



STATE OF NEW MEXICO
OFFICE OF THE TREASURER

THE HONORABLE TIM EICHENBERG
State Treasurer

SAMUEL K. COLLINS, JR.
Deputy State Treasurer

**STATE TREASURER'S
INVESTMENT COMMITTEE**

State Treasurer's conference room



"Sandia Tram" - New Mexico Tourism Department (Dan Monaghan)

The Sandia Peak Tramway is an engineering marvel. But it is the view from the western slope of the Sandia's that has drawn more than 6-million visitors since the Tram first opened in 1967. The car climbs 4000 feet in about 18 minutes, depositing riders at the top of Sandia Peak. On the Turquoise Trail National Scenic Byway.

Wednesday, November 8, 2017

9:00am



1. Approval of November 8, 2017 Agenda



STATE OF NEW MEXICO
OFFICE OF THE TREASURER

Tim Eichenberg
The Honorable State Treasurer

Sam Collins
Deputy State Treasurer

STATE TREASURER'S INVESTMENT COMMITTEE
Treasurer's Conference Room
Wednesday, November 8, 2017 9:00 a.m.

MEETING AGENDA (5 Min)

Roll Call

1. Approval of November 8, 2017 Agenda
2. Approval of October 11, 2017 Minutes
3. Public Comments

Action
Action

INVESTMENT REPORTS (75 min)

4. Executive Summary (Vikki Hanges)
5. Investment Policy Compliance Report (Arsenio Garduño)
6. Investment Accounting Report (David Mahooty)
7. Cash Projections (Arsenio Garduño)
8. Investment Advisor – September 2017 Quarterly Investment Report (Deanne Woodring)
9. Quarterly Investment Review (Vikki Hanges)
10. Portfolio Summary -- General Fund Investment Pool (Vikki Hanges)
11. Portfolio Summary -- Local Government Investment Pool (LGIP) (Jeremy Landrum)
12. Portfolio Summary -- Tax-Exempt Bond Proceeds Investment Pool (Jeremy Landrum)
13. Portfolio Summary -- Taxable Bond Proceeds Investment Pool (Jeremy Landrum)
14. Portfolio Summary -- Severance Tax Bonding Fund (Vikki Hanges)
15. Broker Dealer Activities
16. Credit Investing (Vikki Hanges)
17. Investment Policies (Vikki Hanges)

Month Ended
September 30, 2017

Informational
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Action

CASH MANAGEMENT
& COLLATERAL REPORTS (10 Min)

18. State Agency Deposit Balances (Arsenio Garduño)
19. Collateral Report on Agency Deposits & CDs (Arsenio Garduño)

Month Ended
September 30, 2017

Informational
Informational

COMMITTEE REPORTS (5 min)

20. Next Meeting –Wednesday, December 13, 2017 9:00 am
21. Adjournment



2. Approval of October 11, 2017 Minutes

**New Mexico State Treasurer's Office
STIC Committee Meeting
Meeting Minutes
Wednesday, October 11, 2017**

ROLL CALL—QUORUM PRESENT:

A regular meeting of the New Mexico State Treasurer's Investment Committee (STIC) was called to order this date at 9:00 a.m. in the conference room of the State Treasurer's Office (STO), 2055 South Pacheco Street, Suite 100, Santa Fe, New Mexico 87505.

Members Present

New Mexico State Treasurer Tim Eichenberg
Ms. Donna Maestas (on behalf of Ms. Leila Kleats, State Board of Finance Director)
Mr. Mark Pike, Public Member

Staff Present

Mr. Samuel Collins, Deputy State Treasurer
Ms. Charmaine Cook, State Cash Manager
Mr. David Mahooty, Investment Accounting and Debt Division Director
Ms. Vikki Hanges, Portfolio Manager Supervisor
Mr. Jeremy Landrum, Portfolio Manager
Mr. Arsenio Garduño, Collateral Manager
Mr. Rick Chavez, Accountant & Auditor O

Guests Present

Mr. Chris Bates (on behalf of Ms. Deanne Woodring, President, Government Portfolio Advisors; via telephone)

On behalf of State Treasurer Tim Eichenberg, Ms. Charmaine Cook called the meeting to order.

1. Approval of October 11, 2017, Agenda

Treasurer Eichenberg moved approval of the agenda. Motion was seconded by Member Mark Pike and passed 3 to 0 by voice vote.

2. Approval of September 13, 2017, Minutes

Member Donna Maestas and Treasurer Eichenberg noted a few corrections needed to the minutes. The rest of the committee concurred. Treasurer Eichenberg moved approval of the minutes with changes. Motion was seconded by Member Pike and passed 3 to 0 by voice vote.

3. Public Comments

None. Ms. Cook introduced Rick Chavez, a new STO employee.

4. Executive Summary

Ms. Vikki Hanges presented highlights of the Executive Summary.

5. Investment Policy Compliance Report

Mr. Arsenio Garduño presented highlights of the Investment Policy Compliance Report.

A brief discussion followed.

6. Investment Accounting Report

Mr. David Mahooty presented highlights of the Investment Accounting Reconciliation Report.

A brief discussion followed.

7. Cash Projections

Mr. Garduño presented highlights of Cash Projections.

8. Portfolio Summary—General Fund Investment Pool

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

11. Portfolio Summary—Taxable Bond Proceeds Investment Pool

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

A brief discussion followed.

12. Portfolio Summary—Severance Tax Bonding Fund

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

13. Broker-Dealer Activities

Ms. Cook presented highlights of the Broker-Dealer Activities.

14. Credit Investing

Ms. Hanges presented highlights of Credit Investing.

Ms. Cook asked if items 17 and 18 could be presented next; the committee concurred.

17. State Agency Deposit Balances

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

A brief discussion followed.

18. Collateral Report on Agency Deposits & CDs

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

A brief discussion followed.

Mr. Garduño and Mr. Chavez left the meeting.

15. Annual Portfolio Benchmark Recommendation FY 2018

Ms. Hanges presented the Annual Portfolio Benchmark Recommendation.

Member Pike moved approval of the Annual Portfolio Benchmark Recommendation to Treasurer Eichenberg. Motion was seconded by Member Maestas and passed 3 to 0 by voice vote. Ms. Hanges will present the recommendation to the State Board of Finance at an upcoming meeting.

16. Investment Policy

Ms. Hanges presented an overview of proposed changes to the Investment Policy and the LGIP Investment Policy, which incorporated changes suggested by the committee. The STIC had no further changes.

A brief discussion followed.

STO staff will proofread the documents once more, then come before the STIC to ask for a vote to recommend approval by the Treasurer at the November STIC meeting.

Next Meeting—Wednesday, November 8, 2017, 9:00 a.m.

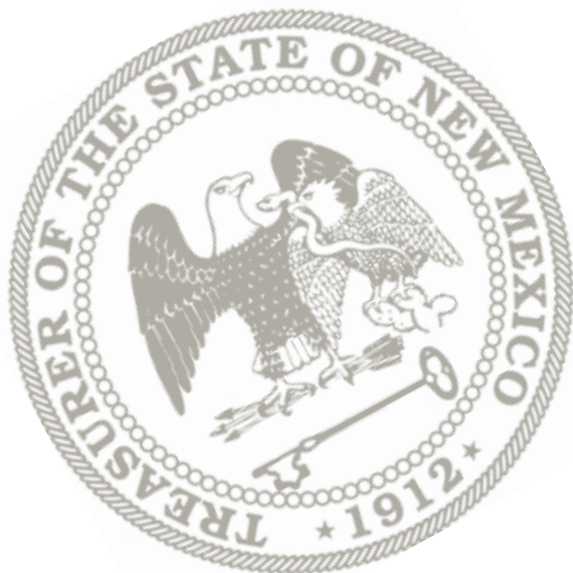
Adjournment

Meeting adjourned at 10:20 a.m.

Minutes were taken by Ms. Julie Filatoff



3. Public Comments



4. Executive Summary

Executive Summary

- At the end of September, the State Treasurer managed \$3.6 billion in assets.
- During the month, the office earned approximately \$3.3 million on its investment positions.
- On a mark-to-market basis the portfolios decreased \$4.2 million.
- US equity markets continued to reach record highs with the S&P 500 Index up almost 2%.
- US Treasury yields were higher across all maturities as the Fed indicated a December rate hike was still possible.
- Oil prices rose by 9.4% during the month of September, climbing to \$51.67.
- The US dollar was a bit stronger vs. the euro during September, up almost 1%, to close at 1.1814.

Table 1 – Comparative Interest Rates

US Treasury Yields

			<i>Monthly</i>
<i>Maturity</i>	<i>8/31/2017</i>	<i>9/30/2017</i>	<i>Change</i>
3-Month	0.99%	1.04%	0.05%
6-Month	1.07%	1.19%	0.12%
1-Year	1.22%	1.29%	0.07%
2-Year	1.33%	1.48%	0.15%
3-Year	1.43%	1.62%	0.19%
5-Year	1.70%	1.94%	0.24%
10-Year	2.12%	2.33%	0.21%
30-Year	2.73%	2.86%	0.13%

Source: Bloomberg LP

Portfolio Mark-to-Market and Monthly Change

With lower market yields, the STO portfolios had negative 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>
General Funds	\$(1.1) million	Decreased \$2.8 million
Bond Proceeds Funds	\$(2.4) million	Decreased \$1.3 million
Local Government Investment Pool	Not Material	Not Material
Severance Tax Bonding Fund	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>
General Fund Liquidity	1.00%	0.01 Years		
General Fund CORE	1.54%	2.00 Years	2.15 Years	93%
Bond Proceeds – Tax Exempt	1.19%	1.27 Years	1.38 Years	92%
Bond Proceeds – Taxable	1.14%	1.08 Years	1.38 Years	78%
Local Government Investment Pool	1.06%	0.12 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	0.24%	0.58%
S&P Government Pools Index (Gross)	<u>0.26%</u>	<u>0.72%</u>
Relative Performance (BPs)	(0.02)%	(0.14)%
General Fund CORE	0.27%	0.16%
BAML 0-5 US Treasury	<u>0.29%</u>	<u>0.10%</u>
Relative Performance (BPs)	(0.02)%	0.06%
Bond Proceeds - Tax Exempt	0.27%	0.58%
BAML 0-3 US Treasury	<u>0.26%</u>	<u>0.39%</u>
Relative Performance (BPs)	0.01%	0.19%
Bond Proceeds - Taxable	0.31%	0.60%
BAML 0-3 US Treasury	<u>0.26%</u>	<u>0.39%</u>
Relative Performance (BPs)	0.05%	0.21%
Local Government Investment Pool	0.26%	0.69%
S&P Government Pools Index (Gross)	<u>0.26%</u>	<u>0.72%</u>
Relative Performance (BPs)	0.00%	(0.03)%
Severance Tax Bonding Fund	0.39%	0.84%
S&P Government Pools Index (Gross)	<u>0.26%</u>	<u>0.72%</u>
Relative Performance (BPs)	0.13%	0.12%

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, 2017

<i>Fund</i>	<i>Investment Net Earnings⁶</i>		
	<i>Sept FY'18</i>	<i>FY'18 YTD</i>	<i>FY'17 YTD</i>
<i>General Funds</i>	\$1,616,883	\$4,833,508	\$3,565,801
<i>Bond Proceeds Funds</i>	\$971,759	\$2,683,796	\$2,761,346
<i>Local Government Investment Pool⁷</i>	\$672,481	\$2,122,026	\$803,784
<i>Severance Tax Bonding Fund</i>	\$85,872	\$164,791	\$39,211

Source: QED

- The General Funds investment earnings increased by \$1.2 million in FY2018 vs. the same period in FY2017 as a result of higher short term interest rates and larger balances. The GF Core is a smaller percentage of the total Pool, falling to 50% from 68%. The GF Pool is about \$450 million higher in market value than it was at the end of September FY'17.
- Bond Proceeds funds have decreased investment earnings by less than \$100,000 as a result of lower balances.
- The LGIP increased investment earnings by more than \$1.3 million vs. the same period in FY2017 as a result of higher interest rates and larger balances.
- The Severance Tax Bonding Fund increased earnings as a result of higher interest rates and larger balances.

Compensating Balances at Fiscal Agent Bank

During September, STO maintained Average Daily Collected Balances at the Fiscal Agent Bank of approximately \$32 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>	\$32,159,887
<i>Earnings Credit Rate</i>	1.02%
<i>Monthly Earnings</i>	\$26,961
<i>Estimated Fiscal YTD Earnings</i>	\$89,507

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

The fixed income markets had a difficult September as interest rates rose across the yield curve. The Federal Reserve upset the dovish mood by announcing that a short term interest rate increase is still possible for December of this year. Bond market participants had abandoned the idea, holding the probability at 30%, until the post September Federal Opening Market Committee comments, pushing the percentage expectation of a rate hike in December to 84%.

The flight to quality that had boosted fixed income markets the past few months has dissipated. North Korea has been strangely quiet on the missile front and the worst of the hurricanes are hopefully behind us. The rebuilding could help spur economic growth. The elephant in the room has now shifted to the President's choice for the next Federal Reserve Chairperson. With several candidates in the running, as well as the incumbent, there are diverging opinions as to where interest rates should be. The markets are gearing up for the potential that a more hawkish pick could lead to higher yields and lower prices for fixed income securities. Tax reform has also emerged as a potential deterrent to keeping interest rates low.

The fixed income markets have continued to sell off in October as investors take further steps to price in higher interest rates. Equity markets continue to soar, reaching fresh highs almost every day, also putting pressure on bond performance. The STO portfolios have been targeting duration close to 90% of their benchmarks, as cash flows allow. Agency securities continue to offer little yield advantage vs. Treasuries in most maturities. Municipal securities are trading through Treasury yields and have become unattractive as alternative investments. Short corporate commercial paper and new issue high quality corporate notes have been used to increase overall portfolio yields. As always the investment philosophy employed is to maintain safety, liquidity and yield, in that order.

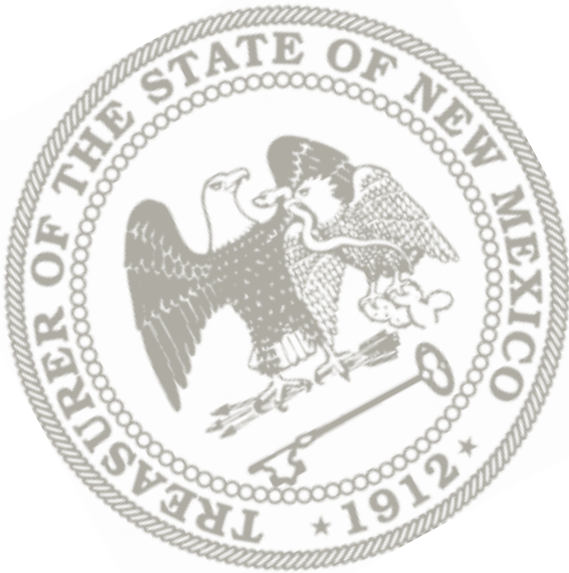
Vikki Hanges
Portfolio Manager

New Mexico State Treasurer
 Monthly Fund Summary Report
 (Unaudited)
 As of September 30, 2017

General Fund	Holdings			Performance				Monthly Earnings			YTD Earnings		
	Cost Basis	Market Value	Unrealized Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Earnings	Change in Gain/Loss	Total	Earnings	Change in Gain/Loss	Total
General Fund													
<i>Sub-Account</i>	<i>Cost Basis</i>	<i>Market Value</i>	<i>Unrealized Gain/Loss</i>	<i>12-Month Total Return</i>	<i>Benchmark</i>	<i>Index Return</i>	<i>Relative Performance</i>	<i>Earnings</i>	<i>Change in Gain/Loss</i>	<i>Total</i>	<i>Earnings</i>	<i>Change in Gain/Loss</i>	<i>Total</i>
Cash Balances	\$ 36,400,067	\$ 36,400,067	\$ -										
Liquidity	894,473,864	894,475,069	1,205	0.58%	S&P LGIP Gross	0.72%	-0.14%	\$ 531,058	\$ 1,035	\$ 532,093	\$ 1,817,607	\$ (3,395)	\$ 1,814,212
CORE	886,352,991	885,225,320	(1,127,671)	0.16%	ML Treasury 0-5	0.10%	0.06%	1,085,825	(2,862,582)	(1,776,757)	3,015,902	(1,053,743)	1,962,159
TRAN	-	-	-	0.00%	All-In Tran TIC	0.00%	0.00%	-	-	-	-	-	-
Totals	\$ 1,817,226,922	\$ 1,816,100,456	\$ (1,126,466)	0.37%	Blended	0.41%	-0.04%	\$ 1,616,883	\$ (2,861,547)	\$ (1,244,664)	\$ 4,833,508	\$ (1,057,138)	\$ 3,776,370
Bond Proceeds Investment Pool (BPIP)													
<i>Sub-Account</i>	<i>Cost Basis</i>	<i>Market Value</i>	<i>Unrealized Gain/Loss</i>	<i>12-Month Total Return</i>	<i>Benchmark</i>	<i>Index Return</i>	<i>Relative Performance</i>	<i>Earnings</i>	<i>Change in Gain/Loss</i>	<i>Total</i>	<i>Earnings</i>	<i>Change in Gain/Loss</i>	<i>Total</i>
Tax-Exempt	\$ 612,799,835	\$ 611,212,735	\$ (1,587,100)	0.58%	ML Treasury 0-3	0.39%	0.19%	\$ 607,173	\$ (937,391)	\$ (330,218)	\$ 1,553,177	\$ (197,907)	\$ 1,355,270
Taxable	346,336,247	345,492,453	(843,794)	0.60%	ML Treasury 0-3	0.39%	0.21%	364,586	(372,053)	(7,467)	\$ 1,130,620	92,839	1,223,459
Totals	\$ 959,136,082	\$ 956,705,188	\$ (2,430,894)	0.59%	Blended	0.39%	0.20%	\$ 971,759	\$ (1,309,444)	\$ (337,685)	\$ 2,683,796	\$ (105,068)	\$ 2,578,728
Local Government Investment Pool (LGIP)													
<i>Sub-Account</i>	<i>Cost Basis</i>	<i>Market Value</i>	<i>Unrealized Gain/Loss</i>	<i>12-Month Total Return</i>	<i>Benchmark</i>	<i>Index Return</i>	<i>Relative Performance</i>	<i>Earnings</i>	<i>Change in Gain/Loss</i>	<i>Total</i>	<i>Earnings</i>	<i>Change in Gain/Loss</i>	<i>Total</i>
LGIP (See Note 5)	\$ 740,959,981	\$ 740,929,252	\$ (30,729)	0.69%	S&P LGIP Gross	0.72%	-0.03%	\$ 672,481	\$ 601	\$ 673,082	\$ 2,122,026	\$ 157,721	\$ 2,279,747
Severance Tax Bonding Fund													
<i>Sub-Account</i>	<i>Cost Basis</i>	<i>Market Value</i>	<i>Unrealized Gain/Loss</i>	<i>12-Month Total Return</i>	<i>Benchmark</i>	<i>Index Return</i>	<i>Relative Performance</i>	<i>Earnings</i>	<i>Change in Gain/Loss</i>	<i>Total</i>	<i>Earnings</i>	<i>Change in Gain/Loss</i>	<i>Total</i>
STBF	\$ 112,078,119	\$ 112,078,710	\$ 591	0.84%	S&P LGIP Gross	0.72%	0.12%	\$ 85,872	\$ 2,316	\$ 88,188	\$ 164,791	\$ 3,308	\$ 168,099
Estimated Totals (all funds)													
		\$ 3,625,813,606	\$ (3,587,498)					3,346,994	\$ (4,168,074)	\$ (821,080)	\$ 9,804,121	\$ (1,001,177)	\$ 8,802,944

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 Policy Compliance Report

KEY		
FUND	1000	GENERAL FUND LIQUIDITY
FUND	1001	GENERAL FUND CORE
FUND	1101	OVERNIGHT REPO
FUND	4000	BPIP TAX EXEMPT
FUND	4001	SEVERANCE TAX BONDING FUND
FUND	4002	BPIP TAXABLE
FUND	4101	LGIP

Investment Compliance Review

Primary and Secondary Bond Purchases/ Sales

During the month of September

Table 1 - Primary/Secondary Market Volume - September 2017

Primary Bond Volume	\$244,300,000	42%
Secondary Bond Volume	<u>\$337,475,000</u>	<u>58%</u>
Total	\$581,775,000	100%

Source: QED

The totals above exclude repurchase agreement volume which averaged 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 \$166,480,000.

