As of January 31, 2013

<b>General Fund</b>				<b>Performance</b>				<b>Earnings</b>	
<b>Account</b>	<b>Holdings</b>		<b>Unrealized</b>	<b>12-Month Total</b>	<b>Benchmark</b>	<b>Index</b>	<b>Relative</b>	<b>Monthly</b>	
	<b>Cost Basis</b>	<b>Market Value</b>	<b>Gain/Loss</b>	<b>Return</b>		<b>Return</b>	<b>Performance</b>	<b>Earnings</b>	<b>YTD Earnings</b>
Liquidity	\$ 549,573,232	\$ 549,566,953	\$ (6,279)	0.26%	S&P LGIP	0.06%	0.20%	\$ 75,122	\$ 605,284
CORE	1,321,472,565	1,321,668,356	195,791	0.95%	ML Treasury 0-5	0.40%	0.55%	826,054	\$ 7,722,377
TRAN	-	-	-	0.00%	All-In Tran TIC	0.00%	0.00%	-	-
Totals	\$ 1,871,045,797	\$ 1,871,235,309	\$ 189,512	0.75%	Blended	0.30%	0.45%	\$ 901,175	\$ 8,327,660

<b>Bond Proceeds Investment Pool (BPIP)</b>				<b>Performance</b>				<b>Earnings</b>	
<b>Account</b>	<b>Holdings</b>		<b>Unrealized</b>	<b>12-Month Total</b>	<b>Benchmark</b>	<b>Index</b>	<b>Relative</b>	<b>Monthly</b>	
	<b>Cost Basis</b>	<b>Market Value</b>	<b>Gain/Loss</b>	<b>Return</b>		<b>Return</b>	<b>Performance</b>	<b>Earnings</b>	<b>YTD Earnings</b>
Tax-Exempt	\$ 302,190,430	\$ 300,299,095	\$ (1,891,335)	0.53%	ML Treasury 0-3	0.29%	0.24%	\$ 151,778	\$ 1,438,644
Taxable	588,962,103	587,925,764	(1,036,339)	0.63%	ML Treasury 0-3	0.29%	0.34%	340,853	2,937,436
Totals	\$ 891,152,533	\$ 888,224,859	\$ (2,927,674)	0.60%	Blended	0.29%	0.31%	\$ 492,631	\$ 4,376,080

<b>Local Government Investment Pool (New MexiGrow LGIP)</b>				<b>Performance</b>				<b>Earnings</b>	
<b>Account</b>	<b>Holdings</b>		<b>Unrealized</b>	<b>12-Month Total</b>	<b>Benchmark</b>	<b>Index</b>	<b>Relative</b>	<b>Monthly</b>	
	<b>Cost Basis</b>	<b>Market Value</b>	<b>Gain/Loss</b>	<b>Return</b>		<b>Return</b>	<b>Performance</b>	<b>Earnings</b>	<b>YTD Earnings</b>
LGIP	\$ 573,095,766	\$ 573,197,613	\$ 101,847	0.23%	S&P LGIP	0.06%	0.17%	\$ 88,531	\$ 804,084

<b>Severance Tax Bonding Fund</b>				<b>Performance</b>				<b>Earnings</b>	
<b>Account</b>	<b>Holdings</b>		<b>Unrealized</b>	<b>12-Month Total</b>	<b>Benchmark</b>	<b>Index</b>	<b>Relative</b>	<b>Monthly</b>	
	<b>Cost Basis</b>	<b>Market Value</b>	<b>Gain/Loss</b>	<b>Return</b>		<b>Return</b>	<b>Performance</b>	<b>Earnings</b>	<b>YTD Earnings</b>
STBF	\$ 162,700,144	\$ 162,700,144	\$ -	0.23%	S&P LGIP	0.06%	0.17%	\$ 20,903	\$ 166,317

**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 on combined balances at month-end and performance also includes fund flows during the month
- (3) Source: STO Records, QED Financial Systems, JPMorgan Custody Reporting

**New Mexico State Treasurers Office  
Performance Report All Accounts  
For Period Ending January 2013  
Gross of Fee**

Account ID	Portfolio Name	Market Value	Month	Trailing 3M	Fiscal YTD	YTD	1 YR	Since Inception	Inception Date
10933300	Local Government Investment Pool	573,282,240	0.03	0.06	0.14	0.03	0.23	1.18	07/01/07
10933400	Overnight Repo Pool	298,491,063	0.01	0.06	0.15	0.01	0.24	0.94	07/01/07
10933500	Tax Exempt Bond Proceeds	301,428,554	(0.03)	0.10	0.32	(0.03)	0.53	2.36	07/01/07
10933900	Taxable Bond Proceeds	588,933,478	0.02	0.12	0.35	0.02	0.63	2.50	07/01/07
<b>00667701</b>	<b>General Fund</b>	<b>1,875,718,276</b>	<b>(0.09)</b>	<b>0.06</b>	<b>0.42</b>	<b>(0.09)</b>	<b>0.74</b>	<b>2.42</b>	<b>07/01/07</b>
10933700	General Fund Core	1,326,078,798	(0.12)	0.06	0.52	(0.12)	0.95	3.13	07/01/07
10933600	General Fund Liquidity	549,639,478	0.01	0.06	0.15	0.01	0.26	0.90	07/01/07
06677-BEN-0006	S&P Govt Pools Net yield		0.00	0.02	0.04	0.00	0.06	0.98	
06677-BEN-0012	BPIP Index ML 0-3 Treasury		0.01	0.11	0.27	0.01	0.29	2.40	
06677-BEN-0013	General Core Index ML 0-5 Treasury		(0.10)	0.05	0.33	(0.10)	0.40	3.40	
06677-BEN-0016	S&P LGIP Gross yield		0.01	0.04	0.10	0.01	-	0.12	
06677-BEN-0015	General Fund Total		(0.06)	-	-	(0.06)	-	(0.07)	

## Fixed Income - Standard Report New Mexico State Treasurers Office (06677) January 2013

Account / Holdings	Market Value	Cost	% of Total	Coupon Rate	Modified Duration	Option Adjusted Spread	Spread Duration	Static Yield	Effective Duration	Effective Convexity	Weighted Average Life	Yield to Maturity	Moody Quality Rating	S&P Quality Rating
<b>Taxable Bond Proceeds(10933900)</b>	<b>588,933,478.38</b>	<b>589,874,761.00</b>	<b>100.00%</b>	<b>1.13</b>	<b>1.50</b>	<b>1.52</b>	<b>1.08</b>	<b>0.33</b>	<b>1.38</b>	<b>(0.19)</b>	<b>1.43</b>	<b>0.33</b>		
<b>FIXED INCOME + CASH AND CASH EQUIVALENT</b>	<b>590,335,848.98</b>	<b>589,874,761.00</b>	<b>100.24%</b>	<b>1.13</b>	<b>1.50</b>	<b>1.52</b>	<b>1.08</b>	<b>0.32</b>	<b>1.37</b>	<b>(0.19)</b>	<b>1.43</b>	<b>0.33</b>	<b>Aa1</b>	<b>AA-</b>
<b>Fixed Income</b>	<b>490,787,808.67</b>	<b>490,359,921.89</b>	<b>83.34%</b>	<b>1.32</b>	<b>1.76</b>	<b>0.19</b>	<b>1.26</b>	<b>0.34</b>	<b>1.61</b>	<b>(0.23)</b>	<b>1.68</b>	<b>0.34</b>	<b>Aaa</b>	<b>AA</b>
<b>Corporates</b>	<b>15,037,012.50</b>	<b>15,000,000.00</b>	<b>2.65%</b>	<b>0.33</b>	<b>0.50</b>	<b>0.08</b>	<b>0.50</b>	<b>0.20</b>	<b>0.50</b>	<b>0.00</b>	<b>0.50</b>	<b>0.20</b>	<b>Aaa</b>	<b>AAA</b>
<b>Financial Institutions</b>	<b>15,037,012.50</b>	<b>15,000,000.00</b>	<b>2.55%</b>	<b>0.33</b>	<b>0.50</b>	<b>0.08</b>	<b>0.50</b>	<b>0.20</b>	<b>0.50</b>	<b>0.00</b>	<b>0.50</b>	<b>0.20</b>	<b>Aaa</b>	<b>AAA</b>
<b>Government Related</b>	<b>277,308,052.27</b>	<b>277,200,742.20</b>	<b>47.09%</b>	<b>1.43</b>	<b>2.26</b>	<b>1.14</b>	<b>1.99</b>	<b>0.46</b>	<b>1.99</b>	<b>(0.43)</b>	<b>2.12</b>	<b>0.46</b>	<b>Aa1</b>	<b>A+</b>
<b>Agencies</b>	<b>262,494,725.21</b>	<b>262,443,996.60</b>	<b>44.57%</b>	<b>1.40</b>	<b>2.33</b>	<b>1.37</b>	<b>2.05</b>	<b>0.45</b>	<b>2.05</b>	<b>(0.46)</b>	<b>2.18</b>	<b>0.46</b>	<b>Aa1</b>	<b>AA-</b>
<b>Local Authorities</b>	<b>14,813,327.06</b>	<b>14,756,745.60</b>	<b>2.52%</b>	<b>1.84</b>	<b>0.97</b>	<b>(2.84)</b>	<b>0.97</b>	<b>0.46</b>	<b>0.97</b>	<b>0.02</b>	<b>0.98</b>	<b>0.46</b>	<b>A1</b>	<b>NR</b>
<b>Treasuries</b>	<b>198,442,743.90</b>	<b>198,159,179.69</b>	<b>33.70%</b>	<b>1.23</b>	<b>1.17</b>	<b>(1.14)</b>	<b>0.29</b>	<b>0.18</b>	<b>1.16</b>	<b>0.03</b>	<b>1.15</b>	<b>0.18</b>	<b>Aaa</b>	<b>AA+</b>
<b>Treasuries</b>	<b>198,442,743.90</b>	<b>198,159,179.69</b>	<b>33.70%</b>	<b>1.23</b>	<b>1.17</b>	<b>(1.14)</b>	<b>0.29</b>	<b>0.18</b>	<b>1.16</b>	<b>0.03</b>	<b>1.15</b>	<b>0.18</b>	<b>Aaa</b>	<b>AA+</b>
<b>Cash And Cash Equivalent</b>	<b>99,548,040.31</b>	<b>99,514,839.11</b>	<b>16.90%</b>	<b>0.23</b>	<b>0.20</b>	<b>8.07</b>	<b>0.20</b>	<b>0.26</b>	<b>0.20</b>	<b>0.00</b>	<b>0.21</b>	<b>0.26</b>	<b>A1</b>	<b>A+</b>
<b>Short Term Investment</b>	<b>99,548,040.31</b>	<b>99,514,839.11</b>	<b>16.90%</b>	<b>0.23</b>	<b>0.20</b>	<b>8.07</b>	<b>0.20</b>	<b>0.26</b>	<b>0.20</b>	<b>0.00</b>	<b>0.21</b>	<b>0.26</b>	<b>A1</b>	<b>A+</b>
<b>Certificate Of Deposit</b>	<b>18,231,140.36</b>	<b>18,200,000.00</b>	<b>3.10%</b>	<b>0.50</b>	<b>0.85</b>	<b>0.34</b>	<b>0.85</b>	<b>0.50</b>	<b>0.85</b>	<b>0.01</b>	<b>0.86</b>	<b>0.50</b>	<b>NR</b>	<b>NR</b>
<b>Commercial Paper ( Interest Bearing)</b>	<b>19,992,042.00</b>	<b>19,990,500.00</b>	<b>3.39%</b>	<b>0.00</b>	<b>0.23</b>	<b>6.99</b>	<b>0.22</b>	<b>0.18</b>	<b>0.22</b>	<b>0.00</b>	<b>0.23</b>	<b>0.18</b>	<b>Aaa</b>	<b>AAA</b>
<b>Repurchase Agreements</b>	<b>60,017,974.08</b>	<b>60,017,603.33</b>	<b>10.19%</b>	<b>0.22</b>	<b>0.00</b>	<b>10.95</b>	<b>0.00</b>	<b>0.22</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.22</b>	<b>Aaa</b>	<b>AAA</b>
<b>STIF</b>	<b>1,306,883.87</b>	<b>1,306,735.78</b>	<b>0.22%</b>	<b>0.13</b>								<b>0.13</b>	<b>Aaa</b>	<b>AAA</b>
<b>Cash And Pending</b>	<b>(1,402,370.60)</b>	<b>0.00</b>	<b>-0.24%</b>	<b>(0.00)</b>	<b>0.01</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>0.01</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>Aaa</b>	<b>AA+</b>
<b>Unclassified</b>	<b>(1,402,370.60)</b>	<b>0.00</b>	<b>-0.24%</b>	<b>(0.00)</b>	<b>0.01</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>0.01</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>(0.00)</b>	<b>Aaa</b>	<b>AA+</b>



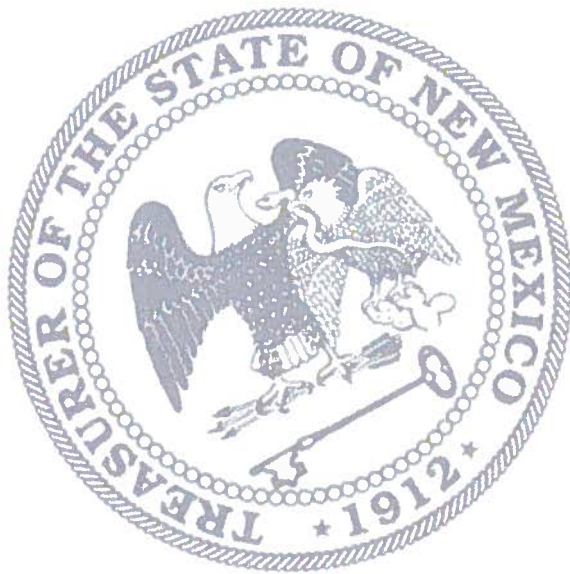
**Fixed Income - Standard Report**  
**New Mexico State Treasurers Office (06677)**  
**January 2013**

