



STATE OF NEW MEXICO
OFFICE OF THE TREASURER

THE HONORABLE TIM EICHENBERG
State Treasurer

SAMUEL K. COLLINS, JR.
Deputy State Treasurers

**STATE TREASURER'S
INVESTMENT COMMITTEE**

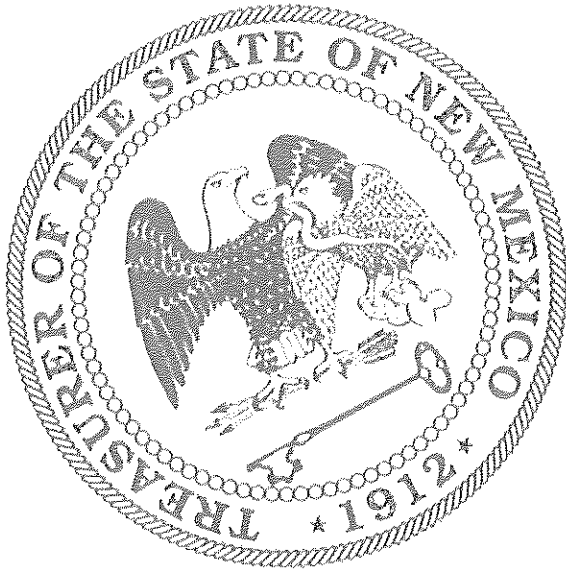
State Treasurer's conference room



"Acoma from above" - New Mexico Tourism Department

Tuesday, November 10, 2015

9:00am



1. Approval of November 10, 2015 Agenda



STATE OF NEW MEXICO
OFFICE OF THE TREASURER

Tim Eichenberg
The Honorable State Treasurer

Samuel K. Collins, Jr.
Deputy State Treasurer

STATE TREASURER'S INVESTMENT COMMITTEE
Treasurer's Conference Room
Tuesday, November 10, 2015, 9:00 a.m.

MEETING AGENDA

Roll Call

- | | |
|---|--------|
| 1. Approval of November 10, 2015 Agenda | Action |
| 2. Approval of October 14, 2015 Minutes | Action |
| 3. Public Comments | |

INVESTMENT REPORTS

- | | |
|---|---------------|
| 4. Executive Summary (Vikki Hanges) | Informational |
| 5. Investment Accounting Report (Steve Vigil) | Informational |
| 6. Investment Policy Compliance Report (Arsenio Garduño) | Informational |
| 7. Cash Projections (Arsenio Garduño) | Informational |
| 8. Investment Advisor- September 2015 Quarterly Investment Report (Deanne Woodring) | Informational |
| 9. Quarterly Investment Review (Vikki Hanges) | Informational |
| 10. Portfolio Summary -- General Fund Investment Pool (Vikki Hanges) | Informational |
| 11. Portfolio Summary -- Local Government Investment Pool (LGIP) (Jeremy Landrum) | Informational |
| 12. Portfolio Summary -- Tax-Exempt Bond Proceeds Investment Pool (Jeremy Landrum) | Informational |
| 13. Portfolio Summary -- Taxable Bond Proceeds Investment Pool (Jeremy Landrum) | Informational |
| 14. Portfolio Summary -- Severance Tax Bonding Fund (Vikki Hanges) | Informational |
| 15. Broker Dealer Activities | Informational |

**Month Ended
September, 2015**

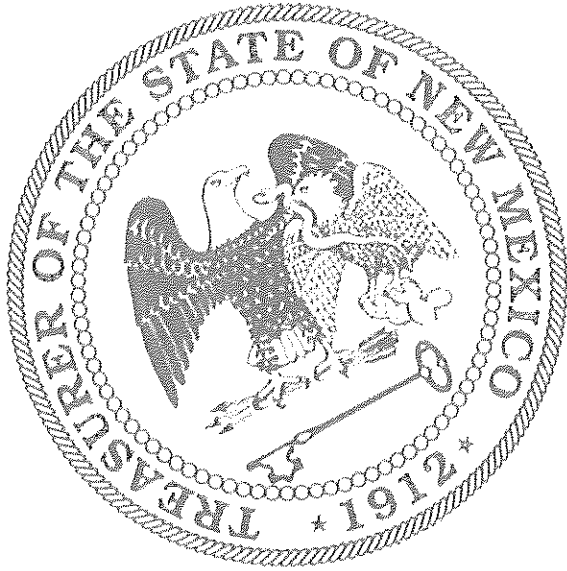
**CASH MANAGEMENT
& COLLATERAL REPORTS**

- | | |
|--|---------------|
| 16. State Agency Deposit Balances (Edward Gallegos) | Informational |
| 17. Collateral Report on Agency Deposits & CDs (Arsenio Garduño) | Informational |

**Month Ended
September 30, 2015**

COMMITTEE REPORTS

- | | |
|--|--------|
| 18. Credit Investing | Action |
| 19. Next Meeting –Wednesday, December 9, 2015, 9:00 am | |
| 20. Adjournment | |



2. Approval of October 14, 2015 Minutes

New Mexico State Treasurer's Office
STIC Committee Meeting
Meeting Minutes
Wednesday, October 14, 2015

ROLL CALL- QUORUM PRESENT:

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

Members Present:

Mr. Sam Collins, Deputy State Treasurer designee for State Treasurer Tim Eichenberg
Ms. Charmaine Cook, Chief Investment Officer, Chairman
Ms. Leila Burrows Kleats, Board of Finance Director
Mr. Mark Pike, Public Member

Member Absent:

Mr. Paul Cassidy, Public Member

Staff Present:

Ms. Vikki Hanges, Portfolio Manager
Mr. Jeremy Landrum, Portfolio Manager
Mr. Arsenio Garduño, Collateral Manager
Ms. Victoria Hutchison, STIC Secretary

Guests Present:

Ms. Deanne Woodring, Government Portfolio Advisors (via telephone)
Ms. Sheila Duffy, Public Trust Advisors
Mr. Spencer Wright, Educational Retirement Board

1. Approval of October 14, 2015 Agenda:

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

2. Approval of September 9, 2015 Minutes:

Member Kleats moved approval of the Minutes. Motion was seconded by Member Cook and passed unanimously by voice vote.

3. Public Comments

There were no public comments.

4. Executive Summary

Ms. Vikki Hanges presented highlights of the Executive Summary. Discussion was held regarding the possibility of rate hikes by the end of the year.

5. Investment Policy Compliance Report

Mr. Arsenio Garduño presented highlights of the Investment Policy Compliance Report. Mr. Jeremy Landrum addressed the issue surrounding the purchase of Arab Republic of Egypt and explained that it is a US Aid Secured Bond.

6. Investment Accounting Report

Member Charmaine Cook presented highlights of the Investment Accounting Report.

7. Cash Projections

Mr. Arsenio Garduño presented highlights of Cash Projections. Discussion was held concerning the declining revenues from oil and gas.

8. Portfolio Summary - General Fund Investment Pool

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

9. Portfolio Summary – Local Government Investment Pool

Mr. Jeremy Landrum presented highlights of the Local Government Investment Pool Portfolio Summary.

10. Portfolio Summary - Tax-Exempt Bond Proceeds Investment Pool

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

11. Portfolio Summary - Taxable Bond Proceeds Investment Pool

Mr. Jeremy Landrum presented highlights of the Taxable Bond Proceeds Investment Pool Portfolio Summary.

12. Portfolio Summary - Severance Tax Bonding Fund

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

13. Broker Dealer Activities

Member Cook indicated that the new list was effective October 1, 2015.

14. State Agency Deposit Balances

Mr. Arsenio Garduño presented highlights of the State Agency Deposit Balances.

15. Collateral Report on Agency Deposits & CDs

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

Committee Reports

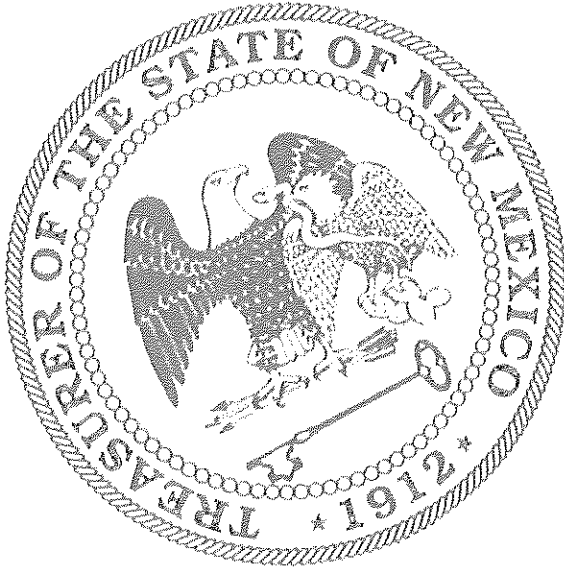
Ms. Vikki Hanges provided a presentation concerning Credit Investing at the State Treasurer's Office. Credit Investing at STO is allowable by statute and Investment Policy.

16. Next Meeting - Tuesday, November 10, 2015, 9:00am

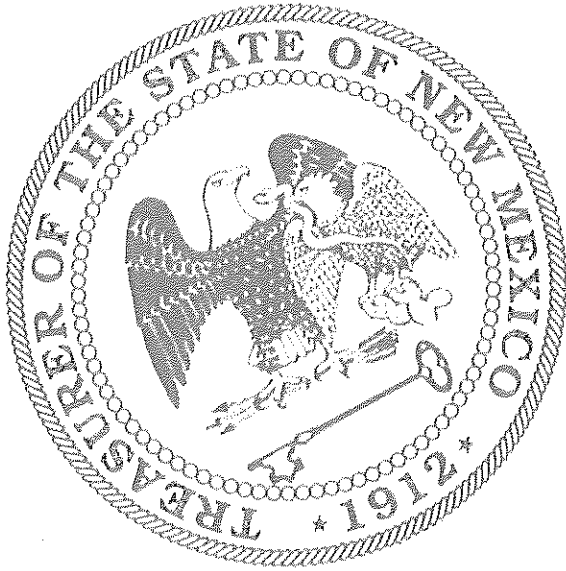
17. Adjournment

Meeting adjourned at 11:07 am

Minutes were taken by Ms. Victoria Hutchison.



3. Public Comments



4. Executive Summary

Executive Summary

- At the end of September, the State Treasurer managed \$4.2 billion in assets.
- During the month, the office earned approximately \$2.3 million on its investment positions.
- On a mark-to-market basis the portfolios increased \$6.2 million.
- US equity markets fell in September 2015, down 2.6% for the month.
- US Treasury yields declined across all maturities, prices were higher.
- The highly anticipated September Federal Open Market Committee meeting produced no change in the level of short term interest rates, giving a large boost to fixed income securities.
- The unemployment rate fell to 5.1% as non farm payroll employment disappointed, adding only 173,000 jobs.
- Oil prices fell more than 8% during the month of September.
- Chinese equities fell by almost 5% in September.
- The US dollar strengthened ever so slightly vs. the euro, less than 1%.

Table 1 – Comparative Interest Rates

US Treasury Yields

<i>Maturity</i>	<i>Aug 31 2015</i>	<i>Sept 30 2015</i>	<i>Change</i>
<i>3-Month</i>	0.00%	(0.02)%	(0.02)%
<i>6-Month</i>	0.23%	0.07%	(0.16)%
<i>2-Year</i>	0.74%	0.63%	(0.11)%
<i>3-Year</i>	1.05%	0.90%	(0.15)%
<i>5-Year</i>	1.55%	1.36%	(0.19)%
<i>10-Year</i>	2.22%	2.04%	(0.18)%
<i>30-Year</i>	2.96%	2.85%	(0.11)%

Source: Bloomberg LP

Portfolio Mark-to-Market and Monthly Change

With lower market yields, the STO portfolios all had positive results on a mark-to-market basis for the month of September.

Table 2 - Unrealized Gains and Losses

<u>Fund</u>	<u>Unrealized Gain/Loss¹</u>	<u>Monthly Change in Unrealized Gain/Loss²</u>
<i>General Funds</i>	\$10.6 million	Increased \$4.0 million
<i>Bond Proceeds Funds</i>	\$3.6 million	Increased \$2.0 million
<i>Local Government Investment Pool</i>	Not Material	Not Material
<i>Severance Tax Bonding Fund</i>	Not Material	Not Material

Source: QED

Portfolio Purchase Yields and Durations

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

Table 3 – Portfolio Purchase Yields and Durations

<u>Fund</u>	<u>Purchase Yield⁴</u>	<u>Effective Duration³</u>		
		<u>Portfolio</u>	<u>Benchmark</u>	<u>Percentage</u>
<i>General Fund Liquidity</i>	0.15%	0.01 Years		
<i>General Fund CORE</i>	1.10%	1.94 Years	2.18 Years	89%
<i>Bond Proceeds – Tax Exempt</i>	0.60%	1.06 Years	1.36 Years	78%
<i>Bond Proceeds – Taxable</i>	0.68%	1.07 Years	1.36 Years	78%
<i>Local Government Investment Pool</i>	0.15%	0.20 Years		
<i>Severance Tax Bonding Fund</i>	0.21%	0.09 Years		

¹ Calculated Unrealized Gains or Losses represent the “market value” of the portfolios as compared to their “net book value” as of the effective date of calculation. Net book value = original book value less amortization/plus accretion of premium/discount. As such, they approximate the values which could be realized/lost if the positions were to be liquidated at market prices on the day that the calculation was performed. Market conditions change on a daily basis and the resulting calculations will also change with market movements.

² Unaudited. Change in Unrealized Gain/Loss from previous month. Mark-to-market values are calculated using the QED system and weekly securities pricing from IDC. Securities, such as Certificates of Deposits, for which there is no quoted market price, are carried at cost basis (amortized through the holding date).

³ Effective Duration. Portfolio durations are calculated as of a moment in time, specifically at month end. Source: JP Morgan.

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

Benchmark Performance Comparisons

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

Table 4 - Relative Performance of STO Funds

<i>Fund</i>	<i>Performance⁵</i>	
	<i>3 Months</i>	<i>12 Months</i>
General Fund Liquidity	0.04%	0.17%
S&P Government Pools Index (Gross)	<u>0.04%</u>	<u>0.13%</u>
Relative Performance (BPs)	0.00%	0.04%
General Fund CORE	0.49%	1.60%
BAML 0-5 US Treasury	<u>0.57%</u>	<u>1.73%</u>
Relative Performance (BPs)	(0.08)%	(0.13)%
Bond Proceeds - Tax Exempt	0.20%	0.69%
BAML 0-3 US Treasury	<u>0.24%</u>	<u>0.85%</u>
Relative Performance (BPs)	(0.04)%	(0.16)%
Bond Proceeds - Taxable	0.25%	0.83%
BAML 0-3 US Treasury	<u>0.24%</u>	<u>0.85%</u>
Relative Performance (BPs)	0.01%	(0.02)%
Local Government Investment Pool	0.04%	0.17%
S&P Government Pools Index (Gross)	<u>0.04%</u>	<u>0.13%</u>
Relative Performance (BPs)	0.00%	0.04%
Severance Tax Bonding Fund	0.07%	0.17%
S&P Government Pools Index (Gross)	<u>0.04%</u>	<u>0.13%</u>
Relative Performance (BPs)	0.03%	0.04%

Source: JPMorgan, STO Calculations

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

⁵ Relative performance is periodic total return compared to the return of the portfolio benchmarks.

Earnings

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

Table 5 - Investment Earnings – Periods ended September, 2015

<i>Fund</i>	<i>Investment Net Earnings⁶</i>		
	<i>Sept FY'16</i>	<i>FY'16 YTD</i>	<i>FY'15 YTD</i>
<i>General Funds</i>	\$1,398,720	\$4,229,319	\$3,625,627
<i>Bond Proceeds Funds</i>	\$754,018	\$2,187,271	\$1,492,448
<i>Local Government Investment Pool⁷</i>	\$123,919	\$355,866	\$239,160
<i>Severance Tax Bonding Fund</i>	\$10,154	\$20,599	\$13,146

Source: QED

- The General Funds increased investment earnings by almost \$600,000 in FY2016 vs. the same period in FY2015 as a result of the increased investment in the Core Fund as a percentage of the total Fund.
- Bond Proceeds funds have increased investment earnings by almost \$700,000 as a result of high absolute balances from NM bond issuances.
- The LGIP has maintained longer WAMs in order to capture additional yield in an extremely low interest rate environment. The assets of the Pool have increased as well.
- The STBF has utilized the LGIP and NM fully collateralized deposits to enhance yield.

Compensating Balances at Fiscal Agent Bank

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

Table 6 - Compensating Balances at Fiscal Agent Bank

<i>Average Collected Balance</i>	\$38,320,565
<i>Earnings Credit Rate</i>	0.50%
<i>Estimated Monthly Earnings</i>	\$15,967
<i>Estimated Fiscal YTD Earnings</i>	\$47,974

Source: Wells, Fargo & Co.

⁶ Each fund is managed using different objectives, as more fully detailed in this report. As such, returns and earnings on the funds will vary on a month to month basis. Investment Net Earnings = Accrued income + realized gains and losses net of amortization/accretion for premiums/discounts.

⁷ Gross Earnings, Participant Earnings reflect 0.05% reduction for management fees.

Monthly Investment Outlook

US Treasury yields were lower in September giving fixed income securities a meaningful price boost. There were two considerably significant events that shaped the direction of interest rates during the month and for what may be an extended period of time going forward. A weaker than expected employment report started the ball rolling, followed by the Federal Open Market Committee leaving short term interest rates unchanged. The interesting market action occurred a few days prior to the meeting's end as the two year US Treasury reached a high yield of 0.81%, a level not seen since 2011. The market was ready for a rate hike but Janet Yellen was not, choosing instead to focus on the overall global economic weakness.

With year end looming, it would seem that the next viable option for the Fed to increase short term interest rates would be in the first quarter of 2016...or later. Unless economic data begins to show extraordinary strength, the portfolios that STO manages will be lengthened closer to benchmark durations as opportunities arise and cash becomes available. There has been a need to move cash out of the General Fund Core and into Liquidity over the past two months to cover expenditures, with expectations that this trend may continue.

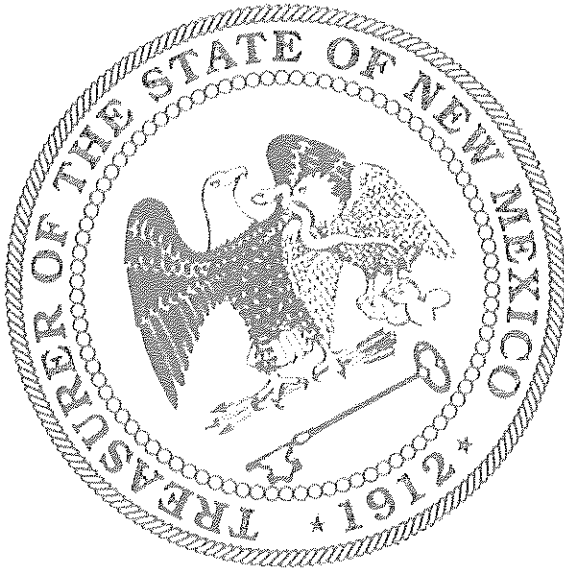
Vikki Hanges
Portfolio Manager

New Mexico State Treasurer
Monthly Fund Summary Report
(Unaudited)
As of September 30, 2015

General Fund	Holdings			Performance				Monthly Earnings			YTD Earnings		
	Cost Basis	Market Value	Unrealized Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Earnings	Market Value	Total	Earnings	Market Value	Total
Sub-Account													
Cash Balances	\$ 38,320,565	\$ 38,320,565	\$ -										
Liquidity	414,962,688	414,962,688	-	0.15%	S&P LGIP Gross	0.13%	0.02%	\$ 39,713	\$ -	\$ 39,713	\$ 150,475	\$ -	\$ 150,475
CORE	1,496,021,325	1,506,666,735	10,645,410	1.60%	ML Treasury 0-5	1.73%	-0.13%	1,358,720	4,066,592	5,425,312	4,078,843	3,592,868	7,671,711
TRAN	-	-	-	0.00%	All-In Tran TIC	0.00%	0.00%	-	-	-	-	-	-
Totals	\$ 1,949,304,578	\$ 1,959,949,988	\$ 10,645,410	1.29%	Blended	1.38%	-0.10%	\$ 1,398,432	\$ 4,066,592	\$ 5,465,024	\$ 4,229,319	\$ 3,592,868	\$ 7,822,187
Bond Proceeds Investment Pool (BPIP)													
Sub-Account	Cost Basis	Market Value	Unrealized Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Earnings	Market Value	Total	Earnings	Market Value	Total
Tax-Exempt	\$ 705,353,882	\$ 706,583,254	\$ 1,229,372	0.69%	ML Treasury 0-3	0.85%	-0.16%	\$ 353,581	\$ 1,028,891	\$ 1,382,472	\$ 940,959	\$ 419,886	\$ 1,360,845
Taxable	708,023,753	710,442,110	2,418,357	0.83%	ML Treasury 0-3	0.85%	-0.02%	400,437	1,048,600	1,449,037	1,246,313	581,652	1,827,965
Totals	\$ 1,413,377,635	\$ 1,417,025,364	\$ 3,647,729	0.76%	Blended	0.85%	-0.09%	\$ 754,018	\$ 2,077,491	\$ 2,831,509	\$ 2,187,271	\$ 1,001,538	\$ 3,188,809
Local Government Investment Pool (LGIP)													
Sub-Account	Cost Basis	Market Value	Unrealized Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Earnings	Market Value	Total	Earnings	Market Value	Total
LGIP (See Note 5)	\$ 742,343,357	\$ 742,378,776	\$ 35,419	0.17%	S&P LGIP Gross	0.13%	0.04%	\$ 123,919	\$ 59,900	\$ 183,819	\$ 355,866	\$ 42,338	\$ 398,204
Severance Tax Bonding Fund													
Sub-Account	Cost Basis	Market Value	Unrealized Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Earnings	Market Value	Total	Earnings	Market Value	Total
STBF	\$ 112,573,632	\$ 112,590,566	\$ 16,934	0.17%	S&P LGIP Gross	0.13%	0.04%	\$ 10,154	\$ 17,178	\$ 27,332	\$ 20,599	\$ 14,416	\$ 35,015
Estimated Totals (all funds)		\$ 4,231,944,694	\$ 14,345,492					\$ 2,286,523	\$ 6,221,161	\$ 8,507,684	\$ 6,793,056	\$ 4,651,160	\$ 11,444,216

Notes:

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



5. Investment Accounting Report



STATE OF NEW MEXICO
OFFICE OF THE TREASURER

THE HONORABLE TIM EICHENBERG
State Treasurer

RICKY ANTHONY BEJARANO
Deputy State Treasurer

Memorandum

Date: October 23, 2015
To: Charmaine Cook, Chief Investment Officer & Investment Division Director
From: Steve Vigil, Investment Accounting Bureau Chief SV
CC: STO Investments Division, Leo Marquez II, STO Chief Financial Officer
Subject: September 2015 Investment Reconciliation

September 2015 Investments Reconciliation

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

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

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

Earned interest materiality threshold is ½ basis point of the total market value of a JP Morgan account. The JPM-QED income reconciliation had no material differences. Please refer to the JPM-QED income reconciliation.

JP Morgan to QED Inventory Reconciliations
For Accounting Period Ended September 30, 2015

W/P Ref
503

Market Value Reconciliation

JPM Account	Market Value	QED Fund #	Name	Market Value	Difference	BPS Dollar Threshold *
P 09336	414,962,661.80	1000	GF Liquidity	414,962,687.80	(26.00)	207,481.33
P 09337	1,509,090,659.88	1001	GF Core	1,509,086,652.90	4,006.98	754,545.33
P 09334	149,477,184.22	1101	ONREPO	149,480,704.70	(3,520.48)	74,738.59
P 89523	112,590,647.55	4001	STB	112,590,566.05	81.50	56,295.32
P 09335	706,591,971.92	4000	BPIP#1	706,583,253.47	8,718.45	353,295.99
P 09339	710,723,992.40	4002	BPIP#2	710,724,299.50	(307.10)	355,362.00
P 09333	786,443,201.35	4101	LGIP	786,470,110.55	(26,909.20)	393,221.60
Total	4,389,880,319.12			4,389,898,274.97	(17,955.85)	2,194,940.16

Cost Reconciliation

JPM Account	Cost	QED Fund #	Name	Cost	Difference	BPS Dollar Threshold *
P 09336	414,962,661.80	1000	GF Liquidity	414,962,687.80	(26.00)	207,481.33
P 09337	1,518,610,518.19	1001	GF Core	1,518,610,340.12	178.07	759,305.26
P 09334	149,477,184.22	1101	ONREPO	149,480,704.70	(3,520.48)	74,738.59
P 89523	112,582,993.36	4001	STB	112,582,968.35	25.01	56,291.50
P 09335	710,493,724.26	4000	BPIP#1	710,493,724.27	(0.01)	355,246.86
P 09339	714,551,761.13	4002	BPIP#2	714,551,761.13	-	357,275.88
P 09333	786,894,342.21	4101	LGIP	786,894,330.21	12.00	393,447.17
Total	4,407,573,185.17			4,407,576,516.58	(3,331.41)	2,203,786.59

Position Reconciliation

JPM Account	Position Size	QED Fund #	Name	Position Size	Difference	BPS Dollar Threshold *
P 09336	414,962,661.80	1000	GF Liquidity	414,962,687.80	(26.00)	207,481.33
P 09337	1,490,592,531.09	1001	GF Core	1,490,592,531.09	-	745,296.27
P 09334	149,477,184.22	1101	ONREPO	149,480,704.70	(3,520.48)	74,738.59
P 89523	112,589,926.37	4001	STB	112,589,901.37	25.00	56,294.96
P 09335	701,569,932.32	4000	BPIP#1	701,569,932.32	-	350,784.97
P 09339	705,952,436.56	4002	BPIP#2	705,952,436.56	-	352,976.22
P 09333	785,851,038.26	4101	LGIP	785,851,026.26	12.00	392,925.52
Total	4,360,995,710.62			4,360,999,220.10	(3,509.48)	2,180,497.86

*Basis Point (BPS)Dollar Threshold

JPM Market Value x 5 BPS

JPM Cost x 5 BPS

JPM Postion Size x 5 BPS

0.0005

JP Morgan to QED Income Reconciliation
 For Accounting Period Ended September 30, 2015

W/P Ref
 504

JPM Account	Earned Interest	QED Fund #	Name	Earned Interest	Difference	BPS Dollar Threshold *
P 09336	39,712.45	1000	GF Liquidity	39,712.59	(0.14)	20,748.13
P 09337	2,039,578.72	1001	GF Core	2,039,935.52	(356.80)	75,454.53
P 09334	5,247.18	1101	ONREPO	5,247.16	0.02	7,473.86
P 89523	29,320.20	4001	STB	24,252.38	5,067.82	5,629.53
P 09335	711,128.37	4000	BPIP#1	677,149.36	33,979.01	35,329.60
P 09339	700,583.32	4002	BPIP#2	696,616.44	3,966.88	35,536.20
P 09333	231,090.86	4101	LGIP	230,167.22	923.64	39,322.16
Total	3,756,661.10			3,713,080.67	43,580.43	219,494.02

JP Morgan to QED Amortization/Accretion Reconciliation

JPM Account	Amortization/Accretion	QED Fund #	Name	Amortization/Accretion	Difference
P 09336	-	1000	GF Liquidity	-	-
P 09337	(669,504.68)	1001	GF Core	(718,946.76)	49,442.08
P 09334	-	1101	ONREPO	-	-
P 89523	(14,112.05)	4001	STB	(14,098.17)	(13.88)
P 09335	(309,083.37)	4000	BPIP#1	(323,568.68)	14,485.31
P 09339	(281,841.38)	4002	BPIP#2	(296,179.43)	14,338.05
P 09333	(106,683.78)	4101	LGIP	(107,216.00)	532.22
Total	(1,381,225.26)			(1,460,009.04)	78,783.78

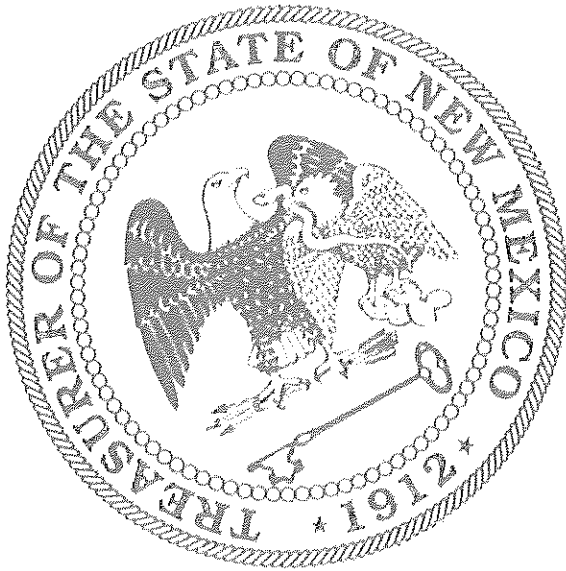
* BPS Dollar Threshold

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

0.005%

Note: QED uses multiple methods (referenced below) to compute amortization/accretion where the configuration is matched with an asset type. JP Morgan uses, but is not limited to, the pro rata, straight line, and level yield methods for amortization/accretion. Therefore, the 78,783.78 difference stems from the accounting method JP Morgan uses to compute amortization/accretion vs. QED.

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



6. Investment Policy Compliance Report

Investment Compliance Review

Primary and Secondary Bond Purchases/ Sales

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

Table 7 - Primary/Secondary Market Volume – September 2015

Primary Bond Volume	\$55,480,000	26%
Secondary Bond Volume	<u>\$157,241,000</u>	<u>74%</u>
Total	\$212,721,000	100%

Source: QED

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

Commissions Paid

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

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

Variable Rate and Structured Note Holdings

At the end of September, total holdings of Variable Rate Notes were \$145,200,000.

Table 8 - Variable Rate Note Holdings – September 2015

General Fund	-
Taxable BPIP	-
Tax Exempt BPIP	-
LGIP	<u>\$145,200,000</u>
Total Holdings	\$145,200,000

Source: QED

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

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

Transaction Variances and Inter-Portfolio Transactions

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

There were no price discrepancies reported and no balances left at the Custodial Bank.

There were 0 inter-portfolio trades during the month.

Unrealized Gains and Losses

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

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

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

Realized Gains and Losses

Realized gains/losses are a result of a difference between amortized cost and the sale proceeds for each position at the time of sale. This amount is booked against investment earnings in the respective accounting period. There were 2 sales which resulted in realized gains/losses.

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

Trade Date	Account	Par Amount	Security	Realized G/L
9/14/2015	GF CORE	25,000,000	FNMA 5.00 3/15/16	37,730.90
9/25/2015	LGIP	16,000,000	FHLB 0 10/14/15	935.72
Total Realized gain (loss)				38,666.62

Trade Documentation

Purchase/Sales Activity¹

There were a total of 29 security trades tracked during the month of September by the Trade Compliance Officer in the Investment Division.

Table 2 – Securities Trades – September 2015

	Quantity	Par-Value	Cost/Proceeds	Realized Gain/Loss
Purchases	27	171,721,000	172,166,870	0
Sales	2	41,000,000	41,578,125	38,667
Totals:	29	212,721,000	213,744,995	38,667

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

Trade documentation and Investment Processing Compliance

All trades have been accounted for by the Investment Transactions Bureau and written documentation has been reviewed for complete compliance with internal procedures and policies.

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

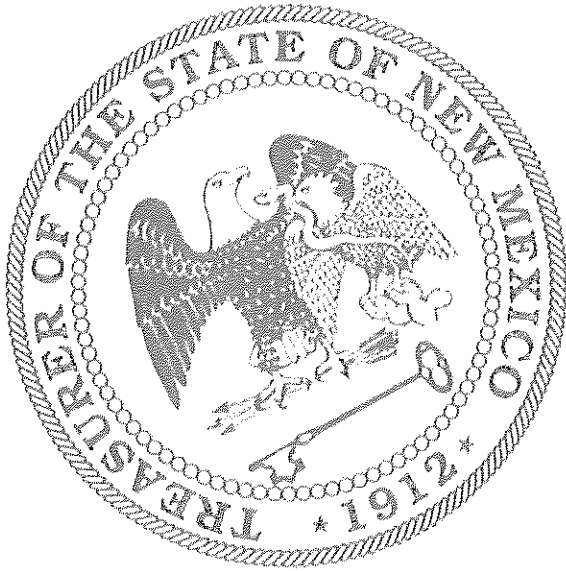
All investment activity is in compliance with applicable investment statutes and the STO Investment Policy.

¹ Excludes daily repurchase agreement transactions.