Table 2 - Variable Rate Note Holdings - September, 2017

General Fund	\$0
Tax Exempt BPIP	\$0
Taxable BPIP	\$3,000,000
LGIP	\$163,480,000
STBF	\$0
Total Holdings	\$166,480,000

Source: QED

These positions are held in corporate and agency variable rate 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 6 sales which resulted in realized gains/losses.

Table 1 - Realized Gains and Losses on Securities Sold – September 2017

Trade Date	Account	Par Amount	Security	Realized G/L
9/11/2017	LGIP	5,000,000	FFCB .940 4/25/19	2,625.40
9/12/2017	BPIP TX	10,000,000	T 2.750 12/31/17	2.45
9/12/2017	BPIP TX	3,455,000	NMFA 4.000 6/01/18	11,742.61
9/14/2017	BPIP TX	25,000,000	FHLB .626 1/08/18	15,898.75
9/22/2017	STB	17,500,000	T 10/26/17	1,030.17
9/26/2017	STB	25,000,000	T 10/19/17	2,215.28
Total Realized gain (loss)				33,514.66

Trade Documentation

Purchase/Sales Activity¹

There were a total of 43 security trades tracked during the month of September by the Trade Compliance Officer.

Table 2 – Securities Trades – September 2017

	Quantity	Par-Value	Cost/Proceeds	Realized Gain/Loss
Purchases	37	495,820,000	495,128,505	0
Sales	6	85,955,000	86,071,488	33,515
Totals:	43	581,775,000	581,199,993	33,515

Trade documentation and Investment Processing Compliance

All trades have been accounted for 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.

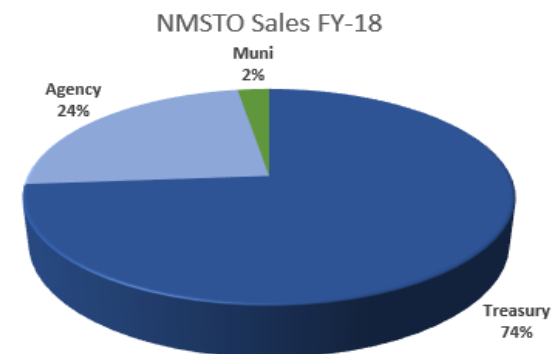
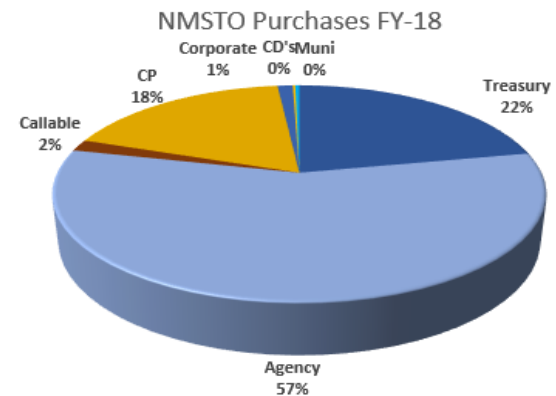
STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 9/01/17 Through 9/30/17

TXN-DATE	CUSIP#	ASSET-TYPE	INVST#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
PURCHASE TRANSACTIONS													
9/06/17	30229AZF	COMMERCIAL PAPE	28653	EXXON MOBIL		12/15/17	1.1335	ISSUER DIRECT	4001	2,800,000.00	2,791,299.00		
9/08/17	30229AX4	COMMERCIAL PAPE	28678	EXXON MOBIL - CP		10/04/17	1.0908	ISSUER DIRECT	1000	25,000,000.00	24,982,590.28		
9/08/17	36960LWV	COMMERCIAL PAPE	28679	GENERAL ELECTRIC CO - C		9/29/17	1.1206	ISSUER DIRECT	1000	25,000,000.00	24,986,000.00		
9/12/17	89233GXD	COMMERCIAL PAPE	28694	TOYCC CP		10/13/17	1.1511	BROKER DIRECT	1000	25,000,000.00	24,976,041.67		
9/14/17	7426M3C8	COMMERCIAL PAPE	28712	PEFCO CP		3/08/18	1.3285	WILLIAMS CAPITA	1001	20,000,000.00	19,872,400.00		
9/20/17	30229AXJ	COMMERCIAL PAPE	28753	EXXON MOBIL		10/18/17	1.1109	ISSUER DIRECT	4002	12,000,000.00	11,990,010.00		
9/20/17	89233GXL	COMMERCIAL PAPE	28752	TOYOTA MOTOR CREDIT COR		10/20/17	1.1410	ISSUER DIRECT	4002	10,000,000.00	9,990,816.67		
9/21/17	30229AZF	COMMERCIAL PAPE	28653	EXXON MOBIL		12/15/17	1.1330	ISSUER DIRECT	4001	1,100,000.00	1,097,099.67		
9/21/17	36960LWV	COMMERCIAL PAPE	28777	GENERAL ELECTRIC CO - C		9/29/17	1.0802	ISSUER DIRECT	4001	1,100,000.00	1,099,769.00		
9/21/17	89233GZK	COMMERCIAL PAPE	28776	TOYOTA MOTOR CREDIT COR		12/19/17	1.2136	ISSUER DIRECT	4001	1,100,000.00	1,096,746.44		
9/27/17	7426M2ZT	COMMERCIAL PAPE	28588	PEFCO - CP		12/27/17	1.1734	WILLIAMS CAPITA	4001	1,200,000.00	1,196,490.00		
9/07/17	912796LB	U.S. TREASURY B	28668	UNITED STATES TREASURY		12/07/17	1.0286	WELLS FARGO SEC	4001	2,500,000.00	2,493,587.50		
9/21/17	912796MH	U.S. TREASURY B	28775	UNITED STATES TREASURY		12/21/17	1.0236	BB&T CAPITAL MA	4001	10,000,000.00	9,974,475.00		
9/22/17	912796MJ	U.S. TREASURY B	28786	UNITED STATES TREASURY		12/28/17	1.0458	HSBC	4001	18,000,000.00	17,952,543.54		
9/26/17	912796MJ	U.S. TREASURY B	28786	UNITED STATES TREASURY		12/28/17	1.0478	GUGGENHEIM SECU	4001	20,000,000.00	19,946,588.89		
9/01/17	912828L2	US TREASURY NOT	28642	UNITED STATES TREASURY	1.875	8/31/22	1.7535	BARCLAYS	1001	20,000,000.00	20,115,625.00		
9/05/17	037833CZ	CORPORATE BONDS	28652	APPLE INC.	1.500	9/12/19	1.5438	DEUTSCHE BANK S	1001	10,000,000.00	9,991,400.00		
9/06/17	037833CZ	CORPORATE BONDS	28660	APPLE INC.	1.500	9/12/19	1.5438	CASTLEOAK SECUR	4000	10,000,000.00	9,991,400.00		
9/07/17	3130ACE2	AGENCY US BOND	28667	FEDERAL HOME LOAN BANK	1.375	9/28/20	1.4828	HSBC	1001	7,000,000.00	6,977,530.00		
9/12/17	3133EFWV	AGENCY US BOND	28695	FEDERAL FARM CREDIT BAN	.875	12/27/17	1.0702	WELLS FARGO SEC	4001	1,240,000.00	1,239,295.88		
9/21/17	3133EEFE	AGENCY US BOND	28771	FEDERAL FARM CREDIT BAN	1.125	12/18/17	1.1217	BOSC, INC	4001	1,000,000.00	1,000,000.00		
9/25/17	3130A8QM	AGENCY US BOND	28795	FEDERAL HOME LOAN BANKS	.700	1/12/18	1.1283	BOSC, INC	1001	6,580,000.00	6,571,775.00		
9/26/17	3130A5JG	AGENCY US BOND	28807	FEDERAL HOME LOAN BANKS	.850	12/29/17	1.0715	CASTLEOAK SECUR	4101	13,500,000.00	13,492,301.76		
9/27/17	3133EDG8	AGENCY US BOND	28823	FEDERAL FARM CREDIT BAN	1.250	4/03/18	1.2500	BOSC, INC	4101	1,000,000.00	1,000,000.00		
9/06/17	880590ME	AGENCY US DISC	28651	TENNESSEE VALLEY AUTHOR		9/26/17	1.0056	TD SECURITIES	4101	5,000,000.00	4,997,208.33		
9/07/17	313385NU	AGENCY US DISC	28669	FEDERAL HOME LOAN BANKS		11/03/17	1.0317	WILLIAMS CAPITA	4101	14,000,000.00	13,977,568.89		
9/19/17	880590MU	AGENCY US DISC	28729	TENNESSEE VALLEY AUTHOR		10/10/17	1.0106	TD SECURITIES	4101	34,000,000.00	33,979,968.33		
9/21/17	313385QV	AGENCY US DISC	28774	FEDERAL HOME LOAN BANKS		12/22/17	1.0478	DAIWA CAPITAL M	4001	10,000,000.00	9,973,584.72		
9/22/17	313313MD	AGENCY US DISC	28778	FEDERAL FARM CREDIT BAN		9/25/17	1.0001	JEFFRIES & CO	4101	60,000,000.00	59,995,000.00		
9/25/17	313385ME	AGENCY US DISC	28787	FEDERAL HOME LOAN BANKS		9/26/17	1.0000	BMO CAPTIAL MAR	4101	60,000,000.00	59,998,333.33		
9/27/17	880590NB	AGENCY US DISC	28821	TENNESSEE VALLEY AUTHOR		10/17/17	1.0005	TD SECURITIES	1000	35,000,000.00	34,981,527.78		
9/20/17	313586RC	AGENCY US BOND	23818	FEDERAL NATIONAL MORTGA		10/09/19	1.7771	KEYBANC CAPITAL	1001	10,000,000.00	9,648,500.00		
9/15/17	3134G9Q6	AGENCY US NOTES	28721	FEDERAL HOME LOAN MORTG	1.050	7/27/18	3.0841	BB&T CAPITAL MA	4101	700,000.00	698,453.00		10/27/17
9/26/17	3134G9TA	AGENCY US NOTES	28804	FEDERAL HOME LOAN MORTG	5.000	12/29/17	1.0614	LOOP CAPITAL MA	4001	5,000,000.00	5,050,025.00		
9/27/17	3135G0TG	AGENCY US NOTES	28623	FEDERAL NATIONAL MORTGA	.875	2/08/18	1.1206	BMO CAPTIAL MAR	4101	10,000,000.00	9,991,050.00		
9/22/17	191216BF	CORP US NOTE 30	28785	THE COCA-COLA COMPANY	1.650	11/01/18	1.4380	KEYBANC CAPITAL	1001	5,000,000.00	5,011,500.00		
9/07/17	GISDGO17	MUNICIPAL BOND	28670	GADSDEN ISD GO ETC 2017	1.282	10/19/17	1.2741	ISSUER DIRECT	1000	2,000,000.00	2,000,000.00		
37 PURCHASES DURING PERIOD TOTAL.....										495,820,000.00	495,128,504.68		

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 9/01/17 Through 9/30/17

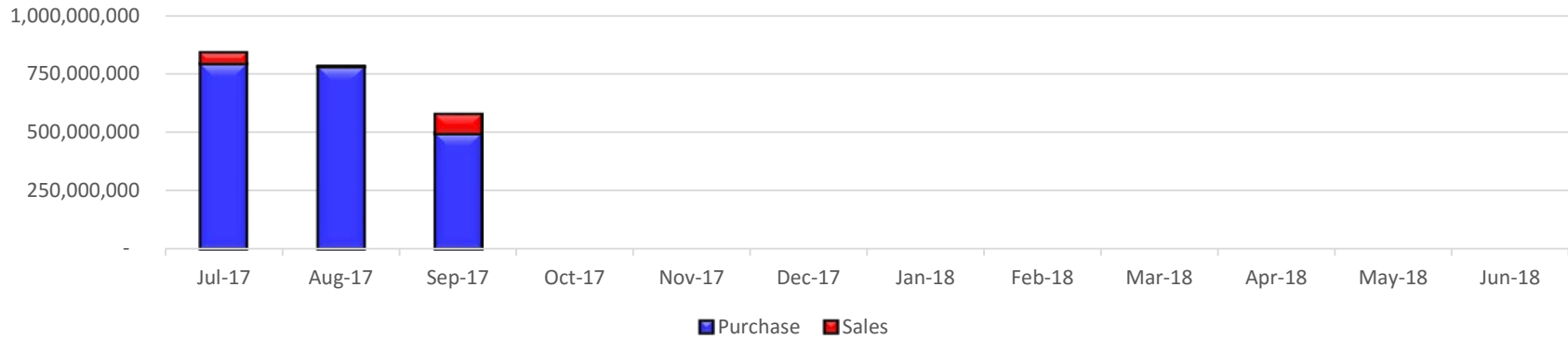
TXN-DATE	CUSIP#	ASSET-TYPE	INVST#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
<u>SALE TRANSACTIONS</u>													
9/22/17	912796LZ	U.S. TREASURY B	27781	UNITED STATES TREASURY		10/26/17		DEUTSCHE BANK S	4001	17,500,000.00	17,486,906.15	1,030.17	
9/26/17	912796LY	U.S. TREASURY B	28315	UNITED STATES TREASURY		10/19/17		BARCLAYS	4001	25,000,000.00	24,985,715.28	2,215.28	
9/12/17	912828PN	US TREASURY NOT	24730	UNITED STATES TREASURY	2.750	12/31/17		RBS	4002	10,000,000.00	10,047,815.60	2.45	
9/11/17	3133EHGU	AGENCY US VARIA	27758	FEDERAL FARM CREDIT BAN	.940	4/25/19		BARCLAYS	4101	5,000,000.00	5,001,614.75	2,625.40	
9/14/17	3130A8Q6	AGENCY US VARIA	25882	FEDERAL HOME LOAN BANK	.626	1/08/18		INTL FCSTONE PA	4002	25,000,000.00	25,015,898.75	15,898.75	
9/12/17	64711NM2	MUNI US 30/360	26896	NEW MEXICO FIN AUTH REV	4.000	6/01/18		MORGAN STANLEY	4002	3,455,000.00	3,533,497.60	11,742.61	
6 SALES DURING PERIOD TOTAL.....										85,955,000.00	86,071,448.13	33,514.66	
=== GRAND-TOTAL ==>										581,775,000.00	581,199,952.81	33,514.66	
*** END-OF-REPORT ***													

NM STO Trade Activity FY 2018			Sep-17	
Purchase	Volume	Trades	Volume	Trades
Treasury	453,500,000	29	70,500,000	5
Agency	1,172,339,000	77	273,320,000	16
Callable	35,595,000	5	700,000	1
CP	371,400,000	30	124,300,000	11
Corporate	25,000,000	3	25,000,000	3
CD's	4,000,000	2		
Muni	6,650,000	3	2,000,000	1
Total Purchase	2,068,484,000	149	495,820,000	37
Sale	Volume	Trades	Volume	Trades
Treasury	102,500,000	60	52,500,000	3
Agency	33,000,000	3	30,000,000	2
Callable				
CP				
Corporate				
Muni	3,455,000	1	3,455,000	1
Total Sale	138,955,000	64	85,955,000	6
Total Volume	2,207,439,000	213	581,775,000	43
LGIP Repo			LGIP Repo	
Overnight	2,420,000,000	53	790,000,000	20
Term	1,230,000,000	22	245,000,000	5
	3,650,000,000	75	1,035,000,000	25



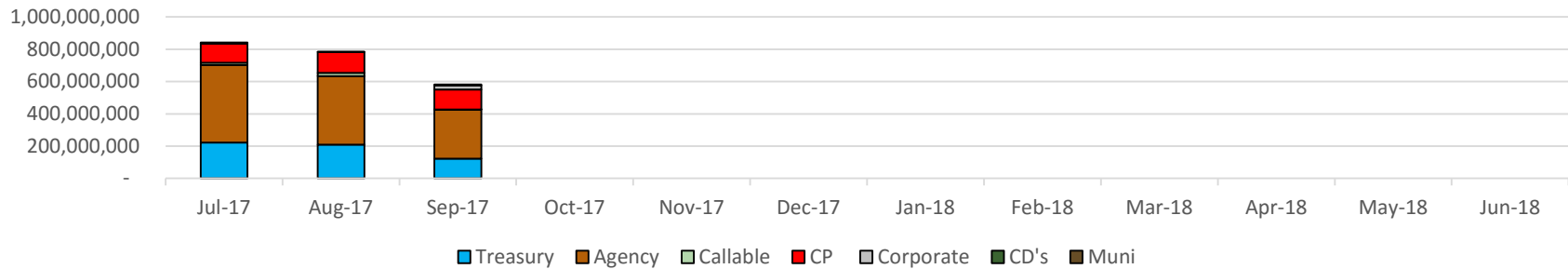
Purchase	GF LIQUIDITY (1000)		GF CORE (1001)		BPIP TE (4000)		BPIP TX (4002)		STB (4001)		LGIP (4101)	
	Volume	Trades	Volume	Trades	Volume	Trades	Volume	Trades	Volume	Trades	Volume	Trades
Treasury			20,000,000	1					50,500,000	4		
Agency	35,000,000	1	23,580,000	3					17,240,000	4	197,500,000	8
Callable											700,000	1
CP	75,000,000	3	20,000,000	1			22,000,000	2	7,300,000	5		
Corporate			15,000,000	2	10,000,000	1						
CD's												
Muni	2,000,000	1										
Total Purchase	112,000,000	5	78,580,000	7	10,000,000	1	22,000,000	2	75,040,000	13	198,200,000	9
Sale	Volume	Trades	Volume	Trades	Volume	Trades	Volume	Trades	Volume	Trades	Volume	Trades
Treasury							10,000,000	1	42,500,000	2		
Agency							25,000,000	1			5,000,000	1
Callable												
CP												
Corporate												
Muni							3,455,000	1				
Total Sale							38,455,000	3			5,000,000	1
Total Volume	112,000,000	5	78,580,000	7	10,000,000	1	60,455,000	5	75,040,000	13	203,200,000	10
LGIP												
Overnight											790,000,000	20
Term											245,000,000	5
											1,035,000,000	25

Fiscal Year 18 Trade Volume by Month



	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
Treasury	223,000,000	210,000,000	123,000,000	-	-	-	-	-	-	-	-	-
Agency	478,383,000	423,636,000	303,320,000	-	-	-	-	-	-	-	-	-
Callable	15,000,000	19,895,000	700,000	-	-	-	-	-	-	-	-	-
CP	118,200,000	128,900,000	124,300,000	-	-	-	-	-	-	-	-	-
Corporate	-	-	25,000,000	-	-	-	-	-	-	-	-	-
CD's	4,000,000	-	-	-	-	-	-	-	-	-	-	-
Muni	4,000,000	650,000	5,455,000	-	-	-	-	-	-	-	-	-
	842,583,000	783,081,000	581,775,000	-	-	-	-	-	-	-	-	-

Fiscal Year 18 Trade Asset Allocation by Month



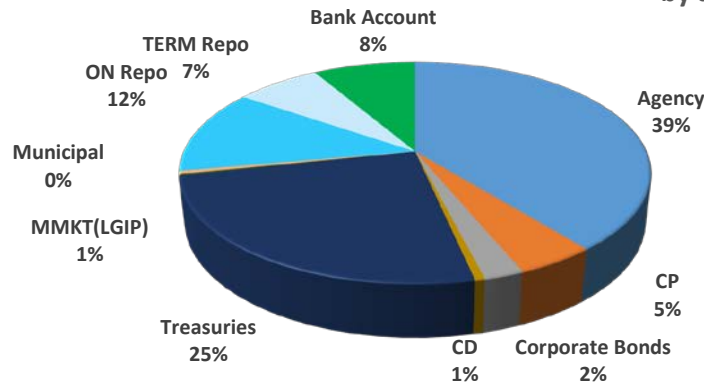
NM State Treasurer Office Security Holding by Portfolio