Account / Holdings	Security ID	Country ID	Currency ID	Units	Market Value	Cost	% of Total	Coupon Rate	Maturity Date	Modified Duration	Option Adjusted Spread	Spread Duration	Static Yield	Effective Duration	Effective Convexity	Weighted Average Life	Yield to Maturity	Moody Quality Rating	Market Price	S&P Quality Rating	
<b>Taxable Bond Proceeds(10933900)</b>					<b>588,933,478.38</b>	<b>589,874,761.00</b>	<b>100.00%</b>	<b>1.13</b>			<b>1.50</b>	<b>1.52</b>	<b>1.08</b>	<b>0.33</b>	<b>1.38</b>	<b>(0.19)</b>	<b>1.43</b>	<b>0.33</b>	<b>88.38</b>		
<b>FIXED INCOME + CASH AND CASH EQUIVALENT</b>					<b>590,336,848.98</b>	<b>589,874,761.00</b>	<b>100.24%</b>	<b>1.13</b>			<b>1.50</b>	<b>1.52</b>	<b>1.08</b>	<b>0.32</b>	<b>1.37</b>	<b>(0.19)</b>	<b>1.43</b>	<b>0.33</b>	<b>88.17</b>	<b>AA-</b>	
<b>Fixed Income</b>					<b>490,787,808.67</b>	<b>490,369,921.89</b>	<b>83.34%</b>	<b>1.32</b>			<b>1.76</b>	<b>0.19</b>	<b>1.26</b>	<b>0.34</b>	<b>1.61</b>	<b>(0.23)</b>	<b>1.68</b>	<b>0.34</b>	<b>Aaa</b>	<b>101.44</b>	<b>AA</b>
<b>Corporates</b>					<b>15,037,012.50</b>	<b>15,000,000.00</b>	<b>2.56%</b>	<b>0.33</b>			<b>0.50</b>	<b>0.08</b>	<b>0.50</b>	<b>0.20</b>	<b>0.50</b>	<b>0.00</b>	<b>0.50</b>	<b>0.20</b>	<b>Aaa</b>	<b>100.06</b>	<b>AAA</b>
<b>Financial Institutions</b>					<b>15,037,012.50</b>	<b>15,000,000.00</b>	<b>2.56%</b>	<b>0.33</b>			<b>0.50</b>	<b>0.08</b>	<b>0.50</b>	<b>0.20</b>	<b>0.50</b>	<b>0.00</b>	<b>0.50</b>	<b>0.20</b>	<b>Aaa</b>	<b>100.06</b>	<b>AAA</b>
INTL FINANCE CORP 0.33% MTN 01/AUG/2013 USD	45950VBW5	IFD	USD	15,000,000	15,037,012.50	15,000,000	2.56%	0.33	01/08/2013	0.50	0.08	0.50	0.20	0.50	0.00	0.50	0.20	Aaa	100.06	AAA	
<b>Government Related</b>					<b>277,200,742.25</b>	<b>277,200,742.25</b>	<b>47.09%</b>	<b>1.43</b>			<b>2.25</b>	<b>1.14</b>	<b>1.99</b>	<b>0.45</b>	<b>1.95</b>	<b>(0.43)</b>	<b>2.12</b>	<b>0.45</b>	<b>Aa1</b>	<b>101.48</b>	<b>A+</b>
<b>Agencies</b>					<b>262,443,996.60</b>	<b>262,443,996.60</b>	<b>44.57%</b>	<b>1.40</b>			<b>2.33</b>	<b>1.37</b>	<b>2.05</b>	<b>0.45</b>	<b>2.05</b>	<b>(0.46)</b>	<b>2.18</b>	<b>0.46</b>	<b>Aa1</b>	<b>101.50</b>	<b>AA-</b>
FEDERAL HOME LOAN MORTGAGE CORP 0.52% NTS	3134G32F6	US	USD	20,000,000	19,987,733.33	20,000,000	3.39%	0.52	28/12/2015	2.88	4.59	1.76	0.56	1.75	(3.64)	2.91	0.56	Agy	99.89	AA+	
FEDERAL HOME LOAN MORTGAGE CORP 0.375% BDS	3134G3Y61	US	USD	20,000,000	20,018,425.00	20,000,000	3.40%	0.38	10/12/2014	1.85	1.25	1.30	0.28	1.32	(1.46)	1.86	0.33	Agy	100.03	AA+	
FEDERAL HOME LOAN MORTGAGE CORP 0.5% BDS	3134G3Z1	US	USD	15,000,000	15,076,875.00	15,025,500	2.56%	0.50	28/08/2015	2.55	0.03	2.55	0.38	2.55	0.08	2.58	0.38	Agy	100.30	AA+	
FED NATL MTG ASSN 5.12% 02/JAN/2014	31359MTP8	US	USD	22,710,000	23,825,026.30	24,898,925.2	4.05%	5.12	02/01/2014	0.91	0.06	0.91	0.23	0.91	0.01	0.92	0.23	Aa2	104.50	A	
FEDERAL NATIONAL MORTGAGE ASSOC 1.25% NTS	3135G0AP8	US	USD	20,000,000	20,357,344.44	20,277,520	3.46%	1.25	27/02/2014	1.06	0.51	1.06	0.19	1.06	0.02	1.07	0.19	Agy	101.25	AA+	
FEDERAL NATIONAL MORTGAGE ASSOC 0.375% BDS	3135G0S90	US	USD	20,000,000	19,985,733.33	19,953,400	3.39%	0.38	21/12/2015	2.87	0.04	2.87	0.45	2.87	0.10	2.89	0.45	Agy	99.79	AA+	
FEDERAL NATL MTG ASSN CALL 1.4%30/DEC/2016	3136FTU20	US	USD	15,000,000	15,154,583.33	15,000,000	2.57%	1.40	30/12/2016	3.80	0.20	1.72	1.16	1.72	(1.54)	1.42	1.16	Agy	100.91	AA+	
FEDERAL HOME LOAN MORTGAGE CORP 1% NTS 27/AUG/2014	3137EACV9	US	USD	20,000,000	20,331,155.56	20,254,480	3.45%	1.00	27/08/2014	1.56	8.29	1.56	0.32	1.55	0.03	1.57	0.32	Agy	101.23	AA+	
FED HOME LOAN MTG 2% BDS 25/AUG/2016 USD1000	3137EACW7	US	USD	25,000,000	26,461,416.87	25,870,425	4.49%	2.00	25/08/2016	3.43	0.04	3.42	0.59	3.42	0.14	3.57	0.59	Agy	104.98	AA+	
FEDERAL NATIONAL MORTGAGE ASSOC 1% BDS 23/SEP/2013	31398A2S0	US	USD	20,000,000	20,174,111.11	20,190,200	3.43%	1.00	23/09/2013	0.64	2.52	0.64	0.17	0.64	0.01	0.64	0.17	Agy	100.52	AA+	
FED NATL MORT ASSC 1.625% BDS 26/OCT/2015 USD1000	31398A4M1	US	USD	20,000,000	20,745,163.89	20,571,600	3.52%	1.62	26/10/2015	2.67	0.03	2.67	0.41	2.67	0.09	2.74	0.41	Agy	103.30	AA+	
FEDERAL HOME LOAN BANKS 1% BDS 09/JUN/2017 USD5000	313379FW4	US	USD	15,000,000	15,111,216.87	15,125,400	2.57%	1.00	09/06/2017	4.25	0.13	4.25	0.86	4.25	0.20	4.36	0.86	Agy	100.60	AA+	
FEDERAL AGRIC MTG CORP MTNS B FR 0.43%08/JAN/2016	31315PVS5	US	USD	15,500,000	15,487,518.19	15,484,500	2.63%	0.43	08/01/2016	2.91	0.05	2.91	0.47	2.91	0.10	2.94	0.47	NR	99.89	NR	
FEDERAL HOME LN MTG CORP CALL 1.1%30/DEC/2015	3134G3FA3	US	USD	7,300,000	7,353,123.72	7,300,000	1.25%	1.10	30/12/2015	2.86	0.23	1.53	0.88	1.53	(1.22)	0.92	0.88	Aaa	100.63	AA+	
FEDERAL NATL MTG ASSN CALL 4%15/APR/2013	3136F9DU4	US	USD	2,400,000	2,447,298.87	2,392,046.4	0.42%	4.00	15/04/2013	0.21	0.05	0.21	0.14	0.21	0.00	0.21	0.14	Aaa	100.79	AA+	
<b>Local Authorities</b>					<b>14,813,327.06</b>	<b>14,758,745.60</b>	<b>2.52%</b>	<b>1.84</b>			<b>0.97</b>	<b>(2.84)</b>	<b>0.97</b>	<b>0.46</b>	<b>0.97</b>	<b>0.02</b>	<b>0.98</b>	<b>0.46</b>	<b>A1</b>	<b>101.34</b>	<b>NR</b>
GADSDEN N MEX INDPST SCH DIST NO 016 RFDG-SER B	362550KT1	US	USD	2,245,000	2,285,706.84	2,273,938.05	0.39%	2.00	15/08/2013	0.53	0.22	0.53	0.34	0.53	0.01	0.54	0.34	Aa1	100.89	NR	
GADSDEN N MEX INDPST SCH DIST NO 016 RFDG-SER B	362550KU8	US	USD	2,005,000	2,068,502.81	2,059,054.8	0.35%	2.00	15/08/2014	1.51	0.30	1.51	0.53	1.51	0.03	1.54	0.53	Aa1	102.24	NR	
CLOVIS NEW MEX GROSS RCPTS TAX REV IMPT	189387CU5	US	USD	1,360,000	1,375,348.36	1,372,539.2	0.23%	2.00	01/06/2013	0.33	(3.80)	0.33	0.57	0.33	0.00	0.33	0.57	A1	100.47	NR	
CLOVIS NEW MEX GROSS RCPTS TAX REV IMPT	189387CV3	US	USD	1,325,000	1,359,271.86	1,354,494.5	0.23%	2.00	01/06/2014	1.32	(4.24)	1.32	0.54	1.32	0.02	1.33	0.54	A1	101.93	NR	
CLOVIS NEW MEX GROSS RCPTS TAX REV IMPT	189387CW1	US	USD	1,350,000	1,401,780.00	1,394,361	0.24%	2.00	01/06/2015	2.28	(4.30)	2.28	0.62	2.28	0.06	2.33	0.62	A1	103.18	NR	
ESPAÑOLA N MEX PUB SCH DIST NO 55 RIO ARRIBA &	29662RAQ1	US	USD	540,000	544,741.20	544,865.4	0.09%	2.00	01/09/2013	0.58	(4.03)	0.58	0.49	0.58	0.01	0.58	0.49	Aa1	100.88	NR	
GADSDEN N MEX INDPST SCH DIST NO 016 TAXABLE-EO	362550LL7	US	USD	1,750,000	1,757,824.44	1,755,285	0.30%	1.00	15/08/2013	0.54	(4.07)	0.54	0.42	0.54	0.01	0.54	0.42	NR	100.31	NR	
LOS ALAMOS N MEX PUB SCH DIST SCH BLDG 01/AUG/2013	54422NDB9	US	USD	785,000	799,334.10	794,631.95	0.14%	2.00	01/08/2013	0.50	(4.13)	0.50	0.34	0.50	0.00	0.50	0.34	Aa1	100.83	NR	
RUIDOSO N MEX MUN SCH DIST NO 3 01/AUG/2013 02.000	781338HW1	US	USD	440,000	443,634.40	443,401.2	0.08%	2.00	01/08/2013	0.50	(4.13)	0.50	0.34	0.50	0.00	0.50	0.34	A1	100.83	NR	
RUIDOSO N MEX MUN SCH DIST NO 3 01/AUG/2015 02.000	781338HY7	US	USD	400,000	414,992.00	414,104	0.07%	2.00	01/08/2015	2.45	(4.46)	2.45	0.49	2.45	0.07	2.50	0.49	A1	103.75	NR	
SAN JUAN CNTY N MEX CENT CONS INDPST SCH DIST NO	798359JP1	US	USD	1,700,000	1,729,153.11	1,720,859	0.29%	2.00	01/08/2013	0.50	(4.13)	0.50	0.34	0.50	0.00	0.50	0.34	Aa1	100.83	NR	
SANTA ROSA N MEX CONS SCH DIST NO 008 15/MAY/2013	802751DK0	US	USD	200,000	201,730.22	200,668	0.03%	1.00	15/05/2013	0.29	(3.88)	0.29	0.46	0.29	0.00	0.29	0.46	Aa1	100.15	NR	
SANTA ROSA N MEX CONS SCH DIST NO 008 15/MAY/2014	802751DL8	US	USD	200,000	202,750.22	201,550	0.03%	1.00	15/05/2014	1.28	(4.29)	1.28	0.48	1.28	0.02	1.29	0.48	Aa1	100.66	NR	
SANTA ROSA N MEX CONS SCH DIST NO 008 15/MAY/2015	802751DM6	US	USD	225,000	228,557.50	226,993.5	0.04%	1.00	15/05/2015	2.26	(4.31)	2.26	0.62	2.26	0.06	2.29	0.62	Aa1	100.87	NR	
<b>Treasuries</b>					<b>198,442,743.90</b>	<b>198,169,179.69</b>	<b>33.70%</b>	<b>1.23</b>			<b>1.17</b>	<b>(1.14)</b>	<b>0.29</b>	<b>0.18</b>	<b>1.16</b>	<b>0.03</b>	<b>1.15</b>	<b>0.18</b>	<b>Aaa</b>	<b>101.48</b>	<b>AA+</b>
<b>Treasuries</b>					<b>198,442,743.90</b>	<b>198,169,179.69</b>	<b>33.70%</b>	<b>1.23</b>			<b>1.17</b>	<b>(1.14)</b>	<b>0.29</b>	<b>0.18</b>	<b>1.16</b>	<b>0.03</b>	<b>1.15</b>	<b>0.18</b>	<b>Aaa</b>	<b>101.48</b>	<b>AA+</b>
US 1.87500 '14	912828KF6	US	USD	40,000,000	41,044,260.77	41,123,437.5	6.97%	1.88	28/02/2014	1.06	0.00	1.06	0.19	1.06	0.02	1.08	0.19	Aaa	101.81	AA+	
US 1.87500 '14	912828KN9	US	USD	10,000,000	10,255,969.89	10,174,218.75	1.74%	1.88	30/04/2014	1.23	0.22	0.00	0.20	1.23	0.02	1.25	0.20	Aaa	102.08	AA+	
US 2.25000 '14	912828KV1	US	USD	10,000,000	10,308,842.31	10,279,687.5	1.75%	2.25	31/05/2014	1.31	0.00	1.31	0.22	1.31	0.02	1.33	0.22	Aaa	102.70	AA+	
UNITED STATES TREAS NTS 1.000% 15/JUL/2013	912828NN6	US	USD	10,000,000	10,044,896.13	10,019,531.25	1.71%	1.00	15/07/2013	0.46	(3.94)	0.00	0.08	0.45	0.00	0.46	0.08	Aaa	100.40	AA+	
US 1.75000 '15	912828NP1	US	USD	10,000,000	10,350,483.43	10,454,687.5	1.76%	1.75	31/07/2015	2.45	(0.52)	0.00	0.34	2.45	0.07	2.50	0.34	Aaa	103.50	AA+	
UNITED STATES TREAS NTS 0.750% 15/AUG/2013	912828NU0	US	USD	30,000,000	30,204,740.22	29,931,250	5.13%	0.75	15/08/2013	0.54	(3.20)	0.00	0.10	0.53	0.01	0.54	0.10	Aaa	100.34	AA+	
UNITED STATES TREAS NTS 0.500% 15/OCT/2013	912828PB0	US	USD	5,000,000	5,019,986.28	4,991,601.56	0.85%	0.50	15/10/2013	0.70	(13.78)	0.00	0.01	0.70	0.01	0.70	0.01	Aaa	100.25	AA+	
US 2.12500 '15	912828PM6	US	USD	15,000,000	15,773,526.80	15,869,531.25	2.68%	2.12	31/12/2015	2.83	(0.63)	0.00	0.41	2.83	0.10	2.91	0.41	Aaa	104.97	AA+	
UNITED STATES TREAS NTS 0.625% 28/FEB/2013	912828QK9	US	USD	5,000,000	5,015,244.20	4,990,234.37	0.85%	0.62	28/02/2013	0.08	0.05	0.08	0.12	0.08	0.00	0.08	0.12	Aaa	100.04	AA+	
US 1.50000 '16	912828QR4	US	USD	10,000,000	10,350,759.67	10,369,921.88	1.76%	1.50	30/06/2016	3.33	(3.11)	0.00	0.48	3.33	0.13	3.41	0.48	Aaa	103.38	AA+	
UNITED STATES TREAS NTS 0.5% 31/MAY/2013	912828QZ6	US	USD	20,000,000	20,043,907.69	20,017,187.5	3.40%	0.50	31/05/2013	0.33	1.14	0.00	0.12	0.33	0.00	0.33	0.12	Aaa	100.13	AA+	
UNITED STATES TREAS NTS 0.375% 30/JUN/2013	912828RA0	US																			



**Fixed Income - Standard Report**  
**New Mexico State Treasurers Office (06677)**  
**January 2013**

Account / Holdings	Security ID	Country ID	Currency ID	Units	Market Value	Cost	% of Total	Coupon Rate	Maturity Date	Modified Duration	Option Adjusted Spread	Spread Duration	Static Yield	Effective Duration	Effective Convexity	Weighted Average Life	Yield to Maturity	Moody Quality Rating	Market Price	SSP Quality Rating
<b>Cash And Cash Equivalent</b>					99,548,040.31	99,514,839.11	16.90%	0.23		0.20	8.07	0.20	0.26	0.20	0.00	0.21	0.26	A1	22.71	A+
<b>Short Term Investment</b>					99,548,040.31	99,514,839.11	16.90%	0.23		0.20	8.07	0.20	0.26	0.20	0.00	0.21	0.26	A1	22.71	A+
<b>Certificate Of Deposit</b>					18,231,140.36	18,200,000.00	3.10%	0.50		0.85	0.34	0.85	0.50	0.85	0.01	0.86	0.50	NR	14.31	NR
CENTURY BANK SANTA FE	1PS891AK9	US	USD	8,000,000	8,003,068.49	8,000,000	1.36%	0.40	30/12/2013	0.91	0.23	0.91	0.40	0.91	0.01	0.92	0.40	NR	0.00	NR
WESTERN BANK ALAMOGORDO	9PV991AD3	US	USD	2,500,000	2,508,021.95	2,500,000	0.43%	0.60	22/07/2013	0.47	0.48	0.47	0.60	0.47	0.00	0.47	0.60	NR	0.00	NR
WESTERN BANK ALAMOGORDO	9PV991AJ0	US	USD	1,100,000	1,100,813.69	1,100,000	0.19%	0.75	31/12/2014	1.90	0.48	1.90	0.75	1.90	0.05	1.92	0.75	NR	0.00	NR
WESTERN COMMERCE BANK	9PV996AC4	US	USD	4,000,000	4,010,356.22	4,000,000	0.68%	0.50	15/01/2014	0.95	0.33	0.95	0.50	0.95	0.01	0.96	0.50	NR	0.00	NR
WESTERN BANK CLOVIS	9PV99WAD5	US	USD	2,600,000	2,608,880.01	2,600,000	0.44%	0.60	15/07/2013	0.45	0.49	0.45	0.60	0.45	0.00	0.46	0.60	NR	100.00	NR
<b>Commercial Paper ( Interest Bearing)</b>					19,992,042.00	19,990,500.00	3.39%	0.00		0.23	6.99	0.22	0.18	0.22	0.00	0.23	0.18	Aaa	99.96	AAA
STRAIGHT A FDG SLSTN CORPORATE COMMERCIAL PAPER	86257ETS7	US	USD	20,000,000	19,992,042.00	19,990,500	3.39%	0.00	23/04/2013	0.23	6.99	0.22	0.18	0.22	0.00	0.23	0.18	P-1	99.96	A-1+
<b>Repurchase Agreements</b>					60,017,974.08	60,017,603.33	10.19%	0.22		0.00	10.95	0.00	0.22	0.00	0.00	0.00	0.22	Aaa	0.00	AAA
REPO BANK OF NEW YORK/SOUTH STREET SECS	99D310089	US	USD	11,427,603	11,427,663.64	11,427,603.33	1.94%	0.19	01/02/2013	0.00	7.67	0.00	0.19	0.00	0.00	0.00	0.19	Aaa	0.00	AAA
REPO MITSUBISHI UFJ SECURITIES (USA),INC.	99D310090	US	USD	48,590,000	48,590,310.44	48,590,000	8.25%	0.23	01/02/2013	0.00	11.73	0.00	0.23	0.00	0.00	0.00	0.23	Aaa	0.00	AAA
<b>STIF</b>					1,306,883.67	1,306,735.76	0.22%	0.13									0.13	Aaa	1.00	AAA
LGIP POOL PARTICIPANT	892998X00	US	USD	1,306,738	1,306,883.67	1,306,735.76	0.22%	0.13									0.13	Aaa	1.00	AAA
<b>Cash And Pending</b>					(1,402,370.60)	0.00	-0.24%	(0.00)		0.01	(0.00)	(0.00)	(0.00)	0.01	(0.00)	(0.00)	(0.00)	Aaa	(0.00)	AA+
<b>Unclassified</b>					(1,402,370.60)	0.00	-0.24%	(0.00)		0.01	(0.00)	(0.00)	(0.00)	0.01	(0.00)	(0.00)	(0.00)	Aaa	(0.00)	AA+
UNITED STATES DOLLARS	USD	US	USD	0	(1,402,370.60)	0	-0.24%	(0.00)		0.01	(0.00)	(0.00)	(0.00)	0.01	(0.00)	(0.00)	(0.00)	Aaa	(0.00)	AA+



## 4. Investment Policy Compliance Report

## Investment Policy Compliance Review

### ***Primary and Secondary Bond Purchases/ Sales***

---

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

Primary Bond Volume	\$ 1,038,380,000	95%
Secondary Bond Volume	<u>51,550,000</u>	<u>5%</u>
Total	\$1,089,930,000	100%

### ***Commissions Paid***

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

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

### ***Variable Rate and Structured Note Holdings***

---

At the end of January, total holdings of Variable Rate Notes were \$134,450,000.

General Fund Liquidity	\$ 20,000,000
LGIP	<u>114,450,000</u>
Total Holdings	\$134,450,000

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

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

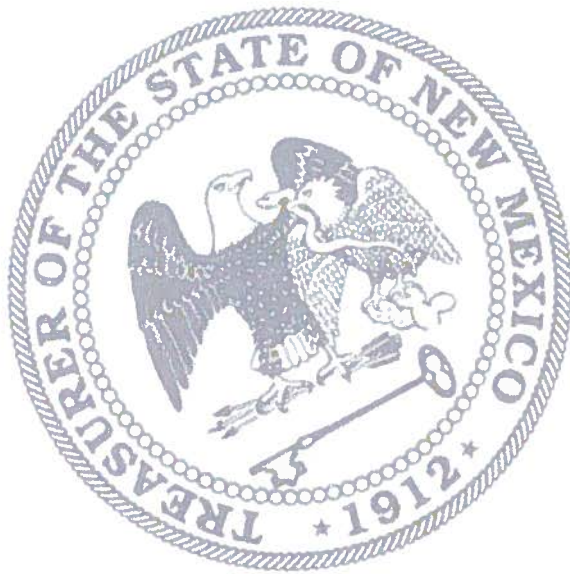
### ***Transaction Variances and Inter-Portfolio Transactions***

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

There were no inter-portfolio trades during the month.

There were several instances of inter-fund borrowing of cash balances between portfolios. STO personnel are working to develop transaction procedures regarding inter-fund borrowing and ensure that such borrowing between accounts is minimized and well documented.



## 5. Portfolio Summary- General Fund and Cash Projection

## **Portfolio Summary – General Fund**

### *Summary*

- The General Fund (Liquidity and Core Portfolios) closed the month of January at \$1.8 Billion, unchanged from December.
- Average Collected Balance at our Fiscal Agent bank was \$121 Million for the month of January.

### *Portfolio Mix*

- At month end, 99% of the General Fund Core portfolio was invested in fixed income securities; 34% in Treasury securities; 65% in Agency and Government-related securities; 1% in Municipal Bonds, and the balance in Cash.
- 17% of the portfolio is invested in securities that mature in one year; 17% in securities that mature from 1-2 years; 46% in 2-4 years and 20% invested in securities that mature within 5 years.
- The General Fund Core portfolio held positions in 72 securities at the end of January.
- The Weighted Average Life of the CORE portion of the general fund is 2.6 years. The Weighted Average duration is 2.6 years.
- The benchmark duration for the CORE portfolio is 2.2 years.
- The maximum security term for the CORE portfolio is 5 years.

### *Performance*

- For January, the general fund underperformed its benchmark by 2 basis points (0.02%). The general fund lost 0.12% while the benchmark lost 0.10%.
- For the last quarter, the general fund outperformed its benchmark by 1 basis point (0.01%). The general fund gained 0.06% while the benchmark gained 0.05%.
- For the last 12-months, the general fund outperformed its benchmark by 54 basis points (0.54%). The general fund gained 0.95% while the benchmark gained 0.40%.

### *Market Value and Investment Earnings*

- Unrealized gains in the Core Portfolio at the end of January were \$0.2 million.
- Over the month, the unrealized gains decreased by \$10 Million due to higher rates in the secondary market.
- Monthly Earnings for January on the General Fund Portfolios were \$0.9 million.
- Year-to-date earnings were over \$8.3 million.
- Earnings on the General Fund are used to offset General Fund Spending.

### *Investment Highlights*

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

### *Compensating Balances at Fiscal Agent Bank*

---

During January, STO maintained Average Daily Collected Balances at the Fiscal Agent Bank of approximately \$121 million. This balance earned a “soft-dollar” credit against processing fees assessed by the bank.

In December, the CIO in conjunction with the State Cash Manager targeted an overnight balance target of \$125MM at the fiscal agent bank. Maintenance of higher cash balances at the fiscal agent will decrease general fund returns.

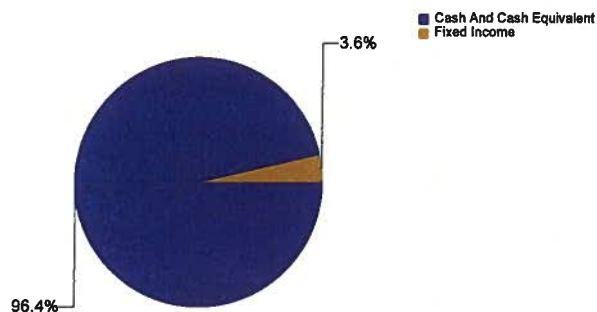
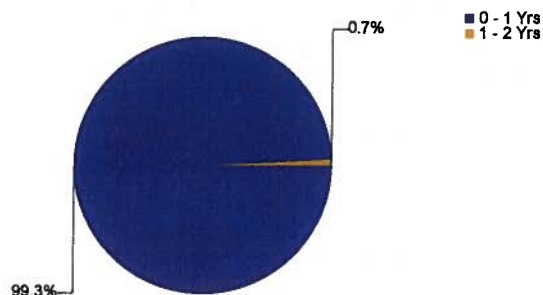
#### **Fiscal Agent Bank Summary:**

Average Collected Balance	\$121,094,356
Earnings Credit Rate	0.50%
Estimated Monthly Earnings	\$50,455
Estimated Fiscal Year Earnings	\$233,602

#### Portfolio Characteristics

#### Duration Mix

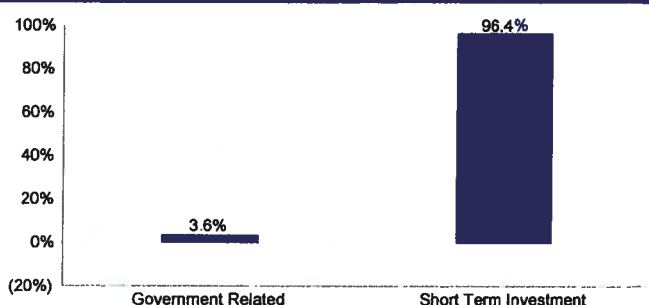
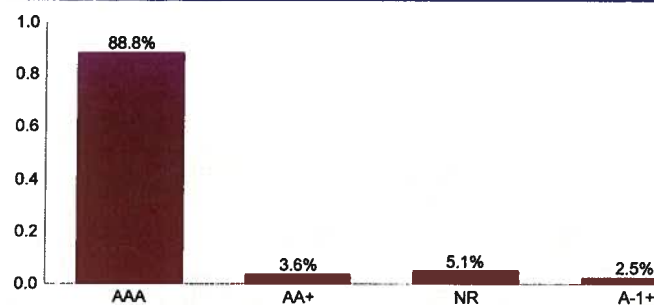
**Total Net Assets (Millions)** 549.6  
**Weighted Average Life (Years)** 0.07  
**Weighted Avg. Effective Duration (Years)** 0.07  
**Weighted Average Coupon (%)** 0.22  
**Weighted Average Current Yield (%)** 0.22  
**Weighted Average Yield to Maturity (%)** 0.22  
**Weighted Average Rating** AA+  
**Number of Holdings** 24