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 9/01/15 Through 9/30/15

TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	CDST/PROCEEDS	GAIN/LOSS	NXT-CALL
<u>PURCHASE TRANSACTIONS</u>													
9/16/15	912828VV	US TREASURY NOT	24198	UNITED STATES TREASURY	2.125	8/31/20	1.6538	BARCLAYS	1001	6,000,000.00	6,133,828.13		
9/16/15	912828VV	US TREASURY NOT	24199	UNITED STATES TREASURY	2.125	8/31/20	1.6544	WELLS FARGO SEC	1001	4,000,000.00	4,088,906.25		
9/17/15	3135G0SB	AGENCY US BOND	22029	FEDERAL NATIONAL MORTGA	.375	12/21/15	.2000	SOC GEN AMERICA	4001	1,842,000.00	1,842,831.45		
9/17/15	3135G0SB	AGENCY US BOND	24208	FEDERAL NATIONAL MORTGA	.375	12/21/15	.2001	BMO CAPTIAL MAR	4101	2,000,000.00	2,000,902.00		
9/17/15	3135G0SB	AGENCY US BOND	24208	FEDERAL NATIONAL MORTGA	.375	12/21/15	.2005	MORGAN STANLEY	4101	4,260,000.00	4,261,917.00		
9/22/15	3130A0GK	AGENCY US BOND	24243	FEDERAL HOME LOAN BANKS	.375	12/30/15	.3747	BANK OF OKLAHOM	4001	200,000.00	200,000.00		
9/24/15	3133EA3Q	AGENCY US BOND	24244	FEDERAL FARM CREDIT BAN	.600	10/11/16	.5984	SOUTHWEST	4000	1,250,000.00	1,250,000.00		10/15/15
9/03/15	313384NV	AGENCY US DISC	24139	FEDERAL HOME LOAN BANKS		11/04/15	.1851	JEFFRIES & CO	4101	1,300,000.00	1,299,592.49		
9/03/15	313396TS	AGENCY US DISC	24140	FEDERAL HOME LOAN MORTG		2/29/16	.2904	WELLS FARGO SEC	4101	15,000,000.00	14,978,491.67		
9/04/15	313396NL	AGENCY US DISC	24141	FEDERAL HOME LOAN MORTG		10/26/15	.1400	DAIWA CAPITAL M	4101	5,000,000.00	4,999,066.67		
9/15/15	313384RB	AGENCY US DISC	24190	FEDERAL HOME LOAN BANKS		12/28/15	.2502	CASTLEOAK SECUR	4001	12,000,000.00	11,991,416.67		
9/16/15	313396PB	AGENCY US DISC	24197	FEDERAL HOME LOAN MORTG		11/10/15	.2201	MIZUHO SECURITI	4101	10,000,000.00	9,996,700.00		
9/17/15	31315KRD	AGENCY US DISC	24200	FEDERAL AGRICULTURAL MO		12/30/15	.2902	MIZUHO SECURITI	4001	3,500,000.00	3,497,095.97		
9/17/15	313384PS	AGENCY US DISC	24207	FEDERAL HOME LOAN BANKS		11/25/15	.2601	MORGAN STANLEY	4001	22,000,000.00	21,989,195.56		
9/18/15	31315KTF	AGENCY US DISC	24209	FEDERAL AGRICULTURAL MO		2/18/16	.2853	MIZUHO SECURITI	4001	1,000,000.00	998,812.50		
9/30/15	31358C7J	AGENCY US BOND	24284	FANNIEMAE STRIPS		11/15/15	.1260	BB&T CAPITAL MA	4101	1,089,000.00	1,088,847.54		
9/18/15	31315PA2	AGENCY US NOTES	23825	FEDERAL AGRICULTURAL MO	2.000	7/27/16	.4354	WELLS FARGO SEC	4101	2,800,000.00	2,837,128.00		
9/18/15	3137EAAG	AGENCY US NOTES	24210	FEDERAL HOME LOAN MORTG	5.500	7/18/16	.4208	WELLS FARGO SEC	4101	5,000,000.00	5,208,900.00		
9/28/15	3132X0CC	AGENCY US NOTES	24275	FEDERAL AGRICULTURAL MO	.440	10/05/16	.4569	FIRST SOUTHWEST	4101	15,000,000.00	14,997,447.30		
9/30/15	3134G5JE	AGENCY US NOTES	24285	FEDERAL HOME LOAN MORTG	.650	9/29/16	.4422	INTL FCSTONE PA	4101	3,000,000.00	3,006,180.00		
9/08/15	3132X0BY	AGENCY US VARIA	24155	FAMCA FLOAT	.160	9/16/16	.1645	CASTLEOAK SECUR	4101	25,000,000.00	24,998,750.00		
9/22/15	3132X0CE	AGENCY US VAR 3	24234	FARMER MAC	.250	4/05/17	.2533	CASTLEOAK SECUR	4101	25,000,000.00	24,998,750.00		
9/01/15	8275ORAP	MUNI US 30/360	24148	SILVER CITY N MEX JT UT	2.000	12/01/17	1.0005	STIFFEL NICOLAU	1001	255,000.00	260,413.65		
9/23/15	545562RX	MUNI US 30/360	24242	LOS LUNAS N MEX SCH DIS	2.000	7/15/18	1.0203	FIRST SOUTHWEST	4002	275,000.00	282,191.25		
9/25/15	51748QAY	MUNI US 30/360	24259	LAS CRUCES N MEX HOLD H	4.000	6/01/18	1.5000	DEUTSCHE BANK S	1001	150,000.00	159,505.50		
9/01/15	CMSS2015	MUNICIPAL BOND	24125	CARLSBAD MUNI SCHOOL DI	.240	9/04/15	.2397	BROKER DIRECT	1001	2,800,000.00	2,800,000.00		
9/09/15	GISD15TX	MUNICIPAL BOND	24162	GADSDEN INDEPENDENT SCH	.600	8/15/16	.5999	BROKER DIRECT	1001	2,000,000.00	2,000,000.00		
27 PURCHASES DURING PERIOD TOTAL.....										171,721,000.00	172,166,869.60		
<u>SALE TRANSACTIONS</u>													
9/28/15	313384MY	AGENCY US DISC	24036	FEDERAL HOME LOAN BANKS		10/14/15	.0300	BARCLAYS	4101	16,000,000.00	15,999,800.00	935.72	
9/14/15	31359MH8	AGENCY US NOTES	15555	FEDERAL NATIONAL MORTGA	5.000	3/15/16	.3650	SOC GEN AMERICA	1001	25,000,000.00	25,578,325.00	37,730.90	
2 SALES DURING PERIOD TOTAL.....										41,000,000.00	41,578,125.00	38,666.62	
=== GRAND-TOTAL ===>										212,721,000.00	213,744,994.60	38,666.62	

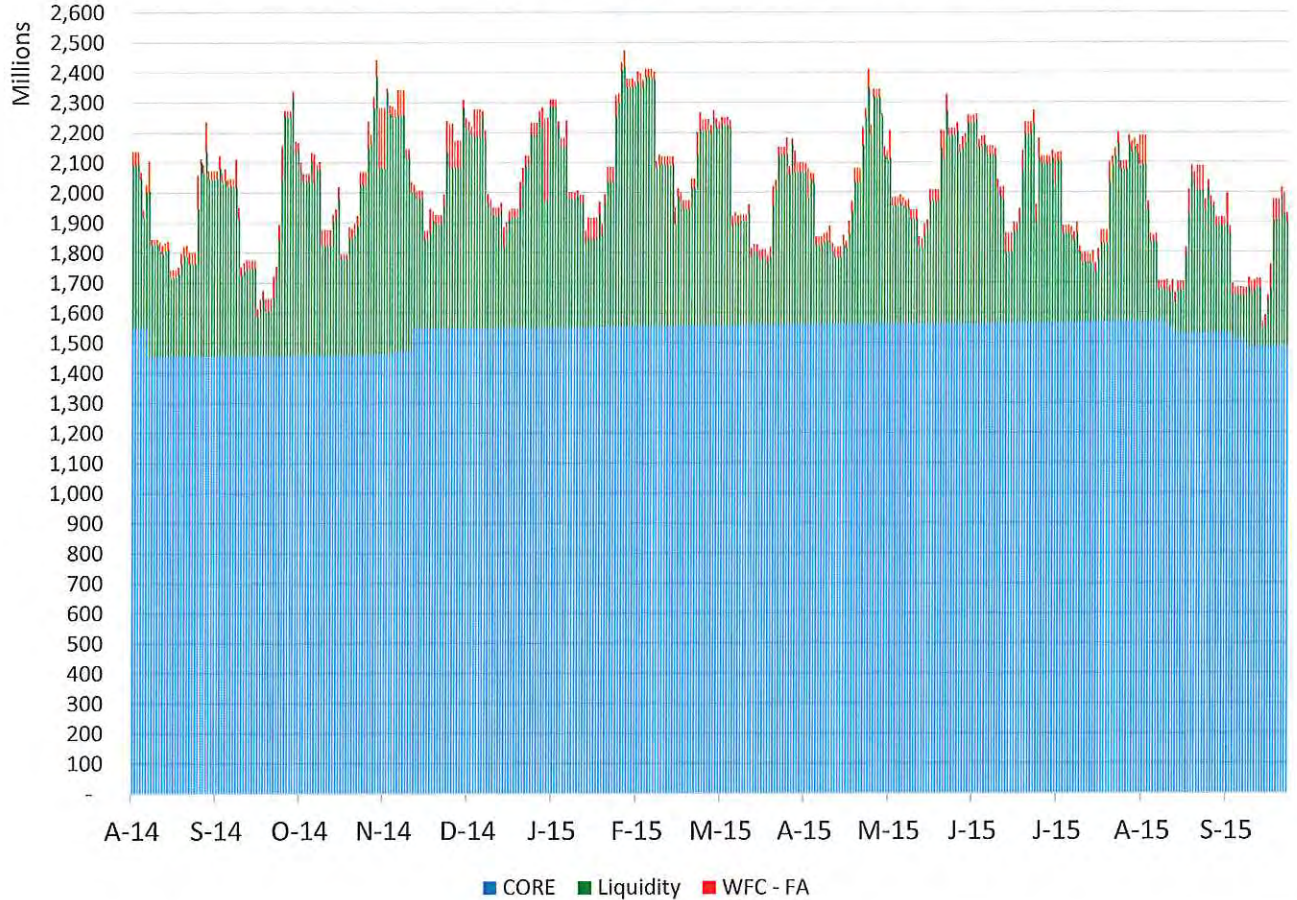
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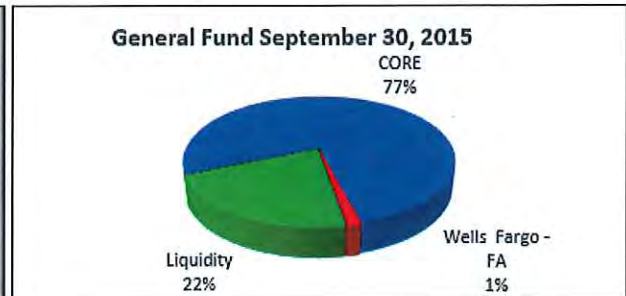
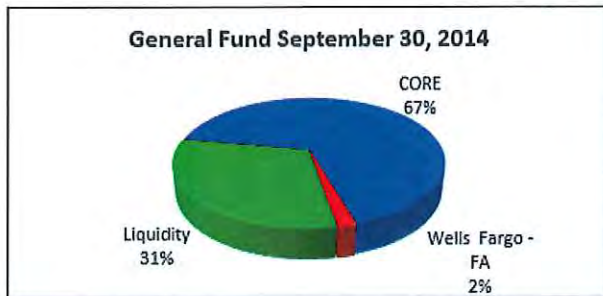
7. Cash Projections

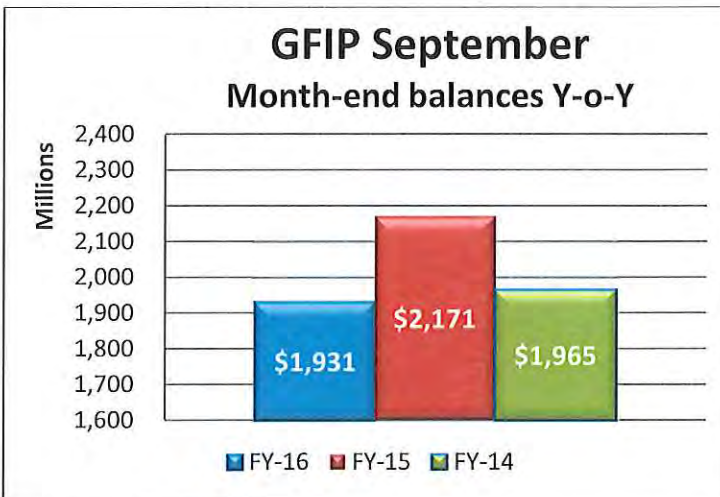
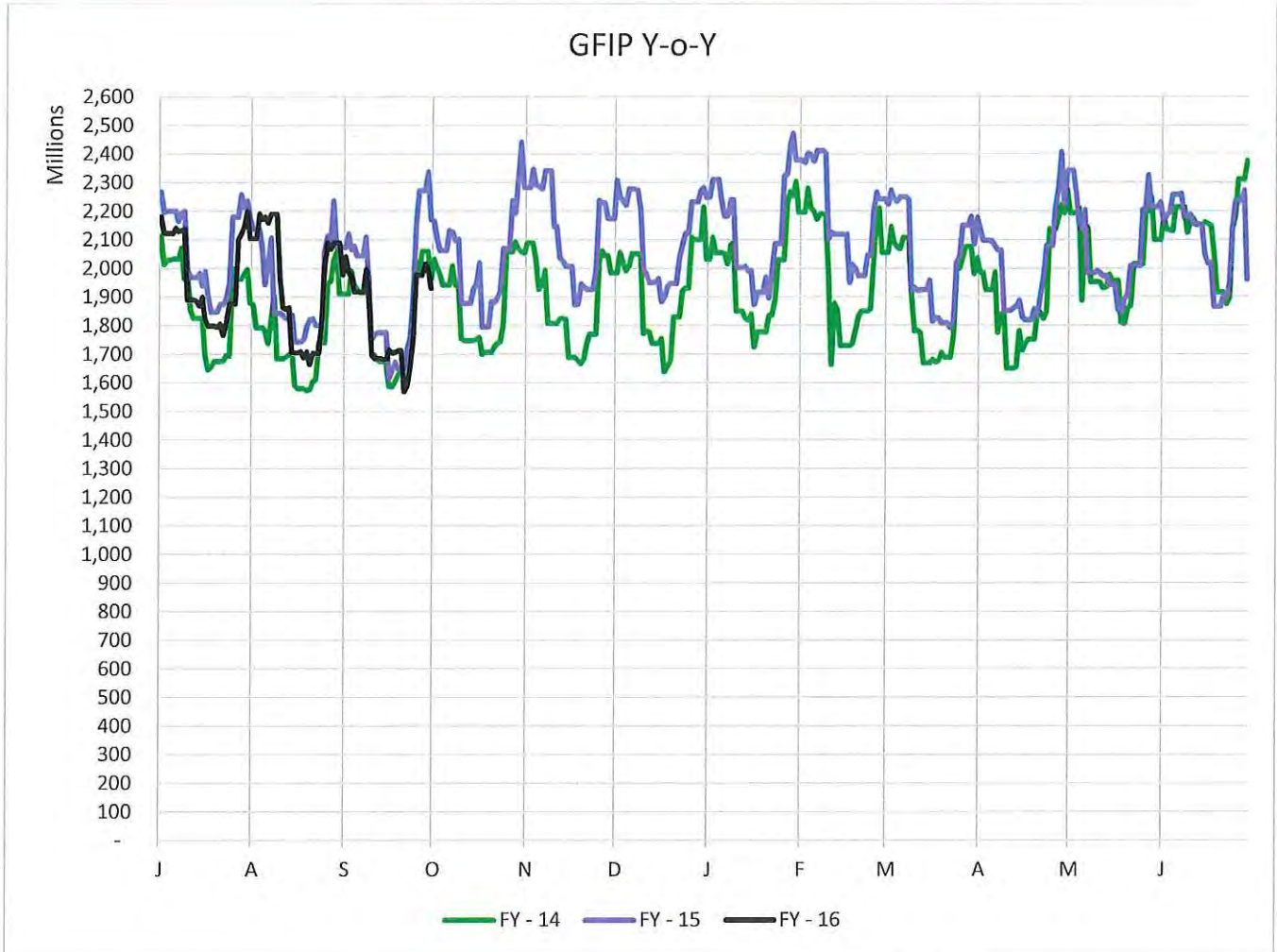


1 Year -Cash Balances (Liquidity, Core, & Fiscal Agent Accounts)



GENERAL FUND	Sep-14	Aug-15	Sep-15	Y-o-Y Change	M-o-M Change
Liquidity	668,911,070	410,813,057	414,962,662	(253,948,408)	4,149,605
CORE	1,461,137,692	1,533,821,884	1,488,187,531	27,049,839	(45,634,353)
Wells Fargo - FA	40,575,934	32,770,644	27,608,063	(12,967,871)	(5,162,581)
	2,170,624,696	1,977,405,584	1,930,758,255	(239,866,440)	(46,647,329)

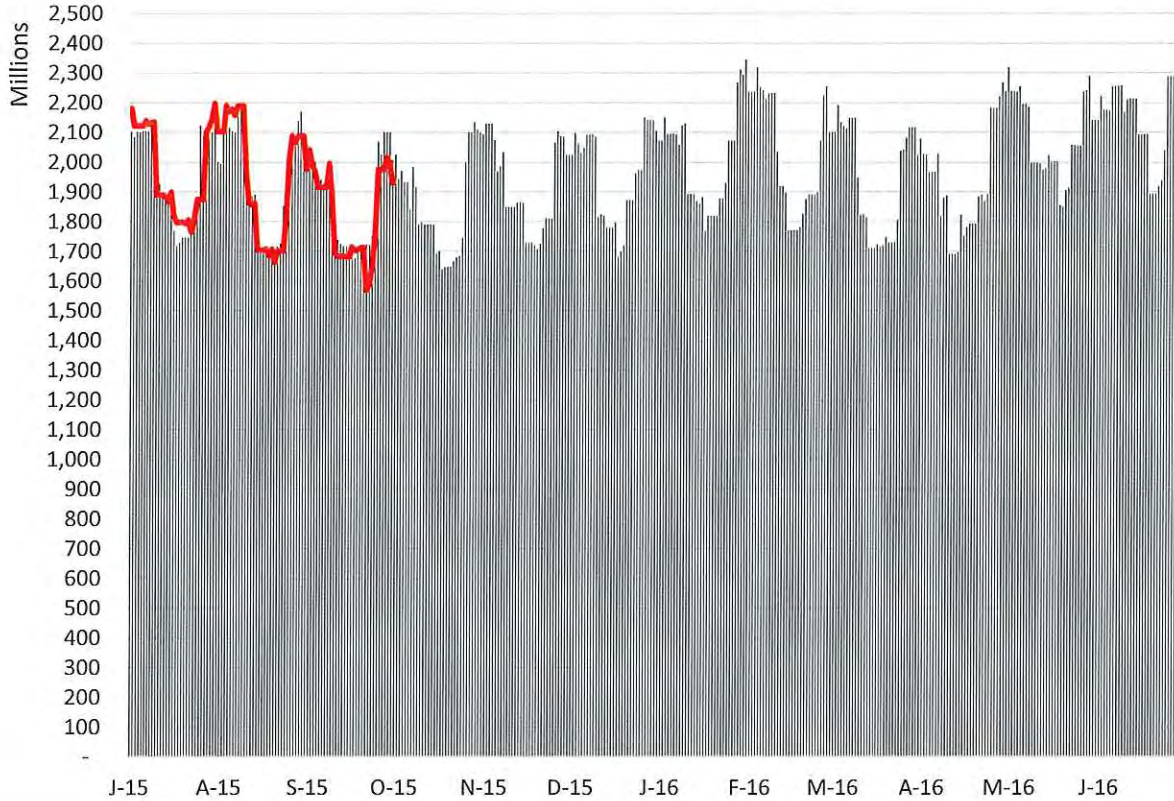




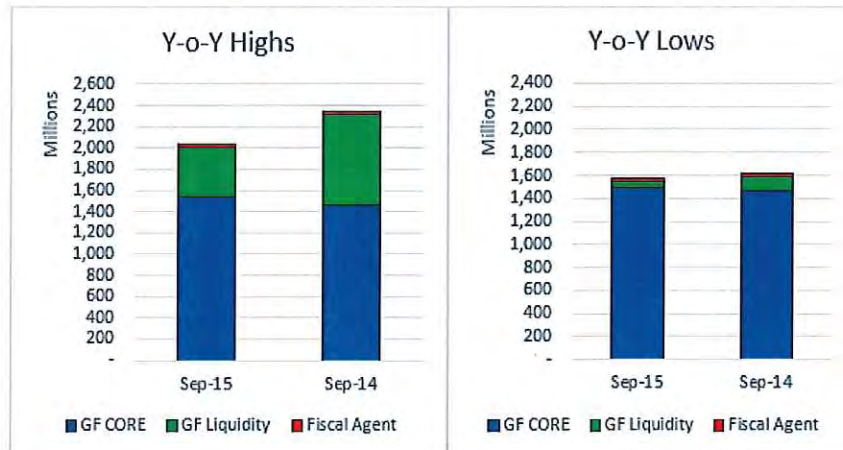
The balance as of September 30, 2015 of the General Fund Investments Pool (GFIP) Y-o-Y has decreased -11.1% from September 30, 2014 and -1.8% decrease from September 30, 2013 . M-o-M GFIP balances decreased to \$1.931 billion at September 30, 2015 from \$1.977 billion at August 31, 2015 a decrease of \$47 million or -2.36%.



FY - 16 GFIP Balances Projections

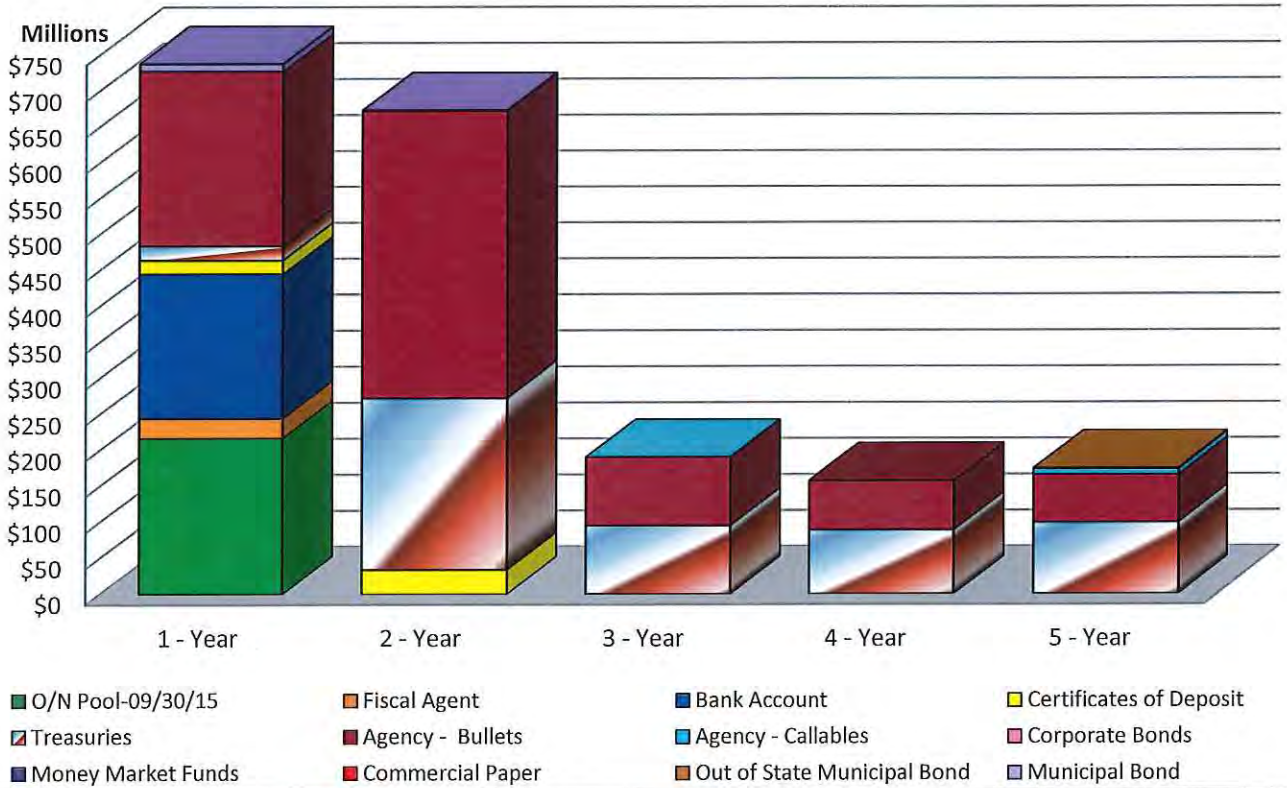


	Sep-15	Sep-14	Change
High	2,038,915,243.29	2,336,903,508.50	-14.62%
Low	1,569,886,583.71	1,614,515,969.14	-2.84%
Average	1,821,834,410.88	1,929,582,407.25	-5.91%





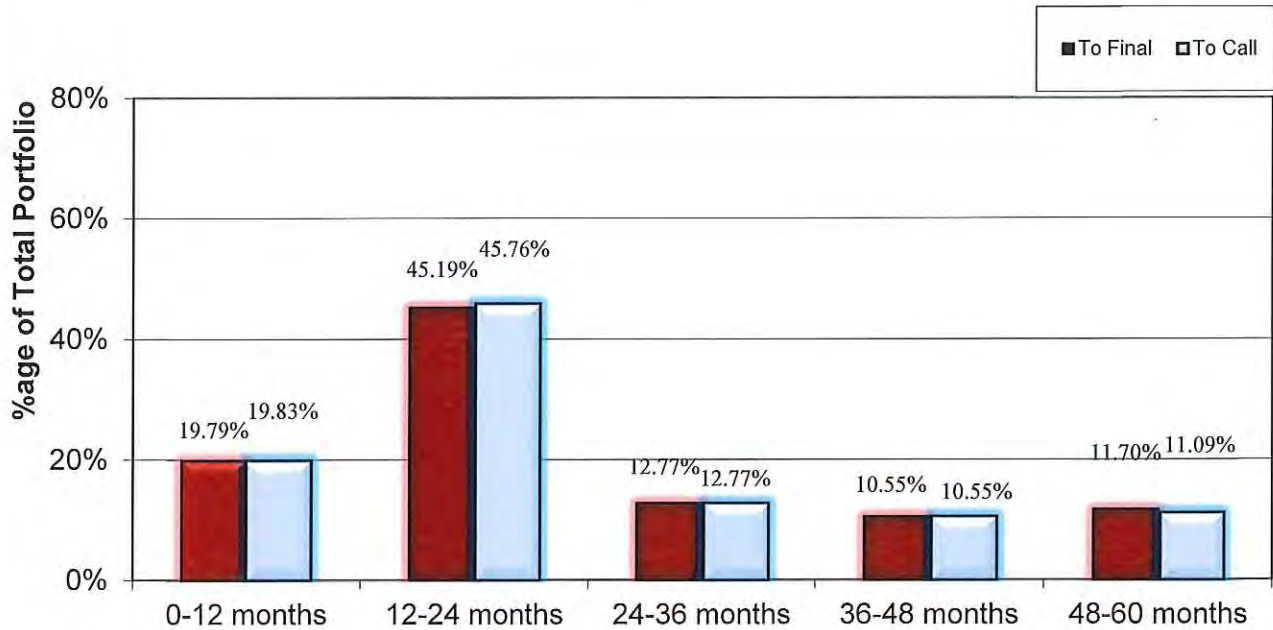
General Fund Maturity Ladder by Year & Asset Type as of September 30, 2015



Asset Allocation	1 - Year	2 - Year	3 - Year	4 - Year	5 - Year	Total	%
Agency - Bullets	243,127,000	399,000,000	95,000,000	68,000,000	65,941,000	871,068,000	45%
Agency - Callables			0		7,950,000	7,950,000	0%
Corporate Bonds						0	0%
Money Market Funds						0	0%
Certificates of Deposit	19,000,000	33,750,000				52,750,000	3%
Municipal Bond	10,275,000	1,250,000				11,525,000	1%
Out of State Municipal Bond		0			1,115,000	1,115,000	0%
Commercial Paper						0	0%
Treasuries	20,000,000	238,500,000	95,000,000	89,000,000	99,150,000	541,650,000	28%
Bank Account	200,514,290					200,514,290	10%
Fiscal Agent	27,608,063					27,608,063	1%
O/N Pool-09/30/15	216,549,290					216,549,290	11%
Total:	737,073,643	672,500,000	190,000,000	157,000,000	174,156,000	1,930,729,643	100%
% of Total:	38%	35%	10%	8%	9%		



General Fund CORE, Maturity Distribution
as of 09/30/2015



General Fund CORE Maturity Distribution (Cash)
as of 09/30/2015





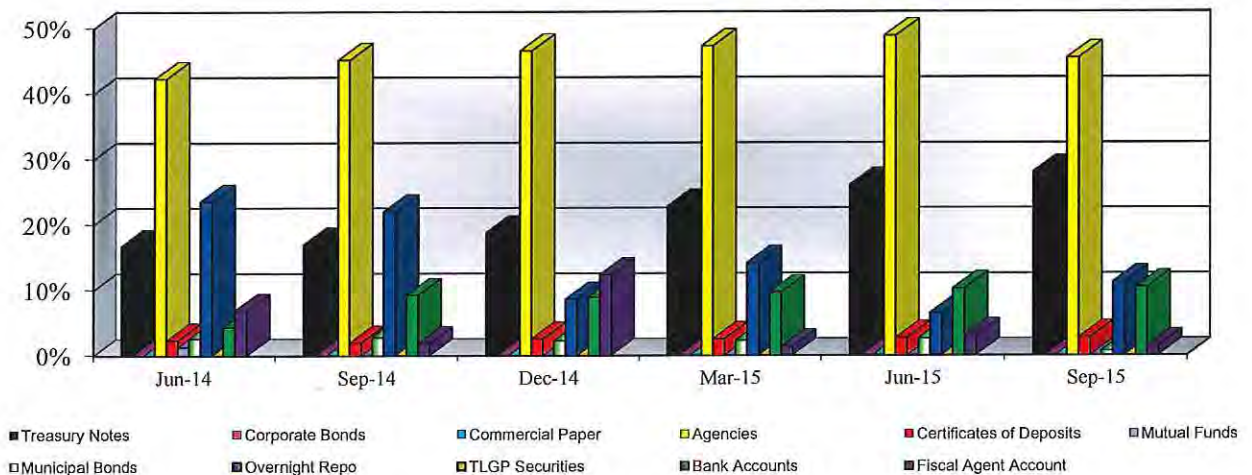
General Fund Portfolio Allocation - Month ending September 30, 2015

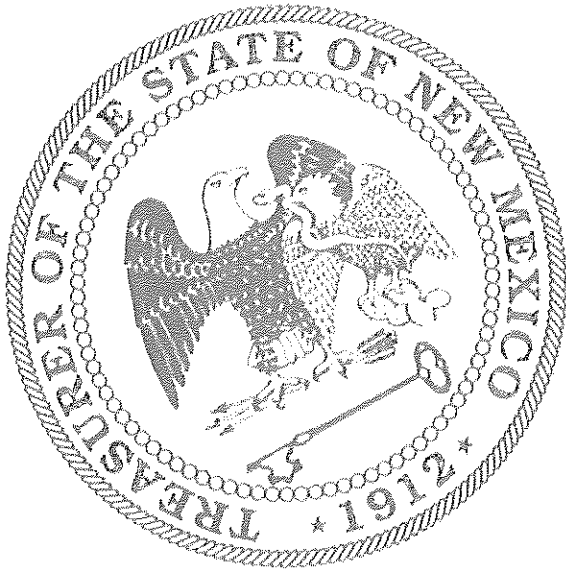
Allocation by Amount

Number of Items	184	185	165	160	153	120
	Jun-14	Sep-14	Dec-14	Mar-15	Jun-15	Sep-15
Treasury Notes	388,500,000	368,500,000	422,250,000	475,150,000	511,650,000	541,650,000
Corporate Bonds	0	0	0	0	0	0
Commercial Paper	0	0	0	0	0	0
TLGP Securities	0	0	0	0	0	0
Agencies	984,500,000	980,852,000	1,047,352,000	986,852,000	958,827,000	879,018,000
Bank Accounts	100,000,000	200,087,647	200,208,711	200,286,144	200,443,474	200,542,929
Certificates of Deposits	54,750,000	42,750,000	57,750,000	52,750,000	52,750,000	52,750,000
Money Market	30,001,301	1,302	1,302	0	0	0
Municipal Bonds	60,035,000	60,135,000	50,630,000	47,515,000	50,676,000	12,640,000
Overnight Repo	547,780,525	477,722,813	193,694,420	294,931,385	126,670,877	216,549,290
Fiscal Agent Account	159,519,679	40,575,934	277,003,955	28,054,720	60,665,134	27,608,063
Total :	2,325,086,505	2,170,624,696	2,248,890,388	2,085,539,249	1,961,682,485	1,930,758,282

Allocation by Percent

	Jun-14	Sep-14	Dec-14	Mar-15	Jun-15	Sep-15
Treasury Notes	16.7%	17.0%	18.8%	22.8%	26.1%	28.1%
Corporate Bonds	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Commercial Paper	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
TLGP Securities	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Agencies	42.3%	45.2%	46.6%	47.3%	48.9%	45.5%
Certificates of Deposits	2.4%	2.0%	2.6%	2.5%	2.7%	2.7%
Bank Accounts	4.3%	9.2%	8.9%	9.6%	10.2%	10.4%
Mutual Funds	1.3%	0.0%	0.0%	0.0%	0.0%	0.0%
Municipal Bonds	2.6%	2.8%	2.3%	2.3%	2.6%	0.7%
Overnight Repo	23.6%	22.0%	8.6%	14.1%	6.5%	11.2%
Fiscal Agent Account	6.9%	1.9%	12.3%	1.3%	3.1%	1.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%





8. Investment Advisor- September 2015 Quarterly Investment Report

QUARTERLY REPORT

Quarter Ending September 30, 2015



New Mexico State Treasurer's Office Investment Portfolio Analysis



Prepared By: Government Portfolio Advisors
Deanne Woodring, CFA – President, Senior Investment Advisor
2188 SW Park Place, Suite 100
Portland, OR 97205
(503) 248-9973
deanne@gpafixedincome.com



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EXECUTIVE SUMMARY

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

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

Quarterly Statistics:

- ✓ The STO Total Fund Market Value Balances as of 9/30/15 was \$4,351,867,428 versus \$4,319,045,400 last quarter.
- ✓ Liquidity requirements are managed in each fund to ensure cash is available when needed. The general fund liquidity ended the quarter at \$414,963,071.
- ✓ Investment components for each fund are targeted to a specific market benchmarks and all funds were invested shorter in duration than the established benchmark indicating a cautious position in anticipation of higher rates.
- ✓ 97 purchases were made this quarter, excluding repo transactions for a total of \$636,481,000. Securities purchased included US Treasury, Agency and Municipal Securities. The trading activity was primarily in the LGIP as the portfolio managers diversified from REPO and Bank deposits and created a short ladder of maturities using Agency discount notes. In addition, smaller par amounts were purchased ranging from \$1MM to \$24MM, which increased the number of transactions.
- ✓ 3 sales occurred for a total of \$49,081,110 in Proceeds. Securities were sold in the General Fund Core and the LGIP fund.
- ✓ Realized gains on the sales for the quarter across all funds totaled \$39,359.
- ✓ The LGIP earnings rate is consistent with market rates of return on 60 day and shorter securities.

(Source: JP Morgan)

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

KEY POINTS OF FOCUS FOR THE NMSTO – INVESTMENT PROGRAM

1. Objectives: Safety, Liquidity and Return

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

2. Risk: Credit Risk and Interest Rate Risk

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

Ranking on Interest rate risk: **LOW**

Interest rate risk is directly correlated to average duration of each fund and articulates the amount of price movement that will occur given interest rate changes. Market benchmarks have been established for each of the investment funds to create discipline in market exposure. GPA is monitoring the duration of the three longer investment funds: General Fund Total, BPIP Tax Exempt and BPIP Taxable. The average duration of the combined investment specified funds is 1.33 years and the weighted benchmark is 1.63 years. The interest rate risk exposure is less relative to the target benchmarks and are in line with the established goals and targets.

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

The portfolio continues to be invested in high quality securities with the majority of investments held in US treasury and Agency securities. The general core fund holds 59.1% in agency securities and 36.42% in US Treasury securities. The BPIP Tax-exempt fund is 41.34% in Agency securities and 37.5% in Treasury securities and the BPIP Taxable fund is 37.81% in Agency securities and 47.09% in US Treasury. The remaining credit exposure is in bank deposits, which are collateralized and in municipal securities. The high allocation to US Treasury's is above average and due to the lack of value presented by agency securities reflected in the tight yield spreads.

Ranking on reinvestment rate risk: **LOW**

Reinvestment risk is the opportunity risk of having too much held in liquidity or being exposed to higher concentrations of callable securities in a declining market. STO is effectively incorporating a cash flow model to manage liquidity and seeking value on the yield curve and in various asset types.

3. GPA Observations & Recommendations

- STO managers continue to balance the durations of the portfolios with the outlook of interest rates and are focused on protecting the market value of the portfolio in a rising rate environment.
- Evaluations of adding corporate names back into the portfolio for diversification and added yield continues to be under review.
- Holding the higher concentration in US Treasury Securities due to the tight spreads to Agency Securities yields is providing a higher quality component to the portfolio.