September 30, 2017

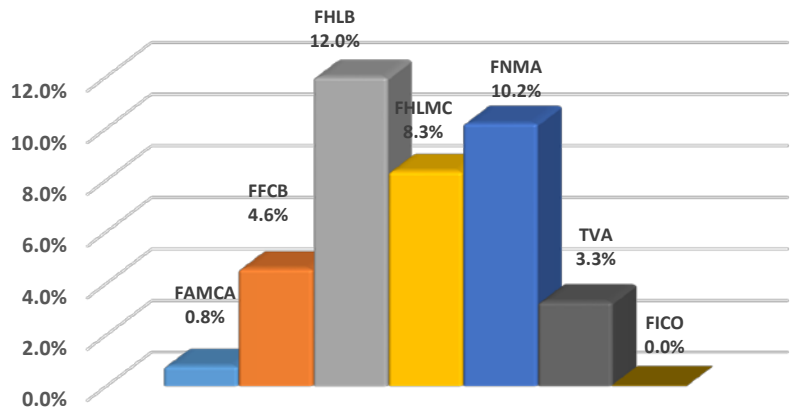
Values are based on position holdings

	<u>GF LIQ</u>	<u>GF CORE</u>	<u>BPIP TE</u>	<u>BPIP TX</u>	<u>STB</u>	<u>LGIP</u>	<u>STO Holdings</u>	
Portfolio Balance	894,362,159	887,530,209	613,006,784	346,126,805	112,243,255	731,074,290	3,584,343,504	
Agency	35,000,000	312,554,000	294,930,000	227,495,000	37,778,000	495,400,000	1,403,157,000	39.1%
FAMCA	-	23,000,000	5,000,000	-	-	-	28,000,000	0.8%
FFCB	-	8,000,000	20,000,000	15,500,000	2,240,000	118,010,000	163,750,000	4.6%
FHLB	-	74,830,000	91,085,000	84,500,000	24,460,000	154,510,000	429,385,000	12.0%
FHLMC	-	42,620,000	104,750,000	21,495,000	7,700,000	122,155,000	298,720,000	8.3%
FNMA	-	164,104,000	59,590,000	103,000,000	3,378,000	35,386,000	365,458,000	10.2%
TVA	35,000,000	-	14,505,000	3,000,000	-	65,339,000	117,844,000	3.3%
FICO	-	-	-	1,000,000	-	-	1,000,000	0.0%
CP	50,700,000	60,000,000	15,000,000	22,000,000	17,600,000	-	165,300,000	4.6%
Corporate Bonds	-	32,500,000	29,500,000	19,773,000	-	-	81,773,000	2.3%
CD	-	7,500,000	1,500,000	11,700,000	-	-	20,700,000	0.6%
Treasuries	-	462,750,000	245,000,000	32,500,000	50,500,000	100,000,000	890,750,000	24.9%
Municipal	-	1,905,000	3,630,000	3,650,000	-	-	9,185,000	0.3%
MMKT(LGIP)	-	-	9,876,306	4,935,318	1,764,557	-	16,576,181	0.5%
ON Repo	316,918,692	10,321,209	13,570,478	23,073,488	4,536,959	75,000,000	443,420,826	12.4%
TERM Repo	200,000,000	-	-	-	-	50,000,000	250,000,000	7.0%
Bank Account	291,743,467	-	-	-	63,739	10,674,290	302,481,497	8.4%

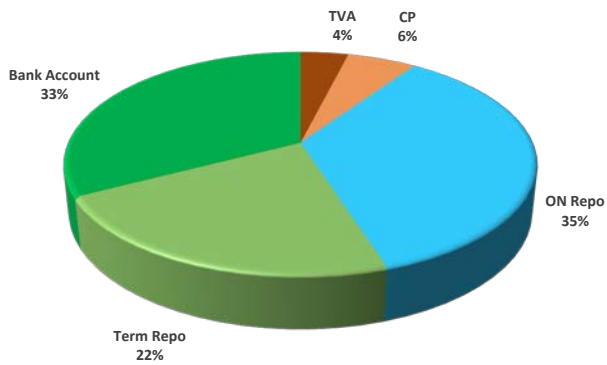
**STO Holdings
by asset type**



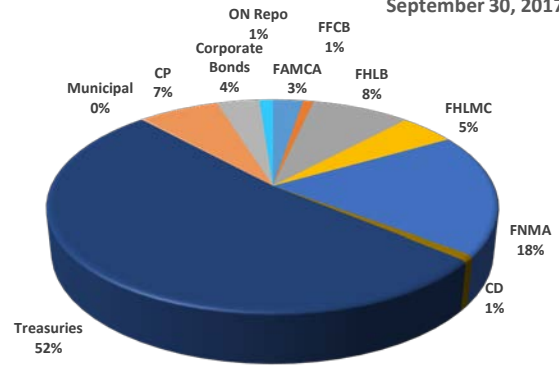
STO US Agency Holdings



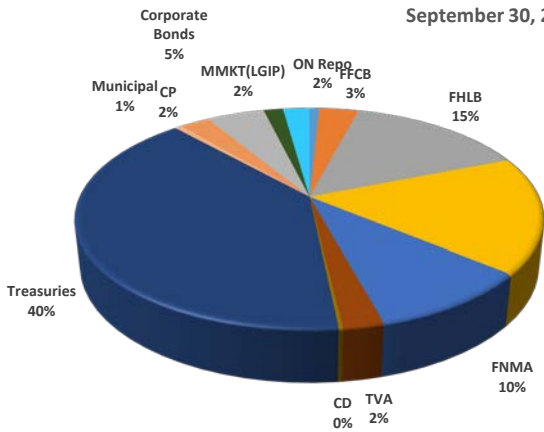
GF Liquidity Holdings
September 30, 2017



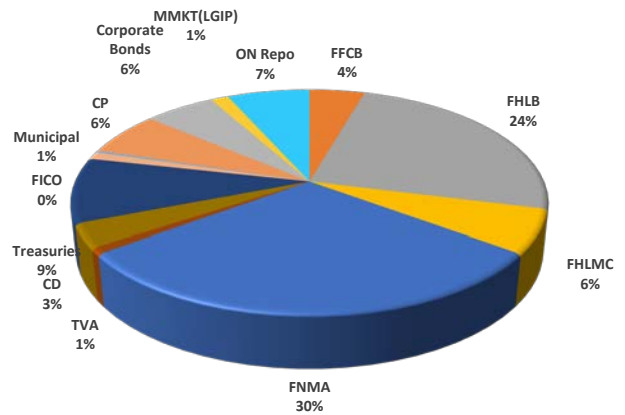
GF CORE Holdings
September 30, 2017



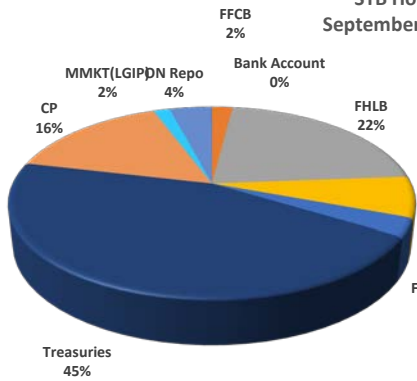
BPIP Tax-Exempt Holdings
September 30, 2017



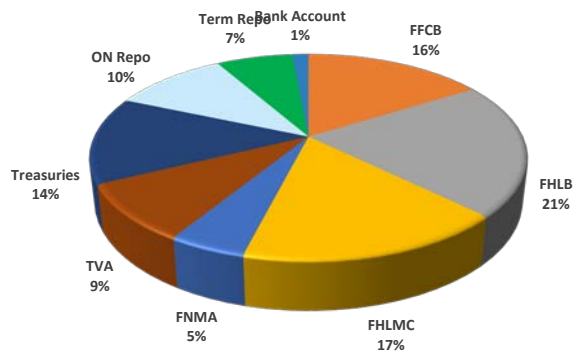
BPIP Taxable Holdings
September 30, 2017



STB Holdings
September 30, 2017



LGIP Holdings
September 30, 2017





6. Investment Accounting Report

KEY		
FUND	1000	GENERAL FUND LIQUIDITY
FUND	1001	GENERAL FUND CORE
FUND	1101	OVERNIGHT REPO
FUND	4000	BPIP TAX EXEMPT
FUND	4001	SEVERANCE TAX BONDING FUND
FUND	4002	BPIP TAXABLE
FUND	4101	LGIP

Interoffice Memorandum

Date: October 16, 2017
To: Sam Collins, Deputy Treasurer
From: David Mahooty, Investment Accounting & Debt Division Director
CC: STO Investments Division; Leo Marquez II, STO Chief Financial Officer
Subject: September 2017 Investment Reconciliation

The September 2017 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 July 31 and August 31.
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.

Below is the reconciliation for September 2017. The differences that exceed the BPS Dollar Threshold are explained below:

Inventory Holdings

- P09334/1101: The September Overnight Repo interest for the investing agencies is not distributed until the 1st of the following month.
- P09333/4101: A US Treasury Note (CUSIP 912828TS9) within the LGIP portfolio matured on Saturday, 9/30/2017. Proceeds from the maturity were invested on the next business day, 10/2/2017.

Income

- P09336/1000: The September Overnight Repo interest from Compass Bank is not distributed until the 1st of the following month.
- P09333/4101: JPM recorded earned interest on a US Treasury note at (\$26,297.81) to correct an overstatement vs QED at \$4,952.19. Note the Treasury note matured on Saturday, 9/30/2017.

JP Morgan to QED Inventory Reconciliations
For Accounting Period Ended September 30, 2017

W/P Ref
503

Market Value Reconciliation

JPM Account	Market Value	QED Fund #	Name	Market Value	Difference	BPS Dollar Threshold *
P 09336	896,473,166.74	1000	GF Liquidity	896,444,780.55	28,386.19	448,236.58
P 09337	884,675,449.46	1001	GF Core	884,606,184.17	69,265.29	442,337.72
P 09334	51,579,174.14	1101	ONREPO	51,630,716.41	(51,542.27)	25,789.59
P 89523	112,077,019.62	4001	STB	112,059,180.08	17,839.54	56,038.51
P 09335	610,961,066.53	4000	BPIP#1	610,937,571.99	23,494.54	305,480.53
P 09339	345,458,591.64	4002	BPIP#2	345,456,333.77	2,257.87	172,729.30
P 09333	740,897,798.02	4101	LGIP	730,898,002.00	9,999,796.02	370,448.90
Total	3,642,122,266.15			3,632,032,768.97	10,089,497.18	1,821,061.13

Cost Reconciliation

JPM Account	Cost	QED Fund #	Name	Cost	Difference	BPS Dollar Threshold *
P 09336	896,441,635.67	1000	GF Liquidity	896,440,658.33	977.34	448,220.82
P 09337	887,011,928.29	1001	GF Core	886,976,697.04	35,231.25	443,505.96
P 09334	51,579,174.14	1101	ONREPO	51,630,716.41	(51,542.27)	25,789.59
P 89523	112,040,090.92	4001	STB	112,040,090.62	0.30	56,020.05
P 09335	614,097,118.85	4000	BPIP#1	614,097,118.86	(0.01)	307,048.56
P 09339	346,790,901.42	4002	BPIP#2	346,790,900.89	0.53	173,395.45
P 09333	741,522,525.93	4101	LGIP	731,536,979.05	9,985,546.88	370,761.26
Total	3,649,483,375.22			3,639,513,161.20	9,970,214.02	1,824,741.69

Position Reconciliation

JPM Account	Position Size	QED Fund #	Name	Position Size	Difference	BPS Dollar Threshold *
P 09336	896,503,477.94	1000	GF Liquidity	896,502,500.60	977.34	448,251.74
P 09337	887,530,209.42	1001	GF Core	887,530,209.42	-	443,765.10
P 09334	51,579,174.14	1101	ONREPO	51,630,716.41	(51,542.27)	25,789.59
P 89523	112,243,255.68	4001	STB	112,243,255.38	0.30	56,121.63
P 09335	613,006,784.49	4000	BPIP#1	613,006,784.49	-	306,503.39
P 09339	346,126,805.72	4002	BPIP#2	346,126,805.22	0.50	173,063.40
P 09333	741,074,290.41	4101	LGIP	731,074,290.41	10,000,000.00	370,537.15
Total	3,648,063,997.80			3,638,114,561.93	9,949,435.87	1,824,032.00

*Basis Point (BPS)Dollar Threshold

JPM Market Value x 5 BPS

JPM Cost x 5 BPS

JPM Position Size x 5 BPS

0.0005

JP Morgan to QED Income Reconciliation
For Accounting Period Ended September 30, 2017

W/P Ref
504

JPM Account	Earned Interest	QED Fund #	Name	Earned Interest	Difference	BPS Dollar Threshold *
P 09336	381,845.13	1000	GF Liquidity	451,721.05	(69,875.92)	44,823.66
P 09337	995,181.41	1001	GF Core	992,987.09	2,194.32	44,233.77
P 09334	55,926.87	1101	ONREPO	55,926.90	(0.03)	2,578.96
P 89523	20,634.26	4001	STB	19,754.52	879.74	5,603.85
P 09335	655,024.14	4000	BPIP#1	646,858.08	8,166.06	30,548.05
P 09339	370,098.51	4002	BPIP#2	367,779.84	2,318.67	17,272.93
P 09333	540,729.74	4101	LGIP	574,210.70	(33,480.96)	37,044.89
Total	3,019,440.06			3,109,238.18	(89,798.12)	182,106.11

JP Morgan to QED Amortization/Accretion Reconciliation

JPM Account	Amortization/Accretion	QED Fund #	Name	Amortization/Accretion	Difference
P 09336	79,856.30	1000	GF Liquidity	79,336.57	519.73
P 09337	90,725.65	1001	GF Core	92,837.80	(2,112.15)
P 09334	-	1101	ONREPO	-	-
P 89523	62,024.44	4001	STB	62,872.00	(847.56)
P 09335	(52,751.29)	4000	BPIP#1	(39,655.59)	(13,095.70)
P 09339	(31,296.31)	4002	BPIP#2	(30,837.73)	(458.58)
P 09333	78,483.00	4101	LGIP	95,582.42	(17,099.42)
Total	227,041.79			260,135.47	(33,093.68)

* BPS Dollar Threshold

JPM Market Value x .5 Basis Points (BPS)
0.005%

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

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)



Fri 10/13/2017 2:58 PM

Mahooty, David, STO
September 2017 SGF Distribution

To Gonzales, Steve A., DFA

Cc Collins, Sam, STO; Turner, Clinton, DFA; Marquez, Leo, STO; Cook, Charmaine, STO; Burrows, Leila K, DFA; 'Jon.Clark@nmlegis.gov'; Splman, Ronald, DFA; Kent, Heather, DFA

Steve,

STO will not make a distribution to the State General Fund for September 2017 due to the unrealized loss of \$2.9 million in the General Fund Core portfolio as seen below:

Sep-17

State General Fund Distribution Worksheet

Section 6-10-2.1 Distribution Methodology

(Includes Accretion/Amortization) Component	General Fund	General Fund	Self-Earnings	Total
	Liquidity Amount	Core Amount	Amount	
Earned Income*	\$ 461,701.43	\$ 1,085,907.06	(721,628.61)	\$ 825,979.88
Realized Gains/(Losses)	-	-	-	-
Unrealized Gains/(Losses)	(1,381.04)	(2,902,946.32)	-	(2,904,327.36)
Distribution Total	\$ 460,320.39	\$ (1,817,039.26)	\$ (721,628.61)	\$ (2,078,347.48)

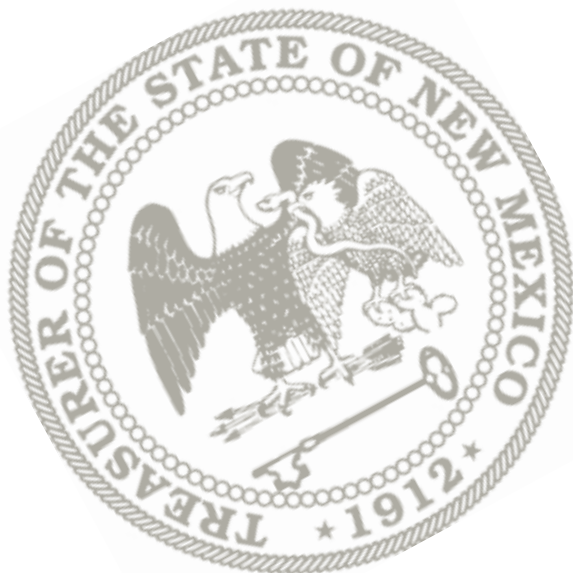
* Earned Income is accrued investment income +/- accretion/amortization

Below is the FY18 distribution summary:

Month	Amount
Jul-17	1,415,943.30
Aug-17	2,281,981.94
Sep-17	(2,078,347.48)
Oct-17	-
Nov-17	-
Dec-17	-
Jan-18	-
Feb-18	-
Mar-18	-
Apr-18	-
May-18	-
Jun-18	-
Total	1,619,577.76

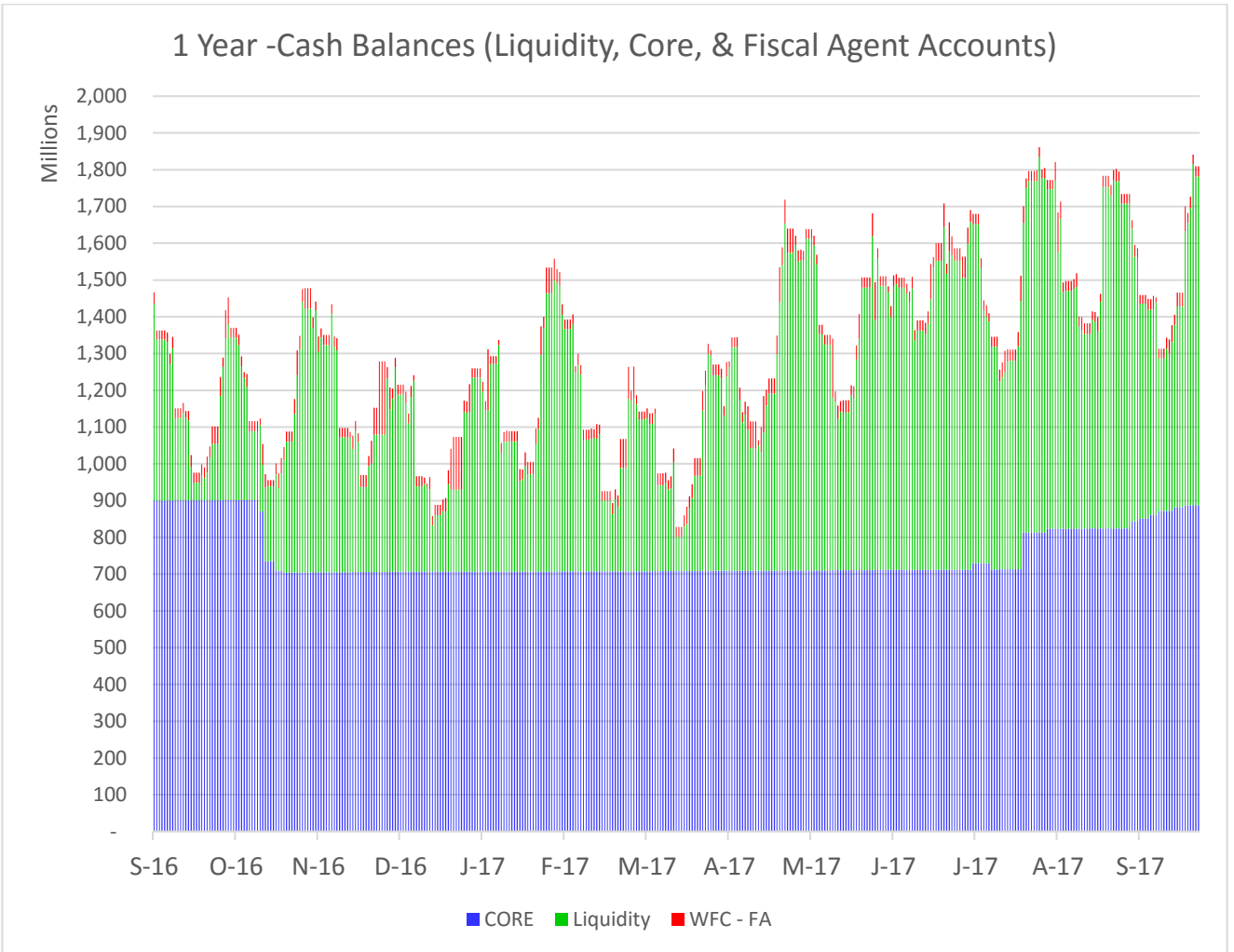
Please let me know if there are any questions.