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
99D310088	REPO MITSUBISHI UFJ SECURITIES (USA), INC.	8.92%	0.23	1/2/2013
99D310089	REPO MITSUBISHI UFJ SECURITIES (USA), INC.	8.92%	0.23	1/2/2013
99D310070	REPO MITSUBISHI UFJ SECURITIES (USA), INC.	8.84%	0.23	1/2/2013
99D310072	REPO MITSUBISHI UFJ SECURITIES (USA), INC.	8.84%	0.23	1/2/2013
99D310071	REPO MITSUBISHI UFJ SECURITIES (USA), INC.	8.84%	0.23	1/2/2013
99D310073	REPO MITSUBISHI UFJ SECURITIES (USA), INC.	8.84%	0.23	1/2/2013
99D310067	REPO MITSUBISHI UFJ SECURITIES (USA), INC.	4.74%	0.23	1/2/2013
99D310080	REPO NOMURA SECURITIES/FIXED INCOME 31/JAN/2013Q	4.69%	0.19	1/2/2013
99D310082	REPO NOMURA SECURITIES/FIXED INCOME 31/JAN/2013O	4.69%	0.19	1/2/2013
99D310079	REPO NOMURA SECURITIES/FIXED INCOME 31/JAN/2013R	4.69%	0.19	1/2/2013
99D310081	REPO NOMURA SECURITIES/FIXED INCOME 31/JAN/2013P	4.69%	0.19	1/2/2013
99D310083	REPO NOMURA SECURITIES/FIXED INCOME 31/JAN/2013N	4.69%	0.19	1/2/2013

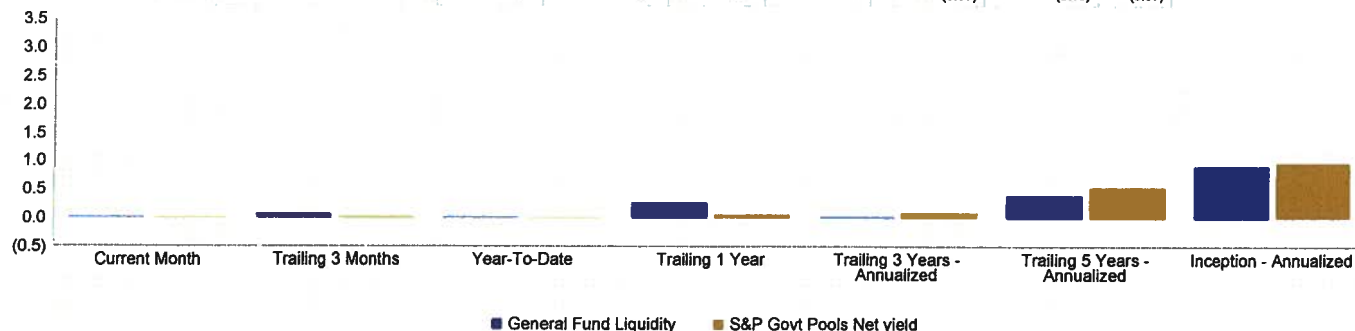
#### Quality/Rating Weightings

#### Sector Weightings (as % of Market Value)



#### Returns Series

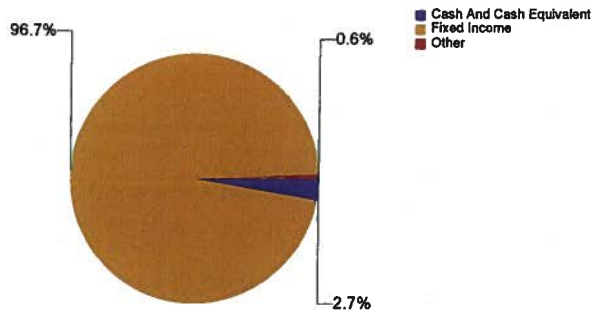
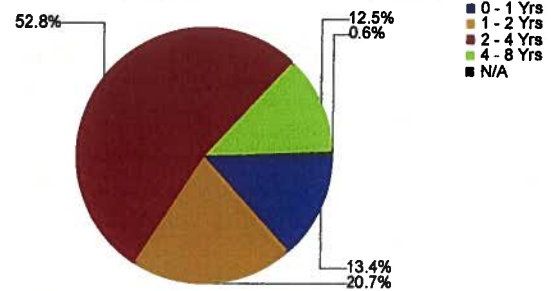
	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
General Fund Liquidity	0.01	0.08	0.01	0.26	0.02	0.39	0.90
S&P Govt Pools Net yield	0.00	0.02	0.00	0.06	0.09	0.53	0.98
Excess	0.01	0.04	0.01	0.19	(0.07)	(0.15)	(0.07)



Portfolio Characteristics

Duration Mix

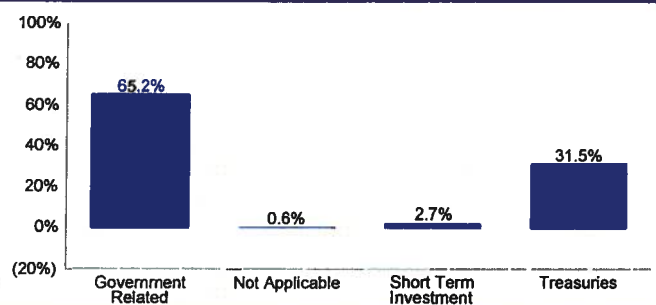
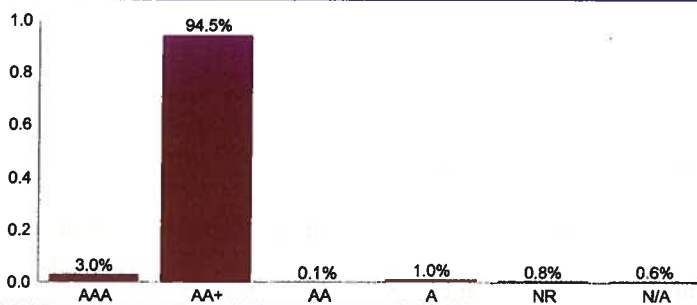
Total Net Assets (Millions) 1,326.1  
Weighted Average Life (Years) 2.60  
Weighted Avg. Effective Duration (Years) 2.55  
Weighted Average Coupon (%) 1.61  
Weighted Average Current Yield (%) 0.48  
Weighted Average Yield to Maturity (%) 0.48  
Weighted Average Rating AA+  
Number of Holdings 72



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
3135G0LN1	FEDERAL NATIONAL MORTGAGE ASSOC 0.5% NTS	4.57%	0.50	2/7/2015
3137EACW7	FED HOME LOAN MTG 2% BDS 25/AUG/2016 USD1000	3.21%	2.00	25/8/2016
912828KF6	US 1.87500 '14	3.11%	1.88	28/2/2014
3135G0GY3	FEDERAL NATIONAL MORTGAGE ASSOC 1.25% MTG BDS	3.09%	1.25	30/1/2017
912828SJ0	US 0.87500 '17	3.07%	0.88	28/2/2017
3135G0SB0	FEDERAL NATIONAL MORTGAGE ASSOC 0.375% BDS	3.03%	0.38	21/12/2015
3135G0BA0	FEDERAL NATIONAL MORTGAGE ASSOC 2.375% NTS	2.87%	2.38	11/4/2016
3135G0PQ0	FEDERAL NATIONAL MORTGAGE ASSOC 0% BDS 26/OCT/2017	2.86%	0.88	26/10/2017
31359M2D4	FEDERAL NATIONAL MORTGAGE ASSOC 4.875% BDS	2.65%	4.88	15/12/2016
313378UF0	FEDERAL HOME LOAN BANKS 0.375% BDS 29/JAN/2014	2.28%	0.38	29/1/2014

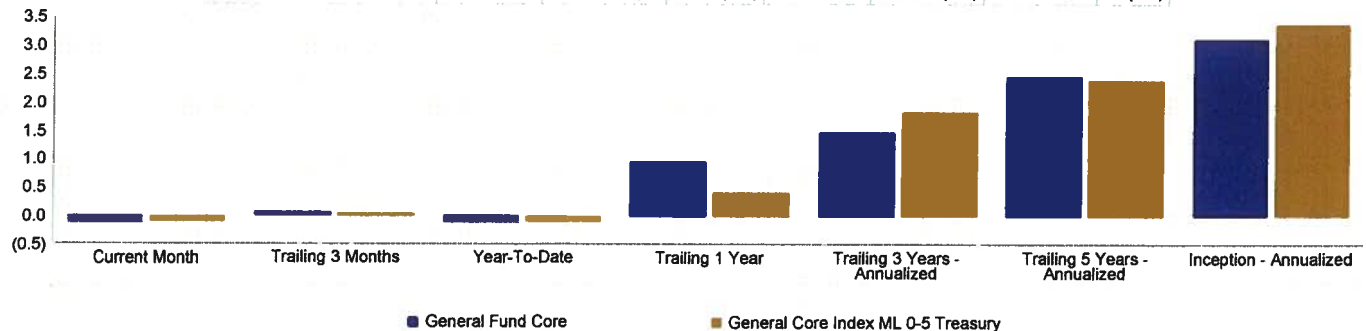
Quality/Rating Weightings

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 Core	(0.12)	0.08	(0.12)	0.95	1.48	2.45	3.13
General Core Index ML 0-5 Treasury	(0.10)	0.05	(0.10)	0.40	1.83	2.39	3.40
Excess	(0.02)	0.01	(0.02)	0.54	(0.36)	0.05	(0.27)





# STATE OF NEW MEXICO

## GENERAL FUND (1000)

### Portfolio Classification Summary

Positions Held as of 12/31/12

TXN BASIS: SETTLEMENT  
MKT-SOURCE: IDC-PREFERRED+  
AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	2	.5990	.00550	502,012,472	502,012,472	502,012,472		91.318
CERTIFICATES OF DEPOSIT	7	.4131	.64751	25,750,000	25,750,000	25,750,000		4.684
LINKED-CERTIFICATE OF DEPOSIT	1	.4000	.29320	2,000,000	2,000,000	2,000,000		.364
AGENCY US VARIABLE ACT/360 4X	1	.1525	1.06300	20,000,000	19,997,000	19,976,200	-20,800	3.634
	11	.5733	.07509	549,762,472	549,759,472	549,738,672	-20,800	100.000

# STATE OF NEW MEXICO

## GENERAL FUND CORE (1001)

### Portfolio Classification Summary

Positions Held as of 12/31/12

TXN BASIS: SETTLEMENT  
MKT-SOURCE: IDC-PREFERRED+  
AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.4563	.00550	3,112,659	3,112,659	3,112,659		.235
CERTIFICATES OF DEPOSIT	1	.5500	1.78900	10,000,000	10,000,000	10,000,000		.756
U.S. TREASURY BONDS	1	.3822	2.87400	15,000,000	19,060,544	19,062,900	2,356	1.442
US TREASURY NOTE ACT/ACT 2X	21	.8223	2.50159	425,600,000	428,915,553	432,438,121	3,522,568	32.703
AGENCY US BOND 30/360 2X	6	.5857	2.60746	123,000,000	124,512,620	125,058,410	545,790	9.458
AGENCY 30/360 2X	1	.9125	3.43840	25,000,000	25,000,000	25,426,000	426,000	1.923
AGENCY US NOTES 30/360 2X	24	.8718	3.15809	494,910,000	513,121,733	517,421,389	4,299,656	39.130
FED NATL MORTGAGE ASSN DEBS	6	.7244	2.63679	165,000,000	165,400,350	166,636,100	1,235,750	12.602
MUNI US 30/360 2X	7	.6106	.81046	20,600,000	20,789,046	20,828,112	39,066	1.575
MUNICIPAL BOND REVENUE	4	.3449	.63351	2,280,000	2,305,554	2,303,357	-2,197	.174
UNITS - INVESTMENT POOL 1	1			1,299	1,299	1,299		
CASH ACCOUNT	1			30,694	30,694	30,694		.002
	<u>74</u>	<u>.7950</u>	<u>2.76259</u>	<u>1,284,534,652</u>	<u>1,312,250,052</u>	<u>1,322,319,041</u>	<u>10,068,989</u>	<u>100.000</u>

SOURCE: VisualQED

MODEL: INVENTORY

USER: WRIGHT

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BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)

AS-OF: 12/31/12

AMRTZD: BOOK VALUES AMORTIZED THROUGH 12/31/12

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PAGE: 8

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
148,712,472	OVERNIGHT REPO	0102RP	.450	1/02/13	.456	100.000000074	148,712,472.11	148,712,472.11
353,300,000	OVERNIGHT REPO	0102RP	.650	1/02/13	.659	100.000000000	353,300,000.00	353,300,000.00
250,000	GUADALUPE CREDIT UNION	735605	.750	3/26/13	.750	100.000000000	250,000.00	250,000.00
8,000,000	CENTURY BANK SANTA FE	17099245	.400	3/28/13	.400	100.000000000	8,000,000.00	8,000,000.00
2,000,000	MY BANK BELEN	63000023	.400	4/17/13	.400	100.000000000	2,000,000.00	2,000,000.00
500,000	WESTERN BANK CLOVIS	15955	.300	6/06/13	.300	100.000000000	500,000.00	500,000.00
8,000,000	CENTURY BAN SANTA FE	17099247	.350	6/28/13	.350	100.000000000	8,000,000.00	8,000,000.00
5,000,000	FIRST NATIONAL BANK SANTA FE	10336906	.400	10/15/13	.400	100.000000000	5,000,000.00	5,000,000.00
525,762,472					.013		525,762,472.11	525,762,472.11

==> 0008 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2013 <==

20,000,000	FEDERAL HOME LOAN BANKS	3133804M	.273	1/23/14	.152	99.985456800	19,997,091.36	19,976,200.00
2,000,000	UNION SAVINGS BANK	00156000	.600	8/27/14	.600	100.000000000	2,000,000.00	2,000,000.00
2,000,000	Bank 34	01010047	.550	8/28/14	.550	100.000000000	2,000,000.00	2,000,000.00
24,000,000					.287		23,997,091.36	23,976,200.00

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

549,762,472					.013		549,759,563.47	549,738,672.11
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==> 0011 ITEMS IN SUBTOTAL FOR ==> FUND-NAME..... ==> GENERAL FUND <==

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 USER: WRIGHT  
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STATE OF NEW MEXICO  
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BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)  
 AS-OF: 12/31/12

AMRTZD: BOOK VALUES AMORTIZED THROUGH 12/31/12

PAGE: 9

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
30,694	CASH KEY	CASHCASH				1.000000000	30,694.44	30,694.00
1,299	UNITS - INVESTMENT POOL 1	UNITS001				1.000161663	1,299.21	1,299.00
31,993					215.53		31,993.65	31,993.00

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

3,112,659	OVERNIGHT REPO	0102RP	.450	1/02/13	.456	99.999985222	3,112,658.54	3,112,658.54
2,000,000	NEW MEXICO FIN AUTH REV	64711NNV	2.000	6/01/13	1.014	100.414246000	2,008,284.92	2,010,320.00
3,605,000	NEW MEXICO FIN AUTH REV	64711NPA	2.000	6/01/13	.356	100.685836616	3,629,724.41	3,630,271.05
1,285,000	UNIVERSITY OF NM-REFUNDING	914692N2	2.000	6/01/13	.305	100.706821012	1,294,082.65	1,292,684.30
500,000	NMFA SERIES B1	64711NLW	2.000	6/01/13	.305	100.706822000	503,534.11	503,710.00
10,000,000	FEDERAL HOME LOAN BANKS	3133XXYX	1.875	6/21/13	.851	100.487086100	10,048,708.61	10,081,900.00
7,525,000	ALBUQUERQUE NM 2012C	ABQ2012C	.290	7/01/13	.294	100.000000000	7,525,000.00	7,525,000.00
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135GOBR	.500	8/09/13	.588	99.951650100	19,990,330.02	20,038,600.00
10,000,000	UNITED STATES TREASURY NOTES	912828NY	.750	9/15/13	.541	100.146049300	10,014,604.93	10,041,800.00
10,000,000	FEDERAL HOME LOAN BANKS	313371UC	.875	12/27/13	1.110	99.784179200	9,978,417.92	10,068,400.00
10,000,000	UNITED STATES TREASURY NOTES	912828RW	.125	12/31/13	.233	99.892485700	9,989,248.57	9,993,800.00
78,027,659					.088		78,094,594.68	78,299,143.89

==> 0011 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2013 <==

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AS-OF: 12/31/12

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T R E A S U R E R ' S   O F F I C E

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POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
13,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MTP	5.125	1/02/14	.828	104.293562077	13,558,163.07	13,634,140.00
30,000,000	FED HOME LOAN BANKS	313376UF	.375	1/29/14	.323	100.060184367	30,018,055.31	30,059,100.00
20,000,000	UNITED STATES TREASURY NOTES	912828JZ	1.750	1/31/14	.666	101.166025200	20,233,205.04	20,333,600.00
20,000,000	UNITED STATES TREASURY NOTES	912828QH	1.250	2/15/14	1.413	99.818737100	19,963,747.42	20,232,000.00
40,000,000	UNITED STATES TREASURY NOTES	912828KF	1.875	2/28/14	1.048	100.950684425	40,380,273.77	40,770,400.00
15,000,000	UNITED STATES TREASURY NOTES	912828KJ	1.750	3/31/14	.729	101.262206533	15,189,330.98	15,285,300.00
20,000,000	UNITED STATES TREAS NTS	912828SL	.250	3/31/14	.262	99.985079550	19,997,015.91	20,009,400.00
20,000,000	UNITED STATES TREASURY NOTES	912828KN	1.875	4/30/14	1.476	100.522313100	20,104,462.62	20,438,200.00
20,000,000	UNITED STATES TREASURY NOTES	912828KV	2.250	5/31/14	1.509	101.030830600	20,206,166.12	20,568,800.00
3,060,000	NEW MEXICO FIN AUTH REV	64711NNW	3.000	6/01/14	1.490	102.136560784	3,125,378.76	3,153,758.40
3,615,000	NEW MEXICO FIN AUTH REV	64711NPB	2.000	6/01/14	.456	102.186242047	3,694,032.65	3,698,361.90
770,000	NEW MEXICO FIN AUTH REV	64711NPX	2.000	6/01/14	1.014	101.402853247	780,801.97	784,545.30
165,000	UNIVERSITY OF NM-REFUNDING	914692Q6	3.000	6/01/14	.487	103.553393939	170,863.10	170,527.50
330,000	UNIVERSITY OF NM-REFUNDING	914692N3	2.000	6/01/14	.487	102.143300000	337,072.89	336,435.00
20,000,000	UNITED STATES TREASURY NOTES	912828QS	.750	6/15/14	.771	99.969648100	19,993,929.62	20,155,400.00
15,000,000	UNITED STATES TREAS NTS	912828LC	2.625	7/31/14	1.513	101.730640067	15,259,596.01	15,564,300.00
20,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0BY	.875	8/28/14	.457	100.699618150	20,139,923.63	20,201,400.00
10,000,000	FIRST NATIONAL BANK SANTA FE	01033690	.550	10/15/14	.550	100.000000000	10,000,000.00	10,000,000.00
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACY	.750	11/25/14	.772	99.979175600	9,997,917.56	10,090,800.00
7,000,000	UNITED STATES TREASURY NOTES	912828TZ	.250	11/30/14	.238	100.022868572	7,001,600.80	7,000,280.00
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADA	.625	12/29/14	.364	100.528152200	20,105,630.44	20,129,200.00
307,940,000					.022		310,257,167.67	312,615,948.10

====> 0021 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2014 <===

SOURCE: VisualQED

MODEL: INVENTORY

USER: WRIGHT

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BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)

AS-OF: 12/31/12

AMRTZD: BOOK VALUES AMORTIZED THROUGH 12/31/12

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

PAGE: 11

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
20,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0HG	.375	3/16/15	.541	99.651338900	19,930,267.78	20,026,600.00
20,000,000	UNITED STATES TREAS NTS	912828SP	.375	4/15/15	.387	99.972674250	19,994,534.85	20,036,000.00
60,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0LN	.500	7/02/15	.511	99.990062467	59,994,037.48	60,208,800.00
10,500,000	UNITED STATES TREASURY NOTES	912828TD	.250	7/15/15	.320	99.823190286	10,481,434.98	10,482,780.00
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134A4VC	4.375	7/17/15	.965	108.584402400	21,716,880.48	22,027,600.00
25,000	SOUTHERN SANDOVAL CNTY N MEX A	843789FH	2.000	8/01/15	.710	103.322160000	25,830.54	25,856.25
20,150,000	UNITED STATES TREAS NTS	912828EE	4.250	8/15/15	.346	110.181984367	22,201,669.85	22,201,270.00
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136FR3F	.950	9/08/15	.963	100.000000000	20,000,000.00	20,024,600.00
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACM	1.750	9/10/15	1.015	101.983729400	20,396,745.88	20,732,800.00
14,250,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0NV	.500	9/28/15	.503	100.010801754	14,251,539.25	14,294,887.50
15,000,000	UNITED STATES TREASURY BONDS	912810DT	9.875	11/15/15	.382	127.071052600	19,060,657.89	19,062,900.00
13,000,000	FEDERAL HOME LOAN BANKS	313380L9	.500	11/20/15	.432	100.211993539	13,027,559.16	13,049,010.00
40,000,000	FNMA	3135G0SB	.375	12/21/15	.439	99.828889000	39,931,555.60	39,950,400.00
11,660,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3EG	1.150	12/30/15	1.166	100.000000000	11,660,000.00	11,751,531.00
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3FA	1.100	12/30/15	1.115	100.000000000	10,000,000.00	10,068,400.00
294,585,000					.023		302,672,713.74	303,943,434.75

====> 0015 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2015 <===

20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MH8	5.000	3/15/16	1.026	112.545891550	22,509,178.31	22,887,000.00
35,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0BA	2.375	4/11/16	.804	105.108062197	37,313,362.08	37,729,755.00
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACT	2.500	5/27/16	1.095	104.734980950	20,946,996.19	21,339,000.00
25,000,000	FEDERAL AGRICULTURAL MORTG CORP	31315PB7	.900	6/09/16	.913	100.000000000	25,000,000.00	25,426,000.00
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MS6	5.375	7/15/16	1.142	114.700021100	22,940,004.22	23,389,800.00