GPA is reporting on the following key measures:

Asset Allocation:

- 1) Present the current asset allocation by funds
- 2) Present the changes in asset allocation over the quarter
- 3) Present asset allocation change fiscal Y-O-Y

Performance Measurement and Risk Management:

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

Investment Strategy Review:

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

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



ASSET ALLOCATION REPORT

<p><i>Allocation Report by Fund</i></p>	<p>GPA has compiled a report that provides a summary of the asset allocation in each fund. The allocation to US Treasury securities remain higher due to the tight spreads of Agency issues. US Treasury allocations are as follows: the Core fund ended the quarter with 36.42%, the Taxable fund at 47.09% and the Tax-Exempt fund at 37.5%. The LGIP does not have any US treasury securities and agency securities are being purchased to add incremental yield.</p>
	<p>GPA is providing a report for asset allocation change quarter over quarter. The primary changes were in the allocation from banks in the Liquidity funds and LGIP to Agency securities. The yield spreads between US treasury and Agency securities varies throughout the yield curve and the Portfolio Managers are continually assessing the value when making purchases.</p>
<p><i>Issuer Exposure</i></p>	<p>The primary issuer exposure lies with the various local municipal holdings The portfolio managers continue to seek value in local government issuers.</p>
<p><i>Relative Value between Asset Classes</i></p>	<p>The strategy of over-weighting US treasury securities has benefited the portfolios not only in a higher quality aspect but return as well. STO is assessing adding credit back into the portfolio to provide for additional diversification properties.</p>

9/30/2015

<i>Portfolio Name</i>	<i>Market Value+Int</i>	<i>% Fund</i>	<i>Repo</i>	<i>Bank</i>	<i>Treasury</i>	<i>Agency</i>	<i>Corp/CP</i>	<i>Muni</i>	<i>Other</i>
Total LGIP	\$ 742,818,089	100%	0.00%	23.87%	0.00%	76.13%			
Liquidity	\$ 373,438,337	50%							
Investments	\$ 369,379,752	50%							
LGIP GIP Index Benchmark			25.97%	16.05%	5.27%	52.23%	0.00%	0.00%	0.48%
<i>Portfolio Name</i>	<i>Market Value+Int</i>	<i>% Fund</i>	<i>Repo</i>	<i>CD/Bank</i>	<i>Treasury</i>	<i>Agency</i>	<i>Corp/CP</i>	<i>LGIP</i>	<i>Muni</i>
Total General Fund	\$ 1,926,266,520	100%							
Liquidity	\$ 414,963,071	22%	51.67%	48.33%					
Investment Core	\$ 1,511,303,449	78%	-0.02%	3.62%	36.42%	59.10%	0.00%		0.88%
<i>Portfolio Name</i>	<i>Market Value+Int</i>	<i>% Fund</i>	<i>Repo</i>	<i>CD/Bank</i>	<i>Treasury</i>	<i>Agency</i>	<i>Corp/CP</i>	<i>LGIP</i>	<i>Muni</i>
Total Tax Exempt	\$ 708,335,794	100%	7.44%	0.42%	37.50%	41.34%	0.00%	10.88%	2.42%
Liquidity	\$ 132,703,805	19%							
Investments	\$ 575,631,989	81%							
<i>Portfolio Name</i>	<i>Market Value+Int</i>	<i>% Fund</i>	<i>Repo</i>	<i>CD/Bank</i>	<i>Treasury</i>	<i>Agency</i>	<i>Corp/CP</i>	<i>LGIP</i>	<i>Muni</i>
Total Taxable	\$ 712,358,599	100%	10.09%	1.43%	47.09%	37.81%		2.80%	0.78%
Liquidity	\$ 100,180,274	14%							
Investments	\$ 612,178,325	86%							
<i>Portfolio Name</i>	<i>Market Value+Int</i>	<i>% Fund</i>	<i>Repo</i>	<i>CD/Bank</i>	<i>Treasury</i>	<i>Agency</i>	<i>Corp/CP</i>	<i>LGIP</i>	<i>Muni</i>
Overnight Repo Pool	\$ 149,477,392	100%	100.00%						
Liquidity	\$ 149,477,392	100%							
Investments		0%							
<i>Portfolio Name</i>	<i>Market Value+Int</i>	<i>% Fund</i>	<i>Repo</i>	<i>CD/Bank</i>	<i>Treasury</i>	<i>Agency</i>	<i>Misc</i>	<i>LGIP</i>	<i>Muni</i>
Severance Tax Bonding	\$ 112,611,034	100%	4.85%	8.92%	0.00%	47.11%		39.12%	0.00%
Liquidity	\$ 98,052,488	87%							
Investments	\$ 14,558,546	13%							
TOTAL STO FUNDS	\$ 4,351,867,428								

Source : JP Morgan Reports - Balances -Trade Date

Source: Asset Allocation STO - JP Morgan Reports

The benchmarks for STO Funds are 100% US Treasury Securities

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

9/30/15		CHANGE IN PORTFOLIO FROM 6/30/15-9/30/15						
LGIP Fund	Market Value+int	Repo	Bank	Treasury	Agency	Corp/CP	Other	
9/30/2015	\$ 742,818,089		23.87%		76.13%			
6/30/2015	\$ 689,338,088		39.09%		60.91%			
Change over Period	\$ 53,480,001	0.00%	-15.22%	0.00%	15.22%			
General Fund Liquidity	Market Value+Int	Repo	CD/Bank	Treasury	Agency	Corp/CP	LGIP	Muni
9/30/2015	\$ 414,963,071	51.67%	48.33%				0.00%	
6/30/2015	\$ 333,657,776	37.62%	60.07%					2.31%
Change over Period	\$ 81,305,295	14.05%	-11.74%	0.00%	0.00%		0.00%	-2.31%
General Fund Core	Market Value+Int	Repo	CD/Bank	Treasury	Agency	Corp/CP	LGIP	Muni
9/30/2015	\$ 1,511,303,449	-0.02%	3.62%	36.42%	59.10%		0.00%	0.88%
6/30/2015	\$ 1,592,648,489	0.07%	3.31%	32.32%	61.66%		0.07%	2.64%
Change over Period	\$ (81,345,040)	-0.09%	0.31%	4.10%	-2.56%	0.00%	-0.07%	-1.76%
BPIP Tax Exempt	Market Value+Int	Repo	CD/Other	Treasury	Agency	Corp/CP	LGIP	Muni
9/30/2015	\$ 708,335,794	7.44%	0.42%	37.50%	41.34%	0.00%	10.88%	2.42%
6/30/2015	\$ 652,745,039	23.13%	0.46%	42.17%	29.26%		1.11%	3.87%
Change over Period	\$ 55,590,755	-15.69%	-0.04%	-4.67%	12.08%		9.77%	-1.45%
BPIP Taxable	Market Value+Int	Repo	CD/Other	Treasury	Agency	Corp/CP	LGIP	Muni
9/30/2015	\$ 712,358,599	10.09%	1.43%	47.09%	37.81%		2.80%	0.78%
6/30/2015	\$ 804,516,994	11.91%	1.27%	42.86%	42.28%		0.66%	1.02%
Change over Period	\$ (92,158,395)	-1.82%	0.16%	4.23%	-4.47%		2.14%	-0.24%
Overnight Repo Pool	Market Value+Int	Repo	CD/Other	Treasury	Agency	Corp/CP	LGIP	Muni
9/30/2015	\$ 149,477,392	100.00%						
6/30/2015	\$ 231,588,865	100.00%						
Change over Period	\$ (82,111,473)							
Severance Tax Bonding	Market Value+Int	Repo	CD/Other	Treasury	Agency	Corp/CP	LGIP	Muni
9/30/2015	\$ 112,611,034	4.85%	8.92%		47.11%		39.12%	0.00%
6/30/2015	\$ 14,550,149	6.36%	0.00%		82.61%		0.60%	10.43%
Change over Period	\$ 98,060,885	-1.51%	8.92%	0.00%			38.52%	-10.43%
TOTAL STO FUNDS 6/30/15	\$ 4,351,867,428							
TOTAL STO FUNDS 3/31/15	\$ 4,319,045,400							

Source : JP Morgan Reports - Balances

Source: Asset Allocation STO - QED Reports

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



PERFORMANCE REPORT

<i>Performance Report</i>	The following performance report compares the total return of each portfolio relative to the established benchmark. The LGIP portfolio is reported on a book yield basis. The only funds that utilize total return tracking are the general fund core and the two BPIP funds.
<i>Quarter Performance</i>	All three total return investment portfolios maintained shorter durations than the benchmarks due to the outlook and expectation of higher interest rates. Rates ended the period slightly lower which resulted in an underperformance of the general fund and tax exempt portfolios relative to the benchmarks. For the quarter, the general fund core performed at a .41% versus the benchmark at .57%. The BPIP tax exempt performed at .20% versus .24% and the taxable performed at .25% versus .24%. relative to the benchmarks. The tax exempt fund was impacted by variable cash flows.
<i>Attribution Analysis</i>	The primary contributor to return was the duration positioning relative to the benchmark. Credit exposure was minimal with the use of municipal securities. US treasury securities continue to add value in performance relative to Agency securities.
<i>Observations and Considerations</i>	<i>Duration:</i> Interest rates are expected to continue to be volatile in anticipation of a federal reserve rate change on the federal funds rate. This move has been anticipated for some time, however, the markets continue to get mixed messages as to the timing of the rate hike. Rates continue to be expected to be higher into 2016, however, the rise is expected to move up gradually. Therefore, GPA is recommending to maintain durations in the portfolios slightly shorter to neutral the benchmarks.

PERFORMANCE BY INVESTMENT FUND

9/30/2015

Daily Yields
9/30/2015

Earnings Yield
6/30/15-9/30/15

Portfolio Name	Market Value	Days	Quarter End Yield	Fiscal Year
LGIP Daily Gross Yield	\$ 742,818,089	54	0.241%	0.17%
Fund Benchmark Gross Return		39	0.160%	0.13%
LGIP Daily Net Yield		54	0.191%	0.12%
Fund Benchmark Net Return		39	0.050%	0.03%

STO INVESTMENT FUNDS

Total Return
9/30/2015 9/30/2015 6/30/15-9/30/15

Portfolio Name	Market Value	Duration - End	Quarter Return	Fiscal Year	Percent
General Fund Liquidity	\$ 414,963,071	0.00	0.04%	0.04%	12.40%
Fund Benchmark		0.01	0.01%	0.01%	

Portfolio Name	Market Value	Duration - End	Quarter Return	Fiscal Year	Percent
General Fund Core	\$ 1,511,303,449	1.94	0.41%	0.41%	45.15%
Fund Benchmark		2.25	0.57%	0.57%	

Portfolio Name	Market Value	Duration - End	Quarter Return	Fiscal Year	Percent
BPIP Tax Exempt	\$ 708,335,794	1.06	0.20%	0.20%	21.16%
Fund Benchmark		1.45	0.24%	0.24%	

Portfolio Name	Market Value	Duration - End	Quarter Return	Fiscal Year	Percent
BPIP Taxable	\$ 712,358,599	1.07	0.25%	0.25%	21.28%
Fund Benchmark		1.45	0.24%	0.24%	

Total STO Investment Funds	\$ 3,346,960,913	1.33	0.29%	0.29%	100.00%
Weighted Benchmark		1.63	0.36%	0.36%	

STO OTHER FUNDS

9/30/2015 9/30/2015 6/30/15-9/30/15

Portfolio Name	Market Value	Duration - End	Quarter Return	Fiscal Year
Serverance Tax Bonding	\$ 112,611,034	0.09	0.07%	0.07%

Portfolio Name	Market Value	Duration - End	Quarter Return	Fiscal Year
Overnight Repo Pool	\$ 149,477,392	0	0.03%	0.03%
Total STO Investment Funds	\$ 4,351,867,428			

JP Morgan reports are based on trade date and includes accrued interest *LGIP return data provided by STO and based on yield earnings

All other returns are total return which reflects Market Value change and accrual interest earnings.



SHOCK ANALYSIS REPORT

<i>Shock Analysis</i>	The following shock analysis report illustrates market value change that can be expected given instantaneous interest rate changes.
<i>Strategy to Manage Risk</i>	It is inherent in owning longer term fixed income securities that the market value will change given interest rate moves. It is also inherent that the longer maturities historically have provided higher returns over interest rate cycles. The purpose of the shock analysis is to illustrate and manage the expected change in market value on the portfolio given a change in current interest rates.
<i>Expected Change in Market Value</i>	The total market value of the portfolio would move by approximately \$11,112,470 given a 25 basis points change in the market and a parallel yield curve shift. This does not incorporate credit spread changes or yield curve shift. The exposure is less than the established benchmark by approximately \$2.5MM.
<i>LGIP Market Value Change</i>	The LGIP shock report is included and this analysis shows the NAV price change expected on the LGIP fund given changes in interest rates and overall portfolio size. The LGIP policy establishes for the NAV to remain between 99.85 and 100.15. The LGIP NAV reporting continues to be reviewed and is reported to S&P on a weekly basis. There is a slight variance in market pricing that is impacting the NAV. Staff is working on reconciling the reporting to match market value to participant value.

SHOCK ANALYSIS

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

9/30/2015

Assumptions:

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

STO FUNDS		RISK	Up 25 Basis Pts	Up 50 Basis Pts	Up 100 Basis Pts
Portfolio Name	Market Value	Duration - End	Market Change	Market Change	Market Change
General Fund Core	\$ 1,511,303,449.00	1.94	\$ (7,329,821.73)	\$ (14,659,643.46)	\$ (29,319,286.91)
Fund Benchmark		2.25	\$ (8,501,081.90)	\$ (17,002,163.80)	\$ (34,004,327.60)
Portfolio Name	Market Value	Duration - End	Market Change	Market Change	Market Change
BPIP Tax Exempt	\$ 708,335,794.00	1.06	\$ (1,877,089.85)	\$ (3,754,179.71)	\$ (7,508,359.42)
Fund Benchmark		1.45	\$ (2,567,717.25)	\$ (5,135,434.51)	\$ (10,270,869.01)
Portfolio Name	Market Value	Duration - End	Market Change	Market Change	Market Change
BPIP Taxable	\$ 712,358,599.00	1.07	\$ (1,905,559.25)	\$ (3,811,118.50)	\$ (7,622,237.01)
Fund Benchmark		1.45	\$ (2,582,299.92)	\$ (5,164,599.84)	\$ (10,329,199.69)
Total STO Investment Funds	\$ 2,931,997,842.00	1.516	\$ (11,112,470.83)	\$ (22,224,941.67)	\$ (44,449,883.34)
Total Benchmark Change		1.862	\$ (13,651,099.08)	\$ (27,302,198.15)	\$ (54,604,396.30)

* Data Source: JP Morgan Custodial Reports

ASSUMED EARNINGS COMPARISON OF PORTFOLIO TO CASH EARNINGS ANNUALIZED

Portfolio Name	Market Value	9/30/2015	1 year	3 year*
		Book Yield	Earnings	Earnings
General Fund Core	\$ 1,511,303,449.00	1.10%	\$ 16,654,564.01	\$ 49,963,692.02
Cash		0.15%	\$ 2,266,955.17	\$ 6,800,865.52
Portfolio Name	Market Value	BookYield	Earnings	Earnings
BPIP Tax Exempt	\$ 708,335,794.00	0.60%	\$ 4,227,348.02	\$ 12,682,044.06
Cash		0.15%	\$ 1,062,503.69	\$ 3,187,511.07
Portfolio Name	Market Value	BookYield	Earnings	Earnings
BPIP Taxable	\$ 712,358,599.00	0.68%	\$ 4,851,162.06	\$ 14,553,486.18
Cash		0.15%	\$ 1,068,537.90	\$ 3,205,613.70
Total STO Investment Funds	\$ 2,931,997,842.00		\$ 25,733,074.09	\$ 77,199,222.26

Data Source: JP Morgan Custodial Reports and QED reports

* 3 year returns assumes the same rate as of 6/30/15 for the next 3 years.

SENSITIVITY ANALYSIS

	As of 9/30/15	Marek	9/30/2015
Weighted Average Maturity:	54	**	
Shares Outstanding:	\$ 742,817,556	Participant Share	
Market Value (NAV):	1.00000		
Total \$ Unrealized Loss:	\$0		
Total \$ Unrealized Gain	\$533		
Market Value - JP Morgan Price	<u>\$ 742,818,089</u>		Unrealized

Basis Point Shift								Gain (Loss)
300	0.993661	0.995069	0.995329	0.995562	0.995774	0.995966	0.996586	\$ (3,296,356)
250	0.994717	0.995891	0.996107	0.996302	0.996478	0.996638	0.997155	\$ (2,746,875)
200	0.995774	0.996713	0.996886	0.997042	0.997183	0.997311	0.997724	\$ (2,197,393)
150	0.996831	0.997535	0.997665	0.997782	0.997887	0.997983	0.998293	\$ (1,647,912)
100	0.997888	0.998357	0.998443	0.998521	0.998592	0.998656	0.998863	\$ (1,098,430)
50	0.998944	0.999179	0.999222	0.999261	0.999296	0.999328	0.999432	\$ (548,949)
0	1.000001	1.000001	1.000001	1.000001	1.000001	1.000001	1.000001	\$ 533
-50	1.001058	1.000823	1.000779	1.000740	1.000705	1.000673	1.000570	\$ 550,014
-100	1.002115	1.001645	1.001558	1.001480	1.001410	1.001346	1.001139	\$ 1,099,496
-150	1.003171	1.002467	1.002337	1.002220	1.002114	1.002018	1.001708	\$ 1,648,977
-200	1.004228	1.003288	1.003115	1.002960	1.002819	1.002691	1.002277	\$ 2,198,459
-250	1.005285	1.004110	1.003894	1.003699	1.003523	1.003363	1.002846	\$ 2,747,940
-300	1.006342	1.004932	1.004673	1.004439	1.004228	1.004036	1.003415	\$ 3,297,422

Redemption/Inflow	-30%	-10%	-5%	0%	5%	10%	30%
O/S Shares	519,972,289	668,535,801	705,676,679	742,817,556	779,958,434	817,099,312	965,662,823

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

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

* Source: S&P rating matrix

** Provided by STO on S&P Report

Note: Market Value of LGIP differs on S&P report from JP Morgan report

INVESTMENT STRATEGY REVIEW

<p><i>Investment Strategy</i></p>	<p><i>General Fund:</i> The Core fund was reduced and liquidity balances increased by \$81MM due to the expected lower fund balances in coming months. The portfolio managers are focused on maintaining duration close to the benchmark given the continued volatility and uncertainty of the timing of rates moving higher. At quarter end the duration of the core fund was at 1.94 or 86% of the benchmark. Liquidity balances ended the quarter at \$414MM and are more in line to the target minimum of \$500MM versus last quarter. If overall balances are expected to decline a continued focus on the fund size of core and liquidity portfolio is sufficient to meet ongoing operations.</p> <p><i>BPIP Taxable and Tax Exempt Funds:</i> BPIP Tax Exempt fund increased by \$55MM due to bond issuance and the Taxable fund decreased by \$92MM. Cash flow continues to be volatile in these funds and the durations are impacted by the need for cash flow. The portfolio managers have sold securities at gains, to provide for liquidity. This strategy balances earnings with returns in a declining rate environment. However, if rates move up quickly and the gains are not available, then the portfolio managers would be forced to sell at losses to meet liquidity needs. Therefore, liquidity balances are being maintained higher given the outlook for rates to move upwards.</p> <p><i>LGIP Fund:</i> The LGIP balance increased by \$53MM versus last quarter and the LGIP continues to increase. The earnings rate on the pool is consistent with the market conditions. Gross returns for the year was .17% and net returns .12% for the quarter.</p>
<p><i>Investment Objectives</i></p>	<p>The structure of the portfolios are consistent with the investment policy objectives of safety, liquidity and return and are currently in a protective and conservative position based on the expectation of higher rates.</p>
<p><i>Investment Results</i></p>	<p>Earnings book yield in each fund as of 9/30/15: LGIP Net Yield: .191% Gross yield .241% General Fund Core Yield: 1.10% up from 1.03 last quarter BPIP Tax Exempt Fund Yield: .60% up from .50% last quarter BPIP Taxable Fund Yield: .68% up from .63% last quarter</p>

This report is for general informational purposes only and is not intended to provide specific advice or recommendations. Government Portfolio Advisors (GPA) is an investment advisor registered with the Securities and Exchange Commission and is required to maintain a written disclosure statement of our background and business experience.

Questions About an Account: GPA's monthly & quarterly reports are intended to detail the investment advisory activity managed by GPA. In addition, at the request of the account, the report may include bank balances, LGIP balances and other funds that are held but not invested at the direction of GPA. The custodian bank maintains the control of assets and executes (ie. Settles) all investment transactions. The custodian statement is the official record of security and cash holdings and transactions. GPA recognizes that clients may use these reports to facilitate record keeping and that the custodian bank statement and the GPA report should be reconciled and differences resolved. Many custodians use a settlement date basis which may result in the need to reconcile due to a timing difference.

Account Control:

GPA does not have the authority to withdraw funds from or deposit funds to the custodian. Our clients retain responsibility for their deposit funds to the custodian. Our clients retain responsibility for their internal accounting policies, implementing and enforcing internal controls and generating ledger entries or otherwise recording transactions.

Market Value:

Generally, market prices in GPA's reports are derived from closing bid prices as of the last business day of the month as supplied by Interactive Data or Bloomberg. Where prices are not available from generally recognized sources the securities are priced using a yield-based matrix system to arrive at an estimated market value. Prices that fall between data points are interpolated. Non-negotiable FDIC-insured bank certificates of deposit are priced at par. Although GPA believes the prices to be reliable, the values of the securities do not always represent the prices at which the securities could have been bought or sold.

Amortized Cost:

The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premiums with respect to short term securities (those with less than one year to maturity at time of issuance) is amortized on a straightline basis. Such discount or premium with respect to longer term securities is amortized using the constant yield basis.

Financial Situation:

In order to better serve you, GPA should be promptly notified of any material change in your investment objective or financial situation.

Callable Securities:

Securities subject to redemption prior to maturity may be redeemed in whole or in part before maturity, which could affect the yield represented. Certain call dates may not show up on the report if the call date has passed and it is continuously callable.

Duration:

The duration listed on the reports is duration to maturity and duration to call. Effective duration is calculated on Bloomberg and imported into these reports and reflects the OAS duration which incorporates the probability of the bond being called. Effective duration is what GPA compares to the benchmark to reflect current market risk.

Benchmark Duration:

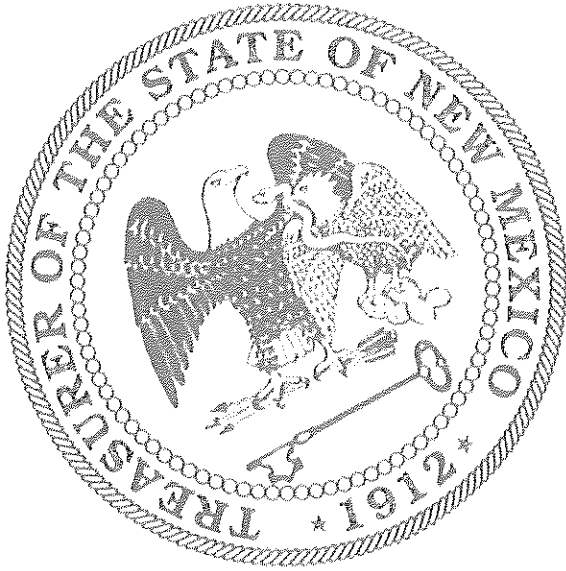
The benchmark duration is the historical weighted average of the benchmark duration over monthly periods. GPA is reporting this number as a static amount period over period.

Portfolio:

The securities in this portfolio are not guaranteed or otherwise protected by GPA, the FDIC (except for non-negotiable certificates of deposit) or any government agency. Investment in securities involves risks, including the possible loss of the amount invested.

Rating:

Information provided for ratings is based upon a good faith inquiry of selected sources, but its accuracy and completeness cannot be guaranteed.



9. Quarterly Investment Review

Quarterly Investment Review

Market Summary

The third quarter of 2015 began with continued weakness in global markets accompanied by commodity prices plunging. Specifically, the Greek debt default resolved itself only to be replaced by the spiraling Chinese equity market, down close to 30% for the quarter. On the commodity forefront, oil prices fell almost 25% during the period, keeping the prospects for inflation contained. The US\$ that had strengthened vs. the euro earlier in the year, was virtually unchanged for the quarter.

The turning point for the quarter was the mid September Federal Open Market Committee (FOMC) meeting. Expectations for the Fed to increase short term interest rates brought a bit of volatility in US Treasury rates in the days leading up to the policy announcement. The two year Treasury yield had risen to over 0.80%, incorporating a buffer in the event the Fed Funds rate was raised. Although US economic data had been bolstering the Fed's resolve to raise rates, global economic weakness reigned, ending with their decision to do nothing. The two year Treasury fell to a low of 0.55% following the Fed meeting as market participants repriced the yield curve to reflect the inaction.

The fixed income markets were extremely tricky as yields ultimately fell, accompanied by yield curve flattening. July was a positive month for bonds, August retraced and September was strong. Interest rates are retrenching in October so far. The on again off again Fed has created a fair amount of uncertainty and knee-jerk reactions to data. With inflation continuing to stagnate below the Fed's 2% target and the most recent disappointing payroll employment numbers, it seems that the rate increase will be tabled for 2015, even though the Fed has indicated that it is still possible.

With regard to asset classes, Treasuries and Agencies continue to trade with narrow spreads for maturities longer than one year. We have defaulted to purchasing US Treasuries vs. Agencies in most cases longer than two years. We have found a few NM municipal securities deals to purchase, although the spreads have tightened vs. Treasuries and Agencies and in many cases there is either a very small pickup or they are trading through. STO will continue to look for opportunities in that sector.

Table 11 – Comparative Quarterly Interest Rates

<i>US Treasury Yields</i>			
<i>Maturity</i>	<i>June 30</i>	<i>Sept 30</i>	<i>Change</i>
<i>3-Month</i>	0.01%	(0.02)%	(0.03)%
<i>6-Month</i>	0.11%	0.07%	(0.04)%
<i>2-Year</i>	0.65%	0.63%	(0.02)%
<i>3-Year</i>	1.01%	0.90%	(0.11)%
<i>5-Year</i>	1.65%	1.36%	(0.29)%
<i>10-Year</i>	2.35%	2.04%	(0.31)%
<i>30-Year</i>	3.12%	2.85%	(0.27)%

Source: Bloomberg LP

Investment Strategy Employed During the Past Quarter

Our general strategy over the third quarter of 2015 had been to stay cautiously short of the duration of the benchmarks across portfolios. The Fed had been clear to state that short term interest rates could rise in 2015 and the September FOMC meeting had been pivotal. Weakness in the global economy prevailed in the Fed's decision, pushing interest rates lower.

As always, we are limited by the goals of safety, liquidity and yield. With regard to specific funds, we have utilized strategies which complement each fund's particular cash needs.

General Fund Investment Pool

At the end of the quarter the General Fund Investment Pool had a 22% and 78% weighting between the Liquidity and CORE portions respectively. As \$90 million was transferred out of the CORE and into the Liquidity portion during the quarter, there was a 2% weighting shift higher toward the Liquidity fund.

The GF Core with a shorter duration vs. the benchmark, underperformed for the quarter as interest rates fell. The flattening of the yield curve and the outperformance of the five year Treasury vs. the two year was negative as well. For the last 12 months, the same trends worked against the CORE portfolio.

Table 12 – Quarterly General Fund Investment Pool Relative Performance

<i>Fund</i>	<i>Performance</i>	
	<i>Quarter</i>	<i>12 Months</i>
<i>General Fund CORE</i>	0.49%	1.60%
<i>BAML 0-5 US Treasury</i>	<u>0.57%</u>	<u>1.73%</u>
<i>Relative Performance (BPs)</i>	(0.08)%	(0.13)%

Source: JP Morgan

Table 13 – Quarter-End General Fund Investment Pool Positioning versus Benchmark

<i>Fund</i>	<i>Duration</i>		
	<i>Portfolio</i>	<i>Benchmark</i>	<i>Percentage</i>
<i>General Fund Liquidity</i>	0.00 Years		
<i>General Fund CORE</i>	1.94 Years	2.18 Years	89%

Source: QED, JPMorgan

Bond Proceeds Funds

With regard to relative performance, the Bond Proceeds Investment Pools performance was mixed with the Tax Exempt Pool underperforming in both periods and the Taxable Pool in line with benchmarks on a 3 and 12-month basis.

Table 14 Quarterly Bond Proceeds Investment Pool Relative Performance

<i>Fund</i>	<i>Performance</i>	
	<i>Quarter</i>	<i>12 Months</i>
<i>Bond Proceeds - Tax Exempt</i>	0.20%	0.69%
<i>BAML 0-3 US Treasury</i>	<u>0.24%</u>	<u>0.85%</u>
<i>Relative Performance (BPs)</i>	(0.04)%	(0.16)%
<i>Bond Proceeds – Taxable</i>	0.25%	0.83%
<i>BAML 0-3 US Treasury</i>	<u>0.24%</u>	<u>0.85%</u>
<i>Relative Performance (BPs)</i>	0.01%	(0.02)%

Source: JPMorgan

With regard to positioning, both Pools were shorter than the duration of their benchmarks. Cash flows from NM debt issuances and capital project withdrawals have created a difference in the relative performance of the two Pools. The Taxable Pool was able to take advantage of investments longer than three years, outside the scope of the 0-3 year Treasury benchmark, as interest rates fell and the yield curve flattened.

Table 15 Quarter-End Bond Proceeds Investment Pool Positioning versus Benchmark

<i>Fund</i>	<i>Duration</i>		<i>Percentage</i>
	<i>Portfolio</i>	<i>Benchmark</i>	
<i>Bond Proceeds - Tax Exempt</i>	1.06 Years	1.36 Years	78%
<i>Bond Proceeds – Taxable</i>	1.07 Years	1.36 Years	78%

Source: QED, JPMorgan

Local Government Investment Pool

The LGIP increased by \$53mil to end the quarter at a market value of \$742mil. On a comparative basis, the fund has performed well relative to its peers, but given the overall level of rates, managing the fund has been challenging with limited opportunities for adding value.

Table 16 – Quarterly Local Government Investment Pool Relative Performance

<i>Fund</i>	<i>Performance</i>	
	<i>Quarter</i>	<i>12 Months</i>
<i>Local Government Investment Pool</i>	0.04%	0.17%
<i>S&P Government Bond Index (Gross)</i>	<u>0.04%</u>	<u>0.13%</u>
<i>Relative Performance (BPs)</i>	0.00%	0.04%

Source: JPMorgan

Severance Tax Bonding Fund

The Severance Tax Bonding Fund grew over the quarter by \$25-30MM/month with the receipt of severance taxes. Balances are built throughout the quarter to cover debt service payments on outstanding severance tax bonds on Jan and July 1 and to retire severance tax and supplemental severance tax notes issued late in the quarter.

The Severance Tax Bonding Fund is primarily invested in overnight repurchase agreements which remain competitive relative to short-term investment alternatives. The Fund was able to take advantage of very attractive short maturities prior to the September Federal Open Market Committee meeting.

Table 177 – Quarterly Severance Tax Bonding Fund Relative Performance

<i>Fund</i>	<i>Performance</i>	
	<i>Quarter</i>	<i>12 Months</i>
<i>Severance Tax Bonding Fund</i>	0.07%	0.17%
<i>S&P Government Bond Index (Gross)</i>	0.04%	0.13%
<i>Relative Performance (BPs)</i>	0.03%	0.04%

Source: JPMorgan

Expectations for the Upcoming Quarter and Year

The main focus going forward continues to be whether or not the Fed will step up to the plate and finally raise short term interest rates. It seems that this has been the theme for quite some time now. It is getting quite stale. The September meeting was pivotal, as even the fixed income markets had priced in a concession, right before the policy announcement. If they didn't do it then, when? This is anyone's guess. They continue to keep the prospect alive by mentioning periodically that it can still possibly happen in 2015. Well we are running out of months in this year and some of the data being reported has been weaker than expected.

The STO portfolios have been positioned short of the benchmark durations in all cases except for the LGIP that needs to extend in order to reap any yield benefits vs. overnight bank deposits. Although the portfolios underperformed benchmarks for the quarter the emphasis was on preservation of principal if there was a change in monetary policy. The markets move quickly and the Fed keeps hanging out the interest rate hike carrot. We have been anxious to bite, but at this point 2015 does not seem likely. Therefore, as we move forward into the fourth quarter of 2015, the portfolio durations will move closer to benchmarks when opportunities arise.

General Fund Investment Pool

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

Bond Proceeds Pools

The Pools are invested in a laddered fashion in order to meet monthly withdrawal requests. Both portfolios will continue to be managed with an emphasis towards meeting regular cash requests.

Local Government Investment Pool

The LGIP has increased by over \$50mil since the end of June 2015. The yield on the Pool was between 0.15-0.20% with a net yield payable to participants of 0.10-0.15%. The WAM to reset will continue to be

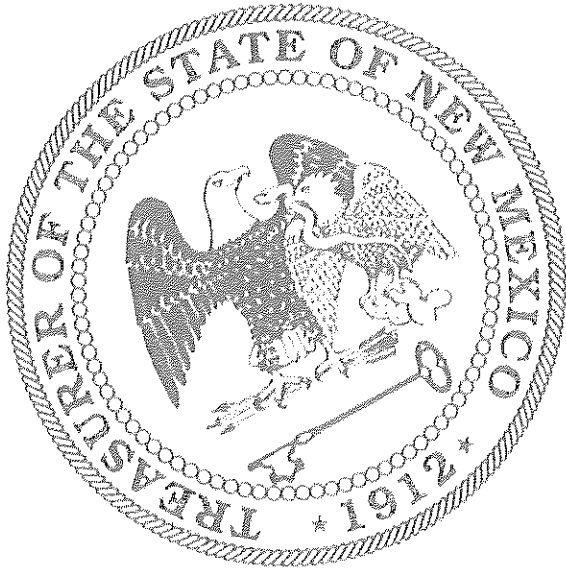
close to the maximum allowable 60 days. The WAM to final lengthened to 86 days as longer dated floating rate notes that matured were reinvested.

Severance Tax Bonding Fund

The Severance Tax Bonding Fund will see generally increasing balances over the quarter as fund additions will be made on a monthly basis. We will actively manage investments of available proceeds into the December timeframe in order to meet expected debt service payments.

Given continued weakness in oil and gas prices we expect deposits to be between \$25-\$30mil/month average.

Vikki Hanges
Portfolio Manager



10. Portfolio Summary- General Fund Investment Pool

Portfolio Summary – General Fund Investment Pool

Summary

- The General Fund Investment Pool (Bank balances, Liquidity and Core Portfolios) closed the month of September at \$1.96 Billion.

Portfolio Mix

- At month end, 100% of the General Fund CORE portfolio was invested in fixed income securities; 36% in US Government Securities; 60% in Government Related Securities (Municipal Bonds and Agency Securities), and the balance ~4% in cash and cash equivalents.
- 20% of the portfolio was invested in securities that mature in one year; 45% in securities that mature from 1-2 years; 27% in 2-4 years and 8% within 5 years.
- The General Fund Core portfolio held positions in 120 securities at the end of September.
- The Weighted Average Life of the CORE portion of the General Fund was 2.01 years. The Weighted Average duration was 1.94 years.
- The benchmark duration for the CORE portfolio was 2.18 years.
- The maximum security term for the CORE portfolio is 5 years.

Performance

- For the last 3 months, the General Fund underperformed its benchmark. The General Fund gained 0.49% while the benchmark gained 0.57%.
- For the last 12 months, the General Fund underperformed its benchmark. The General Fund gained 1.60% while the benchmark rose 1.73%.

Market Value and Investment Earnings

- Unrealized gains in the Core Portfolio at the end of September were \$10.6 million.
- Over the month, the unrealized value of the portfolio increased by \$4 million due to a decrease in relative interest rates.
- Monthly net earnings for September on the General Fund Portfolios were \$1.4 million.
- Total monthly earnings including mark-to-market were \$5.5 million.
- Year-to-date net earnings were \$4.2 million.
- Total year-to-date earnings including mark-to-market were \$7.8 million.
- STO projection of net earnings for FY16 - \$17 million.
- Earnings on the General Fund are used to offset General Fund Spending.

Investment Highlights

- The portfolio remained shorter than the benchmark duration to preserve principal in anticipation of higher short term interest rates .
- Fifty million in cash was moved from the General Fund Core to Liquidity during the month of September to cover expenditures.
- The Core portfolio will move closer to the benchmark duration as opportunities arise.