David Mahooty
Investment Accounting & Debt Division Director
New Mexico State Treasurer's Office
2055 S Pacheco St | Suite 100 | Santa Fe, NM 87505
Direct: 505.955.1189 | Email: david.mahooty@state.nm.us

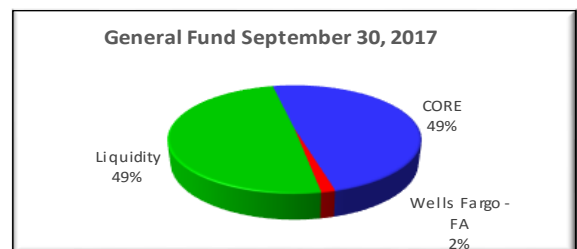
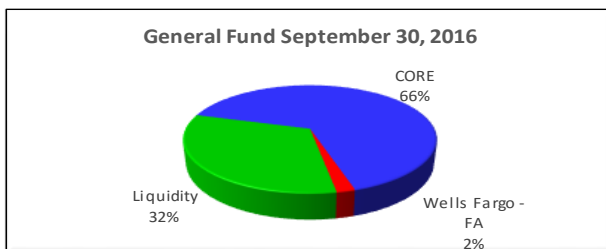


7. Cash Projections

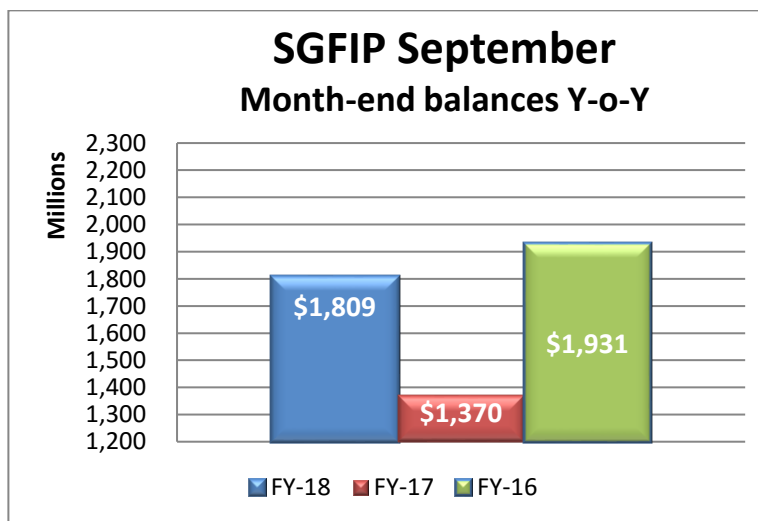
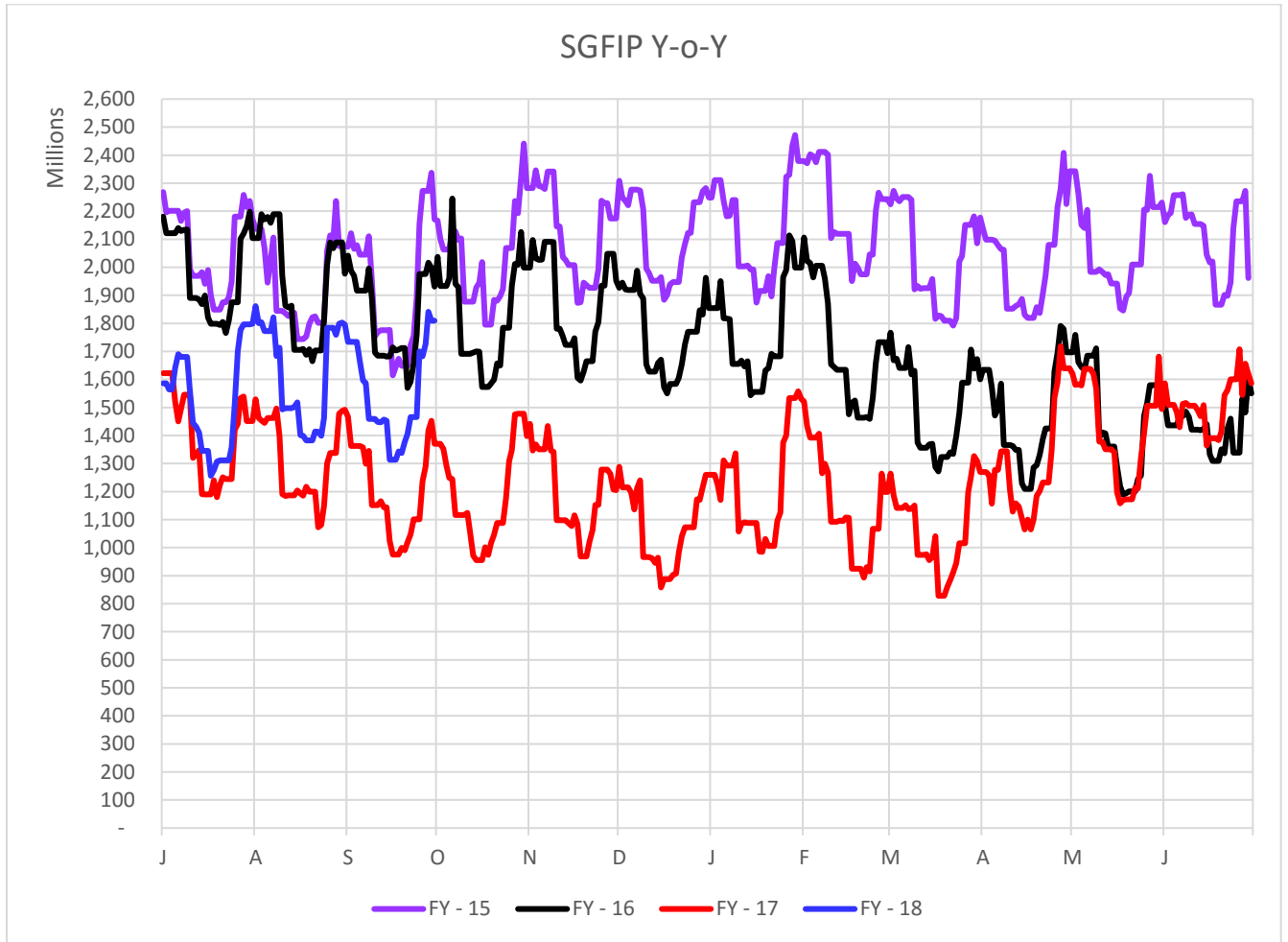
SGFIP Cash Flows



GENERAL FUND	Sep-16	Aug-17	Sep-17	Y-o-Y Change	M-o-M Change
Liquidity	441,491,406	945,015,561	894,502,501	453,011,095	(50,513,060)
CORE	901,557,327	824,300,999	887,530,209	(14,027,118)	63,229,211
Wells Fargo - FA	27,284,413	25,847,853	27,419,689	135,276	1,571,836
	1,370,333,146	1,795,164,412	1,809,452,399	439,119,253	14,287,986

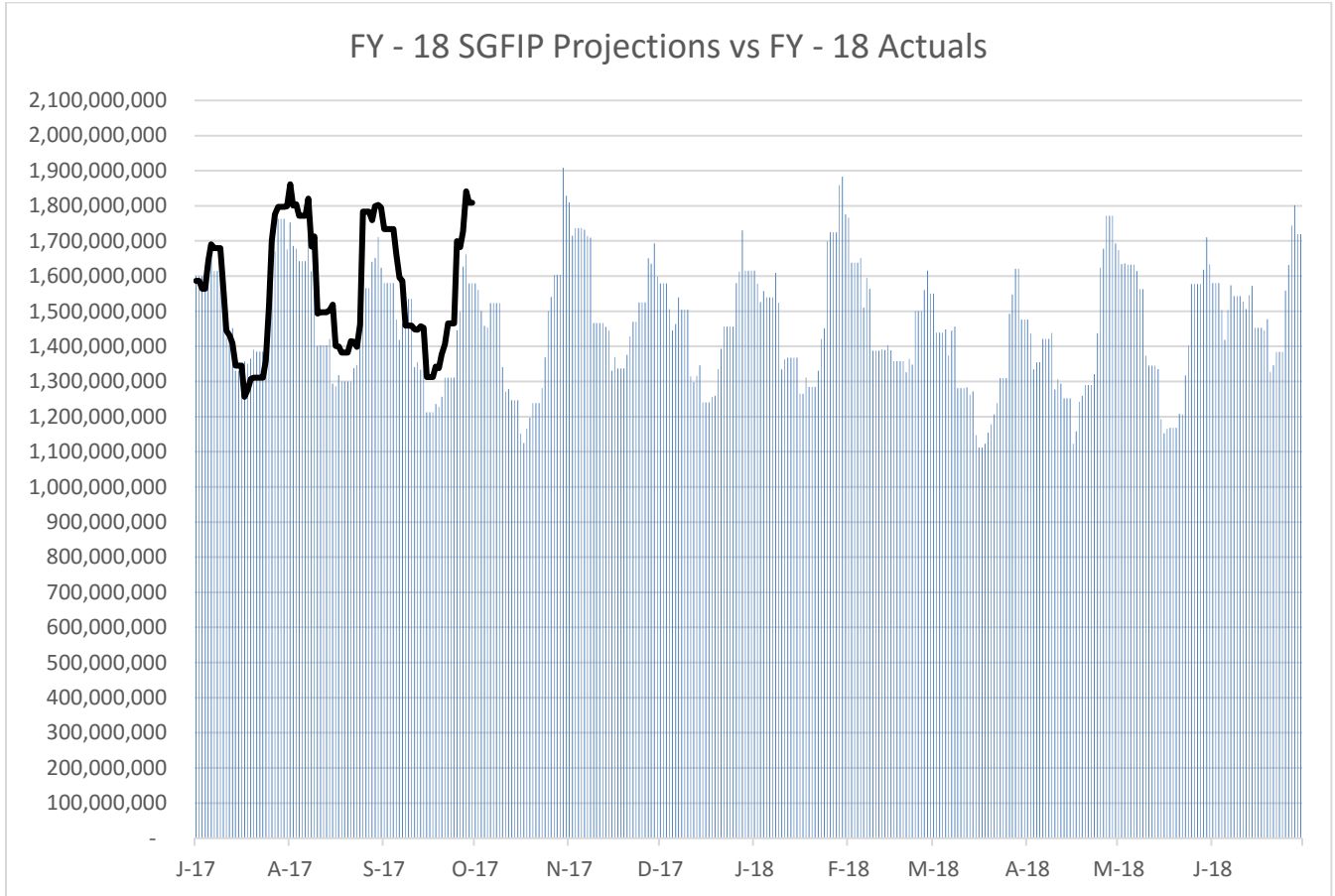


SGFIP Cash Flows

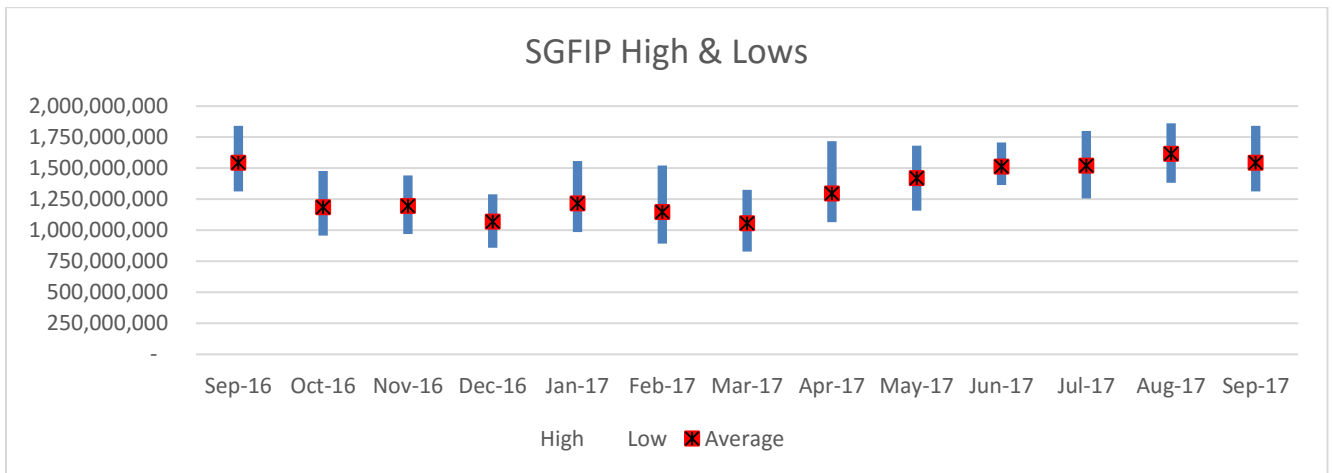


The balance as of September 30, 2017 of the State General Fund Investments Pool (SGFIP) Y-o-Y has increased 32.0% from September 30, 2016 and -6.3% decrease from September 30, 2015 . M-o-M SGFIP balances increased to \$1.809 billion at September 30, 2017 from \$1.795 billion at August 31, 2017 a increase of \$14.3 million or .8%

SGFIP Cash Flows

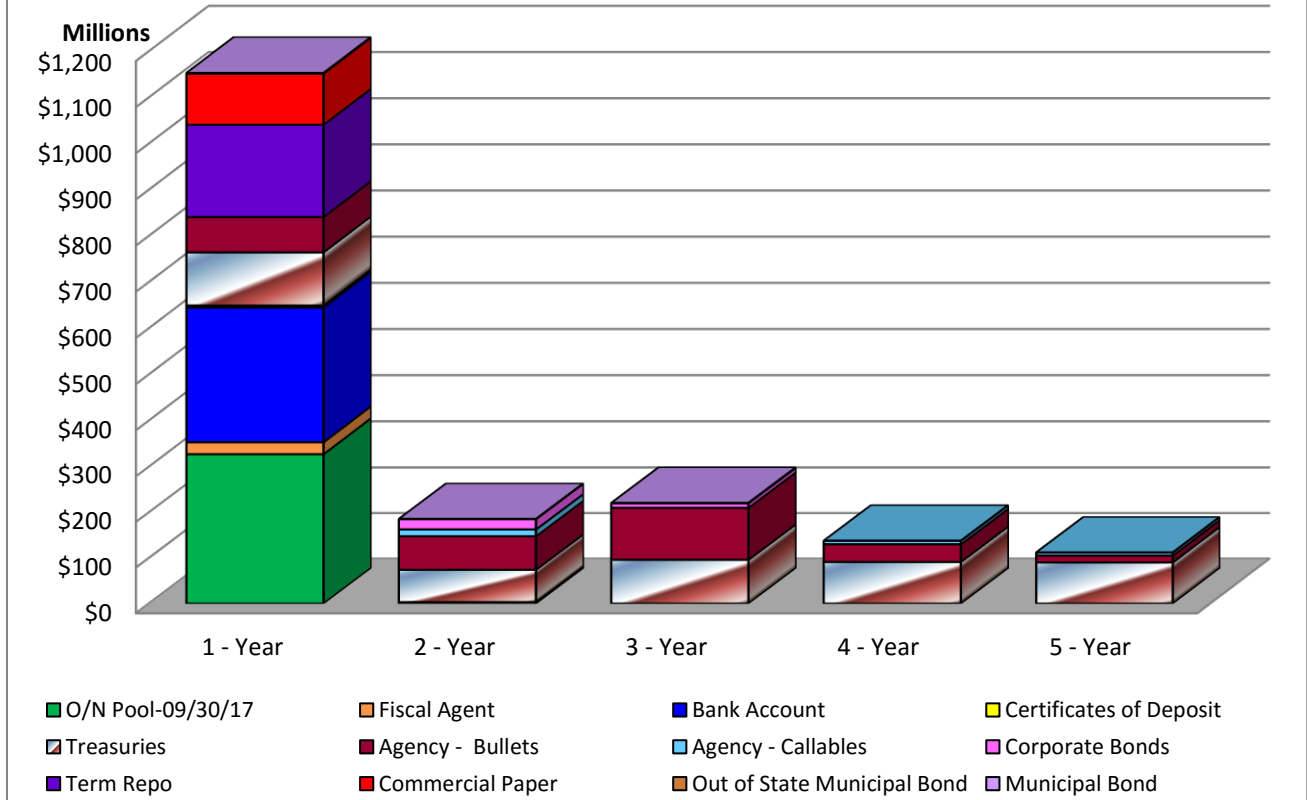


	Sep-17	Sep-16	Change
High	1,841,055,981.35	1,466,503,653.55	20.34%
Low	1,312,977,585.76	975,703,406.64	25.69%
Average	1,544,378,473.04	1,196,768,575.51	22.51%



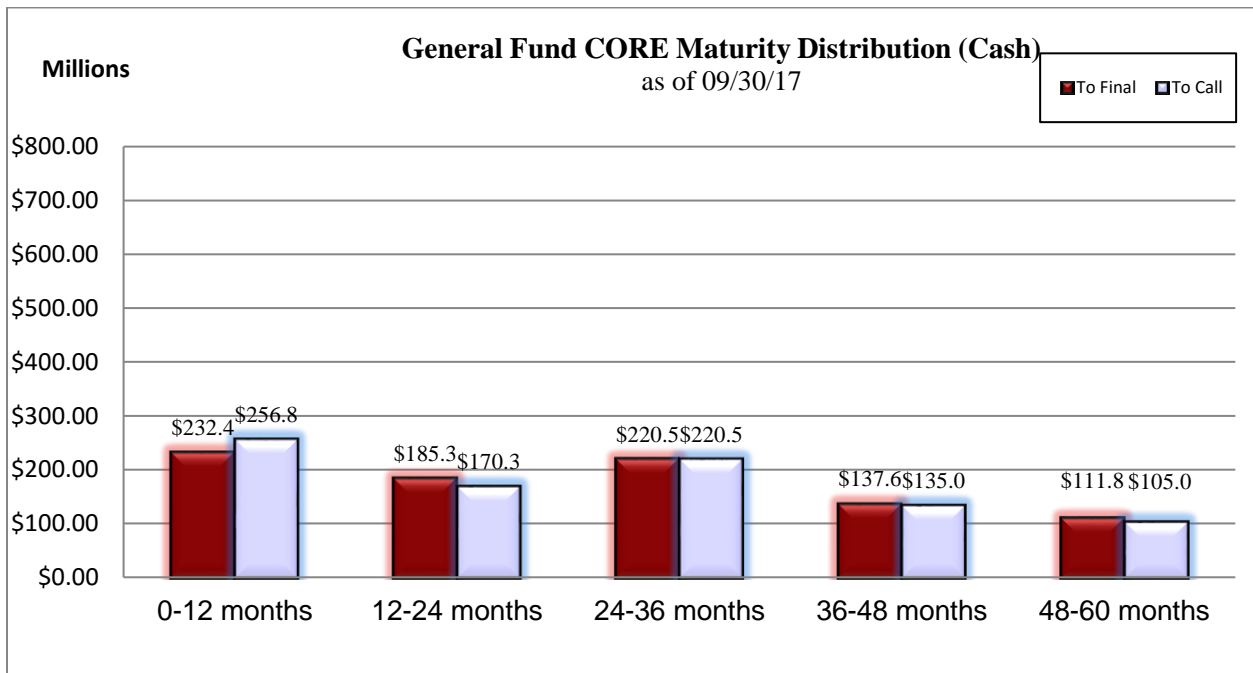
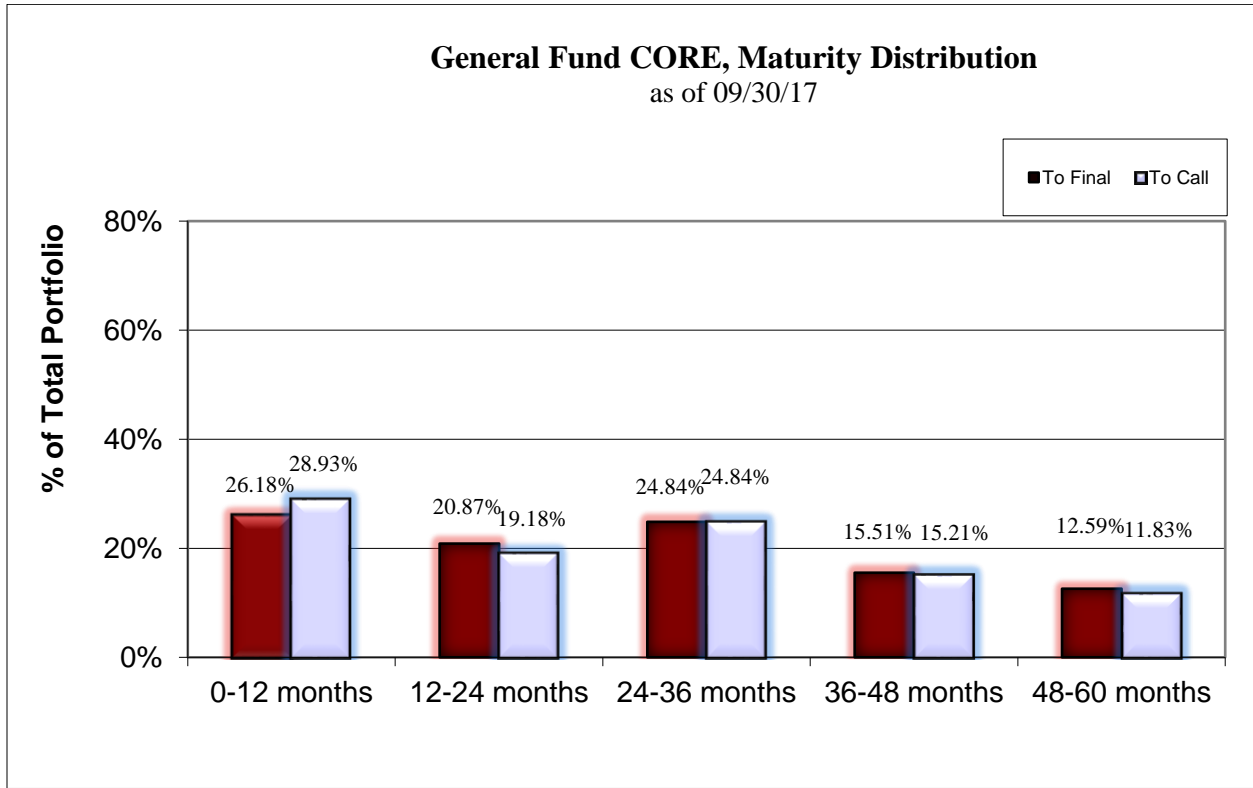
SGFIP Cash Flows