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AS-OF: 12/31/12

AMRTZD: BOOK VALUES AMORTIZED THROUGH 12/31/12

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

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POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
40,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	.844	104.190103175	41,676,041.27	42,097,600.00
20,000,000	UNITED STATES TREASURY NOTES	912828RF	1.000	8/31/16	.929	100.254673050	20,050,934.61	20,381,200.00
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0CM	1.250	9/28/16	1.218	100.178291750	20,035,658.35	20,518,800.00
30,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359M2D	4.875	12/15/16	.582	116.797057567	35,039,117.27	34,953,900.00
10,000,000	FEDERAL HOME LOAN BANKS	3133XHZK	4.750	12/16/16	.704	115.809130600	11,580,913.06	11,599,100.00
25,000,000	UNITED STATES TREAS NTS	912828RX	.875	12/31/16	.776	100.388905040	25,097,226.26	25,343,750.00
-----								
265,500,000					.024		282,189,431.62	285,665,905.00

====&gt; 0011 ITEMS IN SUBTOTAL FOR ==&gt; FINAL-MATURITY.. ==&gt; 2016 &lt;===

15,000,000	FED NATL MORTGAGE ASSN DEBS	3136FTYG	1.000	1/30/17	1.026	99.951978467	14,992,796.77	15,009,600.00
40,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0GY	1.250	1/30/17	1.069	100.780599850	40,312,239.94	41,006,800.00
20,000,000	UNITED STATES TREAS NTS	912828SC	.875	1/31/17	.846	100.115976700	20,023,195.34	20,265,600.00
20,000,000	FEDERAL HOME LOAN BANK	3133786Q	1.000	2/13/17	1.044	99.879155650	19,975,831.13	20,332,400.00
40,000,000	UNITED STATES TREAS NTS	912828SJ	.875	2/28/17	.872	100.012023550	40,004,809.42	40,525,200.00
20,000,000	FED HOME LOAN MORTGAGE CORP DBS	3137EADC	1.000	3/08/17	1.121	99.567232400	19,913,446.48	20,255,000.00
10,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0JA	1.125	4/27/17	1.064	100.319995800	10,031,999.58	10,182,900.00
20,000,000	FEDERAL HOME LN MTG CORP	3137EADH	1.000	6/29/17	.934	100.347018150	20,069,403.63	20,248,400.00
25,500,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADJ	1.000	7/28/17	.932	100.361932667	25,592,292.83	25,756,275.00
17,950,000	UNITED STATES TREASURY NOTES	912828TG	.500	7/31/17	.654	99.305972591	17,825,422.08	17,841,941.00
25,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0MZ	.875	8/28/17	.799	100.396973040	25,099,243.26	25,072,000.00
35,000,000	UNITED STATES TREASURY NOTES	912828TM	.625	8/31/17	.685	99.725149000	34,903,802.15	34,967,100.00
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADL	1.000	9/29/17	.900	100.518935200	15,077,840.28	15,157,650.00
35,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0PQ	.875	10/26/17	.776	100.519317743	35,181,761.21	35,141,750.00
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338,450,000					.020		339,004,084.10	341,762,616.00

SOURCE: VisualQED  
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 AMRTZD: BOOK VALUES AMORTIZED THROUGH 12/31/12

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POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
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==> 0014 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2017 <==

1284534652					.005		1312249985.46	1322319040.74
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==> 0074 ITEMS IN SUBTOTAL FOR ==> FUND-NAME..... ==> GENERAL FUND CORE <==

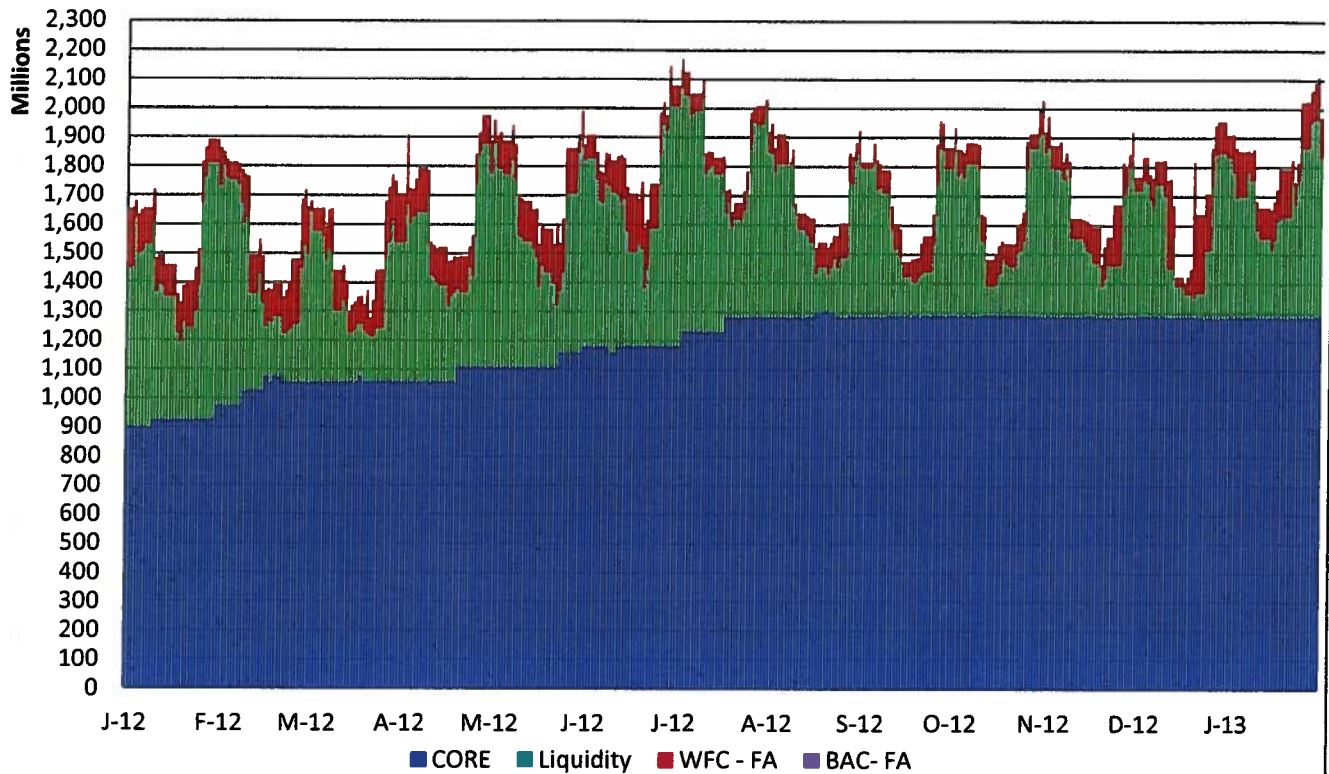


January 31, 2013

# GFIP Cash Flows



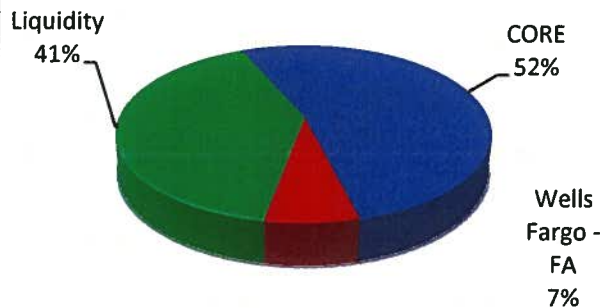
## 1 year - Cash Balances (Liquidity, CORE, & Fiscal Agent Accounts)



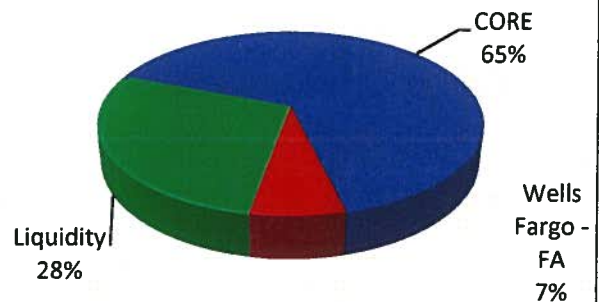
GENERAL FUND	Jan-12	Jan-13	Difference
Liquidity	755,267,183	549,582,486	(205,684,697)
CORE	976,196,382	1,286,906,283	310,709,901
Wells Fargo - FA	126,750,700	132,844,758	6,094,059

1,858,214,265	1,969,333,528	111,119,263
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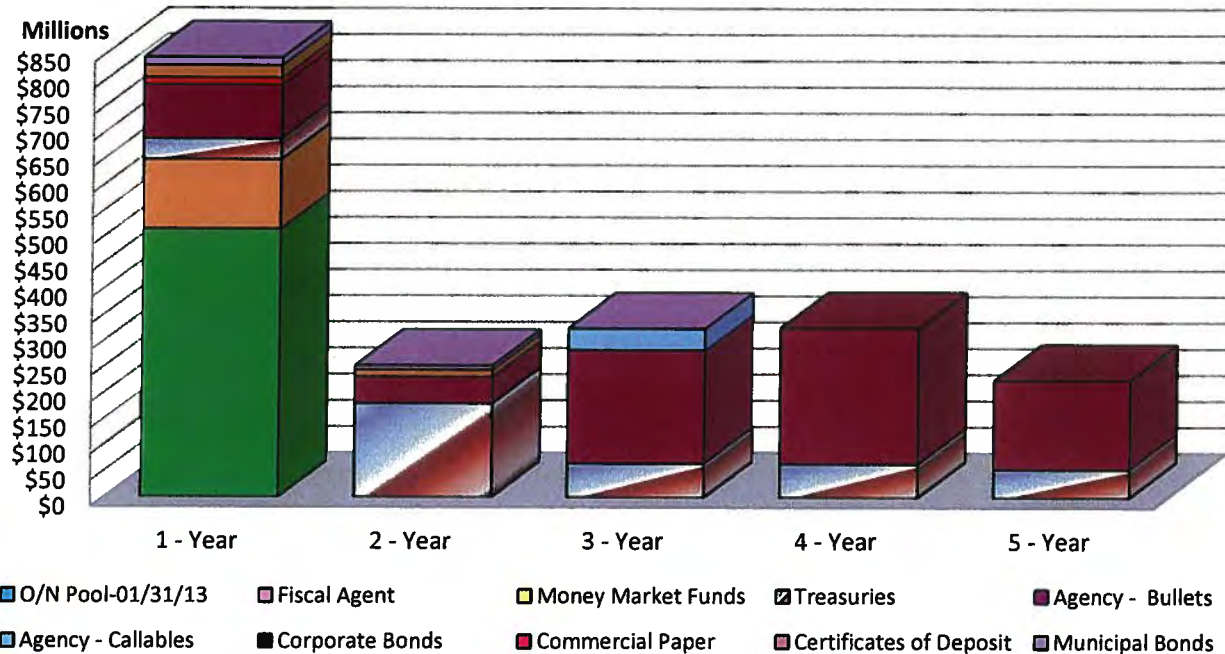
General Fund January 31, 2012



General Fund January 31, 2013

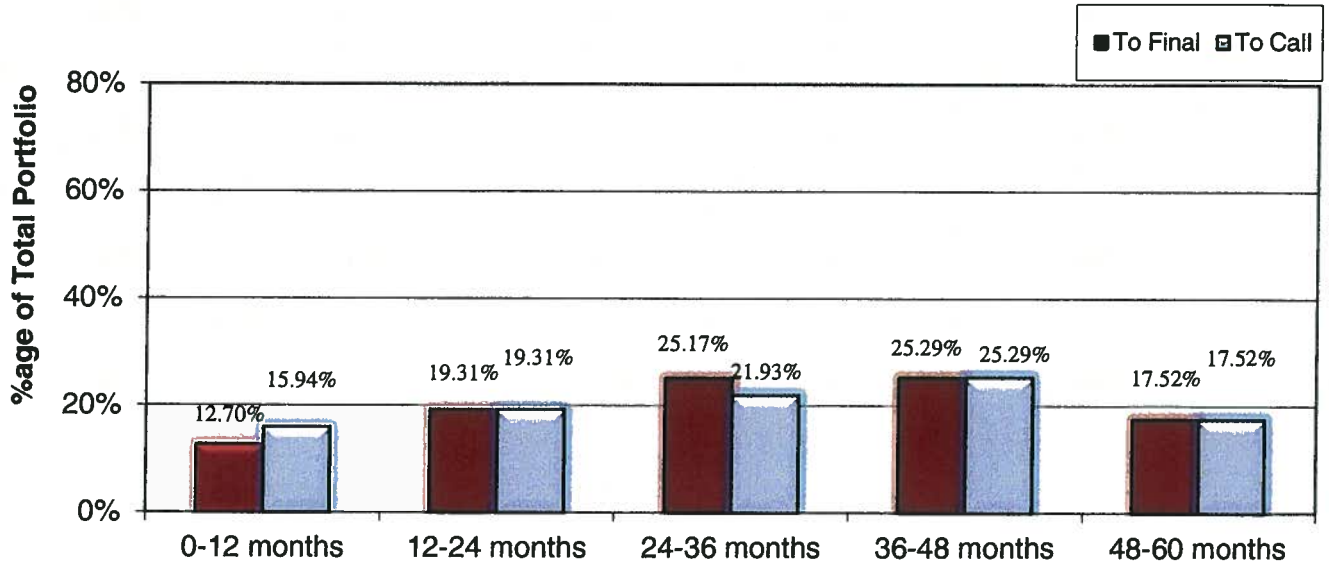


## General Fund Maturity Ladder by Year & Asset Type as of January 31, 2013

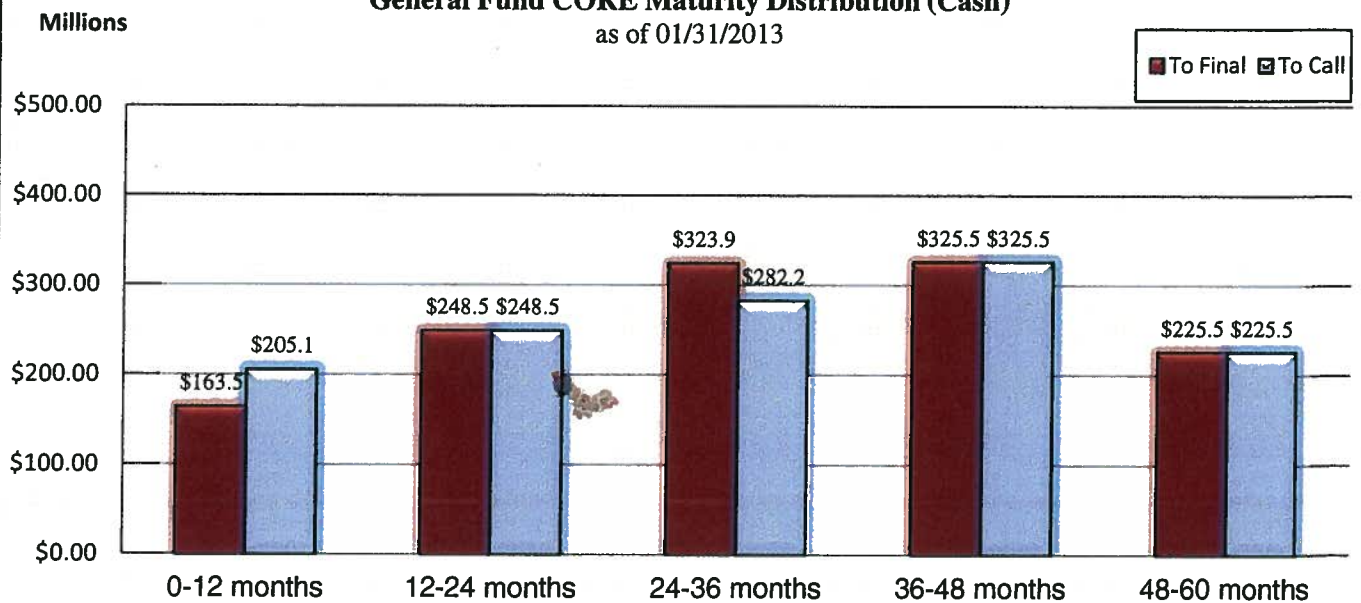


Asset Allocation	1 - Year	2 - Year	3 - Year	4 - Year	5 - Year	Total	%
Agency - Bullets	103,000,000	50,000,000	216,550,000	260,500,000	170,500,000	800,550,000	41%
Agency - Callables			41,660,000			41,660,000	2%
Corporate Bonds						0	0%
Money Market Funds	1,299					1,299	0%
Municipal Bonds	14,915,000	7,940,000	25,000			22,880,000	1%
Certificates of Deposit	23,750,000	14,000,000				37,750,000	2%
Commercial Paper	13,500,000					13,500,000	1%
Treasuries	40,000,000	180,600,000	65,650,000	65,000,000	55,000,000	406,250,000	21%
Fiscal Agent	132,844,758					132,844,758	7%
O/N Pool-01/31/13	513,897,470					513,897,470	26%
<b>Total:</b>	<b>841,908,528</b>	<b>252,540,000</b>	<b>323,885,000</b>	<b>325,500,000</b>	<b>225,500,000</b>	<b>1,969,333,528</b>	<b>100%</b>
<b>% of Total:</b>	<b>43%</b>	<b>13%</b>	<b>16%</b>	<b>17%</b>	<b>11%</b>		

**General Fund CORE, Maturity Distribution**  
as of 01/31/2013



**General Fund CORE Maturity Distribution (Cash)**  
as of 01/31/2013



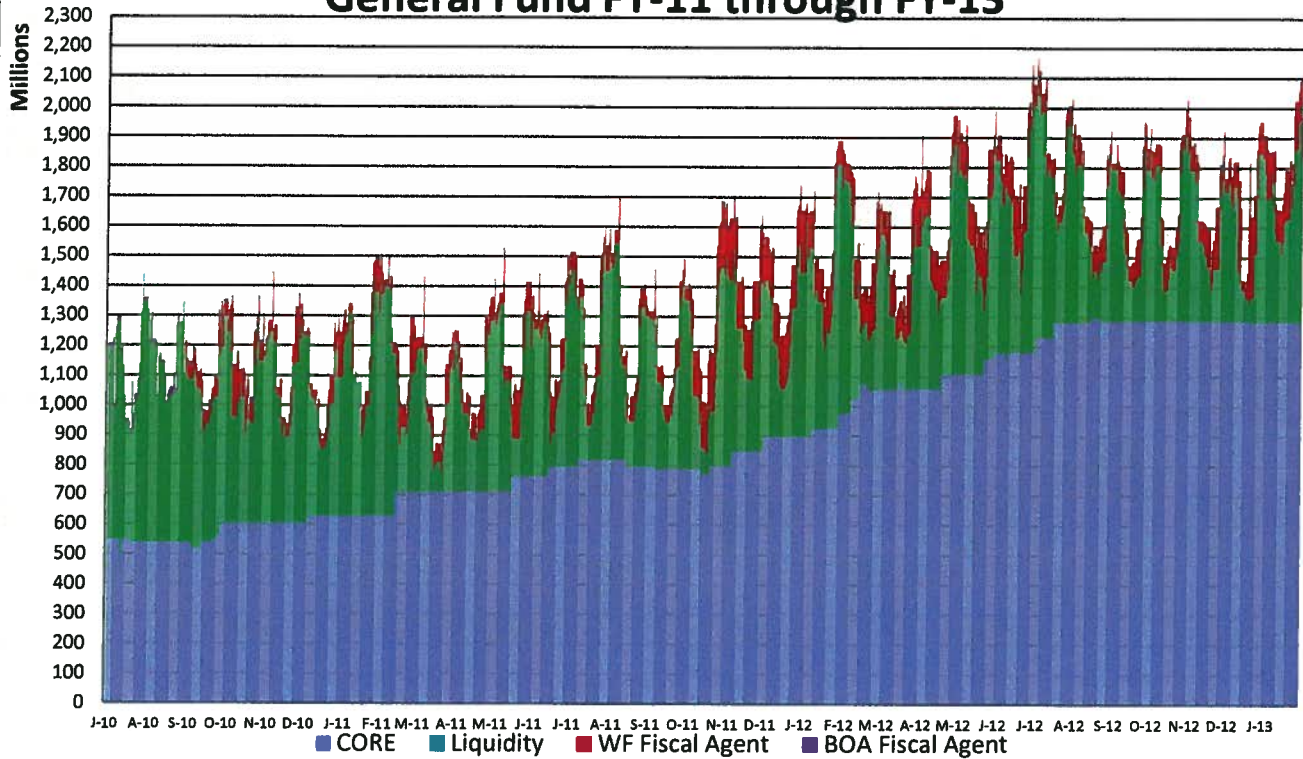


January 31, 2013

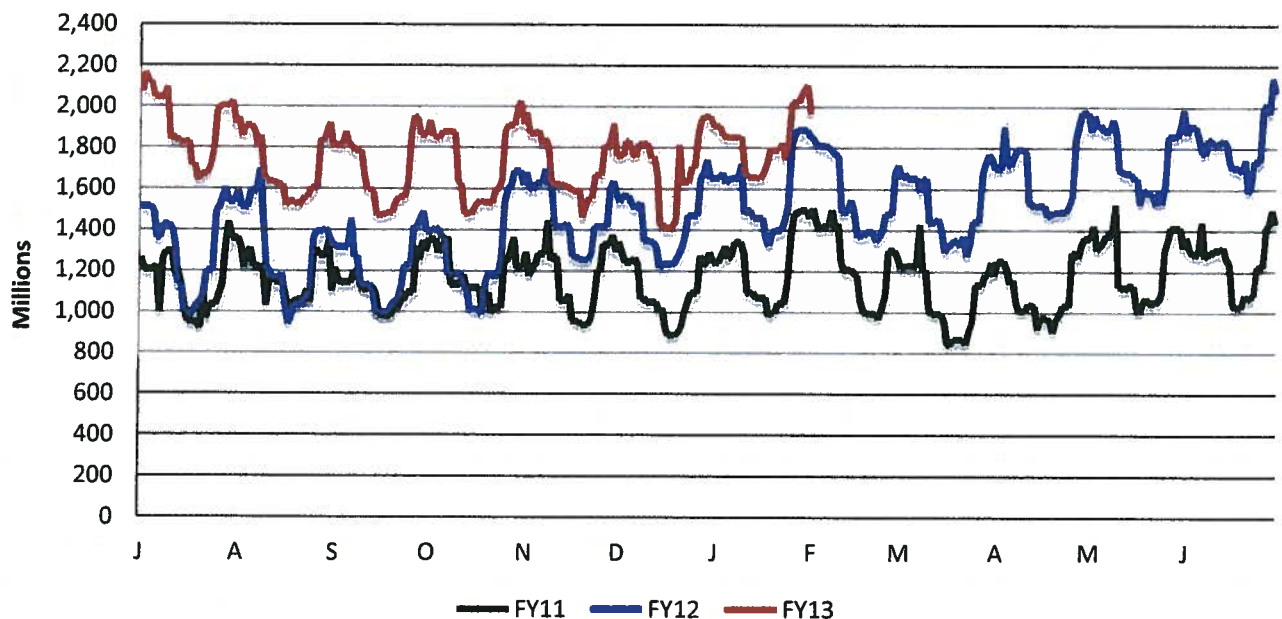
# GFIP Cash Flows

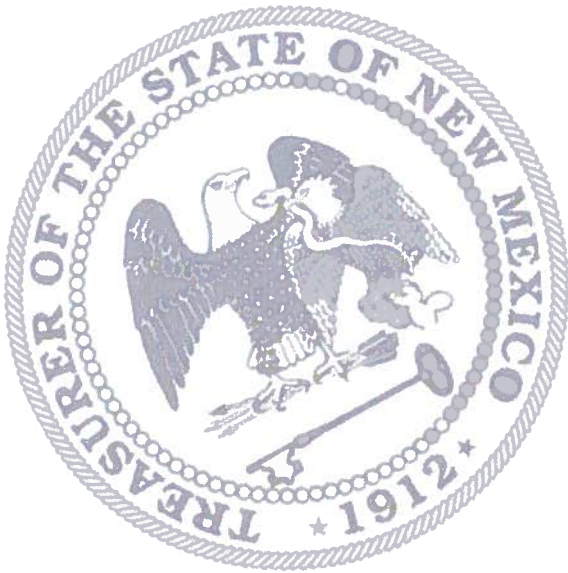


## General Fund FY-11 through FY-13



## General Fund Investment Pool Cash Flow





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

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

### *Summary*

- Ending January market value for the LGIP was \$573mil, higher than the \$558mil reported at the end of December.
- The LGIP maintains an AAAM rating by Standard & Poor's.
- At the end of January the STO LGIP participant balance was \$4,317,762.64 or 0.8% of the Pool.
- At the end of January the Judicial District Court LGIP participant balance was \$4,086,706.58 or 0.7% of the Pool.