STATE OF NEW MEXICO
GENERAL FUND (1000)
 Portfolio Classification Summary
 Positions Held as of 9/30/15 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	2	.0696	.00270	214,419,759	214,419,759	214,419,759		51.672
CASH ACCOUNT	1			200,542,929	200,542,929	200,542,929		48.328
	<u>3</u>	<u>.0360</u>	<u>.00270</u>	<u>414,962,688</u>	<u>414,962,688</u>	<u>414,962,688</u>		<u>100.000</u>

STATE OF NEW MEXICO
GENERAL FUND CORE (1001)
Portfolio Classification Summary
Positions Held as of 9/30/15 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (0/N)	1	.0507	.00270	2,129,531	2,129,531	2,129,531		.141
CERTIFICATES OF DEPOSIT	11	.6175	1.02464	52,750,000	52,750,000	52,750,000		3.501
US TREASURY NOTE ACT/ACT 2X	27	1.1559	2.52369	541,650,000	544,621,803	548,920,780	4,298,977	36.433
AGENCY US BOND 30/360 2X	11	.9344	1.55793	129,627,000	130,198,415	130,857,617	659,202	8.685
AGENCY 30/360 2X	3	.9672	.96707	66,000,000	65,994,668	66,306,560	311,892	4.401
AGENCY US BOND 30/360 ZERO CPN	1	2.2015	4.02470	22,941,000	21,006,781	21,303,701	296,920	1.414
AGENCY US NOTES 30/360 2X	26	1.1224	1.82177	587,500,000	593,439,745	598,122,840	4,683,095	39.698
FED NATL MORTGAGE ASSN DEBS	4	1.0745	1.65021	72,950,000	73,061,130	73,439,513	378,383	4.874
MUNI US 30/360 2X	33	.6901	.80129	12,910,000	13,103,194	13,119,973	16,779	.871
MUNICIPAL BOND REVENUE	2	.6179	.85834	2,135,000	2,135,980	2,136,139	159	.142
CASH ACCOUNT	1			-2,419,919	-2,419,919	-2,419,919		-.161
	<u>120</u>	<u>1.1022</u>	<u>2.00053</u>	<u>1,488,172,612</u>	<u>1,496,021,328</u>	<u>1,506,666,735</u>	<u>10,645,407</u>	<u>100.000</u>

**STATE OF NEW MEXICO
TREASURERS OFFICE**

Position holdings as of 9/30/15 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
200,542,929	BANK OF THE WEST	CASHCASH				1.00000	200,542,928.73	200,542,929.00	.27
							<u>200,542,928.73</u>	<u>200,542,929.00</u>	<u>.27</u>
====> 0001 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> NO-MEANINGFUL-DATE <====									
100,000,000	OVERNIGHT REPO	1001RP	.090	10/01/15	.090	1.00000	100,000,000.00	100,000,000.00	
114,419,759	OVERNIGHT REPO	1001RP	.050	10/01/15	.050	1.00000	114,419,759.07	114,419,759.07	
							<u>214,419,759.07</u>	<u>214,419,759.07</u>	
====> 0002 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2015 <====									
							<u>414,962,688</u>	<u>414,962,688.07</u>	<u>.27</u>
====> 0003 ITEMS IN SUBTOTAL FOR ====> FUND NAME..... ====> GENERAL FUND <====									

STATE OF NEW MEXICO
TREASURERS OFFICE

Position holdings as of 9/30/15 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
- 2,419,919	(TD)-CASH KEY	CASHCASH				1.00000	- 2,419,919.15	- 2,419,919.00	.15
- 2,419,919							- 2,419,919.15	- 2,419,919.00	.15
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== NO-MEANINGFUL-DATE <====									
100,000	AZTEC N MEX MUN SCH DIST NO 002	054879GZ	3.250	10/01/15	.330	100.00000	100,000.00	100,000.00	
130,000	GRANTS / CIBOLA CNTY N MEX SCHOI	388240GD	2.000	10/01/15	.360	100.00000	130,000.00	130,000.00	
2,129,531	OVERNIGHT REPO	1001RP	.050	10/01/15	.050	1.00000	2,129,531.09	2,129,531.09	
2,000,000	FARMERS AND STOCKMENS BANK	8521544	.350	10/29/15	.350	1.00000	2,000,000.00	2,000,000.00	
750,000	NEW MEXICO EDL ASSISTANCE FNDTN	647110ET	4.000	12/01/15	.280	100.61906	754,642.97	754,447.50	- 195.47
10,000,000	SOUTHWEST CAPITAL BANK	1623234	.250	12/14/15	.250	1.00000	10,000,000.00	10,000,000.00	
300,000	NEW MEXICO FIN AUTH ST TRANSN RE	64711RDC	5.000	12/15/15	.360	100.95188	302,855.64	302,856.00	.36
100,000	NEW MEXICO FIN AUTH ST TRANSN RE	64711RHW	5.000	12/15/15	.330	100.95825	100,958.25	100,975.00	16.75
15,509,531							15,517,987.95	15,517,809.59	- 178.36

====> 0008 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2015 <====

3,000,000	FEDERAL FARM CREDIT BANKS	3133ECTC	.640	1/28/16	.327	100.10156	3,003,046.85	3,005,460.00	2,413.15
35,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MH8	5.000	3/15/16	.661	101.97008	35,689,526.29	35,760,200.00	70,673.71
580,000	NEW MEXICO ST UNIV REVS	647429V7	1.000	4/01/16	1.000	100.00000	580,000.00	581,241.20	1,241.20
720,000	LOS LUNAS NM GROSS RCPTS TAX RE	545559CU	2.000	4/01/16	.530	100.73304	725,277.88	725,623.20	345.32
35,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0BA	2.375	4/11/16	.793	100.83170	35,795,252.26	35,895,825.00	100,572.74
1,000,000	FARMERS AND STOCKMENS BANK	8521545	.450	4/29/16	.450	1.00000	1,000,000.00	1,000,000.00	
1,000,000	FARMERS AND STOCKMENS BANK	8521680	.500	4/29/16	.500	1.00000	1,000,000.00	1,000,000.00	
135,000	VILLAGE OF CORRALES NM	22026TAC	2.000	5/01/16	.750	100.72587	135,979.92	136,139.40	159.48
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACT	2.500	5/27/16	1.080	100.92417	20,184,834.77	20,283,800.00	98,965.23
100,000	NEW MEXICO MILITARY INST AT ROSW	647183BV	1.182	6/01/16	1.182	100.00000	100,000.00	100,431.00	431.00
160,000	LOS ALAMOS CNTY N MEX INC GROSS	54423TAM	5.750	6/01/16	.535	103.46484	165,543.74	165,651.20	107.46
205,000	LAS VEGAS N MEX GROSS RCPTS TAX	51778TBN	2.000	6/01/16	.550	100.96313	206,974.41	207,101.25	126.84
100,000	SANTA FE N MEX GROSS RCPTS TAXRE	802072MS	5.000	6/01/16	.500	102.99050	102,990.50	102,852.00	- 138.50
125,000	NEW MEXICO FIN AUTH REV	64711NPZ	2.500	6/01/16	.680	101.20786	126,509.82	126,583.75	73.93
1,045,000	LAS CRUCES N MEX JT UTIL REV	517496EK	2.000	6/01/16	.501	100.99622	1,055,410.50	1,055,711.25	300.75
25,000,000	FEDERAL AGRICULTURAL MORTG CORP	31315PB7	.900	6/09/16	.900	100.00000	25,000,000.00	25,117,750.00	117,750.00
100,000	NEW MEXICO FIN AUTH REV	64711NTV	1.250	6/15/16	1.250	100.00000	100,000.00	100,394.00	394.00
325,000	NEW MEXICO FIN AUTH REV	64711NVG	3.000	6/15/16	.480	101.77224	330,759.78	331,334.25	574.47

**STATE OF NEW MEXICO
TREASURERS OFFICE**

Position holdings as of 9/30/15 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
3,000,000	CENTURY BANK SANTA FE	17099254	.500	6/16/16	.500	1.00000	3,000,000.00	3,000,000.00	
7,500,000	FEDERAL FARM CREDIT BANKS	3133EDDP	.520	6/17/16	.520	100.00000	7,500,000.00	7,511,700.00	11,700.00
180,000	NEW MEXICO ST SEVERANCE TAX	647310Q4	5.000	7/01/16	.699	103.21038	185,778.68	186,348.60	569.92
1,000,000	ALBUQUERQUE BERNALILLO CNTY WT J	013493ES	5.000	7/01/16	.830	103.10983	1,031,098.27	1,034,660.00	3,561.73
500,000	ALBUQUERQUE BERNALILLO CNTY WT J	013493DW	4.000	7/01/16	.830	102.36399	511,819.96	514,025.00	2,205.04
200,000	RUIDOSO N MEX WASTEWATER REV REF	781324AC	2.000	7/01/16	.800	100.89490	201,789.80	201,988.00	198.20
200,000	CITY OF ALBUQUERQUE NM	01354MEX	3.000	7/01/16	.560	101.82297	203,645.93	203,984.00	338.07
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MS6	5.375	7/15/16	1.126	103.32590	20,665,180.85	20,782,200.00	117,019.15
16,000,000	FARMER MAC	31315PR8	.770	8/01/16	.810	99.96667	15,994,667.79	16,034,560.00	39,892.21
500,000	BELEN N MEX CONS SCH DIST NO 2 G	077581NV	2.000	8/01/16	.770	101.01932	505,096.60	506,910.00	1,813.40
125,000	TRUTH OR CONSEQUENCES N MEX MU G	898439EF	2.000	8/01/16	1.000	100.82710	126,033.88	126,572.50	538.62
225,000	SANDOVAL CNTY N MEX	80004PDP	2.000	8/01/16	.710	101.06948	227,406.33	228,251.25	844.92
2,000,000	SANTA FE PUBLIC SCHOOLS ETN 2014	SFPS2016	.750	8/01/16	.750	100.00000	2,000,000.00	2,000,000.00	
370,000	SANDOVAL CNTY NM	80004PDZ	2.000	8/01/16	.501	101.24509	374,606.85	374,654.60	47.75
2,000,000	GADSDEN INDEPENDENT SCHOOL	GISD15TX	.600	8/15/16	.600	100.00000	2,000,000.00	2,000,000.00	
40,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	.832	101.04484	40,417,937.31	40,570,800.00	152,862.69
1,127,000	FEDERAL FARM CREDIT BANKS	31331V2U	5.125	8/25/16	.590	104.06384	1,172,799.46	1,174,717.18	1,917.72
20,000,000	UNITED STATES TREASURY NOTES	912828RF	1.000	8/31/16	.929	100.06393	20,012,785.66	20,111,800.00	99,014.34
2,000,000	Bank 34	01010047	.600	8/31/16	.600	1.00000	2,000,000.00	2,000,000.00	
40,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135GOCM	1.250	9/28/16	.918	100.32713	40,130,852.80	40,320,400.00	189,547.20
170,000	GRANTS / CIBOLA CNTY N MEX SCHDI	388240GW	2.000	10/01/16	.650	101.34322	172,283.47	172,550.00	266.53
10,000,000	FIRST NATIONAL SANTA FE	84000530	.600	10/10/16	.600	1.00000	10,000,000.00	10,000,000.00	
30,000,000	FEDERAL HOME LOAN MORTGAGE CORP.	3137EADS	.875	10/14/16	.862	100.01376	30,004,128.82	30,128,700.00	124,571.18
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EAAJ	5.125	10/18/16	.553	104.76699	20,953,397.02	20,974,200.00	20,802.98
10,000,000	FEDERAL HOME LOAN BANKS	3133XHJK	4.750	12/16/16	.694	104.87071	10,487,070.67	10,505,500.00	18,429.33
25,000,000	UNITED STATES TREAS NTS	912828RX	.875	12/31/16	.776	100.12260	25,030,648.83	25,125,250.00	94,601.17
376,192,000							380,211,135.70	381,485,868.63	1,274,732.93

====> 0044 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. =====> 2016 <====

25,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PN8	1.100	1/26/17	1.100	100.00000	25,000,000.00	25,154,250.00	154,250.00
40,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0GY	1.250	1/30/17	1.054	100.25755	40,103,018.27	40,382,000.00	278,981.73
20,000,000	UNITED STATES TREAS NTS	912828SC	.875	1/31/17	.846	100.03859	20,007,718.79	20,103,600.00	95,881.21
20,000,000	FEDERAL HOME LOAN BANK	3133786Q	1.000	2/13/17	1.030	99.95852	19,991,704.74	20,122,600.00	130,895.26
20,000,000	FREDDIE MAC	3137EADT	.875	2/22/17	.928	99.92666	19,985,332.22	20,093,800.00	108,467.78
33,500,000	UNITED STATES TREAS NTS	912828SJ	.875	2/28/17	.872	100.00440	33,501,472.84	33,673,530.00	172,057.16
20,000,000	UNITED STATES TREASURY NOTES	912828MS	3.000	2/28/17	.863	102.99803	20,599,606.50	20,706,800.00	107,193.50
40,000,000	FED HOME LOAN MORTGAGE CORP DBS	3137EADC	1.000	3/08/17	1.019	99.97324	39,989,296.24	40,254,400.00	265,103.76

**STATE OF NEW MEXICO
TREASURERS OFFICE**

Position holdings as of 9/30/15 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
20,000,000	FEDERAL HOME LOAN BANKS	3133782N	.875	3/10/17	.783	100.13165	20,026,330.43	20,054,600.00	28,269.57
250,000	GUADALUPE CREDIT UNION	35605000	1.000	3/26/17	1.000	1.00000	250,000.00	250,000.00	
20,000,000	UNITED STATES TREASURY NOTES	912828SM	1.000	3/31/17	.905	100.14035	20,028,070.69	20,145,800.00	117,729.31
9,000,000	FARMER MAC	31315PS2	.980	4/10/17	1.015	99.94711	8,995,240.25	9,045,810.00	50,569.75
20,000,000	FIRST NATIONAL SANTA FE	84000531	.850	4/10/17	.850	1.00000	20,000,000.00	20,000,000.00	
3,000,000	FARMERS AND STOCKMENS	8521625	.700	4/21/17	.700	1.00000	3,000,000.00	3,000,000.00	
10,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0JA	1.125	4/27/17	1.049	100.11778	10,011,777.84	10,083,100.00	71,322.16
8,000,000	FARMER MAC	31315PY8	.930	5/01/17	.970	99.93715	7,994,971.94	8,029,840.00	34,868.06
20,000,000	UNITED STATES TREASURY NOTES	912828SY	.625	5/31/17	1.009	99.36815	19,873,630.16	20,014,800.00	141,169.84
1,080,000	LAS CRUCES N MEX JT UTIL REV	517496EL	2.000	6/01/17	.750	102.06576	1,102,310.24	1,105,077.60	2,767.36
500,000	WESTERN BANK CLOVIS	15981000	.750	6/02/17	.750	1.00000	500,000.00	500,000.00	
23,000,000	FEDERAL HOME LOAN BANKS	313379FW	1.000	6/09/17	.928	100.12093	23,027,812.77	23,140,070.00	112,257.23
30,000,000	FEDERAL HOME LN MTC CORP	3137EADH	1.000	6/29/17	.981	100.03304	30,009,912.68	30,204,600.00	194,687.32
20,000,000	UNITED STATES TREASURY NOTES	912828TB	.750	6/30/17	1.028	99.51891	19,903,781.08	20,055,000.00	151,218.92
9,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PDT	3.020	7/14/17	1.056	103.46503	9,311,852.37	9,362,700.00	50,847.63
30,000,000	UNITED STATES TREASURY NOTES	912828WT	.875	7/15/17	.966	99.83951	29,951,853.01	30,141,000.00	189,146.99
25,500,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADJ	1.000	7/28/17	.919	100.14651	25,537,359.86	25,672,380.00	135,020.14
20,000,000	UNITED STATES TREASURY NOTES	912828NR	2.375	7/31/17	1.122	102.26516	20,453,032.77	20,645,600.00	192,567.23
20,000,000	UNITED STATES TREASURY NOTES	912828HA	4.750	8/15/17	1.027	106.88483	21,376,966.85	21,531,600.00	154,633.15
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EAAJ	5.500	8/23/17	1.072	108.28161	10,828,160.70	10,894,500.00	66,339.30
10,000,000	UNITED STATES TREASURY NOTES	912828D9	1.000	9/15/17	1.058	99.88822	9,988,822.40	10,070,400.00	81,577.60
4,500,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315P3K	1.150	9/18/17	1.170	99.96038	4,498,216.96	4,536,585.00	38,368.04
15,000,000	FNMA	3135G0ZL	1.000	9/27/17	1.118	99.76872	14,965,307.65	15,067,350.00	102,042.35
30,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADL	1.000	9/29/17	1.059	99.88302	29,964,905.70	30,181,500.00	216,594.30
25,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0PQ	.875	10/26/17	1.164	99.41091	24,852,727.50	25,075,000.00	222,272.50
20,000,000	UNITED STATES TREASURY NOTES	912828HH	4.250	11/15/17	1.085	106.62125	21,324,250.55	21,494,800.00	170,549.45
20,000,000	UNITED STATES TREASURY NOTES	912828UA	.625	11/30/17	1.075	99.03925	19,807,849.43	19,963,600.00	155,750.57
255,000	SILVER CITY N MEX JT UTIL SYS RE	82750RAP	2.000	12/01/17	1.000	102.12300	260,413.65	260,882.85	469.20
642,585,000							647,023,707.08	651,017,575.45	3,993,868.37

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

5,000,000	UNITED STATES TREASURY NOTES	912828UJ	.875	1/31/18	1.309	99.00593	4,950,296.25	5,013,300.00	63,003.75
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADP	.875	3/07/18	1.454	98.62071	14,793,105.96	15,012,750.00	219,644.04
15,000,000	FED NATL MORTGAGE ASSN DEB	3136G1EN	1.100	3/13/18	1.100	100.00000	15,000,000.00	15,018,450.00	18,450.00
25,000,000	UNITED STATES TREASURY NOTES	912828BUZ	.625	4/30/18	1.188	98.57375	24,643,438.55	24,871,750.00	228,311.45
25,000,000	UNITED STATES TREASURY NOTES	912828VE	1.000	5/31/18	1.228	99.40409	24,851,021.99	25,091,500.00	240,478.01
150,000	LAS CRUCES N MEX HOLD HARMLESSGR	51748QAY	4.000	6/01/18	1.500	106.33700	159,505.50	159,822.00	316.50

**STATE OF NEW MEXICO
TREASURERS OFFICE**

Position holdings as of 9/30/15 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCT	3135G0E3	1.125	7/20/18	1.185	99.83475	19,966,949.56	20,095,800.00	128,850.44
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCT	3135G0YM	1.875	9/18/18	1.438	101.26324	20,252,647.31	20,511,000.00	258,352.69
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCT	3135G0YT	1.625	11/27/18	1.747	99.62618	14,943,926.84	15,268,200.00	324,273.16
20,000,000	UNITED STATES TREASURY NOTES	912828RT	1.375	11/30/18	1.404	99.91095	19,982,189.97	20,243,800.00	261,610.03
160,150,000							159,543,081.93	161,286,372.00	1,743,290.07

====> 0010 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2018 <====

20,000,000	UNITED STATES TREASURY NOTES	912828SD	1.250	1/31/19	1.267	99.94466	19,988,931.66	20,132,800.00	143,868.34
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCT	3135G0ZA	1.875	2/19/19	1.678	100.64495	20,128,990.64	20,462,600.00	333,609.36
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACA	3.750	3/27/19	1.762	106.69817	21,339,634.55	21,770,400.00	430,765.45
35,000,000	UNITED STATES TREASURY NOTES	912828C6	1.625	3/31/19	1.744	99.59686	34,858,899.64	35,641,550.00	782,650.36
14,000,000	UNITED STATES TREASURY NOTES	912828WW	1.625	7/31/19	1.203	101.57322	14,220,250.78	14,240,240.00	19,989.22
13,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315P3R	1.900	9/18/19	1.920	99.92370	12,990,080.81	13,382,590.00	392,509.19
22,941,000	FEDERAL NATIONAL MORTGAGE ASSOCT	313586RC		10/09/19	2.171	91.56872	21,006,780.93	21,303,700.83	296,919.90
24,500,000	UNITED STATES TREASURY NOTES	912828F6	1.500	10/31/19	1.561	99.75961	24,441,104.55	24,770,235.00	329,130.45
8,000,000	FEDERAL FARM CREDIT BANKS	3133EEBN	1.800	11/12/19	1.755	100.17631	8,014,104.63	8,173,520.00	159,415.37
14,000,000	FEDERAL NATIONAL MORTGAGE ASSOCT	3135G0ZY	1.750	11/26/19	1.701	100.19462	14,027,246.55	14,248,220.00	220,973.45
175,000	KNOX CNTY KY	499422DH	5.800	12/01/19	.780	105.81755	185,180.72	185,304.00	123.28
25,900,000	UNITED STATES TREASURY NOTES	912828C9	1.625	12/31/19	1.318	101.26539	26,227,735.97	26,288,500.00	60,764.03
217,516,000							217,428,941.43	220,599,659.83	3,170,718.40

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

21,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315P5S	1.820	1/08/20	1.590	100.94431	21,198,304.85	21,406,140.00	207,835.15
33,750,000	UNITED STATES TREASURY NOTES	912828UV	1.125	3/31/20	1.387	98.86195	33,365,906.77	33,482,025.00	116,118.23
5,000,000	UNITED STATES TREASURY NOTES	912828K5	1.375	4/30/20	1.329	100.20350	5,010,174.76	5,013,300.00	3,125.24
7,950,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G7KH	1.000	7/30/20	1.198	99.98369	7,948,703.59	7,955,962.50	7,258.91
6,000,000	UNITED STATES TREASURY NOTES	912828VV	2.125	8/31/20	1.654	102.21479	6,132,887.37	6,208,920.00	76,032.63
4,000,000	UNITED STATES TREASURY NOTES	912828VV	2.125	8/31/20	1.654	102.21182	4,088,472.77	4,139,280.00	50,807.23
77,700,000							77,744,450.11	78,205,627.50	461,177.39

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

**STATE OF NEW MEXICO
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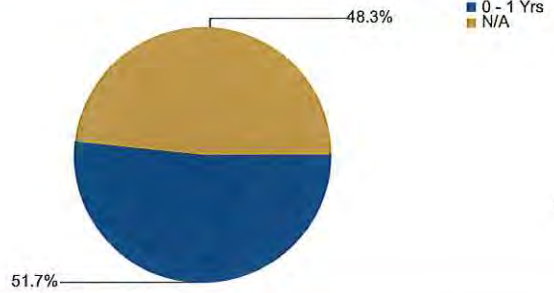
Position holdings as of 9/30/15 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
345,000	WILL CNTY ILL SCH DIST NO 122	968852B8	4.500	10/01/24	.370	100.00000	345,000.00	345,000.00	
<u>345,000</u>							<u>345,000.00</u>	<u>345,000.00</u>	
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2024 <====									
255,000	CHOCTAW CNTY MISS HOSP REV	170323AR	7.500	8/01/28	.770	105.57790	269,223.65	268,560.90	- 662.75
<u>255,000</u>							<u>269,223.65</u>	<u>268,560.90</u>	<u>- 662.75</u>
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2028 <====									
340,000	KNOX CNTY KY	499422DL	5.875	12/01/36	.780	105.90444	360,075.08	360,179.00	103.92
<u>340,000</u>							<u>360,075.08</u>	<u>360,179.00</u>	<u>103.92</u>
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2036 <====									
<u>1,488,172,612</u>							<u>1496023683.78</u>	<u>1506666733.90</u>	<u>10,643,050.12</u>
====> 0120 ITEMS IN SUBTOTAL FOR ==== FUND NAME..... ==== GENERAL FUND CORE <====									

Portfolio Characteristics

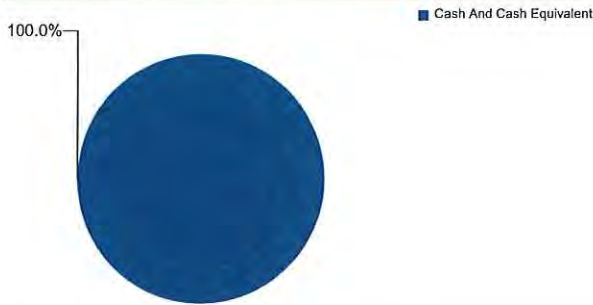
Duration Mix

Total Net Assets (Millions)	415.0
Weighted Average Life (Years)	0.00
Weighted Avg. Effective Duration (Years)	0.00
Weighted Average Coupon (%)	0.04
Weighted Average Current Yield (%)	0.04
Weighted Average Yield to Maturity (%)	0.04
Weighted Average Rating	AAA
Number of Holdings	15



Asset Mix

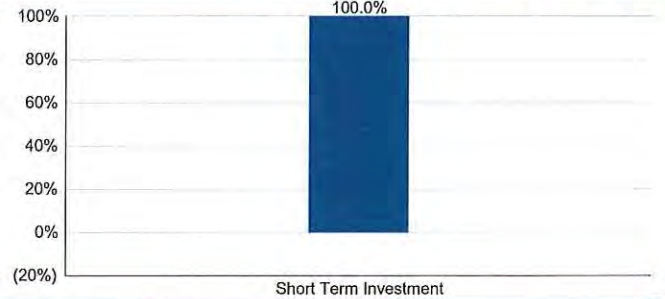
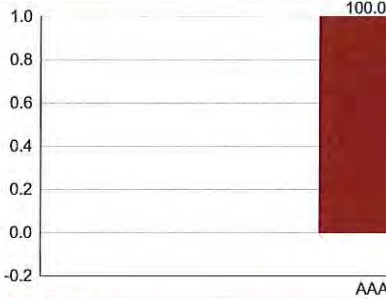
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
89499LC10	BANK OF THE WEST	48.33%	0.00	1/10/2015
99FR30068	REPO JPMORGAN CHASE BK (GREENWICH) 0930150	11.94%	0.09	1/10/2015
99FR30047	REPO MITSUBISHI UFJ SECURITIES (USA),INC. 093015S	2.52%	0.05	1/10/2015
99FR30048	REPO MITSUBISHI UFJ SECURITIES (USA),INC. 093015U	2.52%	0.05	1/10/2015
99FR30051	REPO MITSUBISHI UFJ SECURITIES (USA),INC. 093015X	2.52%	0.05	1/10/2015
99FR30053	REPO MITSUBISHI UFJ SECURITIES (USA),INC. 093015P	2.52%	0.05	1/10/2015
99FR30054	REPO MITSUBISHI UFJ SECURITIES (USA),INC. 093015T	2.52%	0.05	1/10/2015
99FR30046	REPO MITSUBISHI UFJ SECURITIES (USA),INC. 093015Q	2.52%	0.05	1/10/2015
99FR30060	REPO MITSUBISHI UFJ SECURITIES (USA),INC. 093015R	2.52%	0.05	1/10/2015
99FR30043	REPO MITSUBISHI UFJ SECURITIES (USA),INC. 093015V	2.52%	0.05	1/10/2015
99FR30067	REPO MITSUBISHI UFJ SECURITIES (USA),INC. 093015W	2.52%	0.05	1/10/2015
99FR30069	REPO JPMORGAN CHASE BK (GREENWICH) 093015N	12.16%	0.09	1/10/2015

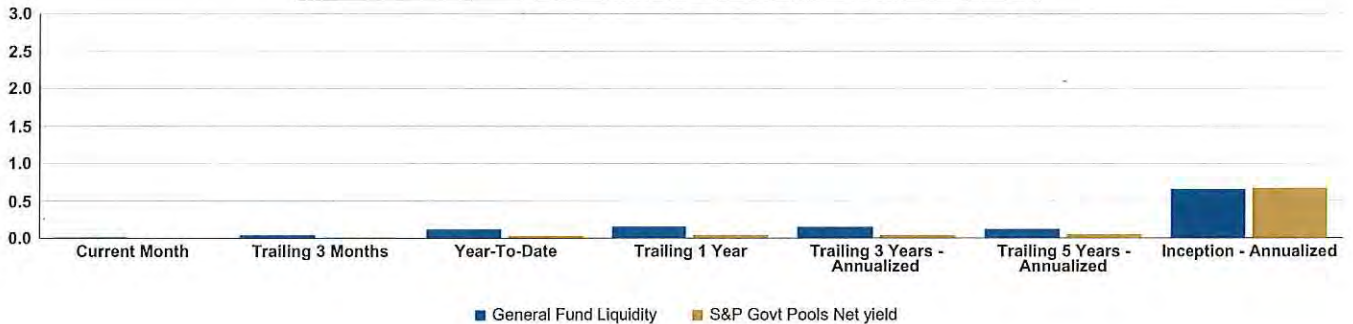
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



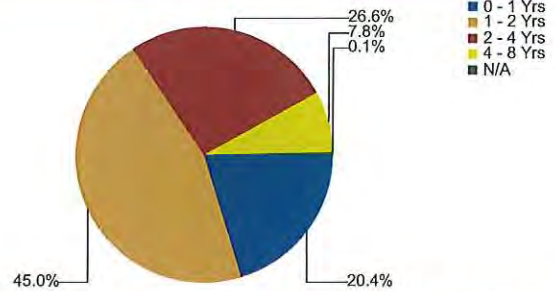
Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
General Fund Liquidity	0.01	0.04	0.12	0.15	0.15	0.12	0.65
S&P Govt Pools Net yield	0.00	0.01	0.03	0.03	0.03	0.05	0.67
Excess	0.01	0.03	0.09	0.12	0.11	0.07	(0.02)

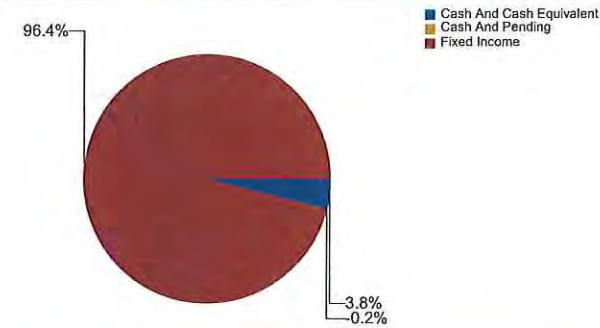


Portfolio Characteristics

Total Net Assets (Millions)	1,511.3
Weighted Average Life (Years)	2.01
Weighted Avg. Effective Duration (Years)	1.94
Weighted Average Coupon (%)	1.63
Weighted Average Current Yield (%)	0.71
Weighted Average Yield to Maturity (%)	0.72
Weighted Average Rating	AA
Number of Holdings	119



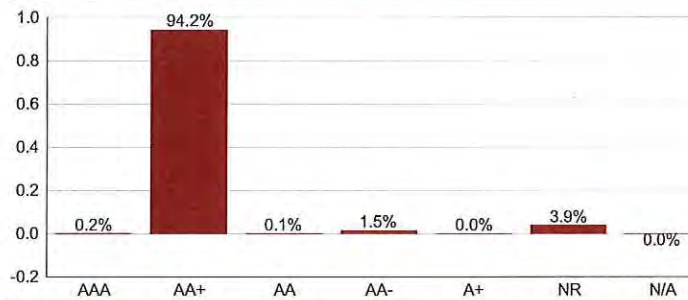
Asset Mix



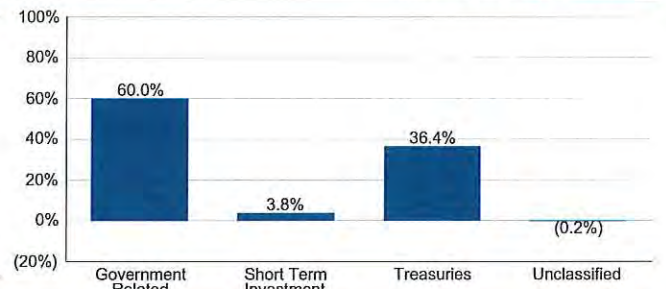
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
3137EACW7	FEDERAL HOME LOAN MORTGAGE CORP 2% BDS 25/AUG/2016	2.69%	2.00	25/8/2016
3135G00Y3	FEDERAL NATIONAL MORTGAGE ASSOC 1.25% MTG BDS	2.67%	1.25	30/1/2017
3135G0CM3	FEDERAL NATIONAL MORTGAGE ASSOC 1.25% BDS	2.66%	1.25	28/9/2016
3137EADCO	FEDERAL HOME LOAN MORTGAGE CORP 1% BDS 09/MAR/2017	2.66%	1.00	8/3/2017
3135G0B0A	FEDERAL NATIONAL MORTGAGE ASSOC 2.375% NTS	2.40%	2.38	11/4/2016
3135M1H9	FEDERAL NATIONAL MORTGAGE ASSOC 5% BDS 15/MAR/2016	2.37%	5.00	15/3/2016
912828C65	UNITED STATES OF AMERICA NOTES FIXED 1.625%	2.35%	1.62	31/3/2019
912828S10	UNITED STATES OF AMERICA NOTES FIXED 0.875% 02/17	2.23%	0.88	28/2/2017
912828LUV	US 1.12500 30	2.21%	1.12	31/3/2020
3137EADH9	FEDERAL HOME LOAN MORTGAGE CORP 1% BDS 27/JUN/2017	2.00%	1.00	29/6/2017

Quality/Rating Weightings

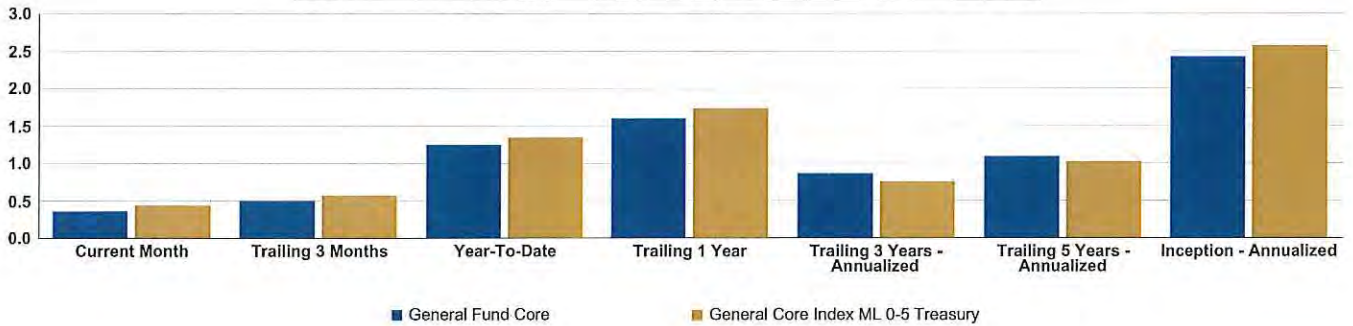


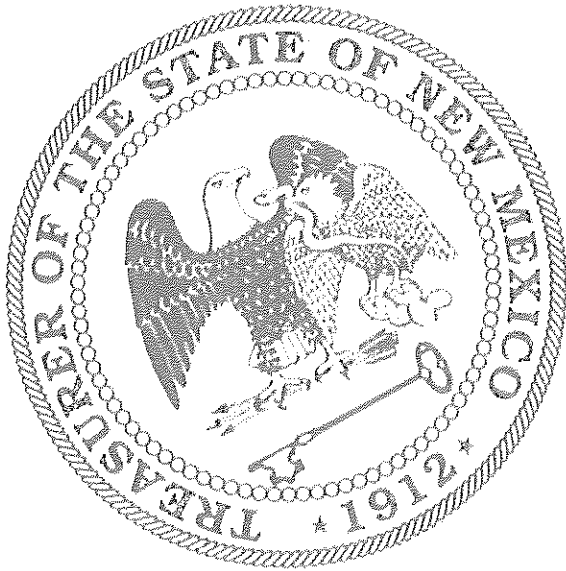
Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
General Fund Core	0.36	0.49	1.25	1.60	0.86	1.09	2.42
General Core Index ML 0-5 Treasury	0.43	0.57	1.34	1.73	0.76	1.02	2.57
Excess	(0.08)	(0.07)	(0.10)	(0.13)	0.11	0.07	(0.15)





11. Portfolio Summary- Local Government Investment Pool

Portfolio Summary – Local Government Investment Pool (LGIP)

Summary

- Ending September market value for the LGIP was \$742.8mil, approximately \$83.2mil lower than the \$826.6mil reported at the end of August.
- The LGIP maintains an AAAM rating by Standard & Poor's.
- At the end of September the STO LGIP participant balance was \$141.3mil or 19% of the Pool.
- At the end of September the Judicial District Court LGIP participant balance was \$5mil or 0.7% of the Pool.
- At the end of September the Educational Retirement Board balance was \$75mil or 10% of the Pool.

Portfolio Mix

- At the end of September 2015 the portfolio was invested as follows: 1% in US Treasuries, 53% in US Government Agencies, 28% in collateralized demand deposit accounts with qualified banking institutions, 18% in floating rate securities, and 0% in overnight repurchase agreements.
- At month-end, the LGIP held positions in 69 securities.

Investment Earnings

- In September the fund earned \$123,919.
- For Fiscal Year 2016, the fund has earned \$355,866.
- 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 0.19% at the end of September.
- Net yield to participants was 0.14%.

Investment Highlights

- For the LGIP, the WAM(R) of 54 days, and WAM (F) of 86 days, were within their maximums of 60 and 120 days respectively.
- The LGIP experienced net subscriptions for the month of September, ~\$(83.5)mil.
- Maturities for September totaled ~\$80mil face amount.
- The LGIP purchased ~\$64mil. US Government Agency fixed rate securities maturing from 2 to 11 months at yields between 0.14% and 0.46% and \$50mil. US Government Agency floating rate securities maturing from 12 to 19 months at attractive spreads to effective fed funds.
- The LGIP sold \$16mil of a 1 month US Government Agency security at a gain.
- LGIP utilized term investments to reduce exposure to lower yielding overnight investments.
- The LGIP continued to keep WAMs close to the maximum allowable 60 days.

Investment Strategy

- LGIP WAMs are currently 55 and 98 days for WAM(R) and WAM (F) respectively.

- The LGIP has experienced net subscriptions in October so far, ~ \$(51)mil.
- Maturities will total \$183mil in October.
- With WAMs tight to the maximums allowable to maintain the AAAM rating, the Pool has been monitoring cash flows carefully.
- As WAMs recede the LGIP will invest in securities that are longer dated and attractive vs. overnight collateralized bank deposits and repo.
- It is expected that the LGIP WAMs will remain close to the allowable maximums.
- LGIP will continue to focus on maximizing safety of principal and providing adequate liquidity through the use of conservative investments.

Net Asset Value/Share

At month-end, the Net Asset Value per Share of the Local Government Investment Pool was \$0.99995.