**General Fund Maturity Ladder by Year & Asset Type
as of September 30, 2017**



Asset Allocation	1 - Year	2 - Year	3 - Year	4 - Year	5 - Year	Total	%
Agency - Bullets	76,580,000	73,500,000	114,104,000	39,000,000	15,000,000	318,184,000	18%
Agency - Callables		15,000,000		7,620,000	6,750,000	29,370,000	2%
Corporate Bonds		22,500,000	10,000,000			32,500,000	2%
Term Repo	200,000,000					200,000,000	11%
Certificates of Deposit	4,500,000	3,000,000				7,500,000	0%
Municipal Bond	990,000	265,000	650,000			1,905,000	0%
Out of State Municipal Bond						0	0%
Commercial Paper	110,700,000					110,700,000	6%
Treasuries	115,000,000	71,000,000	95,750,000	91,000,000	90,000,000	462,750,000	26%
Bank Account	291,743,467					291,743,467	16%
Fiscal Agent	25,847,853					25,847,853	1%
O/N Pool-09/30/17	327,239,901					327,239,901	18%
Total:	1,152,601,221	185,265,000	220,504,000	137,620,000	111,750,000	1,807,740,221	100%
% of Total:	64%	10%	12%	8%	6%		

SGFIP Cash Flows





8. September 2017 Quarterly Investment Report – Investment Advisor



STATE TREASURERS OFFICE
STIC COMMITTEE MEETING
QUARTERLY 9/30/17



GOVERNMENT
PORTFOLIO
ADVISORS

Investment Consultant
Deanne Woodring, CFA
President and Senior Portfolio Advisor
Government Portfolio Advisors
503-248-9973

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Market Commentary

Market Yields: Interest rates in the short end of the curve continued to rise during the third quarter of 2017. Continued strength in the economy, jobs and expectations for tax reform are paving the way to expected interest rate hikes in the future. The Dow Jones gained 1,742 points in the quarter after gaining 686 points in the previous quarter. The 2-year Treasury increased 11 basis points to 1.49 and 5-year notes increased 5 basis points to 1.94 during the quarter. The 2-year to 5-year spread flattened from 51 basis points to 45 basis points. This is close to a 10 year low of 22 basis points and down from a decade high of 163 basis points (10 year average 87 bps).

FOMC: At their most recent meeting on September 20, the Fed unanimously chose to leave the Fed Funds rate at the prevailing range between 1.00% and 1.25%. The last hike in the target was in the previous quarter on June 13. However, most indications point to another hike to 1.25%-1.50% at the last meeting of the year in December. Janet Yellen has said she's "wary of moving too gradually" citing the oft-repeated mantra that inflation will be accelerating past 2% next year. Momentum in the economy coupled with the trend in rates that's already in place point to further hikes. Additionally, the minutes from the last meeting refer to job gains that "have been solid", more hawkish than in the past. The committee also stated that near-term risks to the economy appear "roughly balanced" but it is monitoring developments closely.

Employment: The unemployment rate remained at a 17 year low of 4.3%. Total nonfarm payrolls were strong, with increases in June of 220K, July at 209K and August with an increase of 156K. Average hourly earnings increased during the quarter and the labor force participation rate remained unchanged.

Market Commentary

GDP: Real GDP increased at an annual rate of 3.1% in the second quarter, according to the “third” estimate. This is compared to the first quarter of 2017 increase of 1.2%. GDP growth in the third quarter is expected to expand at 2.2%. The year-over-year rate in Q3 should be 2.1%

Fed Funds: Interest rate forecasts point to one more rate hike this year. Provided that the economy continues to perform about as expected, most participants anticipate that gradual increases in the Fed Funds rate will continue. The current Fed Funds futures are indicating a 73.3% chance of a rate hike in December. Policy makers also issued forecasts showing another three quarter-point rate increases in 2018. The expectation is for 1.50% by the end of 2017 and 2.25% in 2018.

Current Implied Probabilities of rate changes based on fed funds futures per Bloomberg.

	Prob. Of Hike	Prob. Of Cut	1.25-1.50	1.50-1.75	1.75-2.00
11/01/2017	0.3%	0.0%	0.3%	0.0%	0.0%
12/13/2017	73.3%	0.0%	73.1%	0.2%	0.0%
01/31/2018	74.6%	0.0%	70.9%	3.7%	0.0%
03/21/2018	85.2%	0.0%	51.9%	31.7%	1.6%
05/02/2018	85.9%	0.0%	50.1%	32.7%	3.0%
06/13/2018	90.1%	0.0%	39.4%	37.9%	11.9%
08/01/2018	90.4%	0.0%	38.5%	37.9%	12.6%

SOURCE: BLOOMBERG

2 year: The 2 year Treasury note is forecasted by over 80 economists contributing to Bloomberg to trade at 1.64%, 1.76%, 1.91%, and 2.06% for the end of each of the next four quarters, higher expectations than last quarter.

Oil: Crude oil began the quarter at 47.74 and finished at 51.67.

Economic and Rate Data

Quarterly Yield Change

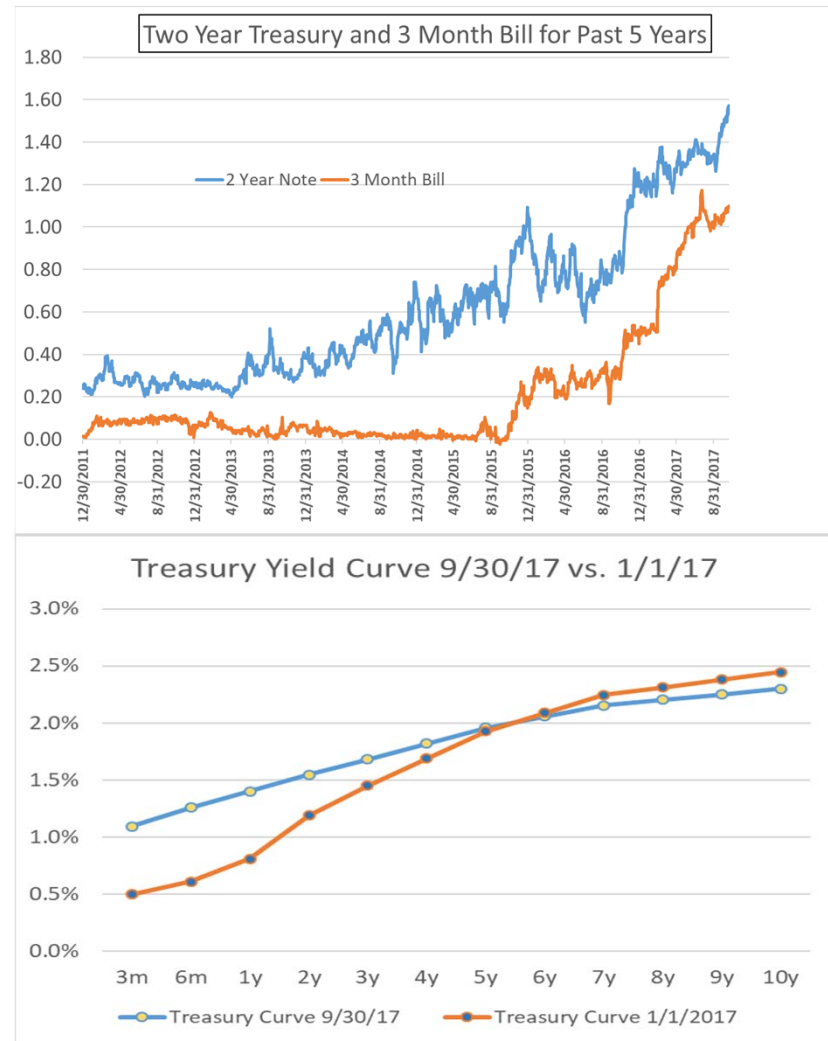
	12/16	03/17	06/17	09/17
3 month Bill	0.50	0.75	1.01	1.05
2-year note	1.19	1.26	1.38	1.49
5-year note	1.93	1.92	1.89	1.94
10 year note	2.44	2.39	2.31	2.33

Economist's Survey Projections

	Q4-17	Q1-18	Q2-18	Q3-18
Real GDP	2.30	2.50	2.40	2.30
CPI (YOY%)	1.70	1.60	2.00	2.10
Unemployment	4.30	4.20	4.20	4.20

Economist's Survey Projections for Rates

	Q4-17	Q1-18	Q2-18	Q3-18
Fed Fnd	1.50	1.60	1.80	1.95
2 Year	1.64	1.76	1.91	2.06
10 Year	2.42	2.51	2.61	2.74



Executive Summary

The purpose of this review is to provide a fixed income investment analysis to provide the Treasurer of New Mexico, the State Treasurer's Investment Council ("STIC") and the State Treasurer's investment team. The analysis will include risk and return components of the investment funds of the New Mexico State Treasurer's Office ("STO") and 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.

GPA observations and considerations:

- 1) General fund balances increased by \$228MM this quarter as revenues increased after a long period of declining fund balances. A portion of the increase was allocated to the core investment portfolio and liquidity balances were maintained at higher levels. The Taxable BPIP Fund decreased by \$224MM while the Tax Exempt Increased by \$56MM. The total decrease was \$167MM and the fund were pulled from repurchase.
- 2) Earnings yields increased on all funds as reinvestments of maturities and the allocation to higher balances in the investment core investment fund were completed. The key investment funds (Core and BPIP Funds), weighted average yield increased over the quarter from 1.20% to 1.34%.
- 4) There was a total of 149 individual securities purchased this quarter and 10 securities were sold for a total volume of transactions of \$2,220,362,606. The majority of the securities were short maturity investments in the LGIP.
- 5) Commercial paper purchase included GE Co, Exxon Mobil, GE Capital, Toyota, PEFCO. Corporate issuer names purchased this quarter were Coca Cola and Apple.
- 6) STO continues to monitor the cash flow closely to provide for the immediate funding requirements in all accounts.

Executive Summary

Quarterly Statistics:

- ✓ Liquidity requirements were managed across all funds through repurchase agreements and still remain higher as the overall balances in the general fund continue to grow.
- ✓ Realized gains on the sales for the quarter across all funds totaled \$49,576.
- ✓ The LGIP balances remained stable and the yield has increased over 1%.
- ✓ The LGIP balance decreased by \$142MM.
- ✓ The durations in the investment portfolios were extended over the quarter and realigned closer to the benchmark.
- ✓ The General Fund Core was increased by \$174MM as overall balances of the total core increased.
- ✓ The liquidity balances ended the quarter well above the \$500MM target level and the portfolio managers will be monitoring to determine if additional funds can be allocated to the core investment fund.

STO Fund Balances

STO Total Ex. LGIP	Quarter Change	STO Total	Fiscal Change
6/30/2017	2,764,759,375	6/30/2017	885,076,477
9/30/2017	2,905,275,686	9/30/2017	2,905,275,686
Change	140,516,311	Change	2,020,199,209
General Core Fund	Quarter Change	General Fund Core	Fiscal Change
6/30/2017	713,757,355	6/30/2017	713,757,355
9/30/2017	887,835,221	9/30/2017	887,835,221
Change	174,077,866	Change	174,077,866
General Liquidity	Quarter Change	General Fund Liquidity	Fiscal Change
6/30/2017	840,768,411	6/30/2017	840,768,411
9/30/2017	894,507,996	9/30/2017	894,507,996
Change	53,739,585	Change	53,739,585
BPIP Combined Funds	Quarter Change	BPIP Funds Combined	
6/30/2017	1,126,480,946	6/30/2017	1,126,480,946
9/30/2017	959,149,249	9/30/2017	959,149,249
Change	(167,331,697)	Change	(167,331,697)
LGIP Fund Balance			
LGIP Fund	Quarter Change	LGIP Balances	
6/30/2017	885,076,477	6/30/2017	885,076,477
9/30/2017	742,099,882	9/30/2017	742,099,882
Change	(142,976,595)	Change	(142,976,595)

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: **NEUTRAL**

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. The benchmarks have been reviewed for each fund there are no recommended changes. The portfolios all continue to managed slightly short of the benchmarks.

Ranking on Credit risk: **LOW**

The portfolio continues to be invested in high quality securities with the majority of investments held in US treasury and Agency securities. There is limited credit exposure in the NM municipal holdings and high quality commercial paper and corporate issuers. Commercial Paper issuers include Toyota, Pefco, Exxon, US Bank, General Electric Co, and General Capital US holdings. The corporate note exposure is in Apple, Microsoft, GE, Coca Cola and US Bank.

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 positioned to benefit from rates moving higher given a slightly higher concentration to liquidity in the total general fund account.

Performance Summary

GENERAL FUND			Fiscal Period
	9/30/2017	9/30/2017	6/30/2017-9/30/2017
Portfolio Name	Duration	Market Value	Fiscal Year
General Fund Liquidity	0.03	\$ 840,768,411	0.40%
Fund Benchmark S&P LGIP Pool Net Return	0.10		0.26%
Portfolio Name		Market Value	Fiscal Year
General Fund Core	2.00	\$ 713,757,355	-0.16%
Fund Benchmark BAML Treasury 0-5 Year	2.20		-0.64%
Portfolio Name		Market Value	Fiscal Year
General Fund Total	1.00	\$ 1,554,525,766	0.07%
General Fund Total Benchmark - Weighted	1.15		-0.02%

BPIP FUNDS			Fiscal Period
	9/30/2017	9/30/2017	6/30/2017-9/30/2017
Portfolio Name		Market Value	Fiscal Year
BPIP Tax Exempt	1.27	\$ 556,020,772	0.37%
Fund Benchmark - BAML Treasury 0-3 Year	1.40		0.10%
Portfolio Name		Market Value	Fiscal Year
BPIP Taxable	1.08	\$ 570,460,174	0.34%
Fund Benchmark - BAML Treasury 0-3 Year	1.40		0.10%

Portfolio Information is from JP Morgan Reporting

Key Points of Focus for the NMSTO – Investment Program

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 year to date basis.

Performance Measurement and Risk Management:

- 1) Provide a comparison of the duration targets for each investment fund relative to the established benchmark duration.
- 2) Provide a return comparison over the last quarter, fiscal year and rolling one year period on the investment 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.

Investment Strategy Report

Portfolio Specific

General Fund:

The overall general fund market value remained stable and durations drifted shorter with the purchase of the Commercial paper. The duration of the core fund was extended from 1.73 years last quarter to 2.0 years this quarter which is 91% of the benchmark. The portfolio manager used the funds that were added into the core and bought securities out in the 2 to 5 year maturities.

BPIP Taxable and Tax Exempt Funds:

The taxable fund dropped in balances this quarter by \$224MM which extended the duration in the portfolio. The tax exempt fund increased by \$56MM and the portfolio was extended through purchases of longer maturities and the reduction of repo. The portfolio durations remained shorter than the benchmarks with the taxable in at 77% and the tax exempt at 91%. These funds continue to experience volatile cash flows and both funds had increased allocations at year end and those funds were placed into repurchase agreements pending investment decisions.

LGIP Fund:

The LGIP balance remained relatively stable this quarterly versus last quarter. The earnings rate on the pool continues to move upwards as the 1 year and shorter paper continues to rise in rates.

Investment Objectives

STO continued to focus on cash flow management as the overall balances continue to be volatile.

Investment Strategy

General Core Fund		Total NM Investment Funds	
Portfolio Duration	2.00	Portfolio Duration	1.59
Benchmark Duration	2.20	Benchmark Duration	1.78
% BM	91%	% BM	89%
BPIP Tax Exempt		LGIP	
Portfolio Duration	1.27	Portfolio DTM	49
Benchmark Duration	1.40	Benchmark DTM	43
% BM	91%		
BPIP Taxable		DTM=Days to maturity	
Portfolio Duration	1.08		
Benchmark Duration	1.40		
% BM	77%		

Transactions

Purchase Par Amount All Funds

Count=149 2,064,594,622

Sales Amount All Funds

Count=10 139,027,984

Realized Gains All Funds 49,577

Asset Allocation Report 9/30/17

GPA has compiled a report that provides a summary of the asset allocation in each fund.

Change in the Quarter by Fund

LGIP Fund: The LGIP's allocations remained unchanged with a slight reduction in repurchase agreements. The use of Agency discount paper is adding a slight yield spread over US treasury securities.

General Fund: The General Fund liquidity balances are invested primarily in Repurchase agreements and Bank deposits. The Investment Core fund continues to be overweighed in US Treasury securities given the continued tight spreads in agency paper farther out the curve. Corporate exposure is slightly over 10% in the investment fund.

BPIP Funds: The Tax Exempt Fund increased by approximately \$57MM and balances that were placed in repo at year end were invested into Agency and Corp/CP investments. The Taxable Fund had decreased this quarter by \$224MM, and the funds came primarily from the repo balances and sales of US treasury securities.