### *Portfolio Mix*

- 21% of the portfolio was invested in fixed income securities, 20% in floating rate notes, 1% in Agency discount notes, 30% in collateralized demand deposit accounts with qualified banking institutions, 4% in commercial paper and 24% in a repurchase agreement.
- At month-end, the LGIP held positions in 24 securities.

### *Investment Earnings*

- In January, the fund earned \$88,531 for its participants.
- For Fiscal Year 2013, the fund has earned \$804,084.
- 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 0.181% at the end of January.
- Net yield to participants was 0.131%.

### *Investment Highlights*

- For the LGIP, the WAM(R) of 60 days, and WAM (F) of 99 days, were within their maximums of 60 and 120 days respectively.
- The LGIP experienced net subscriptions of approximately \$15mil during the month of January.
- Maturities for January totaled \$30mil face amount.
- US Treasury repo, collateralized by maturities of less than 397 days, was painfully unattractive during the month of January with overnight rates falling consistently below 0.10%.
- As a result of the lower repo rates, LGIP increased its Bank of the West collateralized deposits to \$118mil at a rate of 0.25%.
- US Bank collateralized deposits were also increased to \$30mil at a rate of 0.10%.
- LGIP utilized high quality commercial paper for overnight investments not to exceed 5% of the total portfolio market value per issuer.
- Straight-A Funding CP was purchased at 0.18-0.19% for three month maturities.

- LGIP purchased \$12mil of a FHLB Federal Funds floating rate note maturing in October 2013 bringing the total floating rate note exposure to almost 20% of the total Pool.
- LGIP purchased \$10mil of a fixed rate FHLMC maturing in October 2013 at 0.15% and \$5.7mil of a FNMA discount note at 0.12% maturing in August 2013 with the main objective of reducing the exposure to very low overnight rates.

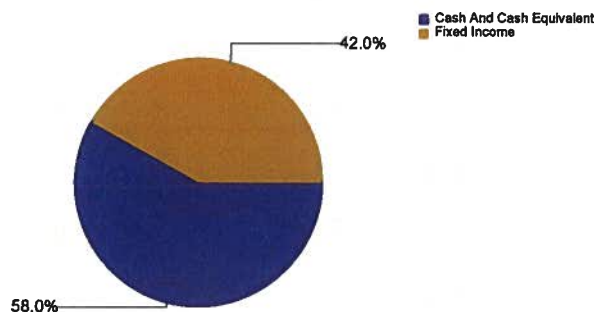
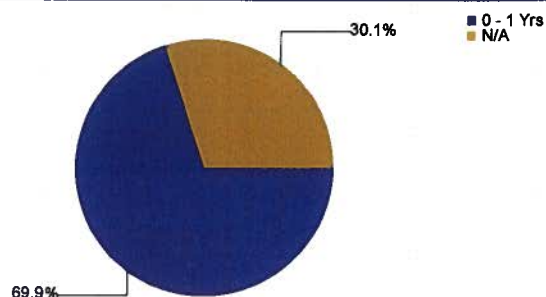
#### *Investment Strategy*

- LGIP WAMs are currently 58 and 95 days for WAM(R) and WAM (F) respectively.
- The LGIP has had net subscriptions of approximately \$10mil in February thus far.
- Maturities have totaled \$9.2mil in February.
- Yields on overnight and short term investments have had a bit of a reprieve from the very low interest rate environment experienced in January; a supply driven increase in yields. The US Treasury has had the need to issue cash management bills (CMBs) to cover temporary shortfalls associated with tax season. The CMBs mature in April 2013 (and will not be reissued) and it appears that the issuance is complete for this cycle; we expect the higher yields will be a short lived phenomenon.
- LGIP has purchased close to \$35.5mil Agency discount notes with two to six month maturities at yields between 0.10% and 0.14%.
- LGIP purchased \$34mil of a UST Bill (CMB) maturing April 25, 2013 as they were initially priced attractively vs. similar maturity Agency discount notes.
- LGIP has utilized UST Bills and Agency discount notes to diversify the portfolio away from concentrations in collateralized bank deposits and to reduce the reliance on overnight repos. We expect that the very low sub-0.10% repo rates will return once the temporary supply of CMBs is absorbed.
- LGIP will continue to focus on maximizing safety of principal and providing adequate liquidity through the use of conservative investments.

#### Portfolio Characteristics

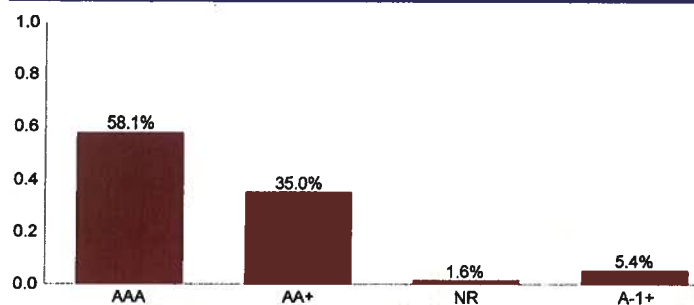
Total Net Assets (Millions)	573.3
Weighted Average Life (Years)	0.26
Weighted Avg. Effective Duration (Years)	0.26
Weighted Average Coupon (%)	0.16
Weighted Average Current Yield (%)	0.11
Weighted Average Yield to Maturity (%)	0.11
Weighted Average Rating	AA+
Number of Holdings	26

#### Duration Mix

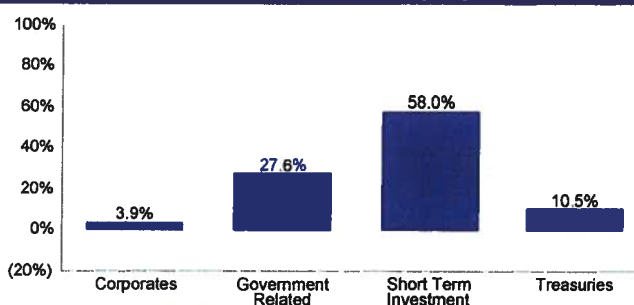


Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
89499LC10	BANK OF THE WEST	20.86%	0.00	1/2/2013
31331KF62	FEDERAL FARM CR BKS CONS BD FLT 13 12/JUN/2013	8.72%	0.18	12/6/2013
99D310029	REPO DEUTSCHE BANK SECURITIES INC. 31/JAN/2013DBB	8.70%	0.13	1/2/2013
99D310030	REPO DEUTSCHE BANK SECURITIES INC. 31/JAN/2013DB	8.70%	0.13	1/2/2013
99D310028	REPO DEUTSCHE BANK SECURITIES INC. 31/JAN/2013DBC	8.14%	0.13	1/2/2013
89499LC38	US BANK	5.25%	0.00	1/2/2013
894993C02	WELLS FARGO CHECKING 0.15% 31/DEC/2049	3.77%	0.15	1/2/2013
45950VB2	INTL FINANCE CORP 1.5% MTN 20/MAY/2013 USD (SE	3.50%	1.50	20/5/2013
912828RN2	UNITED STATES TREAS NTS 0.250% 31/OCT/2013	3.49%	0.25	31/10/2013
912828RS1	UNITED STATES TREAS NTS 0.25% 30/NOV/2013	3.49%	0.25	30/11/2013

#### Quality/Rating Weightings

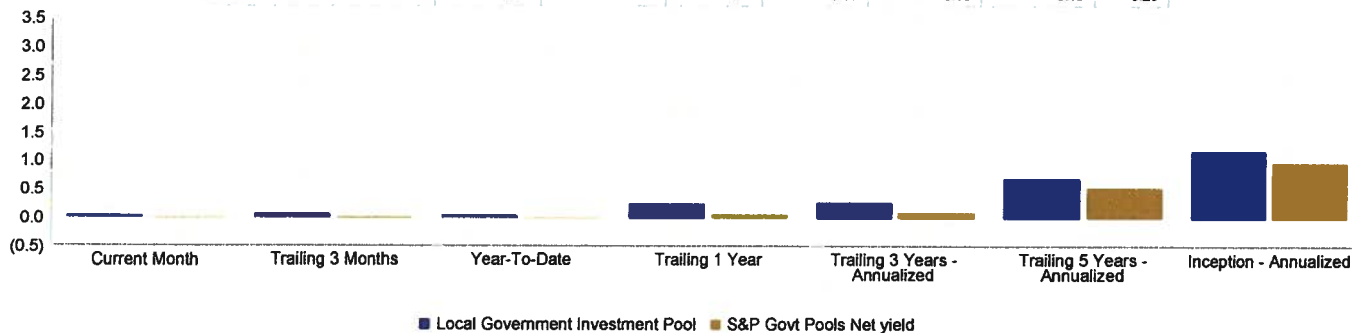


#### Sector Weightings (as % of Market Value)



#### Returns Series

	Current Month	Trailing 3 Months	Years-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Local Government Investment Pool	0.03	0.06	0.03	0.23	0.27	0.68	1.18
S&P Govt Pools Net yield	0.00	0.02	0.00	0.06	0.09	0.53	0.98
Excess	0.03	0.04	0.03	0.16	0.18	0.15	0.20





# STATE OF NEW MEXICO

## LGIP FUND (4101)

### Portfolio Classification Summary

Positions Held as of 12/31/12

TXN BASIS: SETTLEMENT  
MKT-SOURCE: IDC-PREFERRED+  
AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	6	.1795	.00900	250,000,000	250,000,000	250,000,000		44.406
US TREASURY NOTE ACT/ACT 2X	3	.2022	.83197	60,000,000	60,005,055	60,019,000	13,945	10.661
AGENCY US BOND 30/360 2X	3	.2253	.55252	29,450,000	29,437,847	29,445,074	7,227	5.230
AGENCY US VARIABLE ACT/360 4X	4	.1568	.72081	98,200,000	98,214,433	98,166,062	-48,371	17.437
CORP US FLOAT ACT/360 4X	1	.3706	.38900	2,250,000	2,250,867	2,250,867		.400
MEDIUM-TERM NOTES	1	.3042	.38360	20,000,000	20,000,000	20,099,000	99,000	3.570
CORP US DISC ACT/ACT 365 DAY	2	.3331	.20317	13,000,000	12,992,018	12,994,330	2,312	2.308
CASH ACCOUNT	4	.2140		90,012,066	90,012,066	90,012,066		15.988
	24	.1946	.31807	562,912,066	562,912,286	562,986,399	74,113	100.000

SOURCE: VisualQED

MODEL: INVENTORY

USER: WRIGHT

RUN: 1/31/13 @ 08:42:08

BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)

AS-OF: 12/31/12

AMRTZD: BOOK VALUES AMORTIZED THROUGH 12/31/12

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

PAGE: 14

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
14,167,511	WELLS FARGO CASH ACCOUNT	CASHCASH	.100			1.000000000	14,167,511.13	14,167,511.00
2,358,810	WELLS FARGO SAVINGS	CASHCASH	.100			1.000000000	2,358,809.80	2,358,810.00
68,397,439	BANK OF THE WEST	CASHCASH	.250			1.000000000	68,397,438.55	68,397,439.00
5,088,306	US BANK	CASHCASH	.200			1.000000000	5,088,305.91	5,088,306.00
90,012,066					.077		90,012,065.39	90,012,066.00

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

49,203,000	1231BNP US TREASURY REPO	1231BNPR	.200	1/02/13	.203	100.000000000	49,203,000.00	49,203,000.00
49,203,000	1231BNP US TREASURY REPO	1231BNPR	.200	1/02/13	.203	100.000000000	49,203,000.00	49,203,000.00
36,594,000	1231BNP US TREASURY REPO	1231BNPR	.200	1/02/13	.203	100.000000000	36,594,000.00	36,594,000.00
49,632,303	SOUTH STREET US TREASURY REPO	1231SSRP	.150	1/02/13	.152	100.000000000	49,632,303.00	49,632,303.00
45,367,697	SOUTH STREET US TREASURY REPO	1231SSRP	.150	1/02/13	.152	100.000000000	45,367,697.00	45,367,697.00
10,000,000	FDIC SSGN	625475AB		1/07/13	.341	99.994400300	9,999,440.03	10,000,000.00
20,000,000	SOUTH STREET SEC US TREASURY REP	1221SSR4	.150	1/18/13	.152	100.000000000	20,000,000.00	20,000,000.00
9,200,000	FEDERAL HOME LOAN BANKS	313379AA	.160	2/01/13	.218	99.995405544	9,199,577.31	9,200,276.00
20,000,000	INTERNATIONAL FINANCE CORP	45950VBT	.300	5/20/13	.304	100.000000000	20,000,000.00	20,099,000.00
2,250,000	INTL BK RECON & DEVELOP	45905UJW	.460	5/22/13	.371	100.038349778	2,250,862.87	2,250,862.87
50,000,000	FEDERAL FARM CREDIT BANKS	31331KF6	.111	6/12/13	.154	100.012658500	50,006,329.25	49,978,500.00
10,250,000	FEDERAL FARM CREDIT BANKS	3133EACJ	.180	8/07/13	.241	99.965236976	10,246,436.79	10,249,897.50
20,000,000	UNITED STATES TREASURY NOTES	912828RK	.125	9/30/13	.195	99.947940150	19,989,588.03	19,994,600.00
3,000,000	CORUS CONSTRUCTION VENTURE, LLC	22087WAC		10/25/13	.308	99.752229333	2,992,566.88	2,994,330.00
20,000,000	UNITED STATES TREASURY NOTES	912828RN	.250	10/31/13	.211	100.032260350	20,006,452.07	20,012,600.00
20,000,000	UNITED STATES TREASURY NOTES	912828RS	.250	11/30/13	.201	100.044619850	20,008,923.97	20,011,800.00

SOURCE: VisualQED

MODEL: INVENTORY

USER: WRIGHT

RUN: 1/31/13 @ 08:42:08

BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)

AS-OF: 12/31/12

AMRTZD: BOOK VALUES AMORTIZED THROUGH 12/31/12

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

PAGE: 15

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
10,000,000	FEDERAL HOME LOAN BANKS	313381HG	.125	12/06/13	.216	99.918231700	9,991,823.17	9,994,900.00
8,200,000	FEDERAL HOME LOAN BANK	313379R2	.250	12/13/13	.222	100.038782317	8,203,180.15	8,203,362.00
20,000,000	FEDERAL HOME LOAN BANKS	313379QY	.250	12/20/13	.141	100.039598950	20,007,919.79	20,008,000.00
452,900,000					.015		452,903,100.31	452,998,128.37

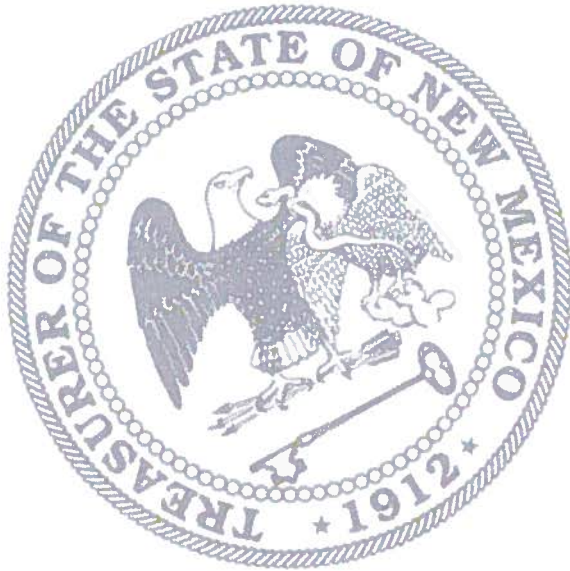
==> 0019 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2013 <==

20,000,000	FEDERAL HOME LOAN BANKS	3133804M	.273	1/23/14	.152	99.985456800	19,997,091.36	19,976,200.00
20,000,000					.345		19,997,091.36	19,976,200.00

==> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2014 <==

562,912,066					.012		562,912,257.06	562,986,394.37
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==> 0024 ITEMS IN SUBTOTAL FOR ==> FUND-NAME..... ==> LGIP FUND <==



## 7. 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 January at \$300mil vs. \$332mil at the end of December.
- The Pool paid out approximately \$10mil for capital spending in January 2013 and \$16.5mil for the debt service payment on January 2, 2013.

### *Portfolio Mix*

- 100% of the Tax-Exempt BPIP portfolio was invested in fixed income securities; 66% in Treasury and Agency Securities, 5% in Supranational (World Bank), 9% in NM municipal securities, 1% in NM bank collateralized CDs and the balance, approximately 19%, held in cash equivalents.
- 40% of the portfolio was invested in securities that mature in one year, 27% in securities that mature from 1-2 years, 28% in securities that mature from 2-4 years and 5% in securities out to 5 years.
- The Tax-Exempt BPIP held positions in 29 securities.
- Weighted Average Life of the Tax Exempt BPIP was 1.5 years. The Weighted Average duration was 1.5 years.
- The maximum security term for the BPIP portfolio is 5 years.

### *Investment Earnings*

- Unrealized losses in the Tax-Exempt BPIP Portfolio were \$1.9mil as of January 31<sup>st</sup>.
- Monthly Earnings on the portfolio for January were \$151,778.
- Earnings for FY2013 were \$1,438,644.
- 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 January was slightly longer than at the end of December (1.5 vs. 1.4 yrs) and similar to the Benchmark.
- The Tax-Exempt BPIP had a fairly quiet January with one maturity of \$10mil US Treasury notes on the last day of the month.
- The Tax-Exempt BPIP paid out \$16.5mil for debt service on January 2, 2013.
- In anticipation of the March 1<sup>st</sup>, 2013 debt service payment of close to \$69mil, cash balances were mostly invested in overnight repo.
- The Tax-Exempt BPIP purchased \$10mil Straight-A CP for a three month maturity at 0.19% as a short alternative to repo.

### *Performance*

- The purchase yield was 0.60% at the end of January.
- The Tax-Exempt BPIP returned (0.03)% for the month of January and 0.10% for the three months ended January 31, 2013, vs. Index returns of 0.01% and 0.11% respectively. For the trailing 12 mos. the Pool returned 0.53% vs. 0.29% for the benchmark.
- US Treasury yields were flat in January for maturities one year and shorter. Two, three and five year maturities were higher by 1.5, 5.0 and 15.5 basis points respectively.
- The increase in yields for the three to five year segment of the Treasury curve in January slightly hindered performance as the Pool held securities longer than three years vs. the index that has a maximum maturity of three years.
- Cash flows (debt service payments and capital project withdrawals) can have a dramatic effect on the duration of the Pool intermonth.