STATE OF NEW MEXICO
LGIP FUND (4101)
Portfolio Classification Summary
Positions Held as of 9/30/15 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
U.S. TREASURY (STRIPS/ZERO-CPN)	1	.1370	.04110	6,936,000	6,935,635	6,935,861	226	.934
AGENCY US BOND 30/360 2X	9	.2491	.26528	53,140,000	53,158,742	53,164,477	5,735	7.161
AGENCY US DISC ACT/360 360 DAY	23	.1705	.13354	196,152,000	196,095,545	196,121,490	25,945	26.418
FED HOME LOAN BANKS	4	.1993	.19512	45,000,000	44,997,724	45,004,450	6,726	6.062
AGENCY 30/360 2X	2	.1610	.20457	15,000,000	14,998,970	15,000,200	1,230	2.021
AGENCY US BOND 30/360 ZERO CPN	2	.2980	.47338	3,589,000	3,579,698	3,583,631	3,933	.483
AGENCY US NOTES 30/360 2X	12	.3312	.58941	86,657,000	87,280,758	87,281,555	797	11.757
FED NATL MORTGAGE ASSN DEBS	1	.1445	.07120	12,769,000	12,782,136	12,781,769	-367	1.722
AGENCY US VARIABLE ACT/360 4X	10	.1526	.25760	120,200,000	120,198,706	120,189,900	-8,806	16.190
AGENCY US VAR 30/360 4X	1	.2568	1.51230	25,000,000	24,998,750	24,998,750		3.367
CASH ACCOUNT	4			177,316,693	177,316,693	177,316,693		23.885
	<u>69</u>	<u>.1557</u>	<u>.30983</u>	<u>741,759,693</u>	<u>742,343,357</u>	<u>742,378,776</u>	<u>35,419</u>	<u>100.000</u>

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 9/30/15 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
- 14,476,957	(TD)-WELLS FARGO CASH ACCOUNT	CASHCASH	.100			1.00000	-14,476,956.93	-14,476,957.00	- .07
2,365,301	WELLS FARGO SAVINGS	CASHCASH	.100			1.00000	2,365,300.57	2,365,301.00	.43
159,263,248	BANK OF THE WEST	CASHCASH	.250			1.00000	159,263,248.48	159,263,248.00	-.48
30,165,101	US BANK	CASHCASH	.200			1.00000	30,165,100.97	30,165,101.00	.03
177,316,693							177,316,693.09	177,316,693.00	-.09

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

14,700,000	FEDERAL FARM CREDIT BANKS	3133ED3F	.155	10/01/15	.109	100.00000	14,700,000.00	14,700,000.00	
2,000,000	FEDERAL HOME LOAN BANKS	3130A06V	.210	10/01/15	.110	100.00000	2,000,000.00	2,000,000.00	
7,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313588MK		10/01/15	.120	100.00000	7,000,000.00	7,000,000.00	
9,000,000	FEDERAL HOME LOAN BANKS	3130A06U	.220	10/07/15	.159	100.00000	9,000,000.00	9,000,000.00	
8,000,000	FEDERAL HOME LOAN BANKS	3130A06Y	.220	10/07/15	.148	100.00000	8,000,000.00	8,000,000.00	
15,000,000	FEDERAL HOME LOAN BANKS	3130A06X	.220	10/07/15	.128	100.00031	15,000,046.87	15,000,000.00	46.87
11,500,000	FEDERAL HOME LOAN BANKS	3130A06X	.220	10/07/15	.128	100.00031	11,500,035.93	11,500,000.00	35.93
5,000,000	FEDERAL HOME LOAN BANK	3130A4JE	.160	10/09/15	.183	99.99948	4,999,973.79	5,000,050.00	76.21
5,100,000	FEDERAL HOME LOAN BANKS	313384MT		10/09/15	.140	99.99689	5,099,841.33	5,099,949.00	107.67
7,240,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MZC	4.375	10/15/15	.185	100.16277	7,251,784.43	7,251,294.40	490.03
6,936,000	RFCO STRIPS	76116ECD		10/15/15	.135	99.99475	6,935,635.60	6,935,861.28	225.68
15,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315KNA		10/16/15	.105	99.99563	14,999,343.75	14,999,850.00	506.25
10,000,000	FEDERAL HOME LOAN BANKS	313384NA		10/16/15	.140	99.99417	9,999,416.67	9,999,900.00	483.33
10,000,000	FEDERAL HOME LOAN BANK	3130A4MK	.150	10/19/15	.194	99.99781	9,999,781.15	10,000,200.00	418.85
9,000,000	FEDERAL HOME LOAN BANKS	313384NF		10/21/15	.140	99.99211	8,999,290.00	8,999,820.00	530.00
15,000,000	FEDERAL FARM CREDIT BANKS	3133ED5G	.210	10/22/15	.155	100.00204	15,000,305.38	15,000,450.00	144.62
12,769,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31398A4M	1.625	10/26/15	.142	100.10287	12,782,135.89	12,781,769.00	366.89
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	313396NL		10/26/15	.140	99.99028	4,999,513.89	4,999,900.00	386.11
19,900,000	FEDERAL HOME LOAN BANKS	313384NQ		10/30/15	.145	99.98599	19,897,212.47	19,899,602.00	2,389.53
26,152,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313588NU		11/03/15	.160	99.98526	26,148,144.82	26,150,430.88	2,286.06
8,200,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313588NV		11/04/15	.165	99.98404	8,198,691.50	8,199,508.00	816.50
2,600,000	FEDERAL HOME LOAN MORTGAGE CORPO	313396NV		11/04/15	.160	99.98489	2,599,607.11	2,599,844.00	236.89
1,300,000	FEDERAL HOME LOAN BANKS	313384NV		11/04/15	.185	99.98253	1,299,772.86	1,299,922.00	149.14
2,100,000	FEDERAL HOME LOAN MORTGAGE CORPO	313396NW		11/05/15	.160	99.98444	2,099,673.33	2,099,874.00	200.67
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	313396PB		11/10/15	.220	99.97556	9,997,555.56	9,999,300.00	1,744.44
4,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315KPD		11/12/15	.120	99.98600	3,999,440.00	3,999,680.00	240.00
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313588PD		11/12/15	.157	99.98168	4,999,084.16	4,999,600.00	515.84
5,000,000	FEDERAL HOME LOAN BANKS	313384PE		11/13/15	.185	99.97790	4,998,895.14	4,999,600.00	704.86
1,089,000	FANNIEMAE STRIPS	31358C7J		11/15/15	.126	99.98600	1,088,847.54	1,088,705.97	141.57
10,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315KPH		11/16/15	.185	99.97636	9,997,636.11	9,999,200.00	1,563.89

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 9/30/15 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313588PJ		11/17/15	.150	99.98042	4,999,020.83	4,999,550.00	529.17
10,000,000	FEDERAL HOME LOAN BANKS	3130A3HV	.125	11/18/15	.213	99.98854	9,998,853.63	9,999,300.00	446.37
10,000,000	FEDERAL HOME LOAN BANKS	3130A5NX	.140	11/18/15	.138	100.00026	10,000,026.24	10,000,400.00	373.76
4,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313588PK		11/18/15	.180	99.97600	3,999,040.00	3,999,640.00	600.00
10,000,000	FEDERAL HOME LOAN BANK	3130A62Q	.110	11/24/15	.138	99.99580	9,999,579.89	9,999,900.00	320.11
1,800,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313588PS		11/25/15	.165	99.97479	1,799,546.25	1,799,820.00	273.75
7,000,000	FEDERAL HOME LOAN BANKS	3130A3E7	.160	12/01/15	.223	99.98952	6,999,266.22	7,000,560.00	1,293.78
20,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315KPY		12/01/15	.150	99.97458	19,994,916.67	19,996,200.00	1,283.33
15,000,000	FEDERAL FARM CREDIT BANK	3133EDAW	.200	12/02/15	.205	99.99858	14,999,786.43	14,999,400.00	- 386.43
5,000,000	FEDERAL HOME LOAN BANKS	3130A22T	.220	12/04/15	.223	99.99945	4,999,972.32	5,000,550.00	577.68
2,500,000	FEDERAL FARM CREDIT BANKS	3133EEAT	.200	12/07/15	.201	99.99981	2,499,995.27	2,500,400.00	404.73
3,130,000	FEDERAL HOME LOAN BANKS	3130A2Y2	.270	12/10/15	.183	100.01668	3,130,522.14	3,130,688.60	166.46
6,260,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0SB	.375	12/21/15	.200	100.03873	6,262,424.74	6,263,380.40	955.66
363,276,000							363,274,615.91	363,294,099.53	19,483.62

====> 0043 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2015 <====

5,000,000	FEDERAL HOME LOAN BANKS	3130A5ZC	.160	1/22/16	.200	99.98781	4,999,390.51	5,000,300.00	909.49
20,000,000	FEDERAL HOME LOAN BANKS	3130A5RO	.200	2/01/16	.231	99.98972	19,997,943.64	20,003,800.00	5,856.36
10,000,000	FEDERAL HOME LOAN BANK	3130A0SD	.375	2/19/16	.256	100.04537	10,004,536.54	10,002,300.00	- 2,236.54
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	313396TS		2/29/16	.290	99.87836	14,981,754.17	14,989,200.00	7,445.83
1,250,000	FEDERAL FARM CREDIT BANKS	3133EESJ	.280	3/04/16	.255	100.01073	1,250,134.12	1,250,487.50	353.38
4,015,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136FPDC	2.000	3/08/16	.275	100.75136	4,045,166.94	4,046,879.10	1,712.16
8,838,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136FPET	2.000	3/10/16	.286	100.75596	8,904,811.64	8,904,815.28	3.64
9,690,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0AL	2.250	3/15/16	.280	100.89626	9,776,847.34	9,779,729.40	2,882.06
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MH8	5.000	3/15/16	.281	102.14693	5,107,346.72	5,108,600.00	1,253.28
6,492,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G4VH	.400	3/15/16	.264	100.06191	6,496,019.40	6,495,700.44	- 318.96
5,000,000	FEDERAL FARM CREDIT BANK	3133EDMK	.140	3/29/16	.150	99.99467	4,999,733.59	4,998,550.00	- 1,183.59
15,000,000	FANNIE MAE	3135G0VA	.500	3/30/16	.264	100.11715	15,017,572.87	15,019,350.00	1,777.13
4,582,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADQ	.500	5/13/16	.305	100.11994	4,587,495.84	4,586,902.74	- 593.10
2,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31358C7K		5/15/16	.367	99.63400	2,490,850.00	2,494,925.00	4,075.00
5,000,000	FEDERAL FARM CREDIT BANKS	313312XW		6/08/16	.341	99.76294	4,988,147.23	4,991,100.00	2,952.77
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EAAG	5.500	7/18/16	.421	104.03750	5,201,875.04	5,202,600.00	724.96
7,800,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PA2	2.000	7/27/16	.417	101.29803	7,901,246.60	7,900,308.00	- 938.60
3,000,000	FEDERAL FARM CREDIT BANKS	3133EDSG	.550	8/12/16	.549	100.00000	3,000,000.00	2,999,760.00	- 240.00
25,000,000	FAMCA FLOAT	3132X0BY	.160	9/16/16	.165	99.99519	24,998,797.00	24,991,500.00	- 7,297.00
3,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G5JE	.650	9/29/16	.442	100.20600	3,006,180.00	3,004,980.00	- 1,200.00
15,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	3132X0CC	.440	10/05/16	.457	99.98298	14,997,447.30	14,997,447.30	
176,167,000							176,753,296.49	176,769,234.76	15,938.27

STATE OF NEW MEXICO

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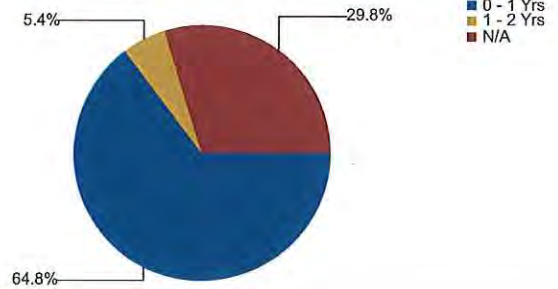
Position holdings as of 9/30/15 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
====> 0D21 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2016 <====									
25,000,000	FARMER MAC	3132X0CE	.250	4/05/17	.253	99.99500	24,998,750.00	24,998,750.00	
<u>25,000,000</u>							<u>24,998,750.00</u>	<u>24,998,750.00</u>	
====> 0001 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2017 <====									
<u>741,759,693</u>							<u>742,343,355.49</u>	<u>742,378,777.29</u>	<u>35,421.80</u>
====> 0069 ITEMS IN SUBTOTAL FOR ====> FUND NAME..... ====> LGIP FUND <====									

Portfolio Characteristics

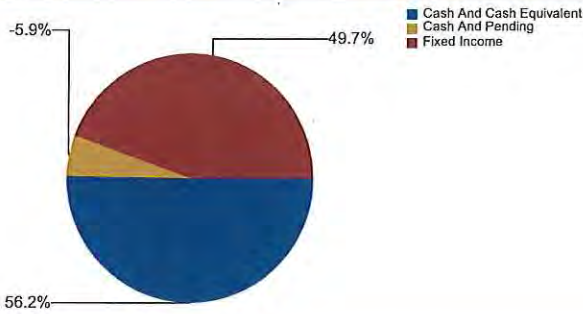
Duration Mix

Total Net Assets (Millions) **742.8**
 Weighted Average Life (Years) **0.24**
 Weighted Avg. Effective Duration (Years) **0.20**
 Weighted Average Coupon (%) **0.33**
 Weighted Average Current Yield (%) **0.13**
 Weighted Average Yield to Maturity (%) **0.13**
 Weighted Average Rating **BBB+**
 Number of Holdings **69**



Asset Mix

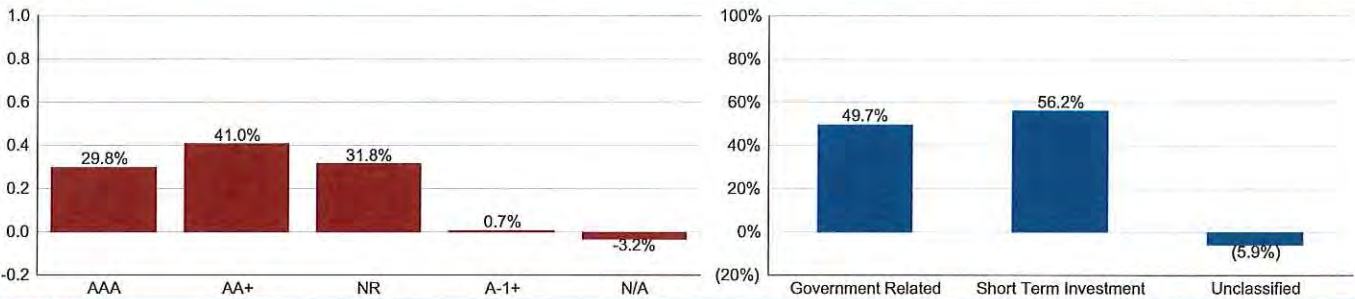
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
89499LC10	BANK OF THE WEST	20.24%	0.00	1/10/2015
89499LC36	US BANK	3.83%	0.00	1/10/2015
89499CD2	Wells Fargo Checking	3.76%	0.15	1/10/2015
3130A06X3	FEDERAL HOME LOAN BANKS BOND VARIABLE 07/OCT/2015	3.37%	0.22	7/10/2015
313588NUS	FEDERAL NATIONAL MORTGAGE ASSOCIATION ZERO CPN	3.32%	0.00	3/11/2015
3132X0CE9	FEDERAL AGRICULTURAL MORTGAGE CORP MEDIUM TERM	3.16%	0.00	5/4/2017
3132X08Y8	FEDERAL AGRICULTURAL MORTGAGE CORP MEDIUM TERM	3.16%	0.19	1/6/2016
3130A5RD3	FEDERAL HOME LOAN BANKS BOND FIXED 2% 01/FEB/2016	2.54%	0.20	1/2/2016
31315KPY0	FEDERAL AGRICULTURAL MORTGAGE CORP ZERO CPN	2.54%	0.00	1/12/2015
313384ND8	FEDL HOME LOAN BK CONS DISC NT MATURES 30/OCT/2003	2.53%	0.00	30/10/2015

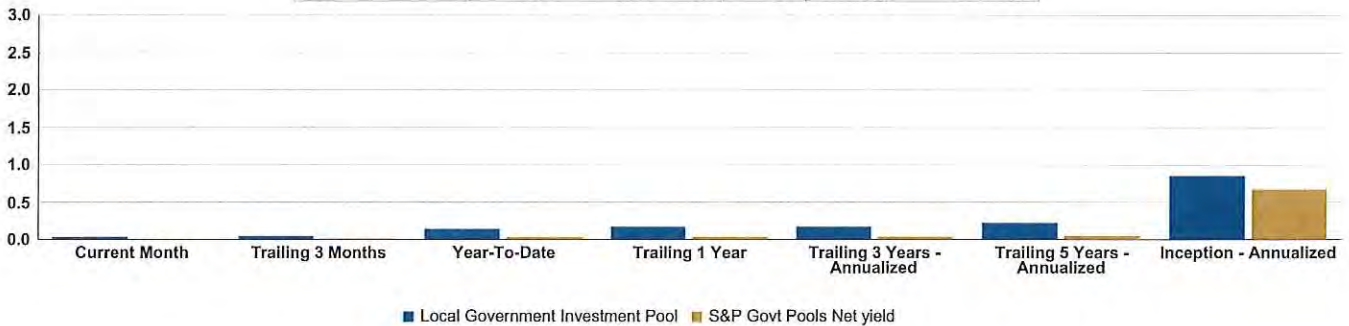
Quality/Rating Weightings

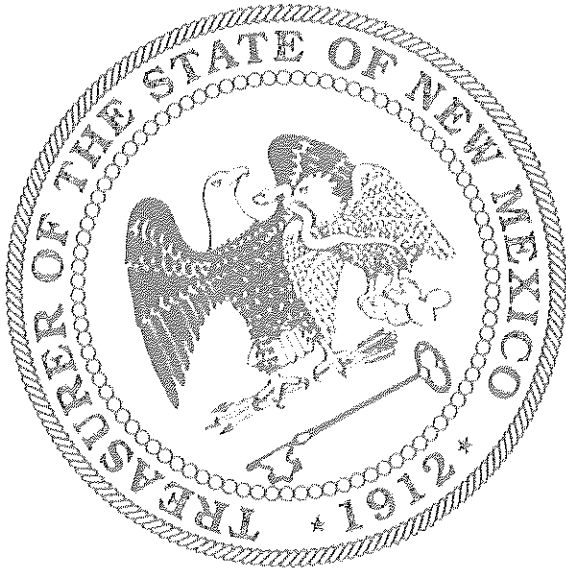
Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Local Government Investment Pool	0.03	0.04	0.14	0.17	0.17	0.22	0.85
S&P Govt Pools Net yield	0.00	0.01	0.03	0.03	0.03	0.05	0.67
Excess	0.03	0.03	0.11	0.14	0.14	0.17	0.18





12. Portfolio Summary- Tax Exempt Bond Proceeds Investment Pool

Portfolio Summary – Tax Exempt Bond Proceeds Investment Pool

Summary

- The Tax Exempt Bond Proceeds Investment Pool closed the month of September at \$708.3mil vs. \$727.4mil at the end of August.
- The Pool received ~\$10.5MM in withdrawal requests for capital spending for September and paid out ~\$13.5MM during the month for capital spending.

Portfolio Mix

- 100% of the Taxable BPIP portfolio was invested in fixed income securities: 38% in US Treasuries, 41% in Agency securities, 2% in NM municipal securities and the balance, approximately 19%, was held in cash equivalents and collateralized NM bank CDs.
- 40% of the portfolio was invested in securities that mature in one year, 31% in securities that mature from 1-2 years, 19% in securities that mature from 2-4 years and 11% in securities out to 5 years.
- The Tax-Exempt BPIP held positions in 79 securities.
- Weighted Average Life of the Tax Exempt BPIP was 1.15 years. The Weighted Average duration was 1.06 years.
- The maximum security term for the BPIP portfolio is 5 years.

Investment Earnings

- Unrealized gains in the Tax-Exempt BPIP Portfolio were \$1,229,372 on September 30th.
- Monthly net earnings on the portfolio for September were \$353,581.
- Net earnings for FY2016 were \$940,959.
- Earnings on the Bond Proceeds Investment Pool are used to offset capital and debt service spending.

Investment Highlights

- The duration of the Tax-Exempt BPIP at the end of September was 1.06 yrs. vs. the Benchmark at 1.36 yrs.
- The Tax-Exempt BPIP had \$28.9mil in maturities during the month of September.
- The Pool duration shortened slightly from the prior month.
- The Pool purchased approximately \$1.25mil of 1 year municipals at a yield of ~0.60%

Performance

- The purchase yield was 0.60% at the end of September vs. 0.61% reported for the previous month.
- The Tax-Exempt BPIP returned 0.20% for the month of September and 0.20% for the three months ended September 30, 2015, vs. Index returns of 0.23% and 0.24% respectively. For the trailing 12 mos. the Pool returned 0.69% vs. 0.85% for the benchmark.
- The Tax-Exempt BPIP had a duration shorter than the benchmark for the month of September and consequently underperformed the index.
- Cash flows (debt service payments, capital project withdrawals, bond sale proceeds) will continue to be the key driver of the portfolio's structure and cash position going forward.

Investment Strategy

- The option-adjusted duration of the Tax-Exempt BPIP portfolio is currently 1.25 yrs. vs. 1.36 yrs. for the benchmark.
- \$10mil in maturities are scheduled for October.
- Capital project withdrawal requests totaled approximately ~\$9.3mil in October.
- The Tax-Exempt BPIP has maintained duration shorter than that of the benchmark in order to provide adequate liquidity for project withdrawals while minimizing overnight cash positions.
- Project withdrawals will have the effect of lengthening duration and as they have had a high degree of variability month-to-month, cash flow management will dominate portfolio decisions.

STATE OF NEW MEXICO
BOND PROCEEDS INV POOL1 TAX EX (4000)
 Portfolio Classification Summary
 Positions Held as of 9/30/15 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.0507	.00270	52,671,564	52,671,564	52,671,564		7.454
CERTIFICATES OF DEPOSIT	2	.7250	1.26435	3,000,000	3,000,000	3,000,000		.425
US TREASURY NOTE ACT/ACT 2X	19	.6003	1.04821	264,000,000	264,480,213	265,040,650	560,437	37.510
AGENCY US BOND 30/360 2X	11	1.0078	1.49739	77,500,000	78,873,402	79,009,883	136,481	11.182
AGENCY US NOTES 30/360 2X	17	.8038	1.59579	191,250,000	192,729,774	193,196,173	466,399	27.342
FED NATL MORTGAGE ASSN DEBS	3	.5718	.34365	19,500,000	19,518,241	19,559,150	40,909	2.768
MUNI US 30/360 2X	19	.6834	1.11401	12,570,000	12,911,291	12,930,223	18,932	1.830
MUNICIPAL BOND REVENUE	5	.7200	1.39498	4,055,000	4,146,029	4,152,243	6,214	.588
UNITS - INVESTMENT POOL 1	1			77,023,368	77,023,368	77,023,368		10.901
	<u>78</u>	<u>.5968</u>	<u>1.16607</u>	<u>701,569,932</u>	<u>705,353,882</u>	<u>706,583,254</u>	<u>1,229,372</u>	<u>100.000</u>

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 9/30/15 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
77,023,368	UNITS - INVESTMENT POOL 1	UNITS001				1.00000	77,023,367.85	77,023,368.00	.15
77,023,368							77,023,367.85	77,023,368.00	.15

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

52,671,564	OVERNIGHT REPO	1001RP	.050	10/01/15	.050	1.00000	52,671,564.47	52,671,564.47	
10,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31398A4M	1.625	10/26/15	.314	100.09084	10,009,083.93	10,010,000.00	916.07
15,000,000	UNITED STATES TREASURY NOTES	912828PJ	1.375	11/30/15	.352	100.16738	15,025,106.26	15,031,350.00	6,243.74
10,000,000	FNMA	3135G0SB	.375	12/21/15	.451	99.98306	9,998,305.96	10,005,400.00	7,094.04
15,000,000	UNITED STATES TREAS NTS	912828PM	2.125	12/31/15	.433	100.41726	15,062,589.17	15,076,800.00	14,210.83
102,671,564							102,766,649.79	102,795,114.47	28,464.68

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

15,000,000	UNITED STATES TREASURY NOTES	912828UG	.375	1/15/16	.320	100.01588	15,002,382.53	15,012,750.00	10,367.47
3,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PWQ	.675	1/19/16	.380	100.08823	3,002,646.94	3,004,110.00	1,463.06
10,000,000	UNITED STATES TREASURY NOTES	912828KS	2.625	2/29/16	.395	100.92339	10,092,339.39	10,102,100.00	9,760.61
7,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MH8	5.000	3/15/16	.543	102.02487	7,651,865.47	7,662,900.00	11,034.53
15,000,000	UNITED STATES TREASURY NOTES	912828C4	.375	3/31/16	.406	99.98456	14,997,684.64	15,014,700.00	17,015.36
15,000,000	UNITED STATES TREASURY NOTES	912828UW	.250	4/15/16	.491	99.87051	14,980,575.79	15,005,250.00	24,674.21
400,000	TORRANCE ETC CNTYS N MEX MUN S	891400NC	1.000	5/15/16	.552	100.27787	401,111.46	401,772.00	660.54
1,220,000	RIO RANCHO N MEX WTR & WASTEW	767175GF	3.000	5/15/16	.550	101.51931	1,238,535.53	1,241,057.20	2,521.67
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACT	2.500	5/27/16	.479	101.32104	10,132,104.10	10,141,900.00	9,795.90
15,000,000	UNITED STATES TREASURY NOTES	912828QP	1.750	5/31/16	.522	100.81270	15,121,905.21	15,149,850.00	27,944.79
1,225,000	SANTA FE N MEX GROSS RCPTS TAX	802072RC	2.000	6/01/16	.630	100.90952	1,236,141.61	1,239,357.00	3,215.39
1,500,000	ARTESIA N MEX GROSS RCPTS TAX RE	043053BT	2.000	6/01/16	.490	101.00324	1,515,048.63	1,515,885.00	836.37
130,000	RUIDOSO N MEX GROSS RCPTS TAX RE	781336AX	2.000	6/01/16	.500	100.99676	131,295.79	131,376.70	80.91
750,000	SAN JUAN CNTY N MEX GROSS RCPTS	79835HGJ	3.000	6/15/16	.461	101.78630	763,397.24	763,507.50	110.26
15,000,000	UNITED STATES TREASURY NOTES	912828QR	1.500	6/30/16	.510	100.73705	15,110,557.93	15,135,750.00	25,192.07
1,120,000	ALBUQUERQUE NM GROSS RECPTS TAX	01354PFQ	.550	7/01/16	.550	100.00000	1,120,000.00	1,121,243.20	1,243.20
1,500,000	FARMERS & STOCKMENS BANK	8521620	.500	7/06/16	.500	1.00000	1,500,000.00	1,500,000.00	
15,000,000	UNITED STATES TREASURY NOTES	912828VL	.625	7/15/16	.531	100.07355	15,011,032.82	15,035,550.00	24,517.18
45,000	ALAMOGORDO N MEX	011446HA	4.000	8/01/16	1.050	102.43976	46,097.89	46,200.15	102.26
620,000	UNIVERSITY N MEX VALENCIA CNTYBR	914696DJ	2.000	8/01/16	.551	101.20283	627,457.53	627,799.60	342.07
475,000	GADSDEN N MEX INDPT SCH DIST NO	362550MJ	2.000	8/15/16	.650	101.17189	480,566.47	481,227.25	660.78

**STATE OF NEW MEXICO
TREASURERS OFFICE**

Position holdings as of 9/30/15 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	1.144	100.76362	20,152,724.62	20,285,400.00	132,675.38
315,000	GRANT CNTY N MEX	3877668Y	2.000	9/01/16	.600	101.27729	319,023.47	319,315.50	292.03
200,000	TORRANCE ETC CNTYS N MEX MUN SCH	891400NX	1.500	9/01/16	.500	100.91323	201,826.45	202,112.00	285.55
390,000	HOBBS N MEX MUN SCH DIST NO 16	433866FT	3.000	9/15/16	.530	102.35093	399,168.64	399,851.40	682.76
14,000,000	UNITED STATES TREASURY NOTES	912828RJ	1.000	9/30/16	.631	100.36577	14,051,207.76	14,084,700.00	33,492.24
1,250,000	FEDERAL FARM CREDIT BANKS	3133EA3Q	.600	10/11/16	.598	100.00000	1,250,000.00	1,250,000.00	
10,000,000	UNITED STATES TREASURY NOTES	912828RM	1.000	10/31/16	.428	100.61630	10,061,630.24	10,064,100.00	2,469.76
5,000,000	FEDERAL NATL MTG ASSN DEBS	3135GOES	1.375	11/15/16	1.210	100.18314	5,009,156.77	5,048,250.00	39,093.23
15,000,000	UNITED STATES TREASURY NOTES	912828WF	.625	11/15/16	.693	99.92437	14,988,654.76	15,033,750.00	45,095.24
15,000,000	UNITED STATES TREASURY NOTES	912828A5	.625	12/15/16	.727	99.87749	14,981,624.01	15,031,650.00	50,025.99
210,640,000							211,577,763.69	212,053,414.50	475,650.81

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

15,000,000	UNITED STATES TREASURY NOTES	912828SC	.875	1/31/17	.710	100.21833	15,032,749.71	15,077,700.00	44,950.29
15,000,000	UNITED STATES TREASURY NOTES	912828SJ	.875	2/28/17	.788	100.12178	15,018,267.06	15,077,700.00	59,432.94
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADC	1.000	3/08/17	.756	100.34795	10,034,795.31	10,063,600.00	28,804.69
24,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135GOVM	.750	3/14/17	.625	100.18015	24,043,235.79	24,049,200.00	5,964.21
4,500,000	FEDERAL HOME LOAN BANKS	3130A4VL	.400	4/28/17	.400	100.00000	4,500,000.00	4,500,900.00	900.00
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359M7X	5.000	5/11/17	.736	106.81599	16,022,398.81	16,050,900.00	28,501.19
1,495,000	ARTESIA N MEX GROSS RCPTS TAX RE	043053BU	2.000	6/01/17	.750	102.06531	1,525,876.34	1,529,056.10	3,179.76
2,000,000	FEDERAL HOME LOAN BANKS	313383PD	1.250	6/09/17	.701	100.91914	2,018,382.89	2,019,680.00	1,297.11
700,000	SAN JUAN CO NM GROSS RCPTS TAX	79835HCK	4.000	6/15/17	.870	105.28585	737,000.92	738,108.00	1,107.08
1,000,000	FEDERAL FARM CREDIT BANKS	3133EDEB	1.100	6/28/17	.700	100.69078	1,006,907.84	1,007,710.00	802.16
5,000,000	UNITED STATES TREASURY NOTES	912828TB	.750	6/30/17	1.006	99.55663	4,977,831.34	5,013,750.00	35,918.66
3,750,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G5VV	1.050	6/30/17	.311	100.18235	3,756,838.31	3,758,062.50	1,224.19
600,000	ALBUQUERQUE NM GROSS RCPTS TAX	01354PFR	1.050	7/01/17	1.050	100.00000	600,000.00	599,460.00	540.00
1,500,000	FARMERS & STOCKMENS BANK	8521621	.950	7/05/17	.950	1.00000	1,500,000.00	1,500,000.00	
5,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PZT	.650	7/10/17	.862	99.62748	4,981,374.11	5,000,400.00	19,025.89
24,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADV	.750	7/14/17	.740	100.01703	24,004,086.93	24,053,760.00	49,673.07
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADJ	1.000	7/28/17	.791	100.37774	5,018,887.16	5,033,800.00	14,912.84
5,000,000	UNITED STATES TREASURY NOTES	912828TG	.500	7/31/17	.906	99.26435	4,963,217.50	4,990,750.00	27,532.50
375,000	SANDOVAL CNTY N MEX	80004PEA	3.000	8/01/17	.820	103.95737	389,840.15	390,045.00	204.85
300,000	ALBUQUERQUE N MEX MET ARROYO FLO	013572KE	2.000	8/01/17	.750	102.27082	306,812.47	307,998.00	1,185.53
250,000	ROSWELL N MEX INDPT SCH DIST	778550JQ	2.000	8/01/17	.900	101.99489	254,987.22	255,515.00	527.78
2,500,000	T TO 05/01/1976	802088LN	5.000	8/01/17	.900	107.43692	2,685,922.90	2,690,575.00	4,652.10
5,000,000	FEDERAL NATIONAL MORTGAGE ASSDCI	3135GOPP	1.000	9/20/17	.830	100.33163	5,016,581.30	5,020,900.00	4,318.70
15,000,000	FEDERAL FARM CREDIT BANKS	3133EEQX	1.000	9/25/17	.860	100.27466	15,041,198.77	15,077,400.00	36,201.23

**STATE OF NEW MEXICO
TREASURERS OFFICE**

Position holdings as of 9/30/15 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
5,000,000	FNMA	3135G0ZL	1.000	9/27/17	1.118	99.76872	4,988,435.88	5,022,450.00	34,014.12
15,000,000	UNITED STATES TREASURY NOTES	912828UA	.625	11/30/17	.814	99.59602	14,939,403.38	14,972,700.00	33,296.62
6,005,000	TENNESSEE VALLEY AUTHORITY	880591CU	6.250	12/15/17	1.021	111.37301	6,687,949.23	6,702,961.15	15,011.92
187,975,000							190,052,981.32	190,505,080.75	452,099.43

====> 0027 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2017 <====

24,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADN	.750	1/12/18	.904	99.65326	23,916,783.14	23,979,840.00	63,056.86
7,480,000	FEDERAL HOME LOAN BANKS	3130A5ZS	1.100	2/12/18	.959	100.12076	7,489,032.99	7,506,180.00	17,147.01
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADP	.875	3/07/18	.928	99.87291	19,974,581.50	20,017,000.00	42,418.50
13,585,000	FEDERAL HOME LOAN BANKS	313378A4	1.375	3/09/18	.966	100.98260	13,718,486.48	13,732,261.40	13,774.92
25,000,000	UNITED STATES TREASURY NOTES	912828J6	1.000	3/15/18	.899	100.24579	25,061,447.99	25,129,750.00	68,302.01
5,000,000	TENNESSEE VALLEY AUTHORITY	880591EC	4.500	4/01/18	1.037	108.52391	5,426,195.74	5,435,000.00	8,804.26
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0WJ	.875	5/21/18	1.024	99.61244	4,980,621.82	4,997,000.00	16,378.18
100,000	SANDOVAL CNTY N MEX INCENTIVE PA	800051AW	1.952	6/01/18	1.460	101.28060	101,280.60	101,373.00	92.40
155,000	RUIDOSO N MEX GROSS RCPTS TAX RE	781336BB	2.000	6/01/18	1.100	102.35796	158,654.84	159,250.10	595.26
260,000	ARTESIA N MEX GROSS RCPTS TAX RE	043053BV	2.000	6/01/18	1.000	102.62390	266,822.15	267,820.80	998.65
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G2LK	1.750	8/24/18	.590	101.03621	5,051,810.37	5,054,950.00	3,139.63
105,580,000							106,145,717.62	106,380,425.30	234,707.68

====> 0011 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2018 <====

14,780,000	FEDERAL FARM CREDIT BANKS	3133EE4S	1.650	7/29/19	1.650	100.00000	14,780,000.00	14,816,506.60	36,506.60
1,400,000	UNITED STATES DEPARTMENT OF HOUS	911759JA	5.450	8/01/19	.550	104.06735	1,456,942.84	1,456,784.00	158.84
16,180,000							16,236,942.84	16,273,290.60	36,347.76

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

1,500,000	S REV	013493BR	5.000	7/01/26	.500	103.36342	1,550,451.36	1,552,560.00	2,108.64
1,500,000							1,550,451.36	1,552,560.00	2,108.64

====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2026 <====

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 9/30/15 (TRADE)
 BOOK VALUES AMORTIZED THROUGH 9/30/15

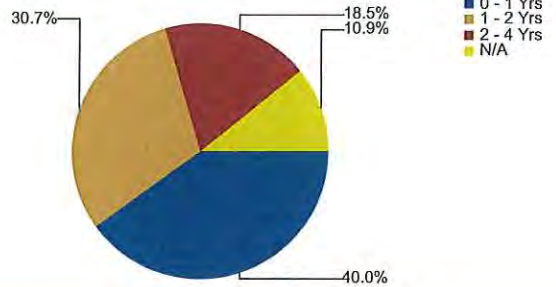
POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
701,569,932							705,353,874.47	706,583,253.62	1,229,379.15

====> 0078 ITEMS IN SUBTOTAL FOR ====> FUND NAME..... ====> BOND PROCEEDS INV POOL1 TAX EX <

Portfolio Characteristics

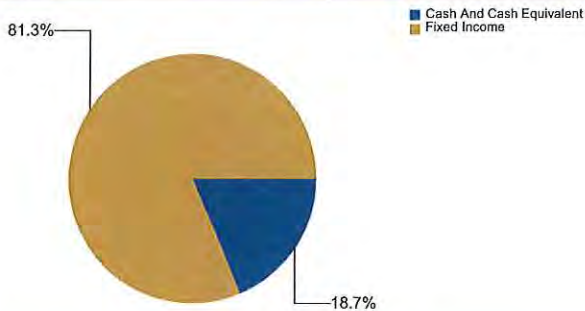
Duration Mix

Total Net Assets (Millions) **708.3**
 Weighted Average Life (Years) **1.15**
 Weighted Avg. Effective Duration (Years) **1.06**
 Weighted Average Coupon (%) **1.14**
 Weighted Average Current Yield (%) **0.42**
 Weighted Average Yield to Maturity (%) **0.47**
 Weighted Average Rating **AA+**
 Number of Holdings **79**



Asset Mix

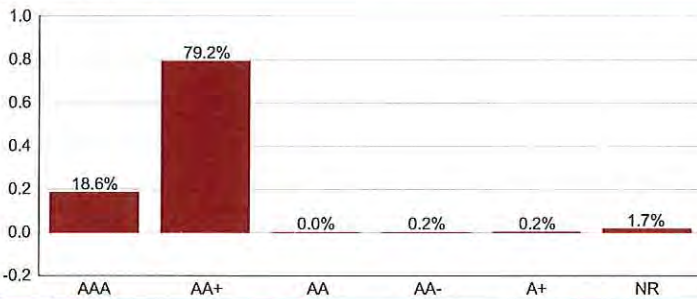
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
89298X00	LGIP POOL PARTICIPANT	10.85%	0.15	
99FR30057	REPO MITSUBISHI UFJ SECURITIES (USA) INC. 093015G	7.00%	0.05	1/10/2015
91282A668	UNITED STATES OF AMERICA NOTES FIXED 1%	3.55%	1.00	15/3/2018
3137EADV8	FEDERAL HOME LOAN MORTGAGE CORP NOTES FIXED 7.5%	3.40%	0.75	14/7/2017
3135G0VH2	FNMA 0.750000 C '17 USD	3.40%	0.75	14/2/2017
3137EADN6	FEDERAL HOME LOAN MORTGAGE CORP 0.75% BDS	3.39%	0.75	12/1/2018
3137EAGW7	FEDERAL HOME LOAN MORTGAGE CORP 2% BDS 25/AUG/2016	2.87%	2.00	25/8/2016
3137EADP1	FEDERAL HOME LOAN MORTGAGE CORP 0.875% BDS	2.85%	0.88	7/3/2018
31359M7X5	FEDERAL NATIONAL MORTGAGE ASSOC 5% BDS 11/MAY/2017	2.31%	5.00	11/5/2017
91282OP8	UNITED STATES 1.75% 05/16	2.15%	1.75	31/5/2016

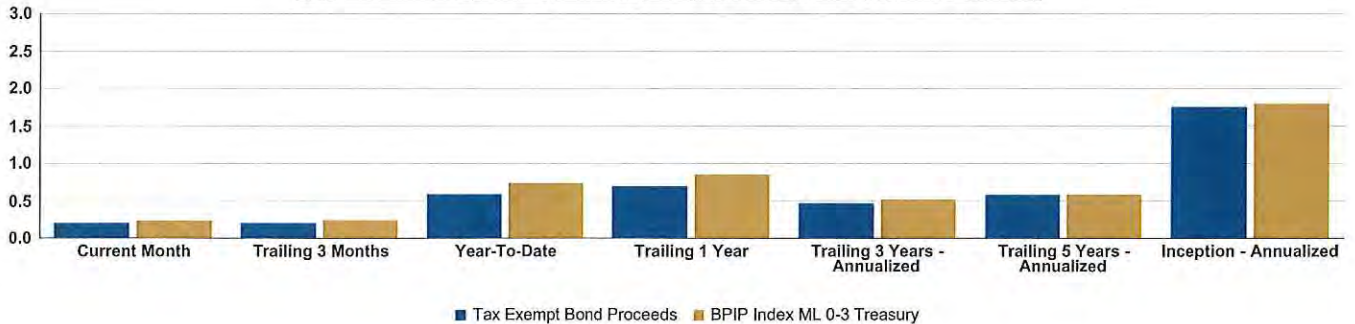
Quality/Rating Weightings

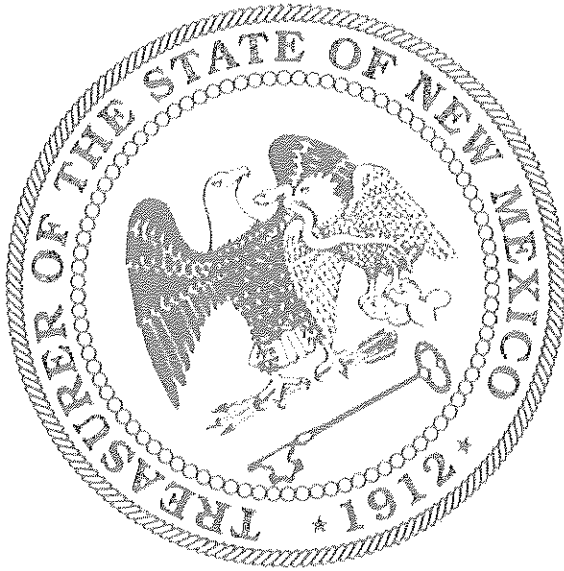
Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Tax Exempt Bond Proceeds	0.20	0.20	0.58	0.69	0.47	0.58	1.75
BPIP Index ML 0-3 Treasury	0.23	0.24	0.73	0.85	0.52	0.58	1.80
Excess	(0.03)	(0.04)	(0.15)	(0.16)	(0.05)	(0.01)	(0.05)





13. Portfolio Summary- Taxable Bond Proceeds Investment Pool

Portfolio Summary – Taxable Bond Proceeds Investment Pool

Summary

- The Taxable Bond Proceeds Investment Pool closed the month of September at \$712.4mil vs. \$722.3mil at the end September.
- The Pool received ~\$22.5MM in withdrawal requests for capital spending for September and paid out ~\$10.3MM during the month for capital spending.