Asset Allocations		Asset Allocations	
<u>General Core Fund</u>		<u>LGIP Pool</u>	
Agency	35.04%	Agency	66.84%
Treasury	52.25%	Treasury	13.49%
Corporate	10.42%	Bank Deposits	0.00%
Muni	0.22%	Repo	16.87%
Repo/Cash	2.01%	Other	2.80%
<u>BPIP Tax Exempt</u>			
Agency	48.03%		
Treasury	39.97%		
Corporate CP	7.28%		
Muni	0.60%		
Repo/Cash	2.51%		
LGIP	1.62%		
<u>BPIP Taxable</u>			
Agency	65.94%		
Treasury	9.39%		
Corporate	12.10%		
Muni	1.06%		
Repo and Cash	10.07%		
LGIP	1.43%		

Asset Allocation Report 9/30/17

Portfolio Name	Market Value+int	% Fund	Repo	Bank Deposits	Treasury	Agency	Corp/CP	Muni	Other	Cash
Total LGIP	\$ 742,099,882	100%	16.87%	0.00%	13.49%	66.84%	0.00%	0.00%	0.00%	2.80%
Liquidity	\$ 742,099,882	100%								
Investments	\$ -	0%								
LGIP GIP Index Benchmark			23.34%	13.88%	23.72%	37.80%	0.00%	0.00%		1.26%
Portfolio Name	Market Value+Int	% Fund	Repo	CD/Bank	Treasury	Agency	Corp/CP	LGIP	Cash	Muni
Total General Fund	\$ 1,782,343,217	100%								
Liquidity	\$ 894,507,996	50%	57.79%			3.91%	5.67%		32.41%	0.22%
Investment Core	\$ 887,835,221	50%	1.17%	0.85%	52.25%	35.04%	10.42%		0.06%	0.22%
Portfolio Name	Market Value+Int	% Fund	Repo	CD/Bank	Treasury	Agency	Corp/CP	Cash	LGIP	Muni
Total Tax Exempt	\$ 612,855,950	100%	2.22%	0.25%	39.97%	48.03%	7.28%	0.04%	1.62%	0.60%
Liquidity	\$ -	0%								
Investments	\$ 612,855,950	100%								
Portfolio Name	Market Value+Int	% Fund	Repo	CD/Bank	Treasury	Agency	Corp/CP	Cash	LGIP	Muni
Total Taxable	\$ 346,293,299	100%	6.68%	3.39%	9.39%	65.94%	12.10%	0.01%	1.43%	1.06%
Liquidity	\$ -	0%								
Investments	\$ 346,293,299	100%								
Portfolio Name	Market Value+Int	% Fund	Repo	CD/Bank	Treasury	Agency	Corp/CP	LGIP	STIF/Other	Muni
Overnight Repo Pool	\$ 51,582,040	100%	100.00%				0.00%			
Liquidity	\$ 51,582,040	100%								
Investments		0%								
Portfolio Name	Market Value+Int	% Fund	Repo	CD/Bank	Treasury	Agency	Cash	LGIP	CP	Muni
Severance Tax Bonding	\$ 112,201,180	100%	4.05%	0.00%	44.948%	33.71%	0.06%	1.57%	15.66%	0.00%
Liquidity	\$ 112,201,180	100%								
Investments	\$ -	0%								
TOTAL STO FUNDS Ex LGIP	\$ 2,905,275,686									
TOTAL STO WITH LGIP	\$ 3,647,375,568									

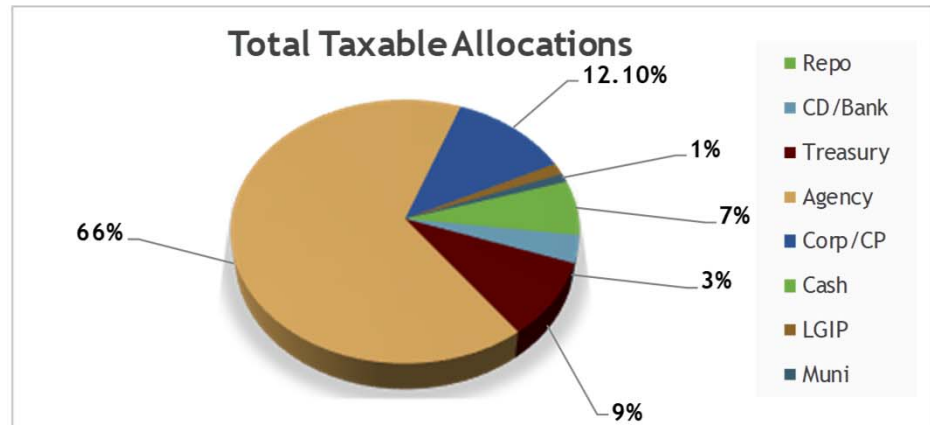
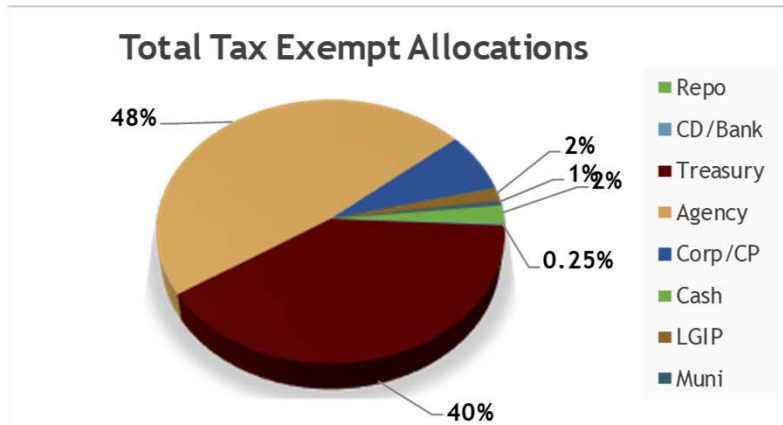
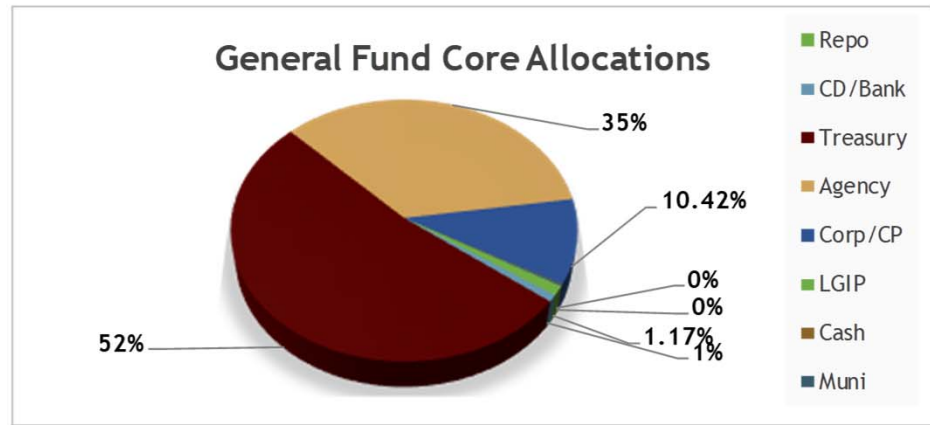
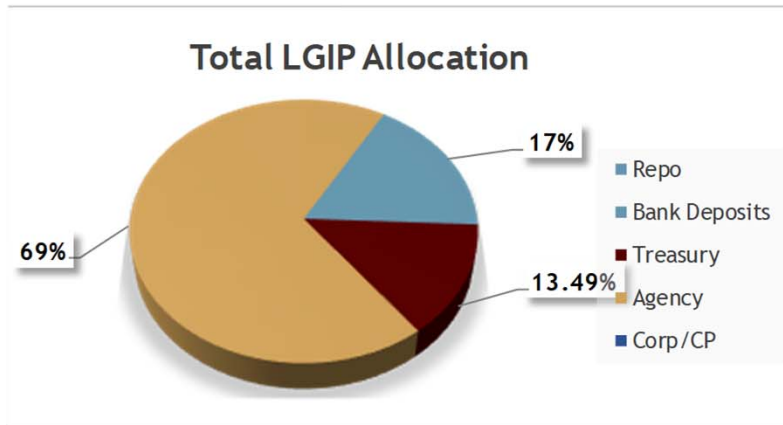
Source: JP Morgan Reports - Balances -Trade Date

Asset Allocation STO - JP Morgan Reports

The benchmarks for STO Funds are 100% US Treasury Securities

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

Asset Allocation By Fund 9/30/17



Change in Portfolio from 6/30/17-9/30/17

LGIP Fund	Market Value+int	Repo	Bank	Treasury	Agency	Corp/CP	STIF	Other	Muni
9/30/2017	\$ 742,099,882	16.87%	0.00%	13.49%	66.84%	0.00%	0.00%	2.80%	
6/30/2017	\$ 885,076,477	20.37%	1.52%	12.55%	65.56%	0.00%	0.00%	0.00%	
Change over Period	\$ (142,976,595)	-3.50%	-1.52%	0.94%	1.29%	0.00%	0.00%	2.80%	
General Fund Liquidity	Market Value+Int	Repo	CD/Bank	Treasury	Agency	Corp/CP	STIF/Bank	LGIP	Muni
9/30/2017	\$ 894,507,996	57.79%	0.00%	0.00%	3.91%	5.67%	32.41%	0.00%	0.22%
6/30/2017	\$ 840,768,411	58.83%	0.00%	0.00%	11.71%	5.35%	22.77%	0.00%	1.34%
Change over Period	\$ 53,739,585	-1.04%	0.00%	0.00%	0.00%	0.32%	9.64%	0.00%	-1.12%
General Fund Core	Market Value+Int	Repo	CD/Bank	Treasury	Agency	Corp/CP	STIF/Other	LGIP	Muni
9/30/2017	\$ 887,835,221	1.17%	0.85%	52.25%	35.04%	10.42%	0.06%	0.00%	0.22%
6/30/2017	\$ 713,757,355	5.66%	1.05%	52.39%	30.50%	9.48%	0.00%	0.00%	0.91%
Change over Period	\$ 174,077,866	-4.49%	-0.21%	-0.15%	4.54%	0.93%	0.06%	0.00%	-0.69%
BPIP Tax Exempt	Market Value+Int	Repo	CD/Other	Treasury	Agency	Corp/CP	Cash	LGIP	Muni
9/30/2017	\$ 612,855,950	2.22%	0.25%	39.97%	48.03%	7.28%	0.04%	1.62%	0.60%
6/30/2017	\$ 556,020,772	26.10%	0.54%	17.98%	47.71%	3.54%	0.00%	1.78%	2.35%
Change over Period	\$ 56,835,178	-23.88%	-0.30%	21.99%	0.32%	3.74%	0.04%	-0.16%	-1.75%
BPIP Taxable	Market Value+Int	Repo	CD/Other	Treasury	Agency	Corp/CP	Cash	LGIP	Muni
9/30/2017	\$ 346,293,299	6.68%	3.39%	9.39%	65.94%	12.10%	0.01%	1.43%	1.06%
6/30/2017	\$ 570,460,174	30.14%	1.79%	14.65%	47.41%	3.68%	-2.55%	2.97%	1.90%
Change over Period	\$ (224,166,875)	-23.46%	1.60%	-5.27%	18.53%	8.43%	2.56%	-1.54%	-0.84%
Overnight Repo Pool	Market Value+Int	Repo	CD/Other	Treasury	Agency	Corp/CP	STIF	LGIP	Muni
9/30/2017	\$ 51,582,040	100%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
6/30/2017	\$ 66,810,329	100%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Change over Period	\$ (15,228,289)								
Severance Tax Bonding	Market Value+Int	Repo	CD/Other	Treasury	Agency	Cash	STIF/CP	LGIP	Muni
9/30/2017	\$ 112,201,180	4.05%	0.00%	44.95%	33.71%	0.06%	15.66%	1.57%	0.00%
6/30/2017	\$ 16,942,334	5.29%	0.00%	56.22%	22.70%	0.18%	0.00%	0.00%	15.62%
Change over Period	\$ 95,258,846	-1.24%	0.00%	0.00%	11.01%	-0.12%	15.66%	1.57%	-15.62%
TOTAL STO FUNDS ex LGIP 9/30/17	\$ 2,905,275,686								
TOTAL STO FUNDS ex LGIP 6/30/17	\$ 2,764,759,375								
Total Change	\$ 140,516,311								
TOTAL FUND W/LGIP 9/30/17	\$ 3,647,375,568								

Source: JP Morgan Reports - Balances Asset Allocation STO - QED Reports

Assumption: QED is trade date accounting, therefore, if there is a negative cash balance that will be taken from cash

Performance Report

Performance 9/30/17

General Core Fund

Performance Report

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.

Quarter Performance

All three total return investment portfolios were extended in duration over the quarter but still remained shorter versus the benchmark durations. The performance of the portfolios were consistent with the benchmark returns. The total investments fund combined ended the quarter at an book earnings rate of 1.34% and a total return of .27% versus the weighted benchmark at .26%.

Attribution Analysis

The duration positioning was the primary contributor to return this quarter and extending the durations benefits the investment components. Interest rates have moved up and the yield curve is twisting, therefore, keeping the portfolios aligned with the curve distribution of the benchmarks will help minimize the performance variance.

Observations and Considerations

As the Total General Fund balance increase, the portfolio management team is effectively managing the liquidity and core investment fund allocations. The timing of adding funds and extending the duration of the investment component can make an impact on overall returns.

The BPIP funds were fully invested this quarter and the volatility of cash flows is being managed through the use of repurchase agreements and shorter maturities in the funds including Commercial Paper.

	Quarter	Fiscal YTD
Portfolio	0.27%	0.27%
Benchmark	0.29%	0.29%
Book Yield	1.43%	
BPIP Tax Exempt		
Portfolio	0.27%	0.37%
Benchmark	0.26%	0.10%
Book Yield	0.99%	
BPIP Taxable		
Portfolio	0.31%	0.31%
Benchmark	0.26%	0.26%
Book Yield	1.12%	
NM Investment Funds		
Portfolio	0.27%	0.27%
Benchmark	0.26%	0.26%
Book Yield	1.23%	
LGIP		
Portfolio Net Yield	1.01%	0.51%
Benchmark Net Yield	0.92%	0.41%

Performance By Investment Fund

LGIP FUND	Market Value	Days	Earnings Yield		
			9/30/2017 Quarter End Yield	6/30/17-9/30/17 Fiscal Year	
LGIP Daily Gross Yield	\$ 742,099,882	49	1.060%	0.97%	
S&P LGIP Govt Pools Gross Return		43	1.080%	1.01%	
LGIP Daily Net Yield			1.010%	0.94%	
S&P LGIP Govt Pools Net Return			0.920%	0.86%	
STO INVESTMENT FUNDS					
Portfolio Name	Market Value	Duration - End	Total Return 9/30/2017	Quarter Period 6/30/17-9/30/17	Fiscal Period 6/30/17 - 9/30/17
General Fund Liquidity	\$ 894,507,996	0.01	0.24%	0.24%	32.63%
Fund Benchmark S&P LGIP Pool Net Return		0.10	0.22%	0.22%	
Portfolio Name	Market Value	Duration - End	Quarter Return	Fiscal Year	% of STO
General Fund Core	\$ 887,835,221	2.00	0.27%	0.27%	32.39%
Fund Benchmark Treasury 0-5 Year		2.20	0.29%	0.29%	
Portfolio Name	Market Value	Duration - End	Quarter Return	Fiscal Year	% of STO
General Fund Total	\$ 1,782,343,217	1.00	0.24%	0.24%	65.01%
General Fund Total Benchmark - Weighted		1.15	0.25%	0.25%	
Portfolio Name	Market Value	Duration - End	1.00%	Fiscal Year	% of STO
BPIP Tax Exempt	\$ 612,855,950	1.27	0.27%	0.27%	22.35%
Fund Benchmark - Treasury 0-3 Year		1.40	0.26%	0.26%	
Portfolio Name	Market Value	Duration - End	Quarter Return	Fiscal Year	% of STO
BPIP Taxable	\$ 346,293,299	1.08	0.31%	0.31%	12.63%
Fund Benchmark - Treasury 0-3 Year		1.40	0.26%	0.26%	
Total STO Investment Funds	\$ 2,741,492,466	1.07	0.27%	0.27%	100.00%
Weighted Benchmark		1.23	0.26%	0.26%	
STO OTHER FUNDS					
Portfolio Name	Market Value	Duration - End	9/30/2017 Quarter Return	6/30/17-9/30/17 Fiscal Year	
Severance Tax Bonding	\$ 112,201,180	0.24	0.39%	0.54%	
Portfolio Name	Market Value	Duration - End	Quarter Return	Fiscal Year	
Overnight Repo Pool	\$ 51,582,040	0	0.26%	0.26%	
Total STO Investment Funds	\$ 2,905,275,686				

JP Morgan reports are based on trade date and includes accrued interest. Returns are total return with the exception of the LGIP data which is book yield.

Shock Analysis Report

Shock Analysis

The following shock analysis report illustrates market value change that can be expected given instantaneous interest rate changes.

Strategy to Manage Risk

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.

Change in Market Value

The total market value of the investment portfolios will move by approximately \$7,319,986 given a 25 basis point instantaneous change in market yield 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 \$920 M and the variance is due to the shorter duration of the investment funds of 1.59 versus 1.78 for the weighted benchmark duration.

LGIP Market Value Change

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 as of quarter end was 99.99991, and the portfolio is reviewed and reported to S&P on a weekly basis.

Market Price Change

If Rates Rise by 25 basis points

<u>General Core Fund</u>	
25 Basis point change	(4,439,176)
<u>BPIP Tax Exempt</u>	
25 Basis point change	(1,945,818)
<u>BPIP Taxable</u>	
25 Basis point change	(934,992)
<u>Total NM Funds</u>	
25 Basis point change	(7,319,986)
<u>LGIP</u>	
25 Basis point change	
Current NAV*	0.9998
Potential Change	0.9995

*This NAV is based on Market Value /Book Value and may differ from the NMSTO participant report.

Shock Analysis

Review of price sensitivity of investments to rate changes

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	\$ 887,835,221.00	2.00	\$ (4,439,176.11)	\$ (8,878,352.21)	\$ (17,756,704.42)
Fund Benchmark		2.20	\$ (4,883,093.72)	\$ (9,766,187.43)	\$ (19,532,374.86)
Portfolio Name	Market Value	Duration - End	Market Change	Market Change	Market Change
BPIP Tax Exempt	\$ 612,855,950.00	1.27	\$ (1,945,817.64)	\$ (3,891,635.28)	\$ (7,783,270.57)
Fund Benchmark		1.40	\$ (2,144,995.83)	\$ (4,289,991.65)	\$ (8,579,983.30)
Portfolio Name	Market Value	Duration - End	Market Change	Market Change	Market Change
BPIP Taxable	\$ 346,293,299.00	1.08	\$ (934,991.91)	\$ (1,869,983.81)	\$ (3,739,967.63)
Fund Benchmark		1.40	\$ (1,212,026.55)	\$ (2,424,053.09)	\$ (4,848,106.19)
Total STO Investment Funds	\$ 1,846,984,470.00	1.59	\$ (7,319,985.65)	\$ (14,639,971.31)	\$ (29,279,942.61)
Total Benchmark Change		1.78	\$ (8,240,116.09)	\$ (16,480,232.17)	\$ (32,960,464.35)

Assumptions:

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

* Data Source: JP Morgan Custodi

* 3 year returns assume the same as current rates for the next 3 years. Cash rate based on current LGIP Pool rate on report date.