### *Investment Strategy*

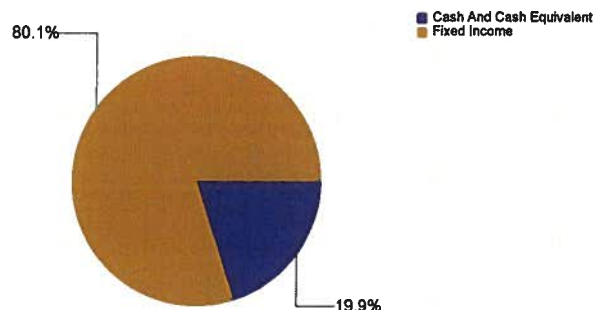
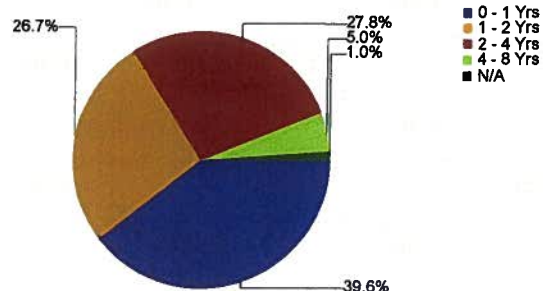
- The option-adjusted duration of the Tax-Exempt BPIP portfolio is currently 1.43 yrs. vs. 1.38 yrs. for the benchmark.
- US Treasury yields have declined in February with the two, three and five year maturities lower by 3, 6 and 12 basis points respectively.
- The next maturity for the Pool will be \$15mil US Treasuries on April, 15, 2013.
- There is a debt service payment on March 1, 2013 for \$68.8mil. Contributions from property taxes were deposited in February for about \$38.6mil. The Pool will need to generate the difference of \$30mil in cash to pay debt service.
- February capital project withdrawals have totaled \$6.4mil with an additional \$4mil to be paid out in March.
- With the large debt service payment due March 1 coupled with expectations for March capital project withdrawals, the Pool's duration would have extended to approximately 112% of the benchmark. As a result, the Pool sold \$10mil FHLB 1% 6/9/17 to settle March 1, at a gain to raise cash for liquidity purposes and lower the option-adjusted duration closer to the benchmark, 1.45 yrs. vs. 1.44 yrs.
- The cash position will be approximately \$17mil after all known withdrawals will take place. This will be 6.7% of the total Pool bringing the portfolio ending market value closer to \$255mil.
- The anticipated deposit from the NM debt sale will not occur until April 2013.
- The Tax-Exempt BPIP will maintain its duration close to slightly longer than the benchmark.

#### Portfolio Characteristics

Duration Mix

**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**

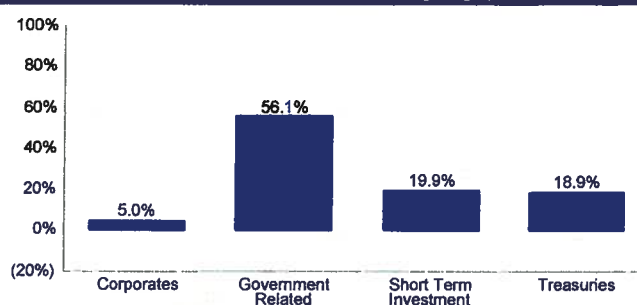
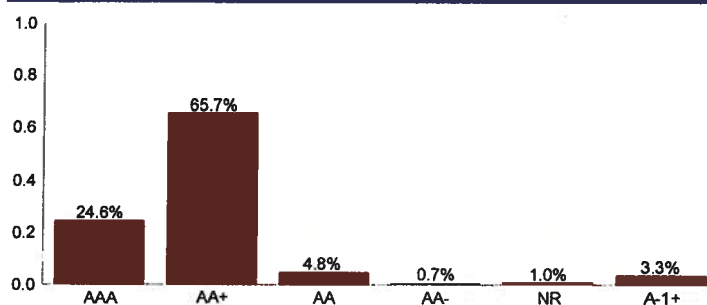
**301.4**  
**1.56**  
**1.52**  
**1.52**  
**0.39**  
**0.39**  
**AA+**  
**26**



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
99D310091	REPO BANK OF NEW YORK/SOUTH STREET SECS	14.63%	0.19	1/2/2013
31359MRK1	FED NATL MORT ASSC 4.825% NOTES 01/MAY/2013	8.48%	4.82	5/1/2013
3137EACW7	FED HOME LOAN MTG 2% BDS 25/AUG/2018 USD1000	7.02%	2.00	25/8/2018
912828PM8	US 2.12500 '15	5.23%	2.12	31/12/2015
912828KF8	US 1.87500 '14	5.11%	1.88	28/2/2014
912828MX5	UNITED STATES TREAS NTS 1.75% 15/APR/2013	5.02%	1.75	15/4/2013
313379FW4	FEDERAL HOME LOAN BANKS 1% BDS 09/JUN/2017 USD5000	5.01%	1.00	9/6/2017
3134G3ZA1	FEDERAL HOME LOAN MORTGAGE CORP 0.5% BDS	5.00%	0.50	28/8/2015
45950VBW5	INTL FINANCE CORP 0.33% MTN 01/AUG/2013 USD	4.99%	0.33	1/8/2013
3136FTU20	FEDERAL NATL MTG ASSN CALL 1.4%30/DEC/2018	4.52%	1.40	30/12/2018

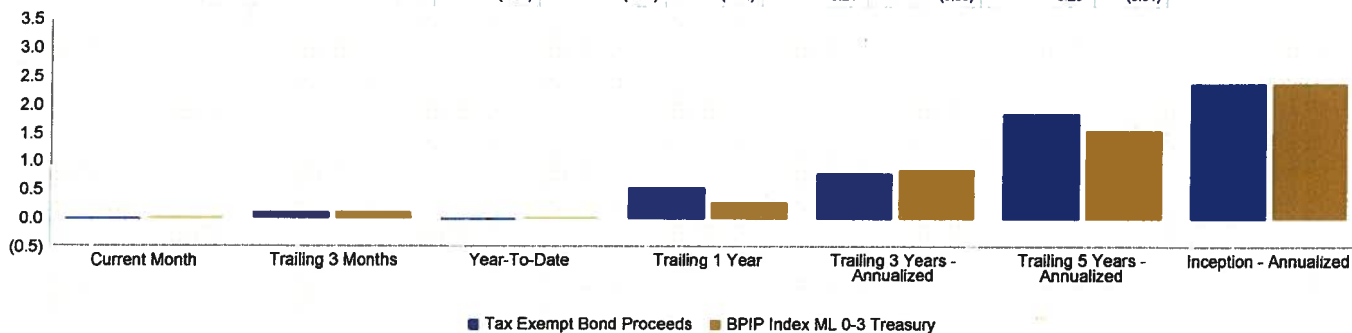
#### Quality/Rating Weightings

Sector Weightings (as % of Market Value)



#### Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Tax Exempt Bond Proceeds	(0.03)	0.10	(0.03)	0.53	0.77	1.84	2.36
BPIP Index ML 0-3 Treasury	0.01	0.11	0.01	0.29	0.86	1.55	2.40
Excess	(0.04)	(0.01)	(0.04)	0.24	(0.09)	0.29	(0.04)



# STATE OF NEW MEXICO

## BOND PROCEEDS INV POOL1 TAX EX (4000)

TXN BASIS: SETTLEMENT  
MKT-SOURCE: IDC-PREFERRED+  
AMTZ ADDED: NO

Portfolio Classification Summary  
Positions Held as of 12/01/12

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	2	.5876	.00550	75,891,041	75,891,041	75,891,041		22.825
CERTIFICATES OF DEPOSIT	2	.6000	1.51510	3,000,000	3,000,000	3,000,000		.902
US TREASURY NOTE ACT/ACT 2X	5	.6079	1.52622	65,000,000	66,654,108	66,848,000	193,892	20.105
AGENCY US BOND 30/360 2X	2	.6877	3.85208	25,000,000	25,089,512	25,161,150	71,638	7.567
AGENCY US NOTES 30/360 2X	6	.7125	1.61598	90,000,000	90,971,377	91,537,150	565,773	27.531
FED NATL MORTGAGE ASSN DEBS	3	1.3371	2.22169	23,495,000	23,557,248	23,943,051	385,803	7.201
MEDIUM-TERM NOTES	1	.3346	.58360	15,000,000	15,000,000	15,010,650	10,650	4.515
MUNI US 30/360 2X	7	.3899	1.21909	27,235,000	28,173,149	28,179,461	6,312	8.475
UNITS - INVESTMENT POOL 1	1			3,009,262	3,009,262	3,009,262		.905
CASH ACCOUNT	1			-88,510	-88,510	-88,510		-.027
	30	.6535	1.35562	327,541,793	331,257,187	332,491,255	1,234,068	100.000



SOURCE: VisualQED

MODEL: INVENTORY

USER: WRIGHT

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BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)

AS-OF: 12/31/12

AMRTZD: BOOK VALUES AMORTIZED THROUGH 12/31/12

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POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
- 88,510	CASH KEY	CASHCASH				1.000000000	- 88,509.61	- 88,510.00
3,009,262	UNITS - INVESTMENT POOL 1	UNITS001				1.000000027	3,009,262.08	3,009,262.00
2,920,752					2.361		2,920,752.47	2,920,752.00

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

49,175,000	OVERNIGHT REPO	0102RP	.650	1/02/13	.659	100.000000000	49,175,000.00	49,175,000.00
26,716,041	OVERNIGHT REPO	0102RP	.450	1/02/13	.456	99.999998391	26,716,040.57	26,716,040.57
10,000,000	UNITED STATES TREASURY NOTES	912828PR	.625	1/31/13	.377	100.020130800	10,002,013.08	10,003,900.00
15,000,000	UNITED STATES TREASURY NOTES	912828MX	1.750	4/15/13	.715	100.294346933	15,044,152.04	15,070,350.00
25,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MRK	4.625	5/01/13	.550	101.357155440	25,339,288.86	25,370,000.00
2,000,000	LOS ALAMOS CNTY N MEX INC UTIL	54423EBV	5.000	7/01/13	.355	102.320938500	2,046,418.77	2,045,040.00
15,000,000	INTL FINANCE CORP	45950VBW	.330	8/01/13	.335	100.000000000	15,000,000.00	15,010,650.00
7,350,000	ALBUQUERQUE N MEX MUN SCH DIST	013595RQ	1.000	8/01/13	.300	100.409957959	7,380,131.91	7,379,179.50
150,241,041					.046		150,703,045.23	150,770,160.07

==> 0008 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2013 <==

15,000,000	UNITED STATES TREASURY NOTES	912828KF	1.875	2/28/14	.986	101.022551667	15,153,382.75	15,288,900.00
6,485,000	NEW MEXICO ST SEVERANCE TAX	647310P4	4.000	7/01/14	.406	105.378471858	6,833,793.90	6,834,865.75
4,780,000	NEW MEXICO ST SEVERANCE TAX	647310N4	4.000	7/01/14	.406	105.378471757	5,037,090.95	5,030,902.20

SOURCE: VisualQED

MODEL: INVENTORY

USER: WRIGHT

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BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)

AS-OF: 12/31/12

AMRTZD: BOOK VALUES AMORTIZED THROUGH 12/31/12

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T R E A S U R E R ' S   O F F I C E

PAGE: 2

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
2,000,000	FARMERS & STOCKMENS BANK	8521444	.600	7/07/14	.600	100.000000000	2,000,000.00	2,000,000.00
1,000,000	FARMERS & STOCKMENS BANK	8521448	.600	7/07/14	.600	100.000000000	1,000,000.00	1,000,000.00
500,000	ALBUQUERQUE N MEX MUN SCH DIST	013595RR	2.000	8/01/14	.466	102.426536000	512,132.68	512,655.00
5,570,000	ALBUQUERQUE N MEX MUN SCH DIST	013595RE	3.000	8/01/14	.456	104.018413106	5,793,825.61	5,806,836.40
10,000,000	FEDERAL HOME LOAN MORTGAGE CORP	3134G3Y6	.375	12/10/14	.380	100.000000000	10,000,000.00	10,003,100.00
45,335,000					.149		46,330,225.89	46,477,259.35

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

550,000	ALBUQUERQUE N MEX MUN SCH DIST	013595RS	2.000	8/01/15	.598	103.609396364	569,851.68	569,981.50
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3ZA	.500	8/28/15	.450	100.147768533	15,022,165.28	15,049,350.00
10,000,000	FNMA	3135G0SB	.375	12/21/15	.457	99.775858200	9,977,585.82	9,987,600.00
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G32F	.520	12/28/15	.527	100.000000000	10,000,000.00	9,997,500.00
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3FA	1.100	12/30/15	1.115	100.000000000	10,000,000.00	10,068,400.00
15,000,000	UNITED STATES TREAS NTS	912828PM	2.125	12/31/15	.433	105.033142467	15,754,971.37	15,784,050.00
60,550,000					.112		61,324,574.15	61,456,881.50

==> 0006 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2015 <==

10,000,000	UNITED STATES TREASURY NOTES	912828KS	2.625	2/29/16	.395	106.996344200	10,699,634.42	10,700,800.00
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	1.160	103.050929900	20,610,185.98	21,048,800.00

SOURCE: VisualQED

MODEL: INVENTORY

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BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)

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AMRTZD: BOOK VALUES AMORTIZED THROUGH 12/31/12

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POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
10,000,000	FEDERAL NATL MTG ASSN DEBS	3135G0ES	1.375	11/15/16	1.227	100.621948600	10,062,194.86	10,301,900.00
10,000,000	FED NATL MORTGAGE ASSN DEBS	3136FTUZ	1.400	12/30/16	1.419	100.000000000	10,000,000.00	10,108,300.00
3,495,000	FED NATL MORTGAGE ASSN DEBS	3136FTUZ	1.400	12/30/16	1.419	100.000000000	3,495,000.00	3,532,850.85
53,495,000					.126		54,867,015.26	55,692,650.85

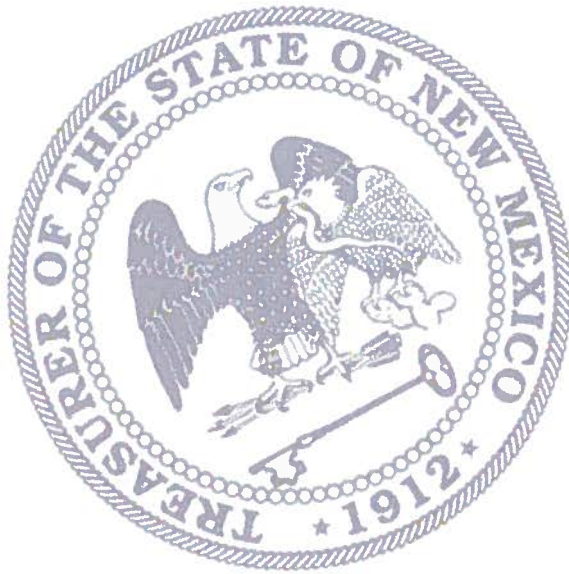
==> 0005 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2016 <==

15,000,000	FEDERAL HOME LOAN BANKS	313379FW	1.000	6/09/17	.840	100.747998600	15,112,199.79	15,173,550.00
15,000,000					.456		15,112,199.79	15,173,550.00

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

327,541,793					.021		331,257,812.79	332,491,253.77
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==> 0030 ITEMS IN SUBTOTAL FOR ==> FUND-NAME..... ==> BOND PROCEEDS INV POOL1 TAX EX <



## 8. 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 January at \$587mil vs. \$599mil at the end of December 2012.
- The Pool paid out approximately \$13mil for capital spending in January 2013.

### *Portfolio Mix*

- 100% of the Taxable BPIP portfolio was invested in fixed income securities; 78% in US Treasury and Agency securities, 3% in Supranational (World Bank), 2% in NM municipal securities and the balance, approximately 17%, was held in cash equivalents and collateralized NM bank CDs.
- 44% of the portfolio was invested in securities that mature in one year, 30% in securities that mature from 1-2 years, 23% in securities that mature from 2-4 years and 3% in securities out to 5 years.
- The Taxable BPIP held positions in 59 securities.
- Weighted Average Life of the Taxable BPIP was 1.4 years. The Weighted Average duration was 1.40 years.
- The maximum security term for the BPIP portfolio is 5 years.

### *Investment Earnings*

- The unrealized losses in the Taxable BPIP Portfolio were \$1.0mil as of January 31<sup>st</sup>.
- Monthly earnings on the portfolio for January were \$340,853.
- For fiscal year 2013, the fund has earned \$2.9mil.
- 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 January 2013 was unchanged at 1.40 yrs. vs. December 2012 and was similar to the Benchmark.
- There were no maturities in January 2013.
- The Pool purchased \$15.5mil FAMCA (Farmer Mac) three year bullet notes at the end of December that settled in January 2013.
- NM municipals, \$1.38mil, were purchased for 1 to 3 year maturities at yields of 0.35-0.56%.
- With overnight repo rates very low the Pool purchased \$20mil of Straight-A CP with a three month maturity at 0.19%.

### *Performance*

- Purchase Yield at the end of January was 0.66%, 4 bp lower than December.
- The Taxable BPIP returned 0.02% for the month of January and 0.12% for the three months ended January 31, 2013 vs. Index returns of 0.01% and 0.11% respectively. For the trailing 12 mos. the Pool returned 0.63% vs. 0.29% for the Benchmark.
- US Treasury yields were flat in January for maturities one year and shorter. Two, three and five year maturities were higher by 1.5, 5.0 and 15.5 basis points respectively.

- The Taxable BPIP performance was similar to the benchmark for January as the durations were similar. Cash flows (Sponge Note deposits, capital project withdrawals) can have a dramatic effect on the duration of the portfolio intermonth.

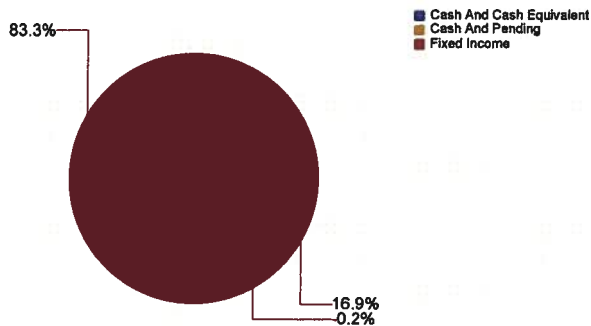
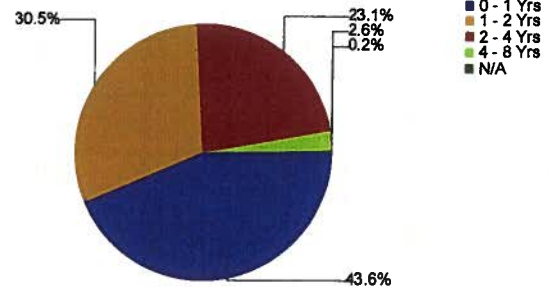
#### *Investment Strategy*

- The option adjusted duration of the portfolio is currently 1.36 yrs. vs. 1.37 yrs. for the benchmark.
- US Treasury yields have declined in February with the two, three and five year maturities lower by 3, 6 and 12 basis points respectively.
- The Pool has a \$5mil US Treasury maturity on February 28, 2013 with the next maturity not occurring until April, 15, 2013.
- February capital project withdrawals have totaled \$13mil with an additional \$4mil to be paid out in March.
- The Pool purchased \$2.135mil face amount of NM municipal securities maturing in 1-3 years at yields between 0.40% and 0.55%.
- The Taxable BPIP purchased \$15mil of a new issue benchmark three year FNMA at 0.54%.
- The current cash position is about \$28mil., 5% of the total Pool, as the market value will decline to \$561mil. after all known withdrawals have been booked.
- The Taxable BPIP will maintain its duration close to slightly longer than the benchmark.