Portfolio Mix

- 100% of the Taxable BPIP portfolio was invested in fixed income securities: 47% in US Treasuries, 38% in Agency securities, 1% in NM municipal securities and the balance, approximately 14% was held in cash equivalents and collateralized NM bank CDs.
- 54% of the portfolio was invested in securities that mature in one year, 31% in securities that mature from 1-2 years, 13% in securities that mature from 2-4 years and 3% in securities out to 5 years.
- The Taxable BPIP held positions in 62 securities.
- Weighted Average Life of the Taxable BPIP was 1.14 years. The Weighted Average duration was 1.07 years.
- The maximum security term for the BPIP portfolio is 5 years.

Investment Earnings

- The unrealized gains in the Taxable BPIP were \$2,418,357 as of September 30th.
- Monthly net earnings on the portfolio for September were \$400,437.
- Year-to-date net earnings were roughly \$1,246,313.
- Earnings on the Bond Proceeds Investment Pool are used to offset capital and debt service spending.

Investment Highlights

- The duration of the Taxable BPIP at the end of September was 1.07 years vs. the Benchmark at 1.36 years.
- Maturities totaled \$35.3mil in the month of September 2015.
- The Pool purchased \$0.275mil of a 2.8 year municipal bond at a yield 1.02%.

Performance

- Purchase Yield at the end of September was 0.68% relative to 0.69% at the end of the prior month.
- The Taxable BPIP returned 0.20% for the month of September and 0.25% for the three months ended September 30, 2015, vs. Index returns of 0.23% and 0.24% respectively. For the trailing 12 mos. the Pool returned 0.83% vs. 0.85% for the benchmark.
- The Taxable BPIP had a duration shorter than the benchmark for the month of September and consequently underperformed the index.
- Cash flows (debt service payments, capital project withdrawals, bond sale proceeds) will continue to be the key driver of the portfolio's structure and cash position going forward.

Investment Strategy

- The option adjusted duration of the portfolio is currently 1.13 yrs. vs. 1.36 yrs. for the benchmark.
- The Pool has maturities of \$20mil scheduled for October.
- Capital project withdrawal requests for October totaled ~\$4.9mil.
- The Pool will continue to purchase 1 to 5 year Treasury and Agency securities as maturities and cash flows allow.
- The Taxable BPIP has maintained duration shorter than the benchmark in order to provide adequate liquidity for project withdrawals while minimizing overnight cash positions.
- Project withdrawals will have the effect of lengthening duration and as they have had a high degree of variability month-to-month, cash flow management will dominate portfolio decisions.

STATE OF NEW MEXICO
BOND PROCEEDS INV POOL2 TAXABL (4002)
 Portfolio Classification Summary
 Positions Held as of 9/30/15 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.0507	.00270	71,854,210	71,854,210	71,854,210		10.114
CERTIFICATES OF DEPOSIT	3	.5645	.87890	6,200,000	6,200,000	6,200,000		.873
LINKEO-CERTIFICATE OF DEPOSIT	2	.4500	.29320	4,000,000	4,000,000	4,000,000		.563
US TREASURY NOTE ACT/ACT 2X	21	.7016	1.16479	332,550,000	333,267,051	334,473,103	1,206,052	47.080
AGENCY US BOND 30/360 2X	5	.5990	.68681	73,450,000	73,488,122	73,599,970	111,848	10.360
AGENCY 30/360 2X	1	1.6808	3.95070	20,000,000	20,070,115	20,354,800	284,685	2.865
AGENCY US NOTES 30/360 2X	12	.9208	1.47648	152,209,000	153,636,157	154,432,710	796,553	21.738
FED NATL MORTGAGE ASSN DEBS	1	.8704	.07120	20,000,000	20,010,557	20,020,000	9,443	2.818
MUNI US 30/360 2X	10	.6138	.98107	5,145,000	5,232,572	5,242,478	9,906	.738
MUNICIPAL BOND REVENUE	1	.4361	.83840	225,000	227,934	227,804	-130	.032
UNITS - INVESTMENT POOL I	1			20,319,226	20,319,226	20,319,226		2.860
CASH ACCOUNT	1			-282,191	-282,191	-282,191		-.040
	<u>59</u>	<u>.6818</u>	<u>1.10120</u>	<u>705,670,245</u>	<u>708,023,753</u>	<u>710,442,110</u>	<u>2,418,357</u>	<u>100.000</u>

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 9/30/15 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
- 282,191	(TD)-CASH KEY	CASHCASH				1.00000	- 282,191.25	- 282,191.00	.25
20,319,226	UNITS - INVESTMENT POOL 1	UNITS001				1.00000	20,319,226.38	20,319,226.00	-.38
<u>20,037,035</u>							<u>20,037,035.13</u>	<u>20,037,035.00</u>	<u>-.13</u>

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

71,854,210	OVERNIGHT REPO	1001RP	.050	10/01/15	.050	1.00000	71,854,210.18	71,854,210.18	
20,000,000	FED NATL MORTGAGE ASSN DEBS	31398A4M	1.625	10/26/15	.858	100.05278	20,010,556.65	20,020,000.00	9,443.35
15,000,000	UNITED STATES TREASURY NOTES	912828PJ	1.375	11/30/15	.352	100.16738	15,025,106.26	15,031,350.00	6,243.74
20,000,000	FNMA	3135G0SB	.375	12/21/15	.451	99.98306	19,996,611.91	20,010,800.00	14,188.09
15,000,000	UNITED STATES TREAS NTS	912828PM	2.125	12/31/15	.433	100.41726	15,062,589.17	15,076,800.00	14,210.83
<u>141,854,210</u>							<u>141,949,074.17</u>	<u>141,993,160.18</u>	<u>44,086.01</u>

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

15,500,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PVS	.430	1/08/16	.464	99.99083	15,498,579.15	15,513,175.00	14,595.85
2,000,000	WESTERN COMMERCE BANK	2012823	.450	1/15/16	.450	1.00000	2,000,000.00	2,000,000.00	
2,000,000	WESTERN COMMERCE BANK	2010824	.450	1/15/16	.450	1.00000	2,000,000.00	2,000,000.00	
15,000,000	UNITED STATES TREASURY NOTES	912828QJ	2.125	2/29/16	.429	100.70182	15,105,273.67	15,124,200.00	18,926.33
13,450,000	FEDERAL HOME LOAN BANKS	3130A3FM	.300	3/01/16	.293	100.00299	13,450,401.92	13,458,070.00	7,668.08
12,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MH8	5.000	3/15/16	.543	102.02487	12,753,109.12	12,771,500.00	18,390.88
8,709,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0AL	2.250	3/15/16	.397	100.84240	8,782,365.03	8,789,645.34	7,280.31
15,000,000	FANNIE MAE	3135G0VA	.500	3/30/16	.537	99.98173	14,997,259.48	15,019,350.00	22,090.52
16,550,000	UNITED STATES TREASURY NOTES	912828JW	.250	4/15/16	.435	99.90076	16,533,575.97	16,555,792.50	22,216.53
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACT	2.500	5/27/16	.479	101.32104	10,132,104.10	10,141,900.00	9,795.90
15,000,000	UNITED STATES TREASURY NOTES	912828QP	1.750	5/31/16	.522	100.81270	15,121,905.21	15,149,850.00	27,944.79
1,000,000	NEW MEXICO FIN AUTH REV	64711NSK	4.000	6/01/16	.570	102.27830	1,022,783.01	1,024,810.00	2,026.99
1,115,000	CLOVIS N MEX GROSS RCPTS TAX REV	189387DK	2.000	6/01/16	.381	101.07672	1,127,005.44	1,127,554.90	549.46
30,000,000	UNITED STATES TREAS NTS	912828QR	1.500	6/30/16	.532	100.72084	30,216,250.97	30,271,500.00	55,249.03
2,600,000	WESTERN BANK CLOVIS	15985	.500	7/13/16	.500	1.00000	2,600,000.00	2,600,000.00	
15,000,000	UNITED STATES TREASURY NOTES	912828VL	.625	7/15/16	.531	100.07404	15,011,105.77	15,035,550.00	24,444.23
195,000	LOS LUNAS N MEX SCH DIST NO 1	545562RC	2.000	7/15/16	.451	101.21847	197,376.01	197,334.15	- 41.86
2,500,000	WESTERN BANK ALAMOGORDO	81187124	.550	7/22/16	.550	1.00000	2,500,000.00	2,500,000.00	
600,000	RIO RANCHO N MEX PUB SCH DIST NO	767171MF	2.000	8/01/16	.650	101.11978	606,718.70	608,292.00	1,573.30
475,000	LAS CRUCES N MEX SCH DIST NO 002	517534SD	3.000	8/01/16	.650	101.94924	484,258.87	484,870.50	611.63

**STATE OF NEW MEXICO
TREASURERS OFFICE**

Position holdings as of 9/30/15 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
250,000	GALLUP MC KINLEY CNTY N MEX SCH	3640100J	2.000	8/01/16	.710	101.06933	252,673.33	253,145.00	471.67
400,000	SAN JUAN CNTY N MEX CENT CONS IN	798359KC	3.000	8/01/16	.650	101.94930	407,797.18	408,812.00	1,014.82
160,000	BERNALILLO N MEX MUN SCH DIST NO	085279RZ	3.000	8/01/16	.450	102.11796	163,388.73	163,324.80	- 63.93
225,000	COLFAX CNTY N MEX GROSS TAX RCPT	19407BAC	2.000	8/01/16	.430	101.30423	227,934.51	227,803.50	- 131.01
25,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	1.277	100.64419	25,161,048.02	25,356,750.00	195,701.98
15,000,000	UNITED STATES TREASURY NOTES	912828RJ	1.000	9/30/16	.677	100.32029	15,048,042.82	15,090,750.00	42,707.18
15,000,000	UNITED STATES TREASURY NOTES	912828RM	1.000	10/31/16	.632	100.39625	15,059,438.15	15,096,150.00	36,711.85
20,000,000	UNITED STATES TREASURY NOTES	912828LU	3.125	10/31/16	.584	102.73509	20,547,018.96	20,583,400.00	36,381.04
20,000,000	UNITED STATES TREASURY NOTES	912828RU	.875	11/30/16	.751	100.14274	20,028,548.41	20,101,200.00	72,651.59
20,000,000	UNITED STATES TREASURY NOTES	912828A5	.625	12/15/16	.665	99.95200	19,990,399.55	20,042,200.00	51,800.45
1,100,000	WESTERN BANK ALAMOGORDO	81186499	.750	12/30/16	.750	1.00000	1,100,000.00	1,100,000.00	
296,329,000							298,126,362.08	298,796,929.69	670,567.61

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

15,000,000	UNITED STATES TREASURY NOTES	912828SC	.875	1/31/17	.700	100.23193	15,034,790.22	15,077,700.00	42,909.78
5,000,000	UNITED STATES TREASURY NOTES	912828SJ	.875	2/28/17	.788	100.12178	5,006,089.02	5,025,900.00	19,810.98
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADC	1.000	3/08/17	.756	100.34795	10,034,795.31	10,063,600.00	28,804.69
20,000,000	UNITED STATES TREASURY NOTES	912828SM	1.000	3/31/17	.849	100.22443	20,044,886.66	20,145,800.00	100,913.34
10,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359M7X	5.000	5/11/17	.743	106.80413	10,680,413.19	10,700,600.00	20,186.81
25,000,000	UNITED STATES TREASURY NOTES	912828SY	.625	5/31/17	.916	99.51971	24,879,926.37	25,018,500.00	138,573.63
675,000	CLOVIS N MEX GROSS RCPTS TAX REV	189387DL	2.000	6/01/17	.800	101.98195	688,378.14	690,376.50	1,998.36
15,000,000	FEDERAL HOME LOAN BANKS	313379FW	1.000	6/09/17	.825	100.29233	15,043,849.90	15,091,350.00	47,500.10
5,000,000	UNITED STATES TREASURY NOTES	912828TB	.750	6/30/17	1.006	99.55663	4,977,831.34	5,013,750.00	35,918.66
8,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PZT	.650	7/10/17	.862	99.62748	7,970,198.57	8,000,640.00	30,441.43
5,000,000	UNITED STATES TREASURY NOTES	912828TG	.500	7/31/17	.906	99.26435	4,963,217.50	4,990,750.00	27,532.50
11,000,000	UNITED STATES TREASURY NOTES	912828TM	.625	8/31/17	.975	99.33765	10,927,141.21	10,999,560.00	72,418.79
7,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G2AU	1.750	11/24/17	.451	100.83836	7,562,876.99	7,576,950.00	14,073.01
10,000,000	FHLB	3130A5UG	1.000	12/29/17	1.000	100.00000	10,000,000.00	10,020,400.00	20,400.00
147,175,000							147,814,394.42	148,415,876.50	601,482.08

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

20,000,000	UNITED STATES TREASURY NOTES	912828UJ	.875	1/31/18	1.205	99.24412	19,848,823.30	20,053,200.00	204,376.70
15,000,000	UNITED STATES TREASURY NOTES	912828UR	.750	2/28/18	1.213	98.90059	14,835,088.94	14,989,200.00	154,111.06

STATE OF NEW MEXICO
TREASURERS OFFICE

Position holdings as of 9/30/15 (TRADE)
 BOOK VALUES AMORTIZED THROUGH 9/30/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
10,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0E4	1.750	6/08/18	.650	100.75156	10,075,156.06	10,091,500.00	16,343.94
275,000	LOS LUNAS N MEX SCH DIST NO 1	545562RX	2.000	7/15/18	1.020	102.61500	282,191.25	283,956.75	1,765.50
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0E3	1.125	7/20/18	1.205	99.77991	14,966,986.50	15,071,850.00	104,863.50
<u>60,275,000</u>							<u>60,008,246.05</u>	<u>60,489,706.75</u>	<u>481,460.70</u>

====> 0005 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2018 <====

20,000,000	FANNIE MAE	3135G0ZG	1.750	9/12/19	1.658	100.35058	20,070,115.18	20,354,800.00	284,684.82
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0ZY	1.750	11/26/19	1.727	100.09262	20,018,524.52	20,354,600.00	336,075.48
<u>40,000,000</u>							<u>40,088,639.70</u>	<u>40,709,400.00</u>	<u>620,760.30</u>

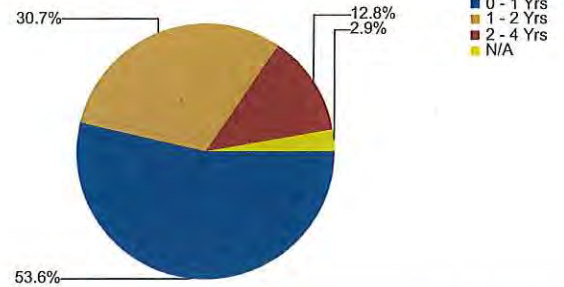
====> 0002 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2019 <====

<u>705,670,245</u>							<u>708,023,751.55</u>	<u>710,442,108.12</u>	<u>2,418,356.57</u>
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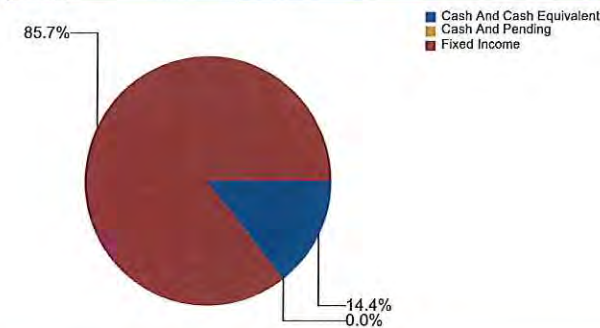
====> 0059 ITEMS IN SUBTOTAL FOR ====> FUND NAME..... ====> BOND PROCEEDS INV POOL2 TAXABL <

Portfolio Characteristics

Total Net Assets (Millions)	712.4
Weighted Average Life (Years)	1.14
Weighted Avg. Effective Duration (Years)	1.07
Weighted Average Coupon (%)	1.20
Weighted Average Current Yield (%)	0.41
Weighted Average Yield to Maturity (%)	0.44
Weighted Average Rating	AA+
Number of Holdings	62



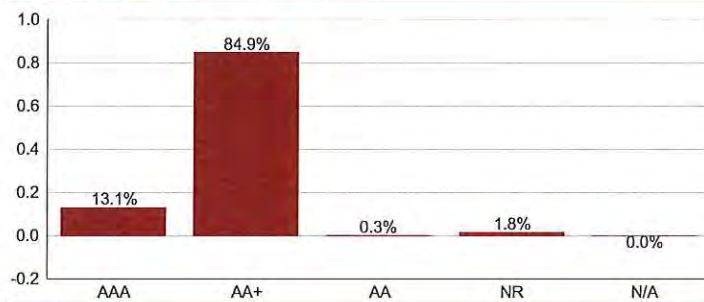
Asset Mix



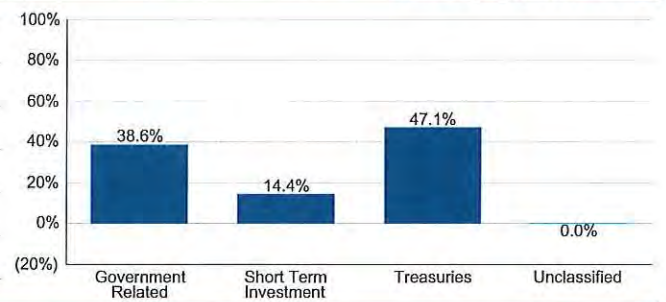
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
012828OR4	UNITED STATES 1.5% 06/16	4.26%	1.50	30/6/2016
3137EACV7	FEDERAL HOME LOAN MORTGAGE CORP 2% BDS 25/AUG/2016	3.57%	2.00	25/8/2016
912828SY7	UNITED STATES 0.625% 05/17	3.52%	0.62	31/5/2017
99FR30049	REPO MITSUBISHI UFJ SECURITIES (USA),INC. 093015L	3.25%	0.05	1/10/2015
912828LU2	US 3.12500 '16	2.93%	3.12	31/10/2016
3135G0ZY2	FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES FIXED	2.87%	1.75	26/11/2019
3135G0ZG1	FNMA 1.750 '19 USD	2.86%	1.75	12/9/2019
892998X00	LGIP POOL PARTICIPANT	2.85%	0.15	
912828RU6	UNITED STATES 0.875% 11/16	2.83%	0.88	30/11/2016
99FR30052	REPO MITSUBISHI UFJ SECURITIES (USA),INC. 093015I	3.90%	0.05	1/10/2015

Quality/Rating Weightings

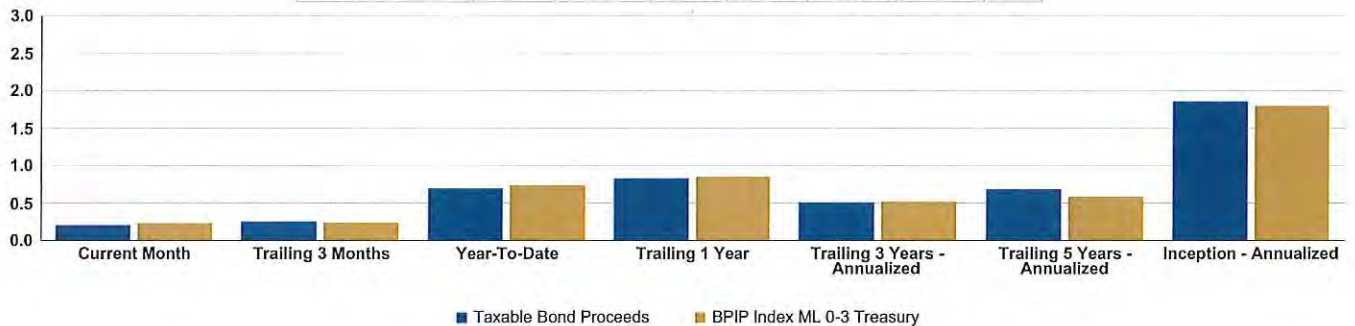


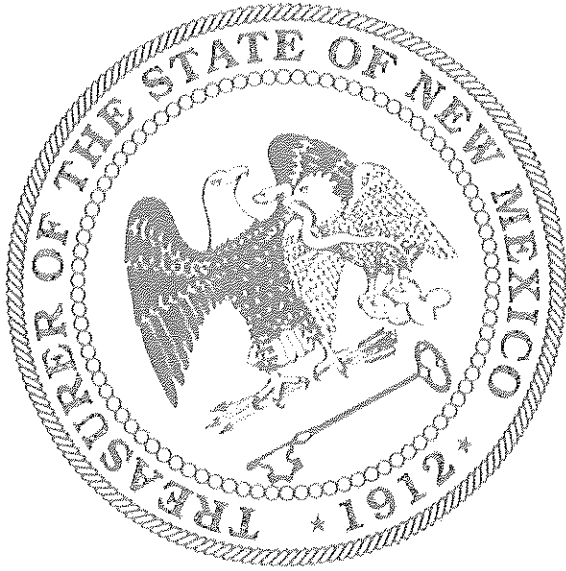
Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Taxable Bond Proceeds	0.20	0.25	0.69	0.83	0.51	0.68	1.86
BPIP Index ML 0-3 Treasury	0.23	0.24	0.73	0.85	0.52	0.58	1.80
Excess	(0.02)	0.02	(0.04)	(0.02)	(0.01)	0.10	0.06





14. Portfolio Summary- Severance Tax Bonding Fund

Portfolio Summary – Severance Tax Bonding Fund

Summary

- The Severance Tax Bonding Fund⁹ closed the month of September at \$112.6 Million.
- The Severance Tax Bonding Fund net earnings were \$10,154 during September.

Portfolio Mix

- Severance Tax Bonding Fund Proceeds are primarily invested in the overnight repurchase agreement pool.
- Severance Tax Bonding Fund holdings are pledged and used to pay debt service on Severance Tax and Supplemental Severance Tax Bonds.
- Once debt service needs are met, the balance in the Severance Tax Bonding Fund is transferred to the Severance Tax Permanent Fund.
- Severance Taxes are remitted to the Treasury on a monthly basis and range between \$25MM and \$35MM per month.
- On December 30th and June 30th, the STBF will transfer available balances, in excess of debt service needs, to the Severance Tax Permanent Fund.

Investment Strategy

- The STBF received \$30mil in September 2015.
- Due to its short-term nature, investments of three to six month maturities are viable investments for the STBF pool.

⁹ The Severance Tax Bonding Fund as included in this report excludes debt service fund amounts on outstanding Severance Tax and Supplemental Severance Tax Bonds and Notes. Such debt service balances are included in, and reported on, the Tax-Exempt Bond Purchase Investment Pool.

STATE OF NEW MEXICO
STB FUND (4001)
Portfolio Classification Summary
Positions Held as of 9/30/15 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.0507	.00270	5,447,751	5,447,751	5,447,751		4.839
AGENCY US BOND 30/360 2X	2	.2701	.22505	14,042,000	14,045,379	14,049,575	4,196	12.478
AGENCY US DISC ACT/360 360 DAY	4	.2640	.19634	38,500,000	38,480,284	38,492,910	12,626	34.188
AGENCY US NOTES 30/360 2X	1	.3042	.13970	500,000	500,068	500,180	112	.444
UNITS - INVESTMENT POOL 1	1			44,053,965	44,053,965	44,053,965		39.128
CASH ACCOUNT	1			10,046,185	10,046,185	10,046,185		8.923
	<u>10</u>	<u>.1278</u>	<u>.18472</u>	<u>112,589,901</u>	<u>112,573,632</u>	<u>112,590,566</u>	<u>16,934</u>	<u>100.000</u>

**STATE OF NEW MEXICO
TREASURERS OFFICE**

Position holdings as of 9/30/15 (TRADE)
BOOK VALUES AMORTIZED THROUGH 9/30/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
44,053,965	UNITS - INVESTMENT POOL 1	UNITS001				1.00000	44,053,964.95	44,053,965.00	.05
10,046,185	FNB MONEY MARKET DEMAND ACCOUNT	FNBCASH				1.00000	10,046,185.45	10,046,185.00	-.45
<u>54,100,150</u>							<u>54,100,150.40</u>	<u>54,100,150.00</u>	<u>-.40</u>

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

5,447,751	OVERNIGHT REPO	1001RP	.050	10/01/15	.050	1.00000	5,447,750.97	5,447,750.97	
500,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PZR	.400	11/20/15	.300	100.01355	500,067.73	500,180.00	112.27
22,000,000	FEDERAL HOME LOAN BANKS	313384PS		11/25/15	.260	99.96028	21,991,261.11	21,997,800.00	6,538.89
13,842,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0SB	.375	12/21/15	.265	100.02441	13,845,378.90	13,849,474.68	4,095.78
12,000,000	FEDERAL HOME LOAN BANKS	313384RB		12/28/15	.250	99.93889	11,992,666.67	11,996,760.00	4,093.33
3,500,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315KRD		12/30/15	.290	99.92750	3,497,462.50	3,499,020.00	1,557.50
200,000	FEDERAL HOME LOAN BANKS	3130A0GK	.375	12/30/15	.375	100.00000	200,000.00	200,100.00	100.00
<u>57,489,751</u>							<u>57,474,587.88</u>	<u>57,491,085.65</u>	<u>16,497.77</u>

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

1,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315KTF		2/18/16	.285	99.88917	998,891.67	999,330.00	438.33
<u>1,000,000</u>							<u>998,891.67</u>	<u>999,330.00</u>	<u>438.33</u>

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

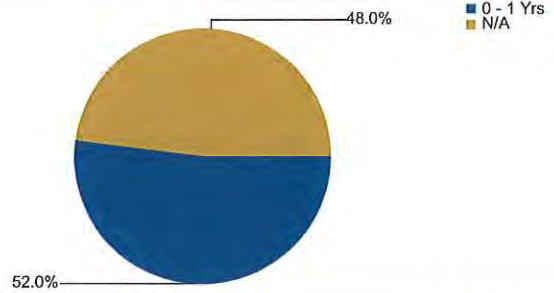
<u>112,589,901</u>							<u>112,573,629.95</u>	<u>112,590,565.65</u>	<u>16,935.70</u>
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====> 0010 ITEMS IN SUBTOTAL FOR ==== FUND NAME..... ==== STB FUND <====

Portfolio Characteristics

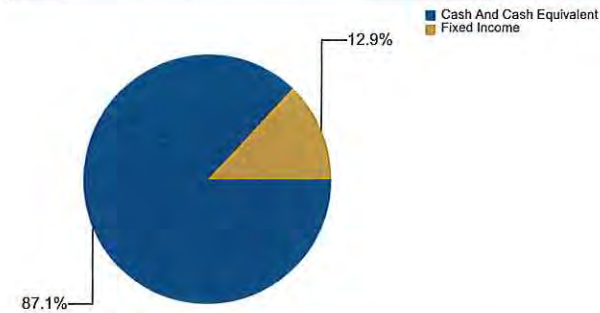
Duration Mix

Total Net Assets (Millions) 112.6
 Weighted Average Life (Years) 0.09
 Weighted Avg. Effective Duration (Years) 0.09
 Weighted Average Coupon (%) 0.11
 Weighted Average Current Yield (%) 0.05
 Weighted Average Yield to Maturity (%) 0.11
 Weighted Average Rating BB+
 Number of Holdings 10



Asset Mix

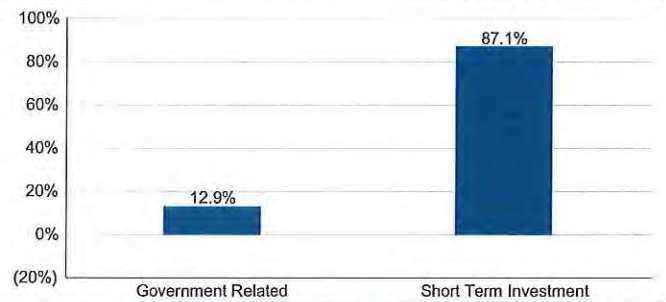
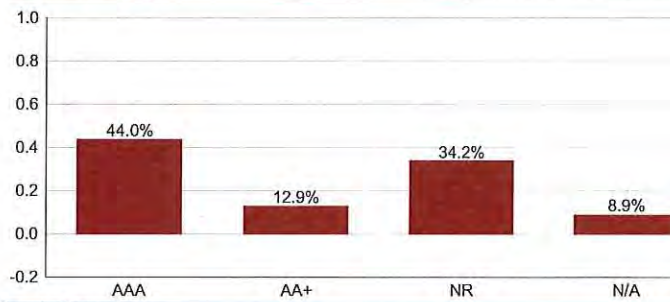
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
692998X00	LGIP POOL PARTICIPANT	39.12%	0.15	
313384PSZ	FEDL HOME LOAN BK CONS DISC NT MATURES 25/NOV/2003	19.53%	0.00	25/11/2015
3135G0S90	FEDERAL NATIONAL MORTGAGE ASSOC 0.375% BDS	12.31%	0.38	21/12/2015
313384RB7	FEDERAL HOME LOAN BANKS ZERO CPN 28/DEC/2011 USD	10.65%	0.00	28/12/2015
3130A0GK0	FEDERAL HOME LOAN BANKS CALLABLE BOND FIXED .375%	0.16%	0.38	30/12/2015
99FR30062	REPO MITSUBISHI UFJ SECURITIES (USA) INC. 03015A	4.84%	0.05	1/10/2015
31315KRD4	FEDERAL AGRICULTURAL MORTGAGE CORP ZERO CPN	3.11%	0.00	30/12/2015
31315K1F7	FEDERAL AGRICULTURAL MORTGAGE CORP DISCOUNT NOTES	0.89%	0.00	18/2/2016
31315FZR3	FEDERAL 0.4% 11/1/15	0.44%	0.40	20/11/2015
89199J5Y4	FIRST NATIONAL	8.92%		

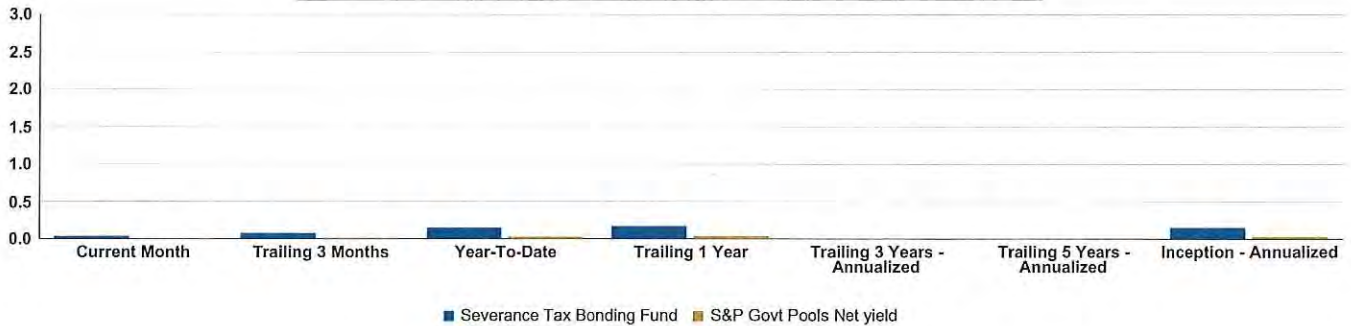
Quality/Rating Weightings

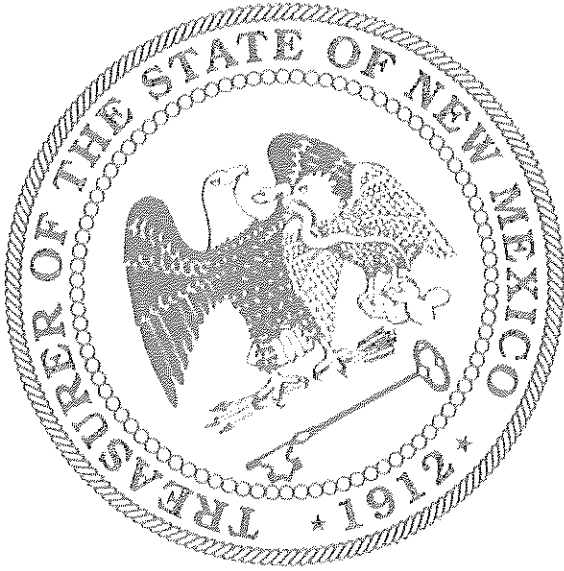
Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Severance Tax Bonding Fund	0.03	0.07	0.15	0.17			0.15
S&P Govt Pools Net yield	0.00	0.01	0.03	0.03			0.03
Excess	0.03	0.06	0.12	0.14	0.00	0.00	0.12