ASSUMED EARNINGS COMPARISON OF PORTFOLIO TO CASH EARNINGS ANNUALIZED					
Portfolio Name	Market Value	9/30/2017 Book Yield	1 year Earnings	3 year* Earnings	
General Fund Core	\$ 887,835,221.00	1.53%	\$ 13,583,878.88	\$ 40,751,636.64	
Cash		1.00%	\$ 8,878,352.21	\$ 26,635,056.63	
Portfolio Name	Market Value	Book Yield	Earnings	Earnings	
BPIP Tax Exempt	\$ 612,855,950.00	1.19%	\$ 7,292,985.81	\$ 21,878,957.42	
Cash		1.00%	\$ 6,128,559.50	\$ 18,385,678.50	
Portfolio Name	Market Value	Book Yield	Earnings	Earnings	
BPIP Taxable	\$ 346,293,299.00	1.14%	\$ 3,947,743.61	\$ 11,843,230.83	
Cash		1.00%	\$ 3,462,932.99	\$ 10,388,798.97	
Total STO Investment Funds	\$ 1,846,984,470.00	1.344%	\$ 24,824,608.29	\$ 74,473,824.88	

Sensitivity Analysis

Weighted Average Maturity:	47.4	Date S&P report 10/2/17					
Participant Shares S&P 10/2/17	741,354,560.07						
Market Value (NAV):	0.99991						
Total \$ Unrealized Loss:	(\$64,560)						
Total \$ Unrealized Gain:	\$0						
S&P Report 10/2/17	\$741,290,000						
<i>Basis Point Shift</i>							Unrealized Gain (Loss)
150	0.997093	0.997739	0.997858	0.997965	0.998062	0.998150	0.998435 \$ (1,508,678)
125	0.997557	0.998100	0.998200	0.998290	0.998371	0.998445	0.998684 \$ (1,267,992)
100	0.998020	0.998460	0.998541	0.998614	0.998680	0.998740	0.998934 \$ (1,027,305)
75	0.998484	0.998821	0.998883	0.998939	0.998989	0.999035	0.999184 \$ (786,619)
50	0.998948	0.999182	0.999225	0.999264	0.999299	0.999331	0.999434 \$ (545,933)
25	0.999412	0.999543	0.999567	0.999588	0.999608	0.999626	0.999683 \$ (305,246)
0	0.999876	0.999903	0.999908	0.999913	0.999917	0.999921	0.999933 \$ (64,560)
-25	1.000339	1.000264	1.000250	1.000238	1.000226	1.000216	1.000183 \$ 176,126
-50	1.000803	1.000625	1.000592	1.000562	1.000535	1.000511	1.000432 \$ 416,813
-75	1.001267	1.000985	1.000934	1.000887	1.000845	1.000806	1.000682 \$ 657,499
-100	1.001731	1.001346	1.001275	1.001212	1.001154	1.001101	1.000932 \$ 898,185
-125	1.002195	1.001707	1.001617	1.001536	1.001463	1.001397	1.001182 \$ 1,138,872
-150	1.002658	1.002068	1.001959	1.001861	1.001772	1.001692	1.001431 \$ 1,379,558

<i>Redemption/Inflow</i>	-30%	-10%	-5%	0%	5%	10%	30%
<i>O/S Shares</i>	518,948,192	667,219,104	704,286,832	741,354,560	778,422,288	815,490,016	963,760,928

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

$$\text{Dilution Upon NAV} = (\text{NAV} + \text{Change}) / (1 + \text{Change})$$

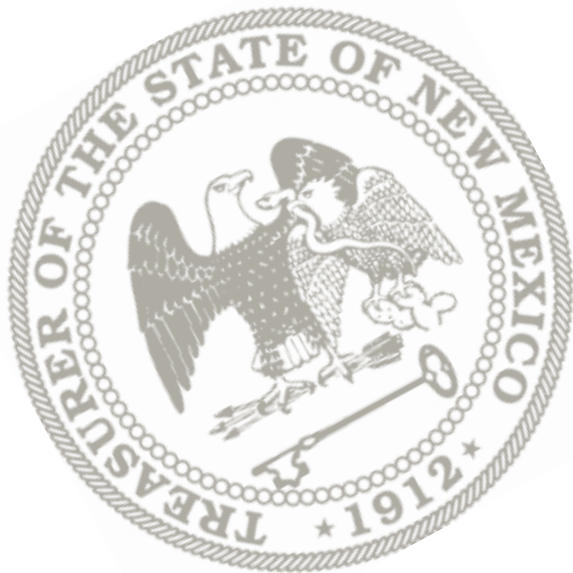
Source: S&P rating matrix

* Provided by STO on S&P Report

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

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9. Quarterly Investment Review – Portfolio Managers

Quarterly Investment Review

Market Summary

Interest rates were higher across the US Treasury yield curve during the first quarter of FY17. The discerning move came in the month of September, reversing the declines in yields experienced in July and August. In sharp contrast to the flight to quality sentiment that carried rates lower amid the North Korean missile launches and natural disasters, investors shifted back to focusing on the Federal Reserve. With an indication that a December rate hike was still possible, and the anticipation of a more hawkish Fed Chairman being appointed by President Trump, US Treasuries began to price in a faster pace of monetary policy tightening.

Short maturities continued to sustain upward pressure, while longer maturities were complacent with the steady inflation picture. The outperformance of longer maturities over the course of this calendar year has been tremendous. The latest increase in yields, however, has carried longer maturities higher as the tax overhaul that has been widely anticipated, is moving closer to fruition. The passage of a new tax plan has been touted as a potential economic bonanza, a situation that would usually be accompanied by more robust inflation; two factors that can weigh heavily on fixed income securities.

The STO portfolios continued to be more risk averse vs. their benchmarks, maintaining shorter durations. Treasuries are still quite attractive versus other sectors as yield advantages are still very narrow. Municipal securities are yielding less than comparable duration Treasuries and are not a good investment option at this time. Commercial paper has been an attractive alternative to Treasury and Agency securities in the short end and corporate notes have been added as new issues become available. Overnight to three month rates in Treasuries and Agencies have been hovering around the 1% level, the low end of the current Federal Funds rate range. With investors trying to stay short in advance of the December Fed meeting, attractive offerings in less than three months are very hard to come by.

Table 11 – Comparative Quarterly Interest Rates

<i>US Treasury Yields</i>			
<i>Maturity</i>	<i>06/30/17</i>	<i>09/30/17</i>	<i>Change</i>
3-Month	1.01%	1.04%	0.03%
6-Month	1.13%	1.19%	0.06%
1-Year	1.23%	1.29%	0.06%
2-Year	1.38%	1.48%	0.10%
3-Year	1.55%	1.62%	0.07%
5-Year	1.89%	1.94%	0.05%
10-Year	2.30%	2.33%	0.03%
30-Year	2.84%	2.86%	0.02%

Source: Bloomberg LP

Expectations for the Upcoming Quarter and Year

So far, the second quarter of FY17 has not been kind to fixed income investors as the upward trend in interest rates experienced in September has continued into October. The portfolios will be structured similarly to last quarter with durations shorter than benchmarks. With the recent move toward higher interest rates the portfolios will take advantage of opportunities to increase portfolio yields. Treasuries will be favored as Agency securities do not offer much in additional yield.

General Fund Investment Pool

The cash balances in the General Fund Investment Pool have stabilized. The Core was approximately 50% of the total pool at quarter end, with an ongoing target ratio of about 80% Core/20% Liquidity. Cash is being transferred to meet this target as investment opportunities arise. The duration of the Core will remain shorter than the benchmark to preserve principal in this rising interest rate environment.

Bond Proceeds Pools

The Pools are invested in a laddered fashion in order to meet monthly withdrawal requests. The portfolios continue to have durations shorter than their benchmarks and have performed well as a result. The Taxable Pool balances have declined as cash deposited from sponge notes on a semiannual basis have been less than robust. Emphasis on maintaining liquidity to meet withdrawals has been, and will be, the theme as long as cash infusions remain low. The Tax Exempt fund will also be conservatively structured as liquidity is always an important management factor for meeting capital project withdrawals.

Local Government Investment Pool

The gross yield on the Pool was 1.06% at the end of the quarter, continuing to rise as maturities are reinvested at higher interest rates. With yields fairly flat between overnight and three month investments, and renewed anticipation of Fed activity, the weighted average maturity has receded from the 60 day maximum.

Severance Tax Bonding Fund

The Severance Tax Bonding Fund will see generally increasing balances over the quarter as deposits are made on a monthly basis. STO is actively managing investments with maturities out three to six months. Deposits have been steadily averaging around \$30 million per month. The Fund continues to take advantage of higher rates for commercial paper versus Treasuries and Agencies.

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 \$1.8 Billion.

Portfolio Mix

- At month end, 100% of the General Fund CORE portfolio was invested in fixed income securities; 52% in US Government Securities; 37% in Government Related Securities (Municipal Bonds and Agency Securities), 2% in Corporate Securities and the balance ~9% in cash and cash equivalents.
- 29% of the portfolio was invested in securities that mature in one year; 20% in securities that mature from 1-2 years; 40% in 2-4 years and 11% within 5 years.
- The General Fund Core portfolio held positions in 67 securities at the end of September.
- The Weighted Average Life of the CORE portion of the General Fund was 2.08 years. The Weighted Average duration was 2.00 years.
- The benchmark duration for the CORE portfolio was 2.15 years.
- The maximum security term for the CORE portfolio is 5 years.

Performance

- For the last month, the General Fund outperformed its benchmark, returning (0.21)% vs. (0.25)%, as interest rates rose.
- For the last 3 months, the General Fund underperformed its benchmark, returning 0.27% vs. 0.29%, as interest rates were lower, with the five year maturity outperforming.
- For the last 12 months, the General Fund outperformed its benchmark. The General Fund return was 0.16% vs. 0.10% vs. the benchmark.

Market Value and Investment Earnings

- Unrealized gains/losses in the Core Portfolio at the end of September were \$(1,126,466).
- Over the month, the unrealized value of the portfolio decreased \$2,861,547.
- Monthly net earnings for September on the General Fund Portfolios were \$1,616,883.
- Total monthly earnings including mark-to-market were \$(1,244,664).
- Year-to-date net earnings were \$4,833,508.
- Total year-to-date earnings including mark-to-market were \$3,776,370.
- Earnings on the General Fund are used to offset General Fund Spending.

Investment Highlights

- The Core portfolio received \$62 million from the Liquidity portfolio in September due to higher balances.
- The Core portfolio duration moved closer to the benchmark duration in September.

STATE OF NEW MEXICO
GENERAL FUND (1000)
Portfolio Classification Summary
Positions Held as of 9/30/17 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	2	1.0267	.00550	316,918,692	316,918,692	316,918,692		35.431
REPURCHASE AGREEMENTS (TERM)	1	1.0342	.00550	200,000,000	200,000,000	200,000,000		22.359
COMMERCIAL PAPER-DISCOUNT BASED	3	1.1372	.02506	50,700,000	50,686,918	50,686,918		5.667
AGENCY US DISC ACT/360 360 DAY	1	1.0144	.04660	35,000,000	34,984,445	34,985,650	1,205	3.911
MUNICIPAL BOND REVENUE	1	1.2918	.05210	2,000,000	2,000,000	2,000,000		.224
CASH ACCOUNT	3			289,883,809	289,883,809	289,883,809		32.408
	<u>11</u>	<u>.7020</u>	<u>.00967</u>	<u>894,502,501</u>	<u>894,473,864</u>	<u>894,475,069</u>	<u>1,205</u>	<u>100.000</u>

STATE OF NEW MEXICO
GENERAL FUND CORE (1001)
Portfolio Classification Summary
Positions Held as of 9/30/17 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	1.0139	.00550	10,321,209	10,321,209	10,321,209		1.166
COMMERCIAL PAPER-DISCOUNT BASED	3	1.3677	.38993	60,000,000	59,684,677	59,684,677		6.742
CERTIFICATES OF DEPOSIT	4	1.1600	.73755	7,500,000	7,500,000	7,500,000		.847
US TREASURY NOTE ACT/ACT 2X	23	1.4962	2.38834	462,750,000	463,290,511	462,489,528	-800,983	52.245
CORPORATE BONDS	1	1.5653	1.95070	10,000,000	9,991,597	9,981,200	-10,397	1.128
AGENCY US BOND 30/360 2X	7	1.4598	2.35286	76,080,000	75,900,181	75,564,621	-335,560	8.536
AGENCY 30/360 2X	2	1.4897	2.63400	25,000,000	24,937,391	24,831,650	-105,741	2.805
AGENCY US BOND 30/360 ZERO CPN	1	1.9646	2.02470	65,104,000	62,693,576	62,757,652	64,076	7.089
AGENCY US NOTES 30/360 2X	9	1.6936	1.71071	132,000,000	132,660,127	132,746,150	86,023	14.996
FED NATL MORTGAGE ASSN DEBS	3	1.0765	1.44814	14,370,000	14,367,897	14,310,198	-57,699	1.617
CORP US NOTE 30/360 2X	6	1.7453	1.81218	22,500,000	22,495,184	22,532,550	37,366	2.545
MUNI US 30/360 2X	6	1.3486	1.45704	1,905,000	1,973,022	1,968,266	-4,756	.222
CASH ACCOUNT	1			537,619	537,619	537,619		.061
	<u>67</u>	<u>1.5375</u>	<u>2.05124</u>	<u>888,067,828</u>	<u>886,352,991</u>	<u>885,225,320</u>	<u>-1,127,671</u>	<u>100.000</u>

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 9/30/17 (Trade)

BOOK VALUES AMORTIZED THROUGH 9/30/17

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
200,000,000	TERM REPO AGREEMENT	1002TMRP	1.020	10/02/17	1.020	100.00000	200,000,000.00	200,000,000.00	
100,000,000	OVERNIGHT REPO AGREEMENT	1002LIQ	1.040	10/02/17	1.040	100.00000	100,000,000.00	100,000,000.00	
216,918,692	OVERNIGHT REPO	1002RP	1.000	10/02/17	1.000	100.00000	216,918,691.54	216,918,691.54	
25,000,000	EXXON MOBIL - CP	30229AX4		10/04/17	1.091	99.99092	24,997,729.17	24,997,729.17	
25,000,000	TOYCC CP	89233GXD		10/13/17	1.151	99.96167	24,990,416.67	24,990,416.67	
35,000,000	TENNESSEE VALLEY AUTHORITY	880590NB		10/17/17	1.001	99.95556	34,984,444.45	34,985,650.00	1,205.55
2,000,000	GADSDEN ISD GO ETC 2017	GISDG017	1.282	10/19/17	1.274	100.00000	2,000,000.00	2,000,000.00	
700,000	US BANK NAT'L ASSOC	9033A0YQ		11/24/17	1.173	99.82450	698,771.50	698,771.50	
604,618,692							604,590,053.33	604,591,258.88	1,205.55

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

604,618,692	604,590,053.33	604,591,258.88	1,205.55
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====> 0008 ITEMS IN SUBTOTAL FOR ==> FUND NAME..... ==> GENERAL FUND <====

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 9/30/17 (Trade)

BOOK VALUES AMORTIZED THROUGH 9/30/17

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
10,321,209	OVERNIGHT REPO	1002RP	1.000	10/02/17	1.000	100.00000	10,321,209.42	10,321,209.42	
20,000,000	UNITED STATES TREASURY NOTES	912828TW	.750	10/31/17	1.153	99.96685	19,993,369.31	19,995,400.00	2,030.69
20,000,000	UNITED STATES TREASURY NOTES	912828HH	4.250	11/15/17	1.085	100.38437	20,076,874.38	20,075,200.00	- 1,674.38
20,000,000	UNITED STATES TREASURY NOTES	912828UA	.625	11/30/17	1.075	99.92594	19,985,188.93	19,984,600.00	- 588.93
255,000	SILVER CITY N MEX JT UTIL SYS RE	82750RAP	2.000	12/01/17	1.000	100.16520	255,421.27	255,464.10	42.83
500,000	WESTERN BANK CLOVIS	06022017	1.100	12/01/17	1.100	100.00000	500,000.00	500,000.00	
71,076,209							71,132,063.31	71,131,873.52	- 189.79

====> 0006 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2017 <====

6,580,000	FEDERAL HOME LOAN BANKS	3130A8QM	.700	1/12/18	1.128	99.87972	6,572,085.73	6,572,696.20	610.47
5,000,000	UNITED STATES TREASURY NOTES	912828UJ	.875	1/31/18	1.309	99.85605	4,992,802.61	4,995,150.00	2,347.39
20,000,000	TOYOTA MOTOR CREDIT CORP	89233HB9		2/09/18	1.379	99.50147	19,900,294.44	19,900,294.44	
20,000,000	GE CAPITAL US HOLDING INC	36164KBD		2/13/18	1.339	99.50125	19,900,250.00	19,900,250.00	
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADP	.875	3/07/18	1.454	99.75035	14,962,552.32	14,978,700.00	16,147.68
20,000,000	PEFCO CP	7426M3C8		3/08/18	1.328	99.42067	19,884,133.33	19,884,133.33	
2,000,000	FARMERS & STOCKMENS BANK	8521052	1.050	4/27/18	1.050	100.00000	2,000,000.00	2,000,000.00	
2,000,000	FARMERS & STOCKMENS BANK	4282017	1.150	4/27/18	1.150	100.00000	2,000,000.00	2,000,000.00	
25,000,000	UNITED STATES TREASURY NOTES	912828UZ	.625	4/30/18	1.188	99.67481	24,918,701.76	24,908,250.00	- 10,451.76
25,000,000	UNITED STATES TREASURY NOTES	912828VE	1.000	5/31/18	1.228	99.84941	24,962,351.27	24,957,000.00	- 5,351.27
150,000	LAS CRUCES N MEX HOLD HARMLESSGR	51748QAY	4.000	6/01/18	1.500	101.65052	152,475.78	151,912.50	- 563.28
360,000	SANDOVAL COUNTY	800050FG	2.000	6/01/18	.920	100.71554	362,575.94	362,437.20	- 138.74
225,000	SAN JUAN CNTY N MEX CENT CONS IN	798359KT	1.000	8/01/18	1.000	99.99950	224,998.88	224,772.75	- 226.13
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0YM	1.875	9/18/18	1.438	100.41657	20,083,313.71	20,097,000.00	13,686.29
3,000,000	FARMERS & STOCKMENS BANK	8521082	1.250	10/19/18	1.250	100.00000	3,000,000.00	3,000,000.00	
5,000,000	THE COCA-COLA COMPANY	191216BF	1.650	11/01/18	1.438	100.22670	5,011,334.84	5,011,150.00	- 184.84
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0YT	1.625	11/27/18	1.747	99.86025	14,979,036.83	15,019,500.00	40,463.17
20,000,000	UNITED STATES TREASURY NOTES	912828RT	1.375	11/30/18	1.404	99.96645	19,993,289.84	19,994,600.00	1,310.16
500,000	FEDERAL HOME LOAN BANKS	313382F7	1.100	12/27/18	1.100	99.99944	499,997.21	497,635.00	- 2,362.21
204,815,000							204,400,194.49	204,455,481.42	55,286.93

====> 0019 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2018 <====

15,000,000	FEDERAL HOME LOAN BANKS	3130AAM8	1.625	1/18/19	1.309	100.09240	15,013,859.52	15,004,950.00	- 8,909.52
2,500,000	APPLE INC	037833CE	1.550	2/08/19	1.589	99.94763	2,498,690.71	2,500,775.00	2,084.29

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 9/30/17 (Trade)

BOOK VALUES AMORTIZED THROUGH 9/30/17

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0ZA	1.875	2/19/19	1.678	100.26770	20,053,540.90	20,111,200.00	57,659.10
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACA	3.750	3/27/19	1.762	102.90857	20,581,714.47	20,661,600.00	79,885.53
35,000,000	UNITED STATES TREASURY NOTES	912828C6	1.625	3/31/19	1.744	99.82439	34,938,537.60	35,102,550.00	164,012.40
5,000,000	PEPSICO INC	713448DR	1.550	5/02/19	1.588	99.93989	4,996,994.70	4,995,750.00	- 1,244.70
265,000	SANDOVAL COUNTY	800050FH	3.000	6/01/19	1.070	103.17832	273,422.56	273,440.25	17.69
16,000,000	UNITED STATES TREASURY NOTES	912828TH	.875	7/31/19	1.507	98.86169	15,817,870.03	15,833,120.00	15,249.97
5,000,000	FANNIE MAE	3135G0N3	.875	8/02/19	.932	99.89640	4,994,820.22	4,941,050.00	- 53,770.22
10,000,000	APPLE INC.	037833CZ	1.500	9/12/19	1.544	99.91596	9,991,596.37	9,981,200.00	- 10,396.37
13,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315P3R	1.900	9/18/19	1.920	99.96132	12,994,972.14	13,050,700.00	55,727.86
65,104,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313586RC		10/09/19	1.938	96.29758	62,693,575.95	62,757,651.84	64,075.89
24,500,000	UNITED STATES TREASURY NOTES	912828F6	1.500	10/31/19	1.561	99.87531	24,469,450.20	24,500,000.00	30,549.80
8,000,000	FEDERAL FARM CREDIT BANKS	3133EEBN	1.800	11/12/19	1.755	100.09185	8,007,347.73	8,023,200.00	15,852.27
14,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0ZY	1.750	11/26/19	1.701	100.10223	14,014,311.51	14,053,200.00	38,888.49
253,369,000							251,340,704.61	251,790,387.09	449,682.48

====> 0015 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2019 <====

5,000,000	US BANK	90331HNB	2.000	1/24/20	2.073	99.83496	4,991,747.84	5,013,450.00	21,702.16
2,500,000	MICROSOFT CORP	594918BV	1.850	2/06/20	1.873	99.94636	2,498,659.00	2,510,300.00	11,641.00
33,750,000	UNITED STATES TREASURY NOTES	912828UV	1.125	3/31/20	1.387	99.35933	33,533,774.10	33,392,587.50	- 141,186.60
13,500,000	UNITED STATES TREASURY NOTES	912828K5	1.375	4/30/20	1.501	99.68178	13,457,040.72	13,432,500.00	- 24,540.72
2,500,000	APPLE INC.	037833CS	1.800	5/11/20	1.835	99.91022	2,497,755.48	2,501,125.00	3,369.52
650,000	NEW MEXICO FIN AUTH REV	64711NA7	5.000	6/15/20	1.830	108.32712	704,126.29	700,238.50	- 3,887.79
20,000,000	FNMA	3135G0T6	1.500	7/30/20	1.604	99.71285	19,942,570.38	19,890,600.00	- 51,970.38
20,000,000	UNITED STATES TREASURY NOTES	912828XM	1.625	7/31/20	1.550	100.20508	20,041,015.60	20,011,000.00	- 30,015.60
4,000,000	UNITED STATES TREASURY NOTES	912828VV	2.125	8/31/20	1.654	101.33286	4,053,314.34	4,057,360.00	4,045.66
7,000,000	FEDERAL HOME LOAN BANK	3130ACE2	1.375	9/28/20	1.483	99.68557	6,977,990.17	6,933,010.00	- 44,980.17
41,000,000	UNITED STATES TREASURY NOTES	912828WC	1.750	10/31/20	1.462	100.86420	41,354,321.19	41,123,410.00	- 230,911.19
20,000,000	US TREASURY N/B	912828A4	2.000	11/30/20	1.783	100.66362	20,132,724.84	20,202,400.00	69,675.16
20,000,000	UNITED STATES TREASURY NOTES	912828N4	1.750	12/31/20	1.383	101.15956	20,231,911.05	20,037,600.00	- 194,311.05
189,900,000							190,416,951.00	189,805,581.00	- 611,370.00