#### Portfolio Characteristics

#### Duration Mix

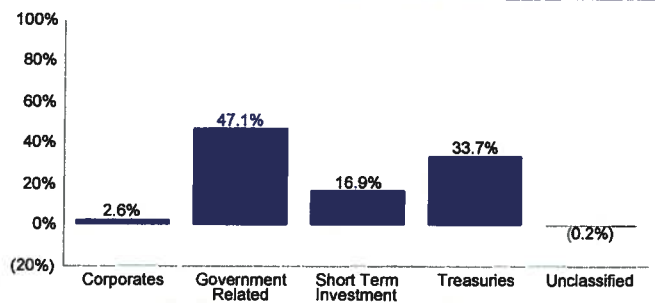
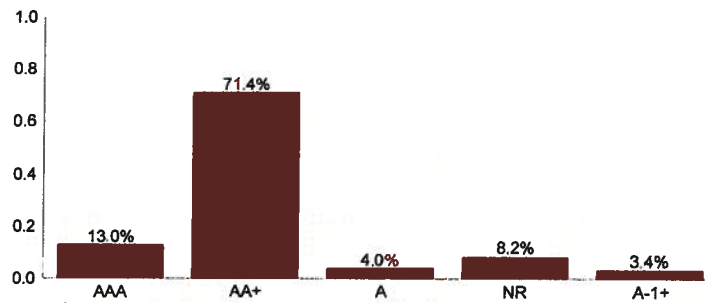
**Total Net Assets (Millions)** 588.9  
**Weighted Average Life (Years)** 1.43  
**Weighted Avg. Effective Duration (Years)** 1.38  
**Weighted Average Coupon (%)** 1.13  
**Weighted Average Current Yield (%)** 0.33  
**Weighted Average Yield to Maturity (%)** 0.33  
**Weighted Average Rating** AA-  
**Number of Holdings** 53



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
99D310090	REPO MITSUBISHI UFJ SECURITIES (USA), INC.	8.23%	0.23	1/2/2013
912828KF6	US 1.87500 '14	6.95%	1.88	28/2/2014
912828NU0	UNITED STATES TREAS NTS 0.750% 15/AUG/2013	5.12%	0.75	15/8/2013
3137EACW7	FED HOME LOAN MTG 2% BDS 25/AUG/2018 USD1000	4.48%	2.00	25/8/2018
31359MTP8	FED NATL MTG ASSN 5.12% 02/JAN/2014	4.04%	5.12	2/1/2014
31398A4M1	FED NATL MORT ASSC 1.825% BDS 28/OCT/2015 USD1000	3.51%	1.82	28/10/2015
3135G0AP8	FEDERAL NATIONAL MORTGAGE ASSOC 1.25% NTS	3.45%	1.25	27/2/2014
3137EACV9	FEDERAL HOME LOAN MORTGAGE CORP 1% NTS 27/AUG/2014	3.44%	1.00	27/8/2014
31398A2S0	FEDERAL NATIONAL MORTGAGE ASSOC 1% BDS 23/SEP/2013	3.42%	1.00	23/9/2013
912828QZ8	UNITED STATES TREAS NTS 0.5% 31/MAY/2013	3.40%	0.50	31/5/2013

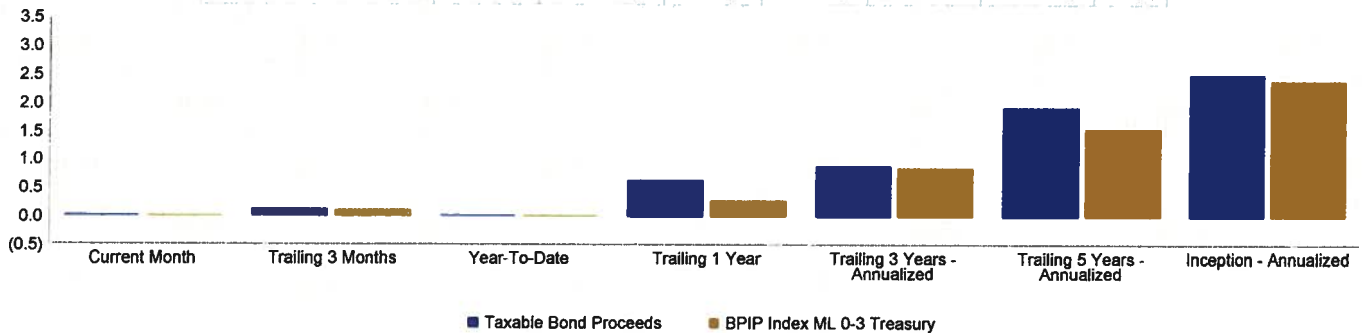
#### Quality/Rating Weightings

#### Sector Weightings (as % of Market Value)



#### Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Taxable Bond Proceeds	0.02	0.12	0.02	0.83	0.87	1.91	2.50
BPIP Index ML 0-3 Treasury	0.01	0.11	0.01	0.29	0.86	1.55	2.40
Excess	0.01	0.01	0.01	0.34	0.01	0.37	0.10



# STATE OF NEW MEXICO

## BOND PROCEEDS INV POOL □ TAXABL (400 □)

TXN BASIS: SETTLEMENT  
MKT-SOURCE: IDC-PREFERRED+  
AMTZ ADDED: NO

Portfolio Classification Summar □  
Positions Held as of 12/□1/12

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.4563	.00550	87,587,680	87,587,680	87,587,680		14.604
CERTIFICATES OF DEPOSIT	6	.4989	.91304	14,200,000	14,200,000	14,200,000		2.368
LINKED-CERTIFICATE OF DEPOSIT	2	.5000	1.04110	4,000,000	4,000,000	4,000,000		.667
US TREASURY NOTE ACT/ACT 2X	14	.7534	1.26251	195,000,000	196,941,779	198,021,950	1,080,171	33.017
AGENCY US BOND 30/360 2X	2	.6207	3.60080	35,000,000	35,069,300	35,148,750	79,450	5.860
AGENCY US NOTES 30/360 2X	10	.7330	1.56309	152,410,000	154,348,919	155,330,492	981,573	25.899
FED NATL MORTGAGE ASSN DEBS	5	.9821	1.28221	75,000,000	75,538,958	76,132,250	593,292	12.694
MEDIUM-TERM NOTES	1	.3346	.58360	15,000,000	15,000,000	15,010,650	10,650	2.503
MUNI US 30/360 2X	9	.5244	1.13360	11,585,000	11,752,510	11,758,975	6,465	1.961
MUNICIPAL BOND REVENUE	2	.5825	.41044	1,560,000	1,568,353	1,568,533	180	.262
UNITS - INVESTMENT POOL 1	1			1,306,534	1,306,534	1,306,534		.218
CASH ACCOUNT	1			-307,370	-307,370	-307,370		-.051
	54	.7012	1.26281	592,341,844	597,006,663	599,758,444	2,751,781	100.000



SOURCE: VisualQED

MODEL: INVENTORY

USER: WRIGHT

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BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)

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AMRTZD: BOOK VALUES AMORTIZED THROUGH 12/31/12

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PAGE: 4

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
- 307,370	CASH KEY	CASHCASH				1.0000000000	- 307,370.45	- 307,370.00
1,306,534	UNITS - INVESTMENT POOL 1	UNITS001				.999999786	1,306,533.72	1,306,534.00
999,164					6.902		999,163.27	999,164.00

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

87,587,680	OVERNIGHT REPO	0102RP	.450	1/02/13	.456	99.999999635	87,587,679.68	87,587,679.68
5,000,000	UNITED STATES TREAS NTS	912828QK	.625	2/28/13	.724	99.983910400	4,999,195.52	5,004,300.00
2,400,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136F9DU	4.000	4/15/13	4.136	99.967608750	2,399,222.61	2,426,616.00
200,000	SANTA ROSA N MEX CONS SCH DIST	802751DK	1.000	5/15/13	.406	100.222810000	200,445.62	200,400.00
20,000,000	UNITED STATES TREASURY NOTES	912828QZ	.500	5/31/13	.454	100.018838550	20,003,767.71	20,032,000.00
1,360,000	CLOVIS N MEX GROSS RCPTS TAX R	189387CU	2.000	6/01/13	.608	100.581463235	1,367,907.90	1,368,132.80
20,000,000	UNITED STATES TREASURY NOTES	912828RA	.375	6/30/13	.474	99.950886800	19,990,177.36	20,025,000.00
10,000,000	UNITED STATES TREASURY NOTES	912828NN	1.000	7/15/13	.914	100.045973100	10,004,597.31	10,046,100.00
600,000	WESTERN BANK CLOVIS	15894	.600	7/15/13	.600	100.000000000	600,000.00	600,000.00
2,000,000	WESTERN BANK CLOVIS	15957	.600	7/15/13	.600	100.000000000	2,000,000.00	2,000,000.00
1,000,000	WESTERN BANK ALAMOGORDO	81186647	.600	7/22/13	.600	100.000000000	1,000,000.00	1,000,000.00
1,500,000	WESTERN BANK ALAMOGORDO	81186647	.600	7/22/13	.600	100.000000000	1,500,000.00	1,500,000.00
15,000,000	INTL FINANCE CORP	45950VBW	.330	8/01/13	.335	100.000000000	15,000,000.00	15,010,650.00
785,000	LOS ALAMOS N MEX PUB SCH DIST	54422NDB	2.000	8/01/13	.407	100.930588535	792,305.12	792,622.35
1,700,000	SAN JUAN CNTY N MEX CENT CONS	798359JP	2.000	8/01/13	.407	100.930589412	1,715,820.02	1,716,507.00
20,000,000	UNITED STATES TREASURY NOTES	912828NU	.750	8/15/13	.789	99.975701550	19,995,140.31	20,075,000.00
10,000,000	UNITED STATES TREASURY NOTES	912828NU	.750	8/15/13	.946	99.878513200	9,987,851.32	10,037,500.00
2,245,000	GADSDEN N MEX INDPT SCH DIST N	362550KT	2.000	8/15/13	.407	100.992514477	2,267,281.95	2,268,235.75

SOURCE: VisualQED

MODEL: INVENTORY

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AMRT2D: BOOK VALUES AMORTIZED THROUGH 12/31/12

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POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
1,750,000	GADSDEN N MEX INDPT SCH DIST N	362550LL	1.000	8/15/13	.559	100.278389714	1,754,871.82	1,756,107.50
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31398A2S	1.000	9/23/13	.572	100.316041400	20,063,208.28	20,115,800.00
5,000,000	UNITED STATES TREASURY NOTES	912828PB	.500	10/15/13	.575	99.941200600	4,997,060.03	5,012,900.00
8,000,000	CENTURY BANK SANTA FE	17099241	.400	12/30/13	.400	100.000000000	8,000,000.00	8,000,000.00
236,127,680					.029		236,226,532.56	236,575,551.08

====> 0022 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2013 <===

14,260,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MTP	5.125	1/02/14	.828	104.293562062	14,872,261.95	14,955,602.80
8,450,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MTP	5.125	1/02/14	.854	104.267846864	8,810,633.06	8,862,191.00
2,000,000	WESTERN COMMERCE BANK	2012477	.500	1/15/14	.500	100.000000000	2,000,000.00	2,000,000.00
2,000,000	WESTERN COMMERCE BANK	2012634	.500	1/15/14	.500	100.000000000	2,000,000.00	2,000,000.00
20,000,000	FED NATIONAL MTG ASSN DEB	3135G0AP	1.250	2/27/14	.725	100.614342850	20,122,868.57	20,266,800.00
40,000,000	UNITED STATES TREASURY NOTES	912828KF	1.875	2/28/14	1.007	100.998201325	40,399,280.53	40,770,400.00
10,000,000	UNITED STATES TREASURY NOTES	912828KN	1.875	4/30/14	1.298	100.756985700	10,075,698.57	10,219,100.00
200,000	SANTA ROSA N MEX CONS SCH DIST	802751DL	1.000	5/15/14	.507	100.682795000	201,365.59	201,348.00
10,000,000	UNITED STATES TREASURY NOTES	912828KV	2.250	5/31/14	1.346	101.259730400	10,125,973.04	10,284,400.00
1,325,000	CLOVIS N MEX GROSS RCPTS TAX R	189387CV	2.000	6/01/14	.659	101.900423396	1,350,180.61	1,351,778.25
2,005,000	GADSDEN N MEX INDPT SCH DIST N	362550KU	2.000	8/15/14	.507	102.420248878	2,053,525.99	2,051,776.65
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACV	1.000	8/27/14	.279	101.196655300	20,239,331.06	20,258,800.00
20,000,000	FEDERAL HOME LOAN MORTGAGE CORP	3134G3Y6	.375	12/10/14	.380	100.000000000	20,000,000.00	20,006,200.00
10,000,000	UNITED STATES TREAS NTS	912828RV	.250	12/15/14	.330	99.844358000	9,984,435.80	10,000,000.00
1,100,000	WESTERN BANK ALAMOGORDO	81185441	.750	12/31/14	.750	100.000000000	1,100,000.00	1,100,000.00
161,340,000					.042		163,335,554.77	164,328,396.70

====> 0015 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2014 <===

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AS-OF: 12/31/12

AMRTZD: BOOK VALUES AMORTIZED THROUGH 12/31/12

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PAGE: 6

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
225,000	SANTA ROSA N MEX CONS SCH DIST	802751DM	1.000	5/15/15	.659	100.822431111	226,850.47	226,899.00
1,350,000	CLOVIS N MEX GROSS RCPTS TAX R	189387CW	2.000	6/01/15	.760	102.987813333	1,390,335.48	1,393,699.50
10,000,000	UNITED STATES TREAS NTS	912828NP	1.750	7/31/15	.453	103.324854900	10,332,485.49	10,365,600.00
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3ZA	.500	8/28/15	.450	100.147768533	15,022,165.28	15,049,350.00
20,000,000	FED NATL MORTGAGE ASSN DEBS	31398A4M	1.625	10/26/15	.870	102.131650950	20,426,330.19	20,690,200.00
20,000,000	FNMA	3135G0SB	.375	12/21/15	.457	99.775858200	19,955,171.64	19,975,200.00
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G32F	.520	12/28/15	.527	100.000000000	20,000,000.00	19,995,000.00
7,300,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3FA	1.100	12/30/15	1.115	100.000000000	7,300,000.00	7,349,932.00
15,000,000	UNITED STATES TREAS NTS	912828PM	2.125	12/31/15	.433	105.033142467	15,754,971.37	15,784,050.00
108,875,000					.062		110,408,309.92	110,829,930.50

====> 0009 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2015 <====

10,000,000	UNITED STATES TREAS NTS	912828QR	1.500	6/30/16	.656	102.913340100	10,291,334.01	10,365,600.00
25,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	1.295	102.569716840	25,642,429.21	26,311,000.00
10,000,000	FED NATL MORTGAGE ASSN DEBS	3136FTUZ	1.400	12/30/16	1.419	100.000000000	10,000,000.00	10,108,300.00
5,000,000	FED NATL MORTGAGE ASSN DEBS	3136FTUZ	1.400	12/30/16	1.419	100.000000000	5,000,000.00	5,054,150.00
50,000,000					.135		50,933,763.22	51,839,050.00

====> 0004 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2016 <====

SOURCE: VisualQED  
 MODEL: INVENTORY  
 USER: WRIGHT  
 RUN: 1/31/13 @ 08:42:08

STATE OF NEW MEXICO  
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BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)  
 AS-OF: 12/31/12  
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 12/31/12

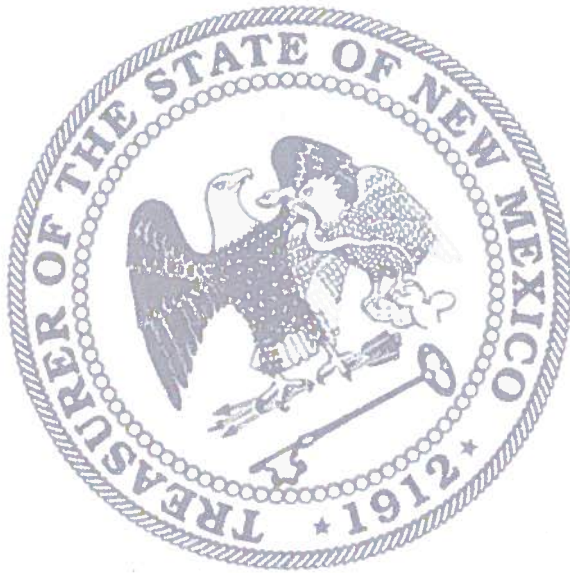
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POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
20,000,000	FED NATL MORTGAGE ASSN DEBS	3136FTYG	1.000	1/30/17	1.026	99.951978450	19,990,395.69	20,012,800.00
15,000,000	FEDERAL HOME LOAN BANKS	313379FW	1.000	6/09/17	.836	100.761103267	15,114,165.49	15,173,550.00
35,000,000					.196		35,104,561.18	35,186,350.00

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

592,341,844					.012		597,007,884.92	599,758,442.28
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==> 0054 ITEMS IN SUBTOTAL FOR ==> FUND-NAME..... ==> BOND PROCEEDS INV POOL2 TAXABL <



## 9. Portfolio Summary- Severance Tax Bonding Fund

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

### *Summary*

- The Severance Tax Bonding Fund<sup>7</sup> closed the month of January at \$125 Million.
- The Severance Tax Bonding Fund earned \$43,792 during January.
- The Severance Tax Bonding Fund earned \$147,605 during FY2013.

### *Portfolio Mix*

- Severance Tax Bonding Fund Proceeds are invested in the LGIP and 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 Note Financing of approximately \$86MM was paid from the STBF in January. \$16MM in bond debt service was paid to Severance Tax and Supplemental Severance Tax bondholders on February 1st.
- After the January 1<sup>st</sup> debt service payments, \$125 million will be remaining in the STBF representing debt service obligations to be paid on July 1, 2013.
- Severance Taxes are remitted to the Treasury on a monthly basis and range between \$30 and \$35MM per month.

### *Investment Strategy*

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

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<sup>7</sup> The Severance Tax Bonding Fund as included in this report excludes debt service fund amounts on outstanding Severance Tax and Supplemental Severance Tax Bonds and Notes. Such debt service balances are included in, and reported on, the Tax-Exempt Bond Purchase Investment Pool.

# STATE OF NEW MEXICO

## STB FUND (4001)

### Portfolio Classification Summary

Positions Held as of 12/31/12

TXN BASIS: SETTLEMENT  
MKT-SOURCE: IDC-PREFERRED+  
AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	2	.6396	.00550	108,761,245	108,761,245	108,761,245		86.908
UNITS - INVESTMENT POOL 1	1			16,384,363	16,384,363	16,384,363		13.092
	3	.5559	.00550	125,145,608	125,145,608	125,145,608		100.000

SOURCE: VisualQED

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BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)

AS-OF: 12/31/12

AMRTZD: BOOK VALUES AMORTIZED THROUGH 12/31/12

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POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
16,384,363	UNITS - INVESTMENT POOL 1	UNITS001				.999999979	16,384,362.66	16,384,363.00
16,384,363					.421		16,384,362.66	16,384,363.00

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

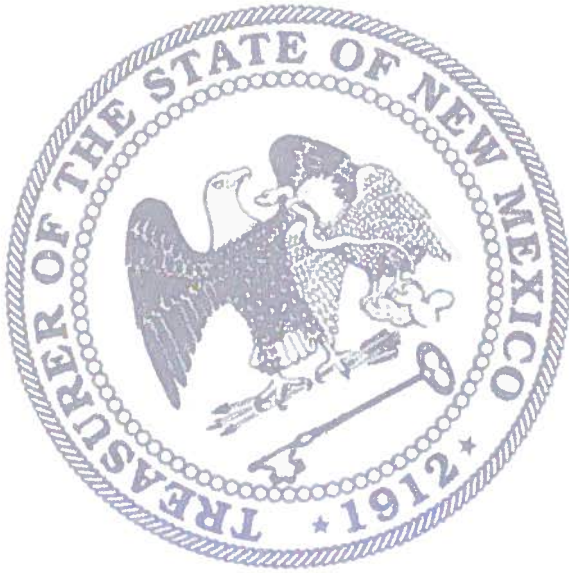
10,411,245	OVERNIGHT REPO	0102RP	.450	1/02/13	.456	100.000002593	10,411,245.27	10,411,245.27
98,350,000	OVERNIGHT REPO	0102RP	.650	1/02/13	.659	100.000000000	98,350,000.00	98,350,000.00
108,761,245					.063		108,761,245.27	108,761,245.27

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

125,145,608					.055		125,145,607.93	125,145,608.27
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==> 0003 ITEMS IN SUBTOTAL FOR ==> FUND-NAME..... ==> STB FUND <==





## 10. 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  
2012-2013

Volume at Par (\$ in thousands)

Broker/Dealer:	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	YTD Total	YTD Percent
Arbor Research and Trading	-	-	-	-	-	-	10,000	-	-	-	-	-	10,000	0.4%
Bank of America/MLPFS	25,000	-	25,000	-	20,000	7,500	20,000	-	-	-	-	-	97,500	3.6%
Bank of Oklahoma (Bk ABO)	-	-	760	-	-	-	-	-	-	-	-	-	760	0.0%
Barclays	41,790	7,500	30,000	13,000	28,200	55,000	388,000	35,000	-	-	-	-	598,490	22.2%
BB&T/Scott & Stringfellow	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
BNP Paribas	101,100	66,000	26,000	-	10,000	50,000	139,000	20,000	-	-	-	-	412,100	15.3%
Cantor Fitzgerald	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Citigroup	25,000	-	2,970	10,000	55,750	-	-	-	-	-	-	-	93,720	3.5%
Credit Suisse Securities	-	20,000	-	-	-	-	23,600	-	-	-	-	-	43,600	1.6%
Deutsche Bank	90,000	-	-	19,050	30,000	-	388,000	-	-	-	-	-	527,050	19.6%
FTN Financial	-	-	1,760	-	20,000	7,000	-	15,000	-	-	-	-	43,760	1.6%
George K. Baum & Company	8,400	-	1,550	-	-	-	-	-	-	-	-	-	9,950	0.4%
Goldman Sachs	-	-	-	30,200	10,000	20,000	5,700	4,000	-	-	-	-	69,900	2.6%
Great Pacific Securities	-	-	-	-	-	-	14,300	-	-	-	-	-	14,300	0.5%
HSBC	60,000	-	-	-	-	-	-	-	-	-	-	-	60,000	2.2%
Jefferies	20,000	-	21,690	58,000	20,000	10,000	12,000	-	-	-	-	-	141,690	5.3%
Lawson Financial	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Loop Capital	-	-	-	-	20,000	-	-	-	-	-	-	-	20,000	0.7%
Mitsubishi UFJ (Repo)	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Morgan Keegan	-	3,225	-	-	-	-	-	-	-	-	-	-	-	0.0%
Morgan Stanley	10,000	14,250	-	15,000	-	-	70,000	-	-	-	-	-	3,225	0.1%
Muriel Siebert & Co.	-	-	-	-	-	-	-	-	-	-	-	-	109,250	4.1%
Nomura Securities	10,500	18,000	24,250	-	20,000	20,000	-	-	-	-	-	-	-	0.0%
Northern Trust	-	-	-	-	-	-	-	-	-	-	-	-	92,760	3.4%
Piper Jaffrey	-	11,280	2,600	-	-	10,000	-	-	-	-	-	-	-	0.0%
RW Pressprich	-	-	-	-	-	-	-	-	-	-	-	-	23,880	0.9%
Raymond James & Associates	-	-	875	-	-	-	-	-	-	-	-	-	-	0.0%
Robert W. Baird & Co.	5,000	-	4,225	-	-	10,000	1,380	-	-	-	-	-	875	0.0%
South Street (Repo Only)	-	-	-	-	-	-	-	-	-	-	-	-	20,605	0.8%
Southwest Securities	-	4,825	-	-	-	-	-	-	-	-	-	-	-	0.0%
Stifel Financial	100	2,195	375	-	1,750	15,000	-	-	-	-	-	-	4,825	0.2%
UBS Financial Services	40,000	-	-	-	20,000	-	17,950	-	-	-	-	-	19,420	0.7%
Vining Sparks	-	-	-	-	-	-	-	-	-	-	-	-	77,950	2.9%
Wedbush Securities	6,470	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Williams Capital Group	-	-	-	-	15,000	-	-	-	-	-	-	-	6,470	0.2%
Direct Purchase	12,100	4,000	-	15,000	-	94,765	-	-	-	-	-	-	15,000	0.6%
Interfund	-	37,670	-	14,720	-	-	-	-	-	-	-	-	125,865	4.7%
<b>Total</b>	<b>455,460</b>	<b>188,945</b>	<b>142,055</b>	<b>174,970</b>	<b>270,700</b>	<b>299,265</b>	<b>1,089,930</b>	<b>74,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,695,325</b>	<b>100.0%</b>

Market type:

	Column1	Column2	Column3	Column4	Column5	Column6	Column7	Column8	Column9	Column10	Column11	Column12	Column13	Column14	Column15
Primary Market	6,470	66,000	29,035	15,000	81,750	104,765	1,038,380	15,000	-	-	-	-	-	1,356,400	50.3%
Secondary Market	448,990	122,945	113,020	159,970	188,950	194,500	51,550	59,000	-	-	-	-	-	1,338,925	49.7%
<b>Total</b>	<b>455,460</b>	<b>188,945</b>	<b>142,055</b>	<b>174,970</b>	<b>270,700</b>	<b>299,265</b>	<b>1,089,930</b>	<b>74,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,695,325</b>	<b>100.0%</b>

Security type:

	Column1	Column2	Column3	Column4	Column5	Column6	Column7	Column8	Column9	Column10	Column11	Column12	Column13	Column14	Column15
CD's	12,100	4,000	-	15,000	-	9,100	-	-	-	-	-	-	-	40,200	1.5%
Corporate Bonds	-	-	2,250	3,000	15,000	35,000	-	-	-	-	-	-	-	55,250	2.0%
TLGP	-	-	-	25,000	30,000	-	-	-	-	-	-	-	-	55,000	2.0%
Agencies	236,790	39,750	25,000	58,200	203,950	130,000	57,000	39,000	-	-	-	-	-	789,690	29.3%
Commercial Paper	140,000	66,000	25,000	-	-	-	990,000	-	-	-	-	-	-	1,221,000	45.3%
MBS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Treasuries	51,600	20,000	75,250	59,050	20,000	39,500	41,550	35,000	-	-	-	-	-	341,950	12.7%
Municipal/Sponge	14,970	59,195	14,555	14,720	1,750	85,665	1,380	-	-	-	-	-	-	192,235	7.1%
ABS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Money Markets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total</b>	<b>455,460</b>	<b>188,945</b>	<b>142,055</b>	<b>174,970</b>	<b>270,700</b>	<b>299,265</b>	<b>1,089,930</b>	<b>74,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,695,325</b>	<b>100.0%</b>



## 11. State Agency Deposit Balances



**James B. Lewis**  
State Treasurer

STATE OF NEW MEXICO  
**OFFICE OF THE TREASURER**

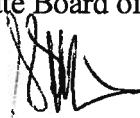
P. O. Box 5135  
2055 South Pacheco, Suite 100  
Santa Fe, New Mexico 87505  
Phone: (505) 955-1120  
FAX (505) 955-1195

**Mark F. Valdes**  
Deputy State Treasurer

Date: February 26, 2013

To: James B. Lewis, State Treasurer

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

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

Subject: State Fund Deposit Activity for the month ending January 31, 2013

Pursuant to section 8-6-3.1 NMSA 1978, the State Cash Manager shall submit to the State Board of Finance a report showing state fund balances in each Financial Institution. Attached for your review is a summary of State fund balances in each institution through January 31, 2013.