15. Broker Dealer Activities

Broker-Dealer Activities

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

New Mexico State Treasurer's
 Executive Summary of Investment Activity
 Summary of Broker Participation
 Purchases and Sales By Broker, Market & Security Type
 All Funds
 2015-2016

Volume at Par (\$ in thousands)

Broker/Dealer:	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	YTD Total	YTD Percent
Arbor Research and Trading													-	0.0%
BAML													-	0.0%
Barclays	20,000	10,800	22,000										52,800	7.7%
BB and T (Scott & Stringfellow)	35,286		1,089										36,375	5.3%
BMO Capital Markets			2,000										2,000	0.3%
BNP Paribas		1,800											1,800	0.3%
BOSC, Inc		500	200										700	0.1%
Cantor, Fitzgerald													-	0.0%
Carolina Capital Markets													-	0.0%
CastleOak Securities LP	23,000	5,000	62,000										90,000	13.1%
Cibgroup													-	0.0%
CRT Capital Group													-	0.0%
DA Davidson & Co													-	0.0%
Daiwa Capital Markets America		8,100	5,000										13,100	1.9%
Deutsche Bank		21,152	150										21,302	3.1%
Drexel Hamilton LLC													-	0.0%
First Southwest			15,275										15,275	2.2%
FTN Financial													-	0.0%
George K Baum & Co													-	0.0%
Goldman Sachs													-	0.0%
Government Perspectives, Inc													-	0.0%
Great Pacific Securities													-	0.0%
Guggenheim Securities LLC	1,000	20,000											21,000	3.1%
Harvesters Securities Inc													-	0.0%
HSBC													-	0.0%
InCapital LLC													-	0.0%
Int'l FCStone		14,780	3,000										17,780	2.6%
Jefferies		5,100	1,300										6,400	0.9%
JP Morgan & Co													-	0.0%
KeyBanc Capital Markets	1,700	63,985											65,685	9.6%
Lawson Financial													-	0.0%
Loop Capital Markets	5,000												5,000	0.7%
MBS (Multi-Bank Securities)													-	0.0%
MFR Securities													-	0.0%
Mitsubishi UFJ Securities													-	0.0%
Mizuho Securities USA	11,441	11,900	14,500										37,841	5.5%
Morgan Stanley		44,000	26,260										70,260	10.3%
Muriel Siebert & Co													-	0.0%
Mutual Securities Inc.													-	0.0%
Nomura													-	0.0%
Northern Trust													-	0.0%
Pierpont													-	0.0%
Piper Jaffray		285											285	0.0%
Raymond, James & Associates													-	0.0%
RBS Securities		31,000											31,000	4.5%
Robert W. Baird & Co.	1,790	3,255											5,045	0.7%
RW Presspritch													-	0.0%
RBC Capital Markets													-	0.0%
Samuel A Ramirez & Co.	19,000	15,000											34,000	5.0%
Sea Port Securities													-	0.0%
Societe General Americas			26,842										26,842	3.9%
South Street Securities													-	0.0%
Southwest Securities	6,250	3,100	1,250										10,600	1.5%
Sterne Agee & Leach, Inc.													-	0.0%
Stifel Nicklaus & Co			255										255	0.0%
SunTrust Robinson Humphrey													-	0.0%
TD Securities	10,000												10,000	1.5%
Tradition Asiel Securities													-	0.0%
UBS Financial Services													-	0.0%
Vining Sparks													-	0.0%
Wadsworth Securities	17,950	16,230											34,180	5.0%
Wells Fargo Securities	11,856	32,000	26,800										70,656	10.3%
Williams Capital Group													-	0.0%
Zions Direct													-	0.0%
Direct Purchase			4,800										4,800	0.7%
Interfund													-	0.0%
Total	164,273	307,987	212,721	-	-	-	-	-	-	-	-	-	684,981	100.0%

Volume at Par

(\$ in thousands)

Broker/Dealer:	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	YTD Total	YTD Percent
Market type:														
-	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	YTD Total	YTD %
Primary Market	1,790	3,640	55,480	-	-	-	-	-	-	-	-	-	60,910	8.9%
Secondary Market	162,483	304,347	157,241	-	-	-	-	-	-	-	-	-	624,071	91.1%
Total	164,273	307,987	212,721	-	-	-	-	-	-	-	-	-	684,981	100.0%
Security type:														
- 2	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	YTD Total	YTD %
ABS	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Agencies	135,547	304,347	197,241	-	-	-	-	-	-	-	-	-	637,135	93.0%
Certificates of Deposit/Bank MMDA	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Commercial Paper	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Corporate Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
MBS	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Municipal/Sponge	1,790	3,640	5,480	-	-	-	-	-	-	-	-	-	10,910	1.6%
Treasuries	26,936	-	10,000	-	-	-	-	-	-	-	-	-	36,936	5.4%
Total	164,273	307,987	212,721	-	-	-	-	-	-	-	-	-	684,981	100.0%

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 9/01/15 Through 9/30/15

TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
<u>PURCHASE TRANSACTIONS</u>													
9/16/15	912828VV	US TREASURY NOT	24198	UNITED STATES TREASURY	2.125	8/31/20	1.6538	BARCLAYS	1001	6,000,000.00	6,133,828.13		
9/16/15	912828VV	US TREASURY NOT	24199	UNITED STATES TREASURY	2.125	8/31/20	1.6544	WELLS FARGO SEC	1001	4,000,000.00	4,088,906.25		
9/17/15	3135G0SB	AGENCY US BOND	22029	FEDERAL NATIONAL MORTGA	.375	12/21/15	.2000	SOC GEN AMERICA	4001	1,842,000.00	1,842,831.45		
9/17/15	3135G0SB	AGENCY US BOND	24208	FEDERAL NATIONAL MORTGA	.375	12/21/15	.2001	BMO CAPTIAL MAR	4101	2,000,000.00	2,000,902.00		
9/17/15	3135G0SB	AGENCY US BOND	24208	FEDERAL NATIONAL MORTGA	.375	12/21/15	.2005	MORGAN STANLEY	4101	4,260,000.00	4,261,917.00		
9/22/15	3130A0GK	AGENCY US BOND	24243	FEDERAL HOME LOAN BANKS	.375	12/30/15	.3747	BANK OF OKLAHOM	4001	200,000.00	200,000.00		
9/24/15	3133EA3Q	AGENCY US BOND	24244	FEDERAL FARM CREDIT BAN	.600	10/11/16	.5984	SOUTHWEST	4000	1,250,000.00	1,250,000.00		
9/03/15	313384NV	AGENCY US DISC	24139	FEDERAL HOME LOAN BANKS		11/04/15	.1851	JEFFRIES & CO	4101	1,300,000.00	1,299,592.49		10/15/15
9/03/15	313396TS	AGENCY US DISC	24140	FEDERAL HOME LOAN MORTG		2/29/16	.2904	WELLS FARGO SEC	4101	15,000,000.00	14,978,491.67		
9/04/15	313396NL	AGENCY US DISC	24141	FEDERAL HOME LOAN MORTG		10/26/15	.1400	OAIWA CAPITAL M	4101	5,000,000.00	4,999,066.67		
9/15/15	313384RB	AGENCY US DISC	24190	FEDERAL HOME LOAN BANKS		12/28/15	.2502	CASTLEOAK SECUR	4001	12,000,000.00	11,991,416.67		
9/16/15	313396PB	AGENCY US DISC	24197	FEDERAL HOME LOAN MORTG		11/10/15	.2201	MIZUHO SECURITI	4101	10,000,000.00	9,996,700.00		
9/17/15	31315KRD	AGENCY US DISC	24200	FEDERAL AGRICULTURAL MO		12/30/15	.2902	MIZUHO SECURITI	4001	3,500,000.00	3,497,095.97		
9/17/15	313384PS	AGENCY US DISC	24207	FEDERAL HOME LOAN BANKS		11/25/15	.2601	MORGAN STANLEY	4001	22,000,000.00	21,989,195.56		
9/18/15	31315KTF	AGENCY US DISC	24209	FEDERAL AGRICULTURAL MO		2/18/16	.2853	MIZUHO SECURITI	4001	1,000,000.00	998,812.50		
9/30/15	31358C7J	AGENCY US BOND	24284	FANNIEMAE STRIPS		11/15/15	.1260	BB&T CAPITAL MA	4101	1,089,000.00	1,088,847.54		
9/18/15	31315PA2	AGENCY US NOTES	23825	FEDERAL AGRICULTURAL MO	2.000	7/27/16	.4354	WELLS FARGO SEC	4101	2,800,000.00	2,837,128.00		
9/18/15	3137EAAG	AGENCY US NOTES	24210	FEDERAL HOME LOAN MORTG	5.500	7/18/16	.4208	WELLS FARGO SEC	4101	5,000,000.00	5,208,900.00		
9/28/15	3132X0CG	AGENCY US NOTES	24275	FEDERAL AGRICULTURAL MO	.440	10/05/16	.4569	FIRST SOUTHWEST	4101	15,000,000.00	14,997,447.30		
9/30/15	3134G5JE	AGENCY US NOTES	24285	FEDERAL HOME LOAN MORTG	.650	9/29/16	.4422	INTL FCSTONE PA	4101	3,000,000.00	3,006,180.00		
9/08/15	3132X0BY	AGENCY US VARIA	24155	FAMCA FLOAT	.160	9/16/16	.1645	CASTLEOAK SECUR	4101	25,000,000.00	24,998,750.00		
9/22/15	3132X0CE	AGENCY US VAR 3	24234	FARMER MAC	.250	4/05/17	.2533	CASTLEOAK SECUR	4101	25,000,000.00	24,998,750.00		
9/01/15	82750RAP	MUNI US 30/360	24148	SILVER CITY N MEX JT UT	2.000	12/01/17	1.0005	STIFFEL NICOLAU	1001	255,000.00	260,413.65		
9/23/15	545562RX	MUNI US 30/360	24242	LOS LUNAS N MEX SCH DIS	2.000	7/15/18	1.0203	FIRST SOUTHWEST	4002	275,000.00	282,191.25		
9/25/15	51748QAY	MUNI US 30/360	24259	LAS CRUCES N MEX HOLD H	4.000	6/01/18	1.5000	DEUTSCHE BANK S	1001	150,000.00	159,505.50		
9/01/15	CMSS2015	MUNICIPAL BOND	24125	CARLSBAD MUNI SCHOOL DI	.240	9/04/15	.2397	BROKER DIRECT	1001	2,800,000.00	2,800,000.00		
9/09/15	GISD15TX	MUNICIPAL BOND	24162	GADSDEN INDEPENDENT SCH	.600	8/15/16	.5999	BROKER DIRECT	1001	2,000,000.00	2,000,000.00		
27 PURCHASES DURING PERIOD TOTAL.....										171,721,000.00	172,166,869.60		
<u>SALE TRANSACTIONS</u>													
9/28/15	313384MY	AGENCY US DISC	24036	FEDERAL HOME LOAN BANKS		10/14/15	.0300	BARCLAYS	4101	16,000,000.00	15,999,800.00	935.72	
9/14/15	31359MH8	AGENCY US NOTES	15555	FEDERAL NATIONAL MORTGA	5.000	3/15/16	.3650	SOC GEN AMERICA	1001	25,000,000.00	25,578,325.00	37,730.90	
2 SALES DURING PERIOD TOTAL.....										41,000,000.00	41,578,125.00	38,666.62	
=== GRAND-TOTAL ==>										212,721,000.00	213,744,994.60	38,666.62	
*** END-OF-REPORT ***													

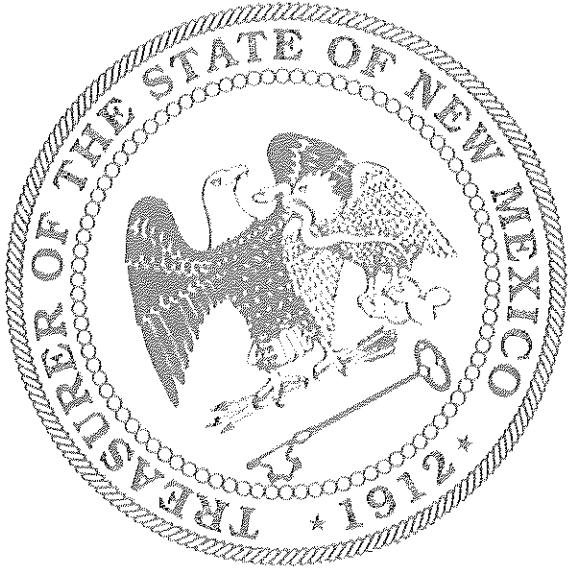
STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 7/01/15 Through 9/30/15

TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
PURCHASE TRANSACTIONS													
7/10/15	912828SD	US TREASURY NOT	23802	UNITED STATES TREASURY	1.250	1/31/19	1.2669	BARCLAYS	1001	20,000,000.00	19,988,281.25		
9/16/15	912828VV	US TREASURY NOT	24198	UNITED STATES TREASURY	2.125	8/31/20	1.6538	BARCLAYS	1001	6,000,000.00	6,133,828.13		
9/16/15	912828VV	US TREASURY NOT	24199	UNITED STATES TREASURY	2.125	8/31/20	1.6544	WELLS FARGO SEC	1001	4,000,000.00	4,088,906.25		
7/13/15	76116ECD	U.S. TREASURY C	23803	RFCO STRIPS		10/15/15	1.351	BB&T CAPITAL MA	4101	6,936,000.00	6,933,579.34		
7/01/15	3133EESJ	AGENCY US BOND	23761	FEDERAL FARM CREDIT BAN	.280	3/04/16	.2547	SOUTHWEST	4101	1,250,000.00	1,250,212.50		
7/20/15	3133EDSG	AGENCY US BOND	23847	FEDERAL FARM CREDIT BAN	.550	8/12/16	.5485	CASTLEOAK SECUR	4101	3,000,000.00	3,000,000.00		10/22/15
7/29/15	3130A2SH	AGENCY US BOND	23922	FEDERAL HOME LOAN BANKS	.230	8/28/15	.1809	BB&T CAPITAL MA	4101	125,000.00	125,004.25		
7/29/15	3130A2Y2	AGENCY US BOND	23921	FEDERAL HOME LOAN BANKS	.270	12/10/15	.1828	BB&T CAPITAL MA	4101	3,130,000.00	3,130,960.91		
8/03/15	911759JA	AGENCY US BOND	23945	UNITED STATES DEPARTMEN	5.450	8/01/19	.5503	KEYBANC CAPITAL	4000	1,400,000.00	1,467,368.00		8/01/16
8/11/15	3130A5ZS	AGENCY US BOND	23995	FEDERAL HOME LOAN BANKS	1.100	2/12/18	.9590	WEDBUSH SECURIT	4000	7,480,000.00	7,490,472.00		8/12/16
8/11/15	313378A4	AGENCY US BOND	23989	FEDERAL HOME LOAN BANKS	1.375	3/09/18	.9663	KEYBANC CAPITAL	4000	13,585,000.00	13,725,876.45		
8/11/15	3133EE4S	AGENCY US BOND	23990	FEDERAL FARM CREDIT BAN	1.650	7/29/19	1.6500	INTL FCSTONE PA	4000	14,780,000.00	14,780,000.00		7/29/16
8/13/15	3130A4B8	AGENCY US BOND	24015	FEDERAL HOME LOAN BANKS	.875	2/27/17	.2508	KEYBANC CAPITAL	4000	5,000,000.00	5,001,125.00		
8/27/15	038461AC	AGENCY US BOND	24090	ARAB REPUBLIC OF EGYPT	4.450	9/15/15	.1523	KEYBANC CAPITAL	4001	10,000,000.00	10,016,700.00		
8/27/15	3133EDEB	AGENCY US BOND	24094	FEDERAL FARM CREDIT BAN	1.100	6/28/17	.7001	SOUTHWEST	4000	1,000,000.00	1,007,271.70		
8/28/15	313383PD	AGENCY US BOND	24101	FEDERAL HOME LOAN BANKS	1.250	6/09/17	.7014	SOUTHWEST	4000	2,000,000.00	2,019,320.00		
9/17/15	3135G0SB	AGENCY US BOND	22029	FEDERAL NATIONAL MORTGA	.375	12/21/15	.2000	SOC GEN AMERICA	4001	1,842,000.00	1,842,831.45		
9/17/15	3135G0SB	AGENCY US BOND	24208	FEDERAL NATIONAL MORTGA	.375	12/21/15	.2001	BMO CAPTIAL MAR	4101	2,000,000.00	2,000,902.00		
9/17/15	3135G0SB	AGENCY US BOND	24208	FEDERAL NATIONAL MORTGA	.375	12/21/15	.2005	MORGAN STANLEY	4101	4,260,000.00	4,261,917.00		
9/22/15	3130A0GK	AGENCY US BOND	24243	FEDERAL HOME LOAN BANKS	.375	12/30/15	.3747	BANK OF OKLAHOM	4001	200,000.00	200,000.00		
9/24/15	3133EA3Q	AGENCY US BOND	24244	FEDERAL FARM CREDIT BAN	.600	10/11/16	.5984	SOUTHWEST	4000	1,250,000.00	1,250,000.00		10/15/15
7/01/15	31315KPY	AGENCY US DISC	23760	FEDERAL AGRICULTURAL MO		12/01/15	.1501	CASTLEOAK SECUR	4101	20,000,000.00	19,987,333.33		
7/14/15	31315KNA	AGENCY US DISC	23810	FEDERAL AGRICULTURAL MO		10/16/15	.1050	BB&T CAPITAL MA	4101	15,000,000.00	14,995,931.25		
7/24/15	31315KPD	AGENCY US DISC	23894	FEDERAL AGRICULTURAL MO		11/12/15	.1200	BB&T CAPITAL MA	4101	4,000,000.00	3,998,560.00		
7/31/15	313384NF	AGENCY US DISC	23939	FEDERAL HOME LOAN BANKS		10/21/15	.1100	GUGGENHEIM SECU	4101	1,000,000.00	999,758.61		
8/04/15	313312XW	AGENCY US DISC	23956	FEDERAL FARM CREDIT BAN		6/08/16	.3410	KEYBANC CAPITAL	4101	5,000,000.00	4,985,455.56		
8/04/15	313384NQ	AGENCY US DISC	23955	FEDERAL HOME LOAN BANKS		10/30/15	.1200	GUGGENHEIM SECU	4101	5,000,000.00	4,998,566.67		
8/07/15	313384NQ	AGENCY US DISC	23955	FEDERAL HOME LOAN BANKS		10/30/15	.1551	GUGGENHEIM SECU	4101	10,000,000.00	9,996,512.50		
8/10/15	313588PJ	AGENCY US DISC	23981	FEDERAL NATIONAL MORTGA		11/17/15	.1501	CASTLEOAK SECUR	4101	5,000,000.00	4,997,958.33		
8/12/15	313588PD	AGENCY US DISC	24002	FEDERAL NATIONAL MORTGA		11/12/15	.1571	GUGGENHEIM SECU	4101	5,000,000.00	4,998,015.69		
8/13/15	313384PE	AGENCY US DISC	24014	FEDERAL HOME LOAN BANKS		11/13/15	.1851	RBS GREENWICH C	4101	5,000,000.00	4,997,661.81		
8/17/15	31315KPH	AGENCY US DISC	24023	FEDERAL AGRICULTURAL MO		11/16/15	.1851	RAMIREZ & CO, I	4101	10,000,000.00	9,995,375.00		
8/17/15	313588NU	AGENCY US DISC	24022	FEDERAL NATIONAL MORTGA		11/03/15	.1601	RAMIREZ & CO, I	4101	5,000,000.00	4,998,288.89		
8/18/15	313384MY	AGENCY US DISC	24036	FEDERAL HOME LOAN BANKS		10/14/15	.1650	RBS GREENWICH C	4101	10,000,000.00	9,997,433.33		
8/19/15	313588NU	AGENCY US DISC	24022	FEDERAL NATIONAL MORTGA		11/03/15	.1601	DEUTSCHE BANK S	4101	21,152,000.00	21,144,949.33		
8/21/15	313384NA	AGENCY US DISC	24060	FEDERAL HOME LOAN BANKS		10/16/15	.1400	RBS GREENWICH C	4101	10,000,000.00	9,997,938.89		
8/24/15	313396NW	AGENCY US DISC	24068	FEDERAL HOME LOAN MORTG		11/05/15	.1601	BARCLAYS	4101	2,100,000.00	2,099,328.00		
8/24/15	313588MK	AGENCY US DISC	24067	FEDERAL NATIONAL MORTGA		10/01/15	.1200	MIZUHO SECURITI	4101	7,000,000.00	6,999,136.67		

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 7/01/15 Through 9/30/15

TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
9/30/15	3134G5JE	AGENCY US NOTES	24285	FEDERAL HOME LOAN MORTG	.650	9/29/16	.4422	INTL FCSTONE PA	4101	3,000,000.00	3,006,180.00		
7/28/15	3134G7KH	FED NATL MORTGA	23914	FEDERAL HOME LOAN MORTG	1.000	7/30/20	1.0253	WEDBUSH SECURIT	1001	7,950,000.00	7,946,025.00		7/30/17
8/03/15	3130A06V	AGENCY US VARIA	23940	FEDERAL HOME LOAN BANKS	.210	10/01/15	.1100	BARCLAYS	4101	2,000,000.00	2,000,322.10		
9/08/15	3132X0BY	AGENCY US VARIA	24155	FAMCA FLOAT	.160	9/16/16	.1645	CASTLEOAK SECUR	4101	25,000,000.00	24,998,750.00		
9/22/15	3132X0CE	AGENCY US VAR 3	24234	FARMER MAC	.250	4/05/17	.2533	CASTLEOAK SECUR	4101	25,000,000.00	24,998,750.00		
7/17/15	189387DK	MUNI US 30/360	23833	CLOVIS N MEX GROSS RCPT	2.000	6/01/16	.3810	ROBERT W BAIRD	4002	1,115,000.00	1,128,803.70		
7/17/15	189387DL	MUNI US 30/360	23840	CLOVIS N MEX GROSS RCPT	2.000	6/01/17	.8002	ROBERT W BAIRD	4002	675,000.00	689,175.00		
8/12/15	781336AX	MUNI US 30/360	24005	RUIDOSO N MEX GROSS RCP	2.000	6/01/16	.5001	PIPER JAFFREY	4000	130,000.00	131,489.80		
8/12/15	781336BB	MUNI US 30/360	24006	RUIDOSO N MEX GROSS RCP	2.000	6/01/18	1.1001	PIPER JAFFREY	4000	155,000.00	158,789.75		
9/01/15	82750RAP	MUNI US 30/360	24148	SILVER CITY N MEX JT UT	2.000	12/01/17	1.0005	STIFFEL NICOLAU	1001	255,000.00	260,413.65		
9/23/15	545562RX	MUNI US 30/360	24242	LOS LUNAS N MEX SCH DIS	2.000	7/15/18	1.0203	FIRST SOUTHWEST	4002	275,000.00	282,191.25		
9/25/15	51748QAY	MUNI US 30/360	24259	LAS CRUCES N MEX HOLD H	4.000	6/01/18	1.5000	DEUTSCHE BANK S	1001	150,000.00	159,505.50		
8/11/15	800051AW	MUNICIPAL BOND	23994	SANDOVAL CNTY N MEX INC	1.952	6/01/18	1.4603	SOUTHWEST	4000	100,000.00	101,342.00		
8/12/15	043053BT	MUNICIPAL BOND	24003	ARTESIA N MEX GROSS RCP	2.000	6/01/16	.4904	ROBERT W BAIRD	4000	1,500,000.00	1,516,050.00		
8/12/15	043053BU	MUNICIPAL BOND	24004	ARTESIA N MEX GROSS RCP	2.000	6/01/17	.7505	ROBERT W BAIRD	4000	1,495,000.00	1,526,694.00		
8/12/15	043053BV	MUNICIPAL BOND	24007	ARTESIA N MEX GROSS RCP	2.000	6/01/18	1.0002	ROBERT W BAIRD	4000	260,000.00	266,934.20		
9/01/15	CMSS2015	MUNICIPAL BOND	24125	CARLSBAD MUNI SCHOOL DI	.240	9/04/15	.2397	BROKER DIRECT	1001	2,800,000.00	2,800,000.00		
9/09/15	GISD15TX	MUNICIPAL BOND	24162	GADSDEN INDEPENDENT SCH	.600	8/15/16	.5999	BROKER DIRECT	1001	2,000,000.00	2,000,000.00		
97 PURCHASES DURING PERIOD TOTAL.....										636,481,000.00	635,510,319.10		
<u>SALE TRANSACTIONS</u>													
7/28/15	31331KVK	AGENCY US BOND	22589	FEDERAL FARM CREDIT BAN	.875	8/18/15		MIZUHO SECURITI	1001	7,500,000.00	7,502,985.00	693.06	
9/28/15	313384MY	AGENCY US DISC	24036	FEDERAL HOME LOAN BANKS		10/14/15	.0300	BARCLAYS	4101	16,000,000.00	15,999,800.00	935.72	
9/14/15	31359MH8	AGENCY US NOTES	15555	FEDERAL NATIONAL MORTGA	5.000	3/15/16	.3650	SOC GEN AMERICA	1001	25,000,000.00	25,578,325.00	37,730.90	
3 SALES DURING PERIOD TOTAL.....										48,500,000.00	49,081,110.00	39,359.68	
=== GRAND-TOTAL ==>										684,981,000.00	684,591,429.10	39,359.68	

*** END-OF-REPORT ***



16. State Agency Deposit Balances



Tim Eichenberg
State Treasurer

STATE OF NEW MEXICO
OFFICE OF THE TREASURER

Ricky Bejarano
Deputy State Treasurer

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

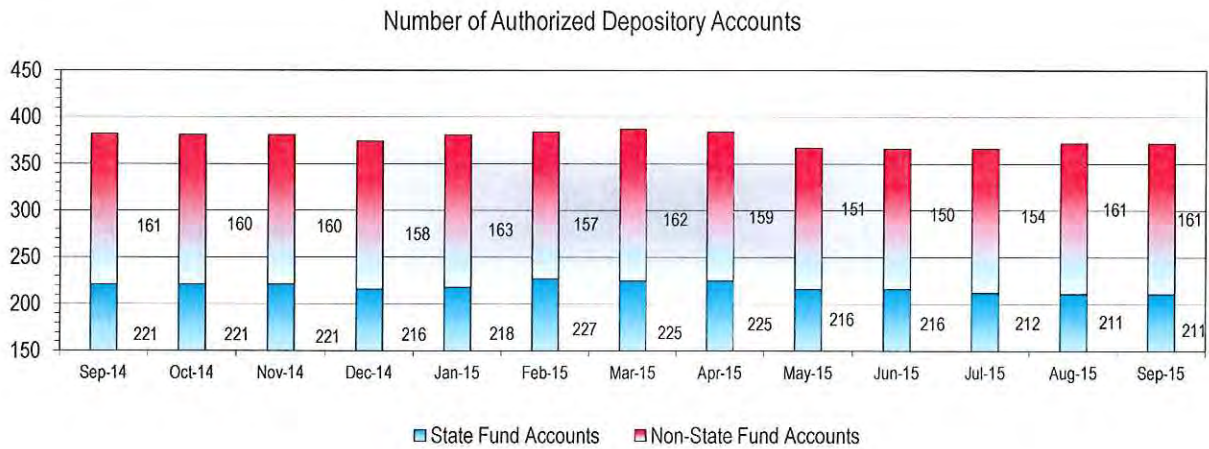
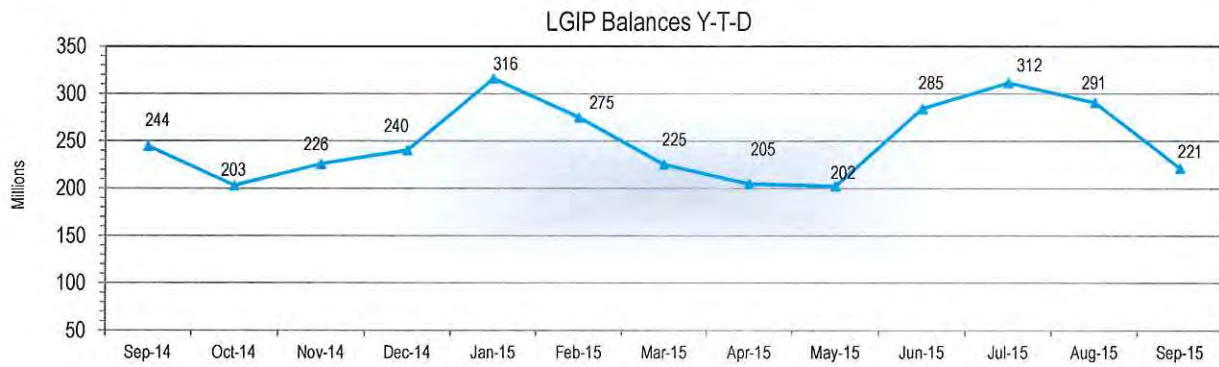
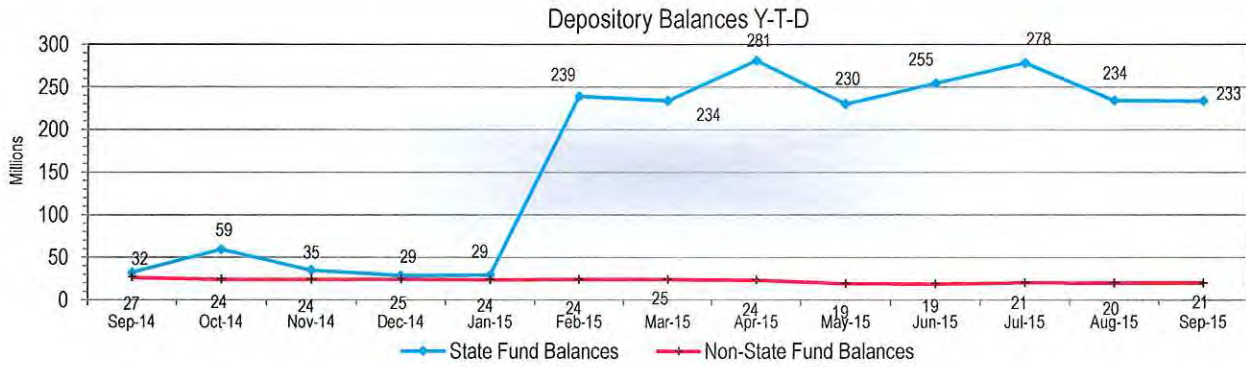
Date: October 22, 2015
To: Tim Eichenberg, State Treasurer
For: Governor Martinez and Members of the State Board of Finance
From: Edward Gallegos, State Cash Manager 
Subject: State Fund Deposit Activity for the month ending September 30, 2015

Pursuant to section 8-6-3.1 NMSA 1978, the State Cash Manager shall submit to the State Board of Finance a report showing state fund balances in each Financial Institution. Attached for your review is a summary of State fund balances in each institution through September 30, 2015

Additionally, the State Treasurer's Office is required to report to the State Board of Finance any Financial Institution that exceeds certain equity capital and deposit ratios and notify all state agencies who maintain State fund deposits within those institutions of the violation. Agencies are also advised not to make any new deposits until the violations are corrected. Pursuant to section 6-10-24.1 NMSA 1978 there were no Financial Institutions exceeding the statutory limitations on equity capital and deposit ratios for the month ending September 30, 2015

(Attachments 3)

Depository Account Summary -September-2015



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

Depository accounts opened in September 2015

3 13th Judicial District Court

Depository accounts closed in September 2015

2 13th Judicial District Court

1 Bern. Co. Metro Ct.

Depository Account Summary by Agency

September 2015

<u>STATE FUNDS</u>			<u>NON-STATE FUNDS</u>		
AGENCY	# OF ACCTS.	BALANCE	AGENCY	# OF ACCTS.	BALANCE
AOC (fines, fees etc.)	50	\$2,752,112	AOC	50	\$0
BERN. CO. METRO COURT	2	\$857,585	AOC	1	\$48,794
1-13 DISTRICT ATTORNEY	5	\$27,542	1ST JUDICIAL DIST. COURT	3	\$1,461,041
EDUCATION RETIREMENT BOARD	1	\$405,432	2ND JUDICIAL DIST. COURT	2	\$971,563
TAXATION & REVENUE DEPT.	28	\$67,340	3RD JUDICIAL DIST. COURT	2	\$1,518,092
PUBLIC SCHOOL INS. AUTHORITY	6	\$23,971,799	4TH JUDICIAL DIST. COURT	3	\$119,096
NMRHCA	1	\$0	5TH JUDICIAL DIST. COURT	3	\$1,310,954
PUBLIC DEFENDER	1	\$785	6TH JUDICIAL DIST. COURT	3	\$279,466
SECRETARY OF STATE	1	\$0	7TH JUDICIAL DIST. COURT	4	\$161,608
STATE TREASURER (JDC)	34	\$44,812	8TH JUDICIAL DIST. COURT	4	\$414,579
STATE TREASURER (Liq. Reserve)	1	\$200,542,903	9TH JUDICIAL DIST. COURT	2	\$423,006
SUPERINTENDENT OF INSURANCE	0	\$0	10TH JUDICIAL DIST. COURT	2	\$702,827
NM RACING COMMISSION	6	\$98,134	11TH JUDICIAL DIST. COURT	11	\$1,121,570
SPACEPORT AUTHORITY	0	\$0	12TH JUDICIAL DIST. COURT	2	\$775,296
DEPT. OF GAME & FISH	2	\$115,211	13TH JUDICIAL DIST. COURT	67	\$3,382,008
SOUTHWEST REGION ED.	1	\$2,519,232	BERNALILLO CO. METRO COURT	0	\$0
ENERGY & MINERALS	4	\$37,472	7TH DISTRICT ATTORNEY	1	\$1,710
COMMISSION PUBLIC LAND	0	\$0	10TH DISTRICT ATTORNEY	1	\$1,734
STATE ENGINEER'S OFFICE	4	\$72,969	11TH JUDICIAL DIST. ATTORNEY	0	\$0
IRRG WKS CONST	1	\$252,527	13th JUDICIAL DIST. ATTORNEY	1	\$70
HUMAN SERVICES DEPT.	6	\$35,814	ATTORNEY GENERAL	1	\$1,867
WORKFORCE SOLUTIONS	5	\$191,151	LGIP	4	\$221,408,026
DIVISION OF VOCATIONAL REHAB	0	\$0	PUBLIC REG. COMMISSION	2	\$624,761
MINER'S HOSPITAL	1	\$197,383	SUPERINTENDENT OF INSURANCE	4	\$867,450
DEPARTMENT OF HEALTH	37	\$716,416	NM STATE FAIR	5	\$2,672,629
ENVIRONMENT DEPARTMENT	1	\$0	SOUTHWEST REGION ED.	1	\$15
CHILDREN YOUTH AND FAMILIES	1	\$158	MINER'S HOSPITAL	1	\$0
CORRECTIONS DEPARTMENT	5	\$1,130	DEPARTMENT OF HEALTH	9	\$975,478
DEPT. OF PUBLIC SAFETY	2	\$94,511	CHILDREN, YOUTH & FAMILIES	7	\$91,702
HIGHWAY & TRANSPORTATION	4	\$1,471	CORRECTIONS DEPARTMENT	12	\$2,237,054
CENTRAL REGIONAL CO-OP	1	<u>\$271,194</u>	DEPT. OF PUBLIC SAFETY	2	\$69,973
			CENTRAL REGION CO-OP	<u>1</u>	<u>\$303,399</u>

sub-total: 211 \$233,275,083

sub-total: 161 \$241,945,768

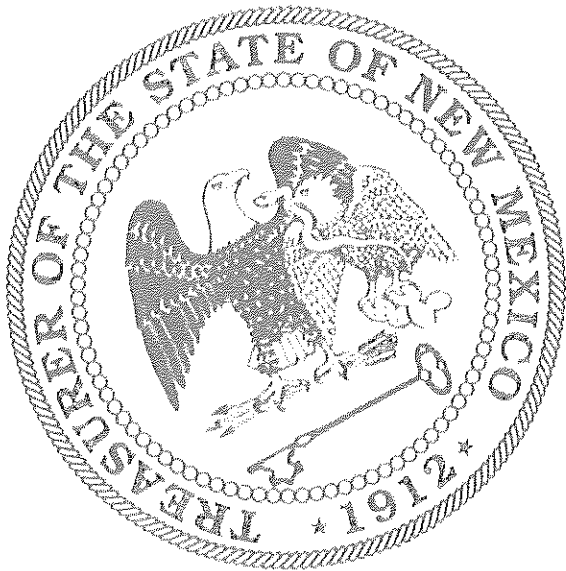
Total Depository Balance: \$475,220,851

Total Depository Accounts: 372

State Fund Balances by Financial Institution**September 2015**

First National Bank/Alamogordo	\$ 104,537
Century Bank/Santa Fe	\$ 402
Bank of America/Albuquerque	\$ 405,058
Wells Fargo Bank/Albuquerque	\$ 27,904,570
Compass Bank/Albuquerque	\$ 2,625,441
Bank of the West/Albuquerque	\$ 200,546,913
First American Bank/Artesia	\$ 66,681
My Bank/Belen	\$ -
Carlsbad National Bank/Carlsbad	\$ 800
Western Commerce Bank/Carlsbad	\$ 96,481
Farmers/Stockmens Bank/Clayton	\$ 16,901
First National Bank/Clayton	\$ 202,237
Citizens Bank/Clovis	\$ 14,015
NM Bank & Trust/Albuquerque	\$ 130,329
Community Bank/Santa Fe	\$ 588
Grants State Bank/Grants	\$ -
Lea County State Bank/Hobbs	\$ 150,757
Southwest Capitol/Las Vegas	\$ 185,357
Community 1st Bank/Las Vegas	\$ 362,379
Western Bank/Lordsburg	\$ 77,739
Los Alamos National Bank/Los Alamos	\$ 13,499
International Bank/Raton	\$ 57,804
Valley Bank of Commerce/Roswell	\$ 113,025
First State Bank/Socorro	\$ 3,678
Centinel Bank/Taos	\$ 75,621
US Bank/Albuquerque	\$ 14,009
Bank of the Southwest/Roswell	\$ 95,536
People's Bank	\$ -
Washington Federal	\$ 10,726

Total: \$ 233,275,083



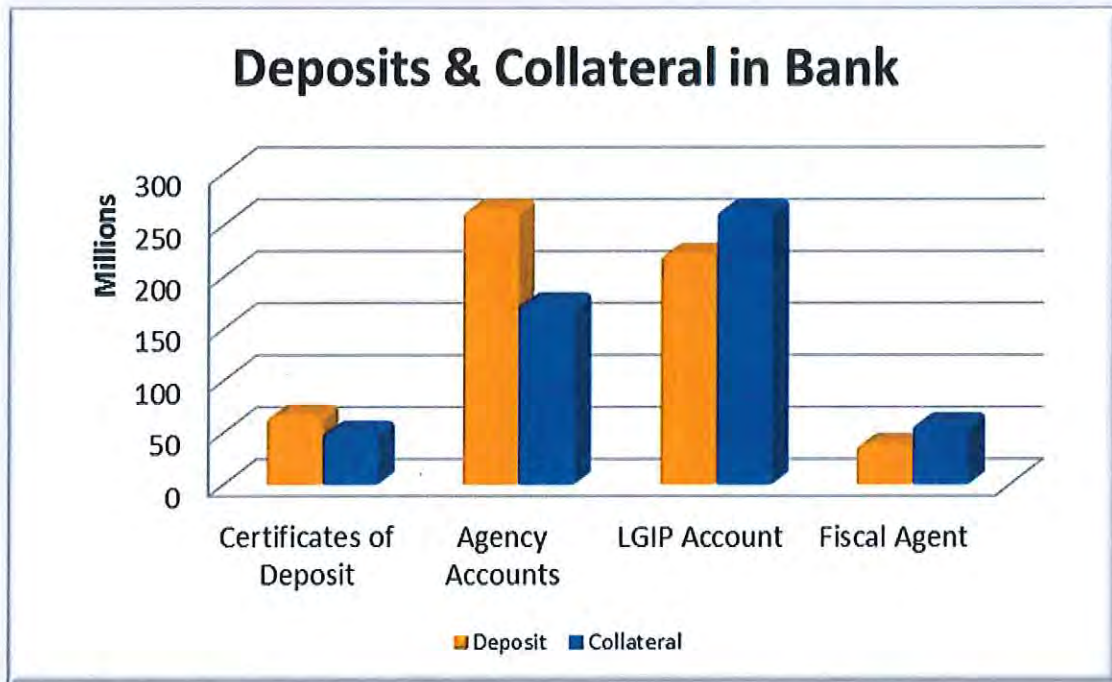
17. Collateral Report on Agency Deposits & CDs

Office of the Treasurer

Collateral Summary Review

September 30, 2015

All depository institutions holding public funds for the month ending September 2015 met the minimum collateral requirements. The required ratio of collateral for each depository institution holding public funds is determined by a statutorily defined quarterly risk assessment and is not intended as an opinion as to the financial health of the subject institution.