Additionally, the State Treasurer's Office is required to report to the State Board of Finance any Financial Institution that exceeds certain equity capital and deposit ratios and notify all state agencies who maintain State fund deposits within those institutions of the violation. Agencies are also advised not to make any new deposits until the violations are corrected. Pursuant to section 6-10-24.1 NMSA 1978 there were no Financial Institutions exceeding the statutory limitations on equity capital and deposit ratios for the month ending January 31, 2013

(Attachments)

**Depository Account Summary by Agency**  
**January 2013**

**STATE FUNDS**

AGENCY	# OF ACCTS.	BALANCE
AOC (fines, fees etc.)	50	\$3,001,903
BERN. CO. METRO COURT	2	\$441,507
1-13 DISTRICT ATTORNEY	6	\$50,910
EDUCATION RETIREMENT BOARD	1	\$10,635
TAXATION & REVENUE DEPT.	29	\$152,500
PUBLIC SCHOOL INS. AUTHORITY	6	\$22,277,825
PUBLIC DEFENDER	1	\$595
SECRETARY OF STATE	1	\$0
STATE TREASURER (JDC)	28	\$221,935
STATE TREASURER (OTHER INVEST)	0	\$0
NM RACING COMMISSION	7	\$656,153
SPACEPORT AUTHORITY	1	\$1,429,883
DEPT. OF GAME & FISH	2	\$89,656
SOUTHWEST REGION ED.	1	\$2,095,676
ENERGY & MINERALS	4	\$428,103
COMMISSION PUBLIC LAND	2	\$12,438
STATE ENGINEER'S OFFICE	3	\$99,443
IRRG WKS CONST	1	\$252,296
COMMISSION FOR THE BLIND	0	\$0
HUMAN SERVICES DEPT.	5	\$23,221
WORKFORCE SOLUTIONS	6	\$3,681,445
DIVISION OF VOCATIONAL REHAB	1	\$65,268
MINER'S HOSPITAL	1	\$1,523,066
DEPARTMENT OF HEALTH	76	\$597,978
ENVIRONMENT DEPARTMENT	1	\$0
CORRECTIONS DEPARTMENT	6	\$1,280
DEPT. OF PUBLIC SAFETY	2	\$31,704
HIGHWAY & TRANSPORTATION	4	\$1,234
CENTRAL REGIONAL CO-OP	1	\$327,719

Total: 248 **\$37,474,373**

**NON-STATE FUNDS**

AGENCY	# OF ACCTS.	BALANCE
AOC (Bonds)	50	
1ST JUDICIAL DIST. COURT	3	\$1,466,302
2ND JUDICIAL DIST. COURT	2	\$1,011,000
3RD JUDICIAL DIST. COURT	2	\$1,633,894
4TH JUDICIAL DIST. COURT	4	\$75,475
5TH JUDICIAL DIST. COURT	3	\$1,525,736
6TH JUDICIAL DIST. COURT	3	\$400,469
7TH JUDICIAL DIST. COURT	4	\$142,965
8TH JUDICIAL DIST. COURT	4	\$367,442
9TH JUDICIAL DIST. COURT	3	\$586,187
10TH JUDICIAL DIST. COURT	2	\$285,009
11TH JUDICIAL DIST. COURT	10	\$1,332,766
12TH JUDICIAL DIST. COURT	4	\$800,024
13TH JUDICIAL DIST. COURT	61	\$4,874,270
BERNALILLO CO. METRO COURT	2	\$677,976
6TH DISTRICT ATTORNEY	3	\$34,326
7TH DISTRICT ATTORNEY	1	\$1,649
10TH DISTRICT ATTORNEY	1	\$60
11TH JUDICIAL DIST. ATTORNEY	1	\$25,901
ATTORNEY GENERAL	1	\$3,437
LGIP	4	\$172,498,759
PUBLIC REG. COMMISSION	2	\$627,835
NM STATE FAIR	5	\$2,392,382
SOUTHWEST REGION ED.	1	\$15
COMM STATUS OF WOMEN	0	\$0
COMM FOR THE BLIND	2	\$257,431
WORKFORCE SOLUTIONS	0	\$0
MINER'S HOSPITAL	1	\$1,512
DEPARTMENT OF HEALTH	11	\$900,689
CHILDREN, YOUTH & FAMILIES	6	\$93,019
CORRECTIONS DEPARTMENT	11	\$1,813,221
DEPT. OF PUBLIC SAFETY	2	\$24,651
CENTRAL REGION CO-OP	1	\$507,541

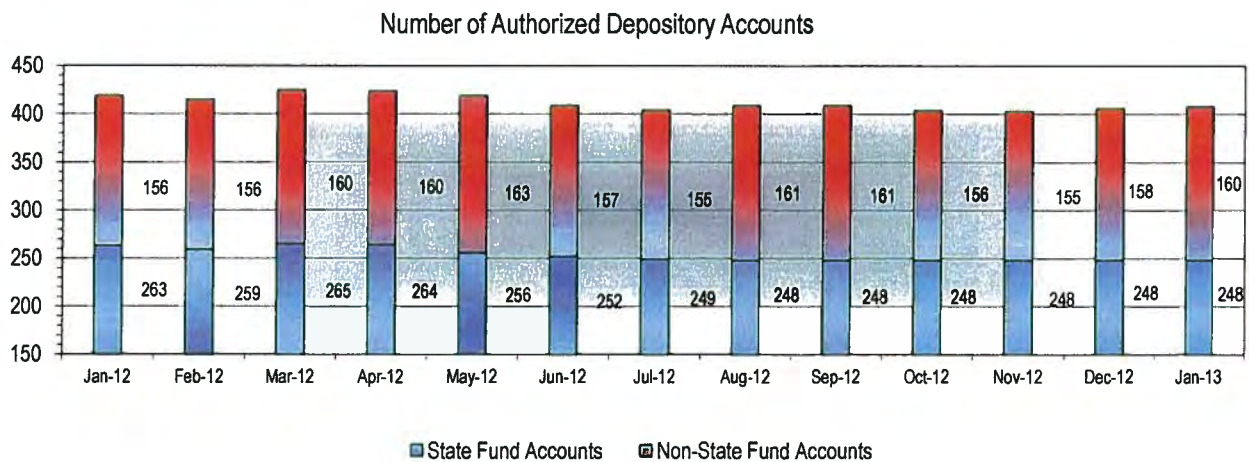
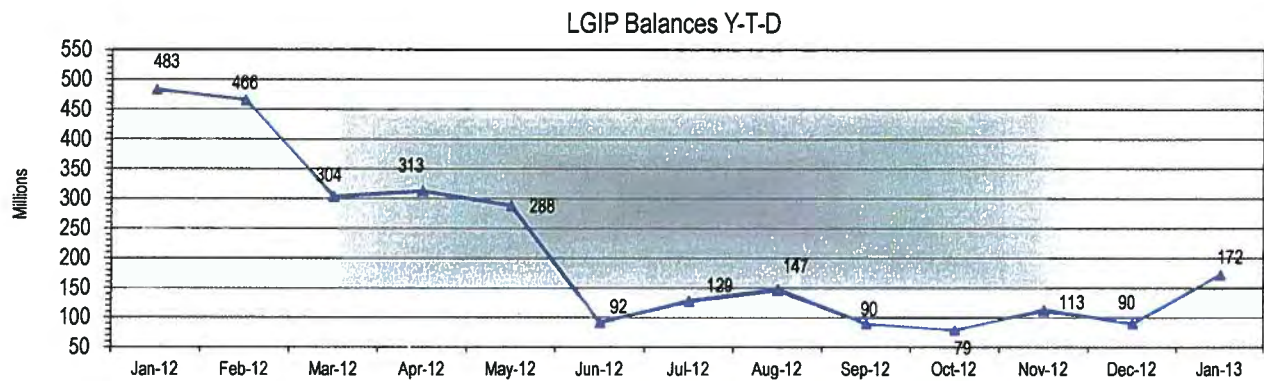
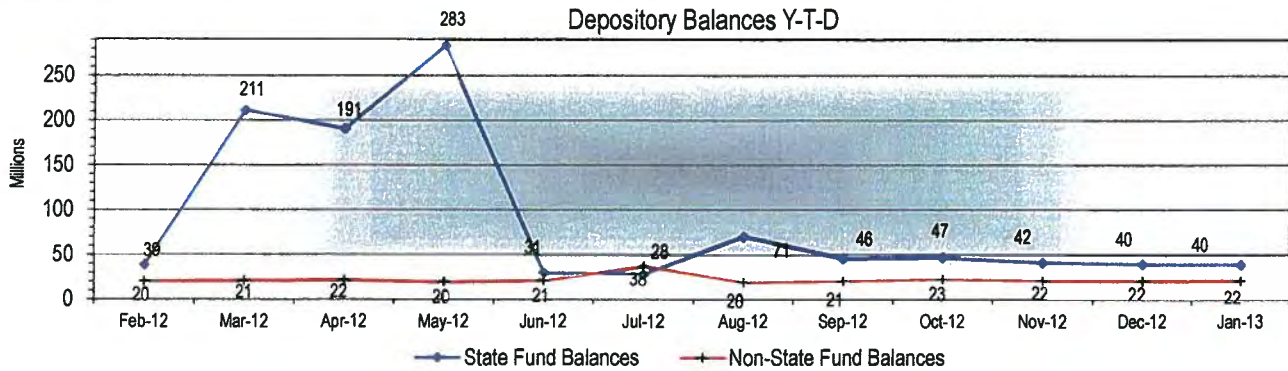
Total: 160 **\$194,361,943**

**Total Depository Balances: \$231,836,316**

**Total Depository Accounts: 408**



## Depository Account Summary -January 2013



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

Depository accounts opened in January 2013	5	13th District Court
	1	Corrections
Depository accounts closed in January 2013	2	13th District Court
	1	2nd District Attorney
	1	Workforce Solutions

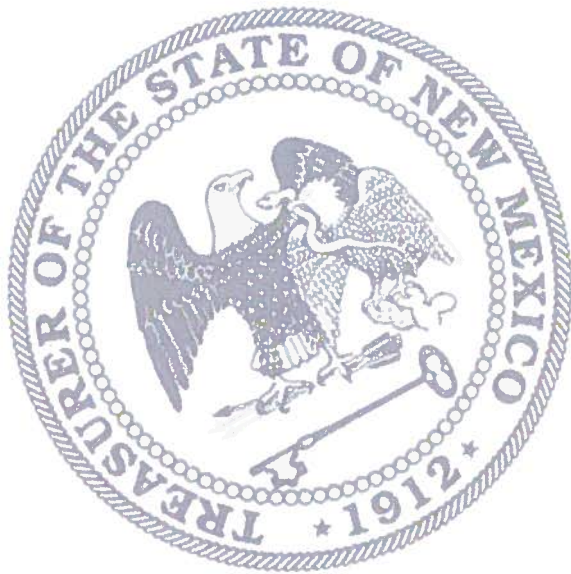
## State Fund Balances by Financial Institution

January- 2013

Bank 34/Alamogordo	0
Century Bank/Santa Fe	0
First National Bank/Alamogordo	134,434
Bank of America/Albuquerque	2,314,908
Wells Fargo Bank/Albuquerque	29,109,202
Compass Bank/Albuquerque	2,589,983
Bank of the West/Albuquerque	591
First American Bank/Artesia	71,264
My Bank/Belen	7,682
Carlsbad National Bank/Carlsbad	2,336
Western Commerce Bank/Carlsbad	76,309
Farmers/Stockmens Bank/Clayton	30,591
First National Bank/Clayton	1,547,060
Bank of Clovis/Clovis	0
Citizens Bank/Clovis	26,338
NM Bank & Trust/Albuquerque	228,851
Community Bank/Santa Fe	2,700
Valley National Bank/Espanola	500
Pinnacle Bank/Gallup	2,856
Grants State Bank/Grants	100
Lea County State Bank/Hobbs	140,387
Citizens Bank/Las Cruces	0
Southwest Capitol/Las Vegas	163,836
Community 1st Bank/Las Vegas	376,512
Western Bank/Lordsburg	94,217
Los Alamos National Bank/Los Alamos	23,016
James Polk Stone National Bank/Portales	50,419
International Bank/Raton	28,384
Valley Bank of Commerce/Roswell	69,989
First National Bank of Santa Fe/Santa Fe	0
First State Bank/Socorro	17,580
Centinel Bank/Taos	73,875
US Bank/Albuquerque	158,353
Bank of the Southwest/Roswell	98,857
People's Bank	10,222
AmBank	23,021

**Total:     \$37,474,373**





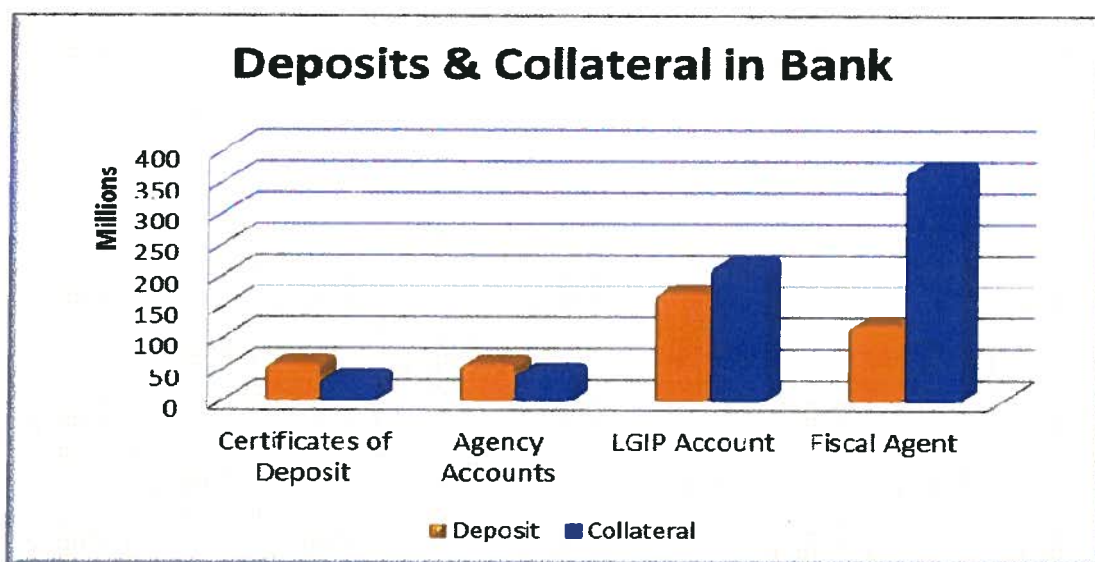
## 12. Collateral Report on Agency Deposits & CDs

## Office of the Treasurer

### Collateral Summary Review

### January 31, 2013

As of January 2013 there were four depository institutions holding state funds that were deficient in their collateral levels. Community 1<sup>st</sup> Bank of Las Vegas \$63,256, Western Bank of Clovis \$300,169, James Polk Stone Community Bank \$153,980, & BANK'34 \$147,016. 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	\$ 59.0 Million	\$ 36.3 Million	61.5%
Agency Deposit	58.7 Million	45.9 Million	78.1%
LGIP Deposits	172.5 Million	214.3 Million	124.2%
Fiscal Agent	121.1 Million	367.3 Million	303.3%
<b>Totals →</b>	<b>411.3 Million</b>	<b>663.7 Million</b>	<b>161.4%</b>



# Office of the Treasurer

## Collateral Review

### Accumulated Total by Institution

### January 31, 2013

FINANCIAL INSTITUTION	%	TOTAL DEPOSITS	FDIC / NCUA INSURANCE	LESS INSURANCE COVERAGE	SUBJECT TO BE COLLATERALIZED	COLLATERAL PLEDGED	EXCESS (UNDER)
First National - Alamogordo	50%	567,470	250,000	317,470	158,735	358,873	200,139
Western - Alamogordo	102%	3,600,000	250,000	3,350,000	3,417,000	3,641,053	224,053
Bank of America	50%	2,983,695	250,000	2,733,695	1,366,848	5,311,933	3,945,085
Bank of the West	50%	120,050,732	250,000	119,800,732	59,900,366	123,715,414	63,815,048
BBVA Compass	102%	2,589,998	250,000	2,339,998	2,386,798	4,967,134	2,580,336
US Bank	50%	31,314,594	250,000	31,064,594	15,532,297	18,500,000	2,967,703
Wells Fargo	50%	67,675,042	250,000	67,425,042	33,712,521	103,144,128	69,431,607
First American	50%	71,263	71,263	0	0	0	0
My Bank	102%	2,238,969	250,000	1,988,969	2,028,748	2,295,000	266,252
Carlsbad National	50%	2,336	2,336	0	0	0	0
Western Commerce	50%	4,076,309	250,000	3,826,309	1,913,154	2,638,055	724,901
Farmers & Stockmen	50%	3,087,654	250,000	2,837,654	1,418,827	2,789,331	1,370,504
First National - Clayton	50%	1,547,060	250,000	1,297,060	648,530	1,241,808	593,279
Bank of Clovis	50%	586,186	250,000	336,186	168,093	586,186	418,093
Citizens - Clovis	50%	26,338	26,338	0	0	0	0
NM Bank & Trust	50%	228,851	228,851	0	0	250,000	250,000
Western - Clovis	50%	3,100,000	250,000	2,850,000	1,425,000	1,124,831	(300,169)
Valley National	102%	500	500	0	0	0	0
Pinnacle	50%	2,856	2,856	0	0	0	0
Grants State	50%	89,490	89,490	0	0	0	0
Lea County State	50%	140,387	140,387	0	0	0	0
Citizens - Las Cruces	50%	3,591	3,591	0	0	0	0
Southwest Capital	50%	723,920	250,000	473,920	236,960	752,057	515,097
Community 1st - Las Vegas	50%	376,512	250,000	126,512	63,256	0	(63,256)
Western - Lordsburg	50%	107,672	107,672	0	0	0	0
Los Alamos National	102%	23,015	23,015	0	0	0	0
James Polk Stone Communi	50%	557,961	250,000	307,961	153,980	0	(153,980)
International	50%	172,204	172,204	0	0	100,000	100,000
Bank of the Southwest	50%	327,221	250,000	77,221	38,611	269,306	230,695
Valley Commerce	50%	69,989	69,989	0	0	0	0
Century	50%	24,627,835	250,000	24,377,835	12,188,917	12,735,000	546,083
Community	102%	240,195	240,195	0	0	0	0
First National - Santa Fe	50%	15,000,000	250,000	14,750,000	7,375,000	8,085,964	710,964
First State	50%	60,678	60,678	0	0	0	0
AM	50%	23,021	23,021	0	0	0	0
Centinel	50%	73,875	73,875	0	0	0	0
Peoples	50%	10,222	10,222	0	0	0	0
BANK'34	102%	2,160,191	250,000	1,910,191	1,948,395	1,801,379	(147,016)
Union Savings	102%	2,000,000	250,000	1,750,000	1,785,000	2,124,270	339,270
Guadalupe Credit	50%	250,000	250,000	0	0	0	0
		290,787,830	6,846,482	283,941,348	147,867,036	296,431,723	148,564,686