Balances

	<u>Deposit</u>	<u>Collateral</u>	<u>Percentage</u>
Certificate of Deposit	\$ 66.0 Million	\$ 50.6 Million	76.7%
Agency Deposit	263.9 Million	173.9 Million	65.9%
LGIP Deposits	221.4 Million	263.9 Million	119.2%
Fiscal Agent	38.3 Million	58.3 Million	152.2%
Totals →	589.6 Million	546.7 Million	92.7%

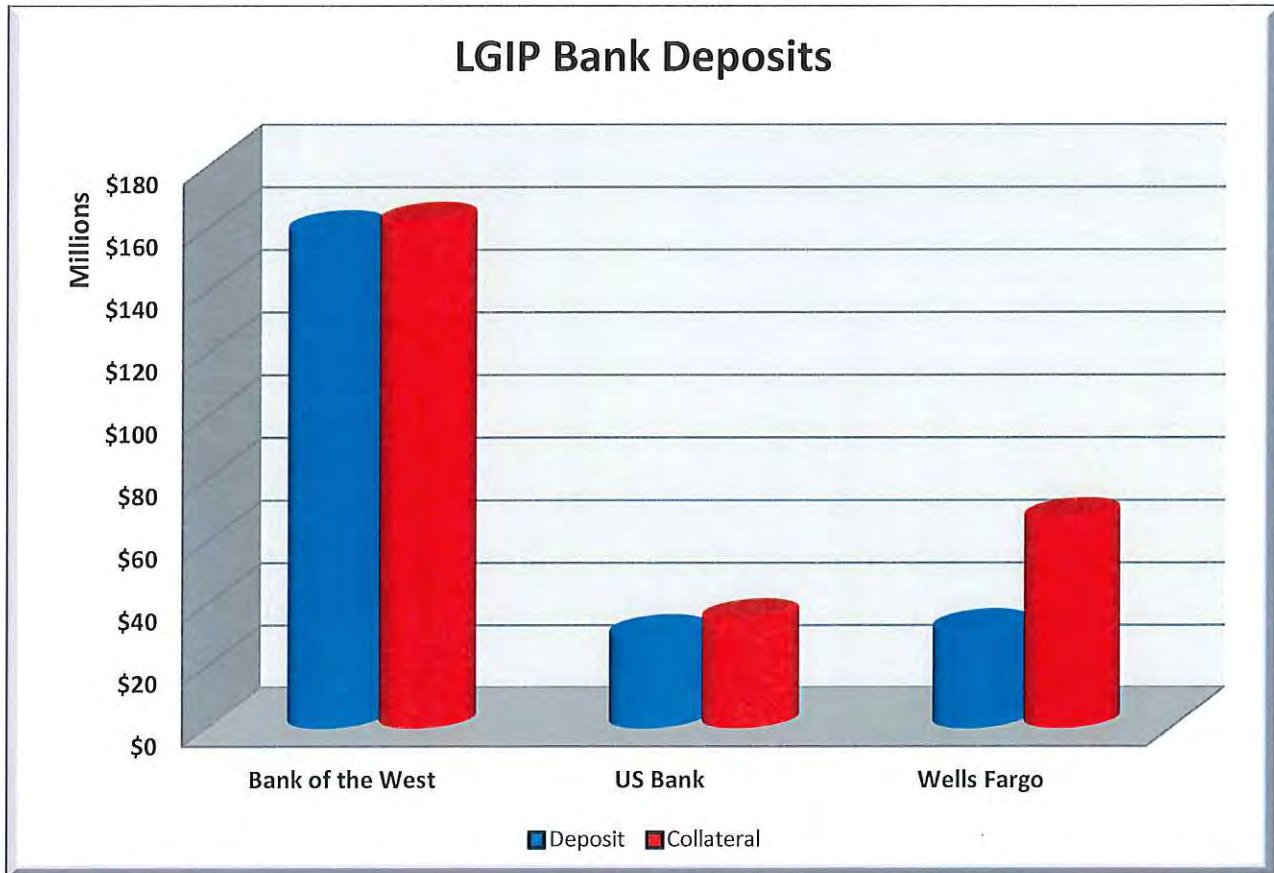


Office of the Treasurer
Collateral Review
 Accumulated Total by Institution
September 30, 2015

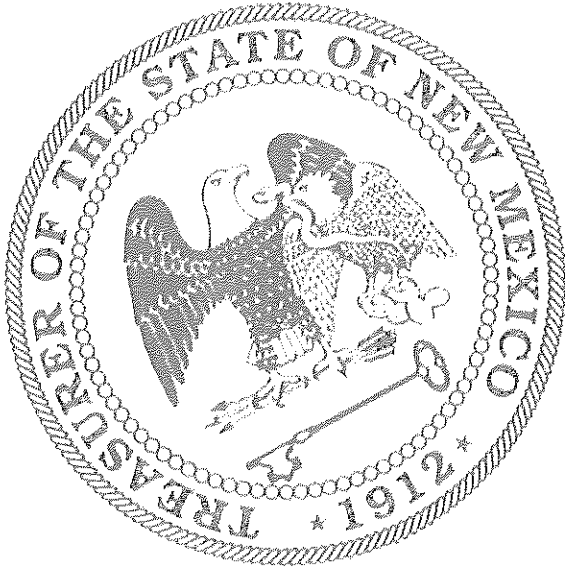
FINANCIAL INSTITUTION	%	TOTAL DEPOSITS	FDIC / NCUA INSURANCE	LESS INSURANCE COVERAGE	SUBJECT TO BE COLLATERALIZED	COLLATERAL PLEDGED	EXCESS (UNDER)
First National - Alamogordo	50%	104,537	104,537	0	0	1,345,352	1,345,352
Western - Alamogordo	50%	3,600,000	250,000	3,350,000	1,675,000	2,076,359	401,359
Bank of America	50%	506,709	250,000	256,709	128,354	683,131	554,777
Bank of the West	50%	361,324,652	250,000	361,074,652	180,537,326	263,074,500	82,537,174
BBVA Compass	50%	2,625,461	250,000	2,375,461	1,187,731	2,500,000	1,312,269
US Bank	50%	31,322,121	250,000	31,072,121	15,536,060	40,000,000	24,463,940
Wells Fargo	50%	73,779,188	250,000	73,529,188	36,764,594	169,556,232	132,791,638
First American	50%	66,681	66,681	0	0	0	0
My Bank	50%	350,095	250,000	100,095	50,048	250,000	199,952
Carlsbad National	50%	800	800	0	0	0	0
Western Commerce	50%	4,096,480	250,000	3,846,480	1,923,240	3,701,018	1,777,778
Farmers & Stockmen	50%	10,029,379	250,000	9,779,379	4,889,689	5,100,000	210,311
First National - Clayton	50%	202,237	202,237	0	0	741,120	741,120
Bank of Clovis	50%	423,006	250,000	173,006	86,503	802,129	715,626
Citizens - Clovis	50%	14,015	14,015	0	0	0	0
NM Bank & Trust	50%	130,330	130,330	0	0	271,198	271,198
Western - Clovis	75%	3,100,000	250,000	2,850,000	2,137,500	2,720,929	583,429
Grants State	102%	70	70	0	0	0	0
Lea County State	50%	150,757	150,757	0	0	100,000	100,000
Citizens - Las Cruces	50%	3,602	3,602	0	0	0	0
Southwest Capital	50%	10,659,719	250,000	10,409,719	5,204,860	6,081,713	876,854
Community 1st - Las Vegas	102%	362,382	250,000	112,382	114,629	380,170	265,541
Western - Lordsburg	50%	111,239	111,239	0	0	0	0
Los Alamos National	102%	13,499	13,499	0	0	0	0
James Polk Stone Communi	50%	303,399	250,000	53,399	26,699	153,441	126,742
International	102%	157,881	157,881	0	0	149,980	149,980
Bank of the Southwest	50%	581,952	250,000	331,952	165,976	466,913	300,937
Valley Commerce	50%	113,025	113,025	0	0	0	0
Century	50%	4,492,613	250,000	4,242,613	2,121,307	2,622,701	501,395
Community	102%	146,902	146,902	0	0	0	0
First National - Santa Fe	102%	40,046,185	250,000	39,796,185	40,592,109	41,632,248	1,040,139
First State	50%	61,512	61,512	0	0	0	0
Centinel	50%	75,621	75,621	0	0	0	0
Peoples	50%	0	0	0	0	0	0
BANK'34	102%	2,000,000	250,000	1,750,000	1,785,000	2,264,171	479,171
Guadalupe Credit	50%	250,000	250,000	0	0	0	0
Washington Federal	50%	30,941	30,941	0	0	0	0
		551,298,502	6,195,161	545,103,341	294,926,625	546,673,304	251,746,679

LGIP Bank Deposits September 30, 2015

<u>Financial Institution</u>	<u>Percentage</u>	<u>Deposit</u>	<u>Collateral</u>
Bank of the West	101.5%	159,263,248	161,672,817
US Bank	116.0%	30,165,101	35,000,000
Wells Fargo	210.1%	31,979,677	67,187,996
Totals	119.2%	221,408,026	263,860,813



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



18. Credit Investing



Credit Investing at STO

NM STATE TREASURER'S OFFICE
THE HONORABLE TIM EICHENBERG

Presenters

Vikki Hanges

Portfolio Manager

Jeremy Landrum

Portfolio Manager

Introduction to Credit

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

Deposit and Investment of Funds

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

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

Introduction to Credit

Treasurer's Investment Policy Allows Credit

May 20, 2014, VII. A. Eligible Investments

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

Introduction to Credit

Treasurer's Investment Policy Further Restrictions

Diversification

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

Ratings

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

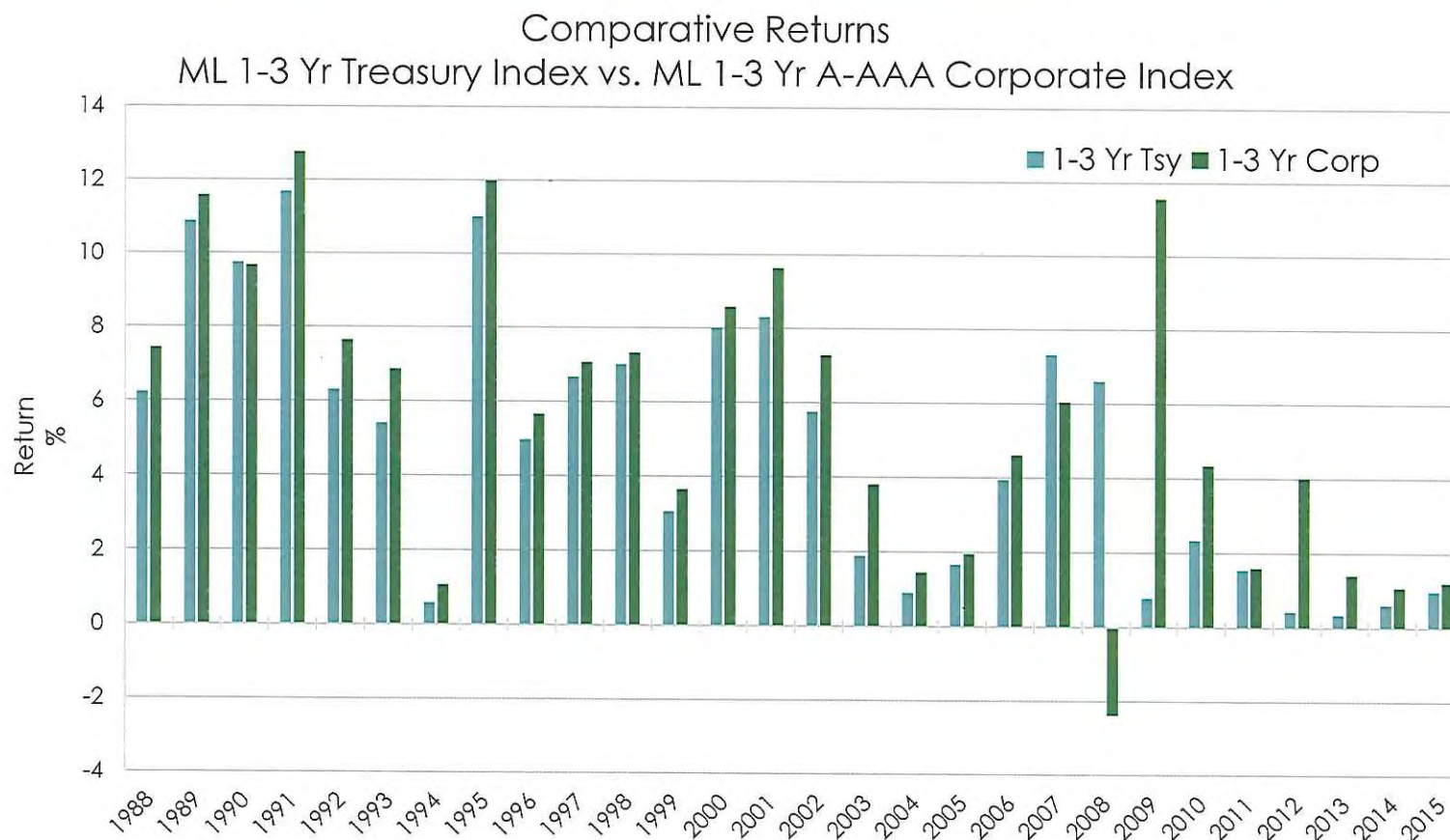
Maturity

- Commercial Paper
 - 270 Days
- Corporate Bonds
 - AA Rated or Better to 5 Year Maturity Maximum
 - A Rated to 3 Year Maturity Maximum
 - LGIP
 - Corporate Bonds and ABS to 397 Days Maximum

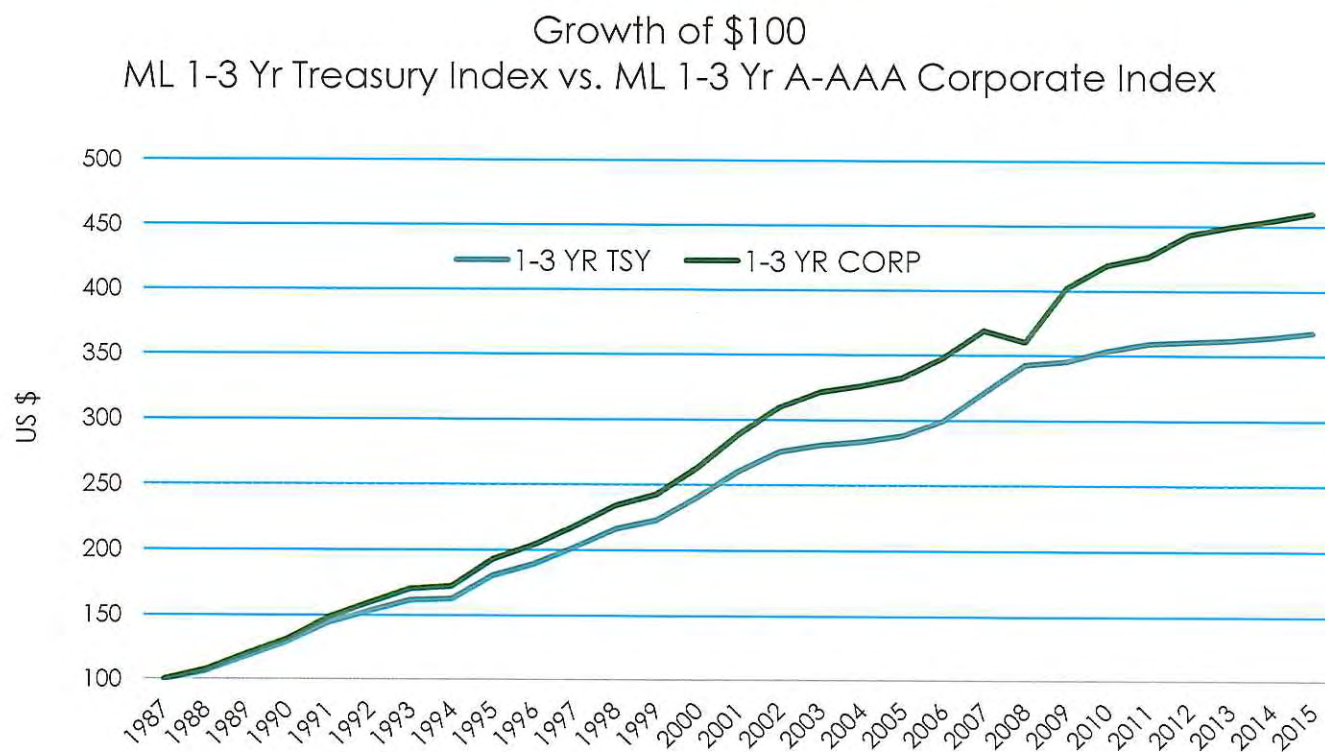
Why Add Credit?

- Eligible investments under NM Statute and Treasurer's Investment Policy.
- Diversify portfolio holdings:
 - Credit vs. structure risk;
 - Credit vs. duration risk:
 - Maintain shorter portfolio durations without sacrificing yield;
 - Advantage in a rising interest rate environment.
 - Provides alternative investment options when other sectors become expensive.
 - Disperse large bank deposit and repo counterparty exposures.
- Adhere to safety and liquidity objectives with a yield bonus:
 - Utilize short, high quality, globally recognized issuers.
- Increase portfolio yields and rates of return over time.

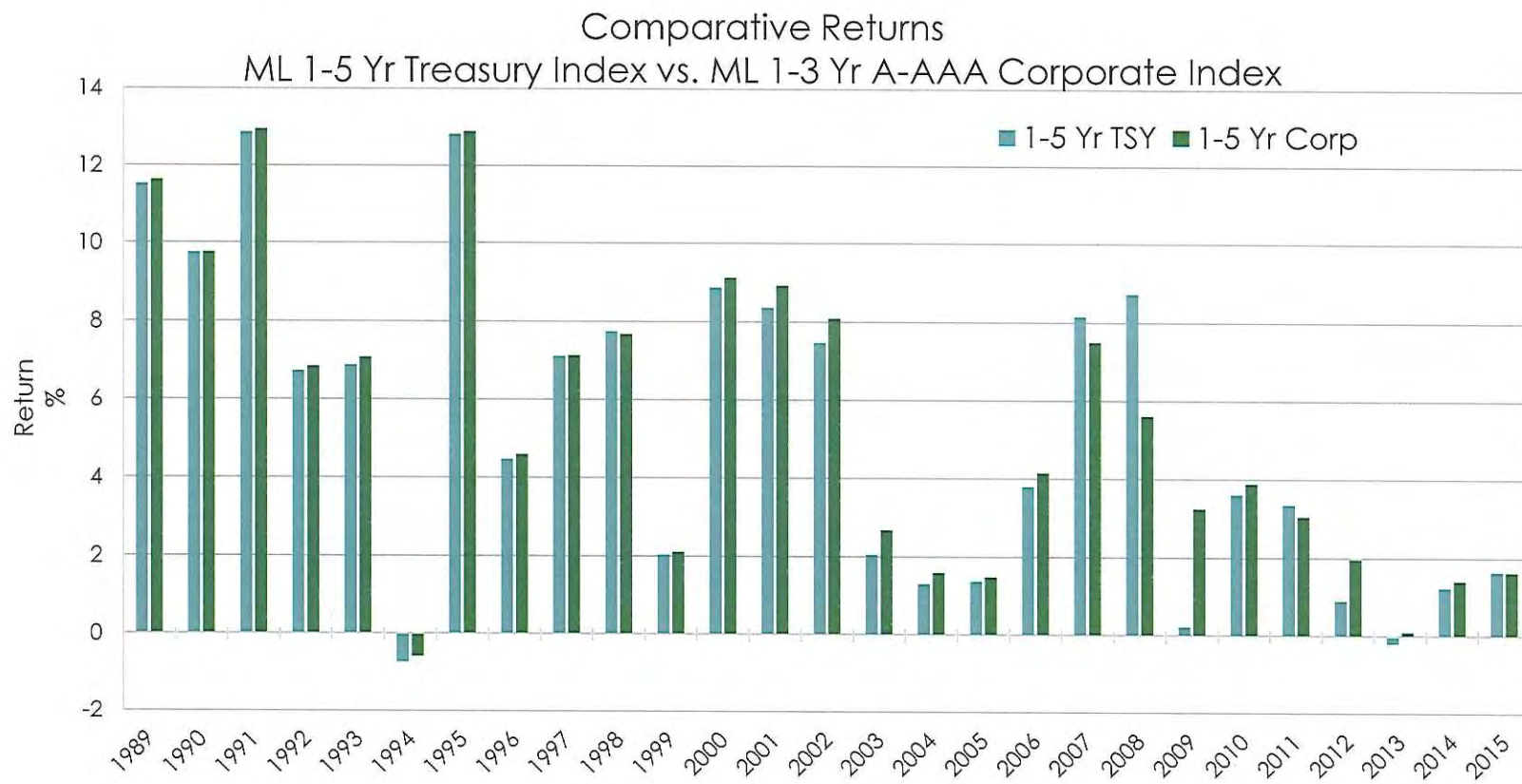
Why Add Credit?



Why Add Credit?



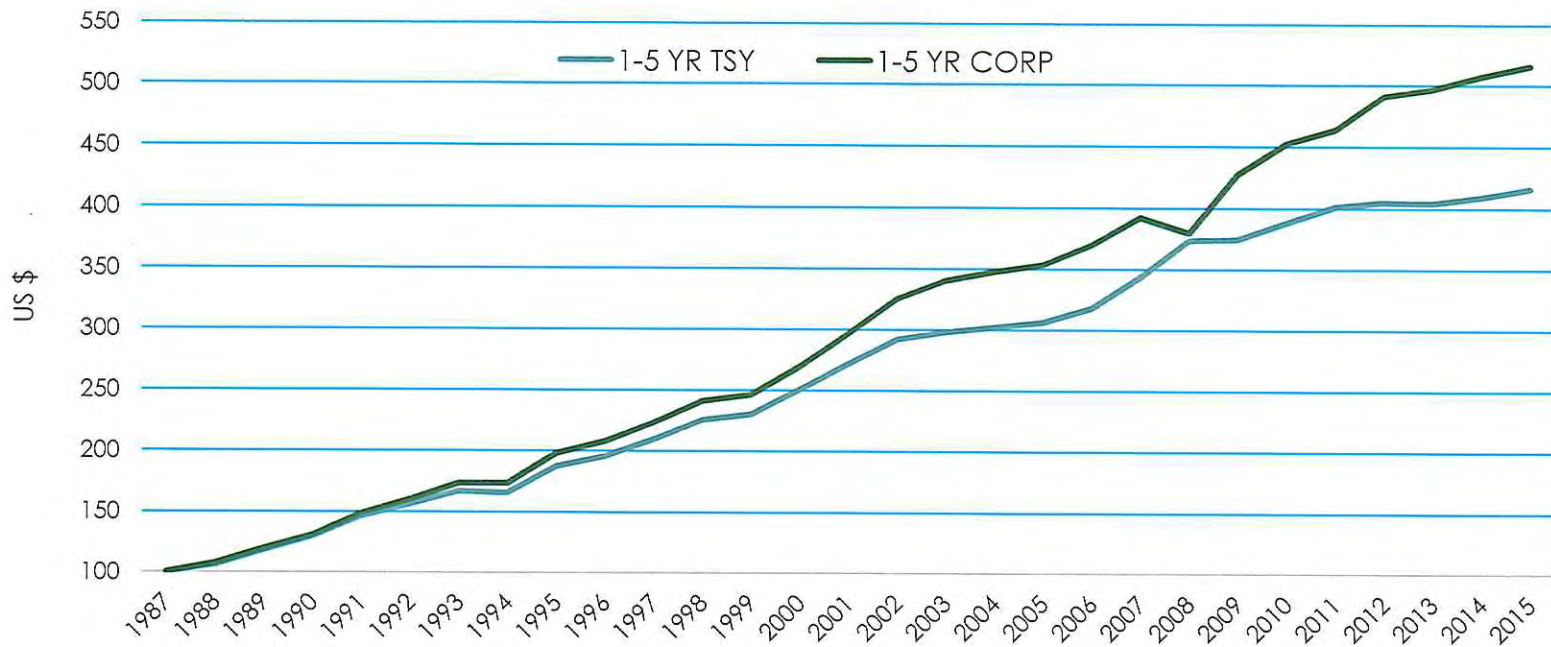
Why Add Credit?



Why Add Credit?

10

Growth of \$100
ML 1-5 Yr Treasury Index vs. ML 1-5 Yr A-AAA Corporate Index



Build Requirements

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

Build Requirements Approved List

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

Build Requirements Procedures

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

Build Requirements Procedures

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

Build Requirements Procedures

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

APPROVED MEDIUM TERM NOTE/CORPORATE BOND ISSUERS

November 10, 2015

	Mkt Cap	Rating/Credit Outlook/Watchlist						Comments:			
Issuer	(Bil)	Moody's		S&P		Fitch					
3M CO	\$93.55	Aa3	NEG	AA-	STABLE	NR	NR				
APPLE INC	\$637.82	Aa1	STABLE	AA+	STABLE	NR	NR				
AUST & NZ BK NY	\$82.76	Aa2	STABLE	AA-	STABLE	AA-	NR				
BERKSHIRE HATHWAY	\$327.10	Aa2	STABLE	AA /*-	NR	A+	STABLE	8/11/15 - S&P WatchList Negative			
CHEVRON CORP	\$166.80	Aa1	STABLE	AA	NEG	NR	NR				
COCA-COLA CO	\$181.26	Aa3	STABLE	AA	NEG	A+	NEG				
COLGATE-PALM CO	\$59.47	Aa3	STABLE	AA-	STABLE	AA-	STABLE				
COMMONW BK AUS	\$126.75	Aa2	STABLE	AA-	STABLE	AA-	NR				
EXXON MOBIL CORP	\$330.64	Aaa	STABLE	AAA	NEG	NR	NR				
GEN ELECTRIC CO	\$283.71	A1	STABLE	AA+	NEG	NR	NR				
IBM CORP	\$146.48	Aa3	STABLE	AA-	STABLE	A+	STABLE				
INTEL CORP	\$153.17	A1	STABLE	A+	STABLE	A+	STABLE				
JOHN DEERE CAP	\$25.39	A2	STABLE	A	STABLE	NR	NR				
JOHNSON & JOHNSON	\$265.03	Aaa	STABLE	AAA	STABLE	AAA	STABLE				
MICROSOFT CORP	\$375.95	Aaa	STABLE	AAA	STABLE	AA+	STABLE				
NORTHERN TRST CO	\$15.95	Aa2	STABLE	A+	STABLE	A+	STABLE				
PEPSICO INC	\$143.72	A1	STABLE	A	STABLE	A	STABLE				
PFIZER INC	\$206.44	A1	STABLE	AA	STABLE	A+	STABLE				
PROCTER & GAMBLE	\$200.58	Aa3	STABLE	AA-	STABLE	NR	NR				
TOYOTA MTR CRED	\$207.58	Aa3	STABLE	AA-	STABLE	A	STABLE				
US BANCORP	\$73.03	A1	STABLE	A+	STABLE	AA	STABLE				
US BANK NA	\$73.03	Aa1	STABLE	AA-	STABLE	AA	STABLE				
WAL-MART STORES	\$214.22	Aa2	STABLE	AA	STABLE	AA	STABLE				
WALT DISNEY CO	\$180.65	A2	STABLE	A	STABLE	A	STABLE				
WELLS FARGO CO	\$267.53	A2	STABLE	A+/*-	NEG	AA-	STABLE	11/3/15 - S&P WatchList Negative			
WELLS FARGO BANK	\$267.53	Aa2	STABLE	AA-	STABLE	AA	STABLE				

APPROVED COMMERCIAL PAPER ISSUERS

November 10, 2015

		Rating/Credit Outlook/Watchlist					Comments:			
Issuer	Moody's		S&P		Fitch					
BANK OF NY CO INC.	P-1	STABLE	A-1	NR	F1+	STABLE				
BANK TOKYO-MIT UFJ NY	P-1	NR	A-1	NR	F1	NR				
BNP PARIBAS NY BRANCH	P-1	STABLE	A-1	NEG	F1	NR	Negative Outlook is for long term debt at A+			
CATERPILLAR FIN SERV CRP	P-1	STABLE	A-1	STABLE	F1	STABLE				
CHEVRON FUNDING CORP	P-1	STABLE	A-1+	NR	NR	NR				
CREDIT AGRICOLE CIB NY	P-1	POS	A-1	NEG	F1	NR	Negative Outlook is for long term debt at A			
CREDIT SUISSE NEW YORK	P-1	NR	A-1	STABLE	F1	POS				
DEERE & COMPANY	P-1	STABLE	A-1	STABLE	NR	NR				
ELI LILLY & CO	P-1	STABLE	A-1+	STABLE	F1	STABLE				
EXXON MOBIL CORP	P-1	STABLE	A-1+	NEG	NR	NR	Negative Outlook is for long term debt at AAA			
HSBC USA INC	P-1	STABLE	A-1	STABLE	F1+	STABLE				
IBM CORP	P-1	STABLE	A-1+	STABLE	F1	STABLE				
JP MORGAN SECURITIES LLC	P-1	STABLE	A-1	STABLE	F1+	STABLE				
KOREA DEVELOPMENT BK NY	P-1	NR	A-1+	NR	F1+	NR				
MUFG UNION BANK NA	P-1	STABLE	A-1	NR	F1	STABLE				
PNC BANK NA	P-1	STABLE	A-1	STABLE	F1	STABLE				
PROCTER & GAMBLE CO	P-1	STABLE	NR	STABLE	NR	NR				
RABOBANK NEDERLAND NV NY	P-1	STABLE	A-1	NEG	NR	NR	Negative Outlook is for long term debt at A+			
TOYOTA MOTOR CREDIT CORP	P-1	STABLE	A-1+	STABLE	F1	STABLE				
UBS FINANCE DELAWARE LLC	P-1	NR	A-1	NR	NR	NR				
USAA CAPITAL CORP	P-1	STABLE	A-1+	STABLE	NR	NR				
US BANK NA	P-1	NR	A-1+	NR	F1+	NR				
WAL-MART STORES INC	P-1	STABLE	A-1+	STABLE	F1+	STABLE				
WALT DISNEY COMPANY	P-1	STABLE	A-1	STABLE	F1	STABLE				
WELLS FARGO & COMPANY	P-1	STABLE	A-1	NR	F1+	STABLE				

My Security Monitor										Approved List [13]		Options					
News Events										Ticker	Curr Px	Time	Pct Chg on Day	5Y Mid Par	CDS Sprd Ref Nm	5 D Chg %	% ID (vs H)
										HIH	158.68	11:06	-0.19%	21.50		+0.94%	
										AAPL	120.9336	11:06	+0.01%	27.00		+1.20%	
										AIIZ AU	25.97	11/ 6	--	76.83		-4.56%	
										BRK/A US Equit	1203680.00	11:03	-0.50%	57.1893		-4.5%	
										CVX	192.45	11:06	-2.22%	45.3161		+1.73%	
										KO	41.73	11:06	-1.42%	25.50		-1.46%	100%
										CL	165.565	11:06	-3.01%	23.1598		-1.18%	70%
										CBA AU	76.59	11/ 6	--	76.83		-0.18%	
										XOH	183.54	11:06	-1.50%	25.10		+0.97%	
										GE	129.675	11:06	+0.12%	33.73		+2.61%	
										IBM	138.14	11:06	-0.32%	53.9576		-1.38%	
										IITC	33.7408	11:06	-0.76%	38.80		-0.35%	
										DE	177.28	11:06	-0.83%	58.3395		-0.92%	
										JNJ	101.1371	11:06	-0.17%	18.5107		+0.11%	
										HSFT	154.735	11:06	+0.65%	35.21		+3.98%	
										IITRS	174.67	11:06	+0.90%			+6.08%	
										PEP	199.205	11:06	-1.40%	37.50		-2.92%	83%
										PFE	133.685	11:06	-1.36%	35.0155		-0.40%	
										PG	175.1862	11:06	-1.58%	27.50		-1.56%	94%
										TH US	122.4806	11:05	-1.91%	24.9618		-0.11%	
										USB	143.63	11:06	+2.35%	63.00		+3.44%	1/2%
										WIT	158.7384	11:06	+0.22%	32.8619		+2.62%	
										DIS	115.50	11:06	+2.21%	16.0476		+1.55%	
										WFC	155.755	11:06	+1.63%	53.6832		+2.98%	

1 Monitor Alert on this Mon