====> 0013 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2020 <====

34,000,000	FEDERAL HOME LOAN BANKS	3130A7CV	1.375	2/18/21	1.511	99.55213	33,847,722.63	33,648,780.00	- 198,942.63
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STATE OF NEW MEXICO
TREASURERS OFFICE
Position holdings as of 9/30/17 (Trade)
BOOK VALUES AMORTIZED THROUGH 9/30/17

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
2,620,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134GBWE	1.500	6/29/21	1.823	99.91972	2,617,896.59	2,612,637.80	- 5,258.79
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G9D8	.750	6/30/21	.750	100.00000	5,000,000.00	4,954,850.00	- 45,150.00
5,000,000	FHLB	3130A8QS	1.125	7/14/21	1.227	99.62362	4,981,181.21	4,884,350.00	- 96,831.21
10,000,000	UNITED STATES TREASURY NOTES	912828T3	1.125	9/30/21	1.724	97.69401	9,769,400.92	9,737,100.00	- 32,300.92
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0Q8	1.375	10/07/21	1.410	99.86409	4,993,204.49	4,905,650.00	- 87,554.49
6,750,000	FEDERAL HOME LOAN BANKS	3130AA5F	1.000	12/16/21	.998	100.00000	6,750,000.00	6,742,710.00	- 7,290.00
10,000,000	UNITED STATES TREASURY NOTES	912828U8	2.000	12/31/21	1.730	101.09825	10,109,825.07	10,062,100.00	- 47,725.07
78,370,000							78,069,230.91	77,548,177.80	- 521,053.11

====> 0008 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2021 <====

20,000,000	UNITED STATES TREASURY NOTES	912828XR	1.750	5/31/22	1.756	99.97325	19,994,650.44	19,869,600.00	- 125,050.44
20,000,000	UNITED STATES TREASURY NOTES	912828XC	2.125	6/30/22	1.861	101.19374	20,238,748.44	20,192,200.00	- 46,548.44
20,000,000	UNITED STATES TREASURY NOTES	912828XQ	2.000	7/31/22	1.878	100.55779	20,111,558.07	20,077,400.00	- 34,158.07
20,000,000	UNITED STATES TREASURY NOTES	912828L2	1.875	8/31/22	1.754	100.56892	20,113,783.14	19,948,400.00	- 165,383.14
10,000,000	FEDERAL AGRICULTURAL MTG CO	3132X0WS	1.900	9/01/22	1.905	99.97479	9,997,479.00	9,868,600.00	- 128,879.00
90,000,000							90,456,219.09	89,956,200.00	- 500,019.09

====> 0005 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2022 <====

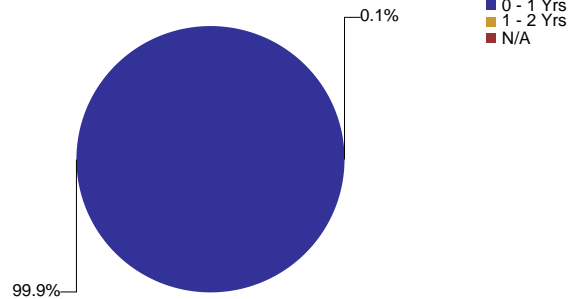
887,530,209							885,815,363.41	884,687,700.83	- 1,127,662.58
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====> 0066 ITEMS IN SUBTOTAL FOR ====> FUND NAME..... ====> GENERAL FUND CORE <====

Portfolio Characteristics

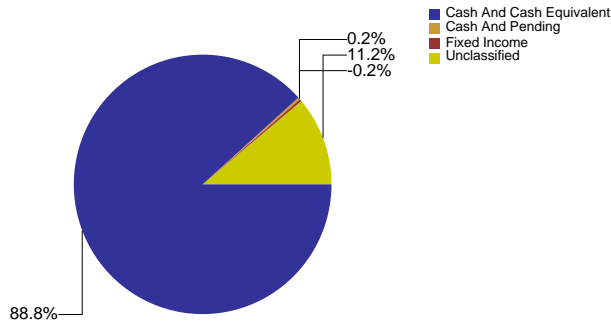
Duration Mix

Total Net Assets (Millions)	894.5
Weighted Average Life (Years)	0.01
Weighted Avg. Effective Duration (Years)	0.01
Weighted Average Coupon (%)	0.59
Weighted Average Current Yield (%)	0.68
Weighted Average Yield to Maturity (%)	0.68
Weighted Average Rating	AA-
Number of Holdings	20



Asset Mix

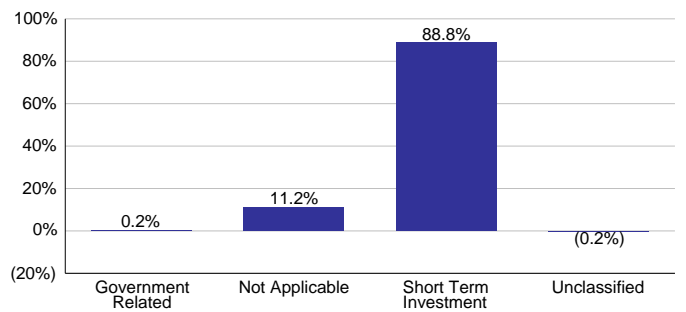
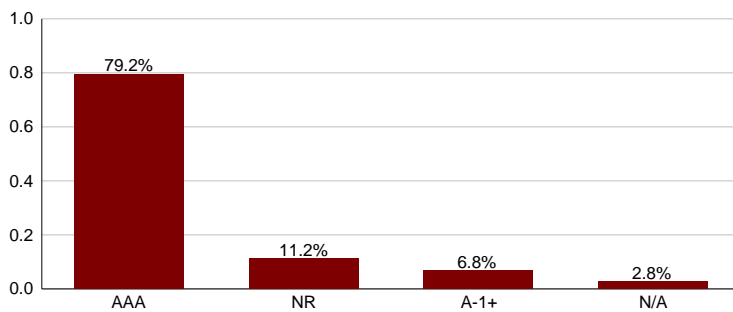
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
89499LC10	BANK OF THE WEST	24.09%	0.00	1/10/0017
99HR00204	REPO BANK OF NEW YORK (HGS) BMOVYH004	6.34%	1.02	2/10/2017
99HR00205	REPO BANK OF NEW YORK (HGS) BMOVYH003	6.34%	1.02	2/10/2017
99HR10298	REPO JPMORGAN CHASE BK (HSBCSI) GFLHSBC01	6.15%	1.04	2/10/2017
99HR10297	REPO JPMORGAN CHASE BK (HSBCSI) GFLHSBC02	6.15%	1.04	2/10/2017
99HR20019	REPO JPMORGAN CHASE BK (GREENWICH) 092917K	6.06%	1.00	2/10/2017
99HR20021	REPO JPMORGAN CHASE BK (GREENWICH) 092917I	6.06%	1.00	2/10/2017
99HR20020	REPO JPMORGAN CHASE BK (GREENWICH) 092917J	6.06%	1.00	2/10/2017
99HR00207	REPO BANK OF NEW YORK (HGS) BMOVYH001	5.90%	1.02	2/10/2017
99HR00206	REPO BANK OF NEW YORK (HGS) BMOVYH002	6.53%	1.02	2/10/2017

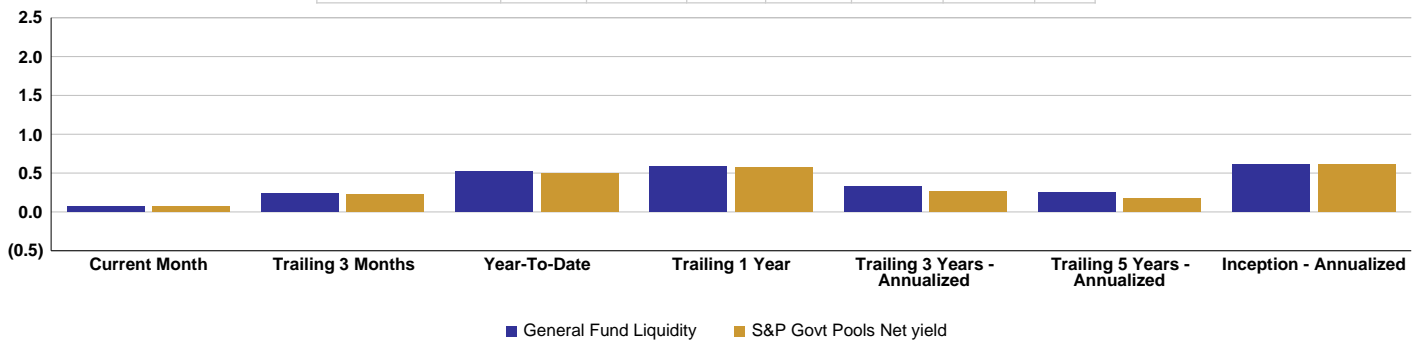
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

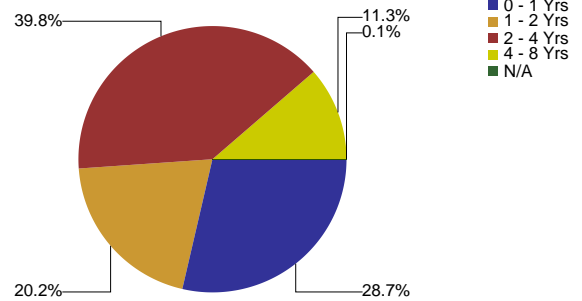
	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
General Fund Liquidity	0.07	0.24	0.52	0.58	0.33	0.25	0.61
S&P Govt Pools Net yield	0.08	0.22	0.50	0.58	0.27	0.18	0.62
Excess	(0.01)	0.02	0.02	0.00	0.06	0.08	(0.01)



Portfolio Characteristics

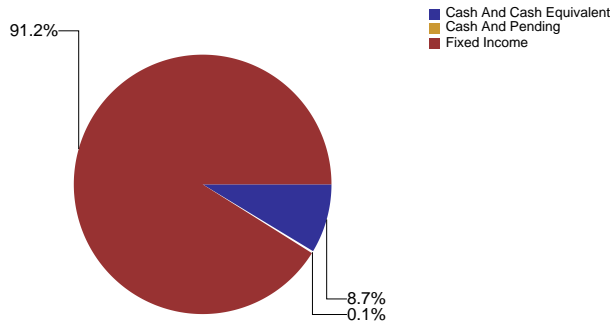
Duration Mix

Total Net Assets (Millions)	887.8
Weighted Average Life (Years)	2.08
Weighted Avg. Effective Duration (Years)	2.00
Weighted Average Coupon (%)	1.38
Weighted Average Current Yield (%)	1.51
Weighted Average Yield to Maturity (%)	1.53
Weighted Average Rating	AA
Number of Holdings	68



Asset Mix

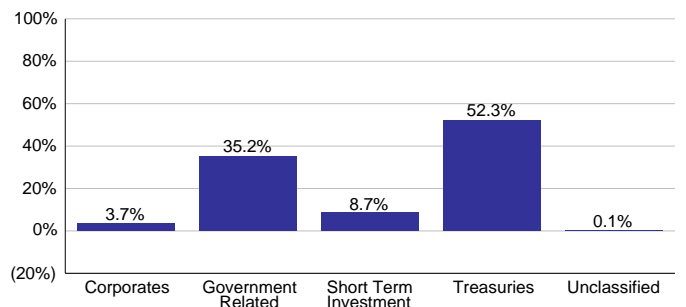
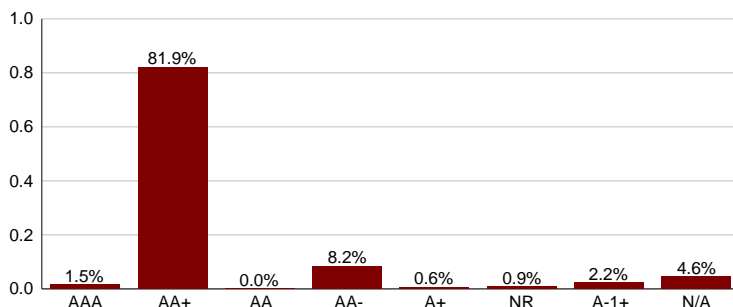
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
313586RCS	FEDERAL NATIONAL MORTGAGE ASSOC 0% NTS 09/OCT/2019	7.07%	0.00	9/10/0019
912828WCO	UNITED STATES OF AMERICA 1.750% 2020-10-31	4.67%	1.75	31/10/2020
912828CB5	UNITED STATES OF AMERICA 1.625% 2019-03-31	3.96%	1.62	31/3/2019
3130A7CV5	FEDERAL HOME LOAN BANKS BOND FIXED 1.375%	3.80%	1.38	18/2/2021
912828UV0	UNITED STATES OF AMERICA 1.125% 2020-03-31	3.76%	1.12	31/3/2020
912828VE7	UNITED STATES OF AMERICA 1.000% 2018-05-31	2.82%	1.00	31/5/2018
912828UZ1	UNITED STATES OF AMERICA 0.625% 2018-04-30	2.81%	0.62	30/4/2018
912828F62	UNITED STATES OF AMERICA 1.500% 2019-10-31	2.78%	1.50	31/10/2019
3137EACAS	FEDERAL HOME LOAN MORTGAGE CORP 3.75% BDS	2.33%	3.75	27/3/0019
912828HH6	UNITED STATES OF AMERICA 4.250% 2017-11-15	2.30%	4.25	15/11/2017

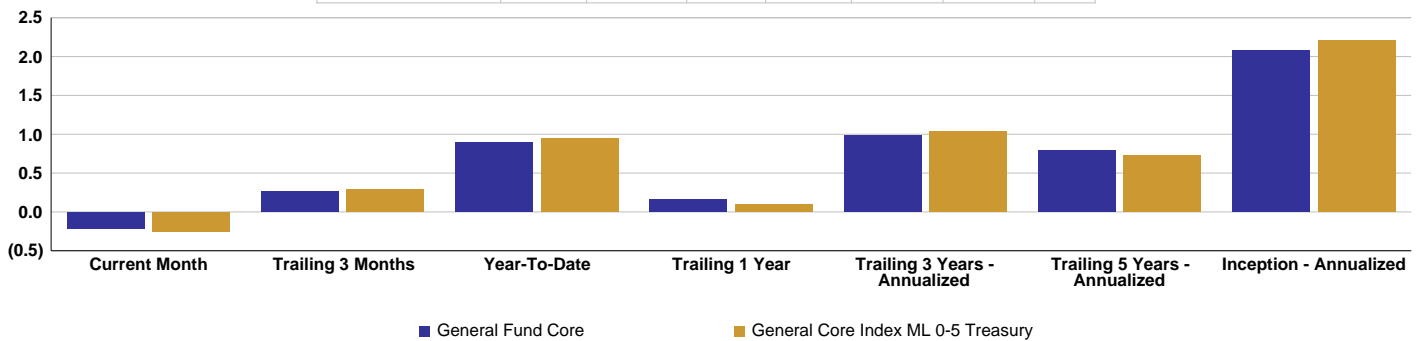
Quality/Rating Weightings

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	(0.21)	0.27	0.90	0.16	0.99	0.79	2.08
General Core Index ML 0-5 Treasury	(0.25)	0.29	0.94	0.10	1.03	0.73	2.20
Excess	0.04	(0.02)	(0.04)	0.07	(0.04)	0.07	(0.12)





11. Portfolio Summary- Local Government Investment Pool

Portfolio Summary – Local Government Investment Pool (LGIP)

Summary

- Ending September market value for the LGIP was \$742.1mil representing a decrease relative to August's reported closing value of \$828.6mil.
- The LGIP maintains a AAAM rating by Standard & Poor's.
- At the end of September the STO participant balance was \$16.6mil or 2% of the Pool, the Judicial District Court participant balance was \$3.1mil or 0.4%.

Portfolio Mix

- At the end of September the portfolio was invested as follows: 13% in US Treasuries, 45% in US government agencies, 3% in collateralized demand deposit accounts with qualified banking institutions, 23% in floating rate securities, and 17% in overnight repurchase agreements.
- At month-end, the LGIP held positions in 63 securities.

Investment Earnings

- During September the fund earned \$672,481.
- For FY2018, the fund has earned \$2,122,026.
- LGIP earnings are retained by participants after a management fee of 0.05% is paid to the General Fund.

Performance

- Gross yield on the LGIP was 1.0600% at the end of September.
- Net yield to participants was 1.0100%.

Investment Highlights

- For the LGIP, the WAM(R) of 49 days, and WAM (F) of 105 days, were within their maximums of 60 and 120 days respectively.
- The LGIP purchased \$198mil in US agency securities during the month. Approximately, \$159mil of these transactions were in securities that mature within one month or less.
- The LGIP sold \$5mil in US agency securities, at a gain, during the month.
- The LGIP engaged in 24 repo trades during the month, consisting of 20 overnight and 4 term trades. Trade amounts varied in size from \$20mil to \$75mil at rates spanning 1.00% to 1.4%.

Investment Strategy

- LGIP WAMs are currently 54 and 118 days for WAM(R) and WAM (F) respectively.
- 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 \$0.9999.

STATE OF NEW MEXICO
LGIP FUND (4101)
Portfolio Classification Summary
Positions Held as of 9/30/17 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	1.0544	.00550	75,000,000	75,000,000	75,000,000		10.122
REPURCHASE AGREEMENTS (TERM)	1	1.0342	.00820	50,000,000	50,000,000	50,000,000		6.748
U.S. TREASURY BILLS	3	1.0956	.03674	100,000,000	99,962,827	99,971,500	8,673	13.493
AGENCY US FLOAT ACT/360 12X	6	1.1529	.82269	48,210,000	48,208,017	48,205,605	-2,412	6.506
AGENCY US BOND 30/360 2X	15	1.0470	.24680	83,929,000	84,339,396	84,314,864	-24,532	11.380
AGENCY US DISC ACT/360 360 DAY	12	1.0792	.23355	179,336,000	178,860,409	178,862,921	2,512	24.140
AGENCY US NOTES 30/360 2X	7	1.1477	.21097	68,655,000	68,610,125	68,595,618	-14,507	9.258
AGENCY US VARIABLE ACT/360 4X	13	1.1165	.78618	115,270,000	115,273,667	115,273,204	-463	15.558
CASH ACCOUNT	3			20,705,540	20,705,540	20,705,540		2.795
	<u>61</u>	<u>1.0590</u>	<u>.29409</u>	<u>741,105,540</u>	<u>740,959,981</u>	<u>740,929,252</u>	<u>-30,729</u>	<u>100.000</u>

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 9/30/17 (Trade)

BOOK VALUES AMORTIZED THROUGH 9/30/17

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
	UNITED STATES TREASURY NOTES	912828TS	.625	9/30/17					
75,000,000	OVERNIGHT REPO AGREEMENT	10020NRP	1.040	10/02/17	1.040	100.00000	75,000,000.00	75,000,000.00	
50,000,000	TERM REPO AGREEMENT	1003TMRP	1.020	10/03/17	1.020	100.00000	50,000,000.00	50,000,000.00	
12,610,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G8VQ	.810	10/04/17	1.090	99.99763	12,609,700.92	12,609,747.80	46.88
30,000,000	UNITED STATES TREASURY BILLS	912796LW		10/05/17	1.067	99.98816	29,996,446.94	29,998,200.00	1,753.06
10,000,000	FEDERAL HOME LOAN BANKS	313385MQ		10/06/17	.949	99.98688	9,998,687.50	9,998,900.00	212.50
2,000,000	FEDERAL FARM CREDIT BANKS	3133EDD6	1.240	10/06/17	.978	100.00356	2,000,071.26	2,000,060.00	- 11.26
34,000,000	TENNESSEE VALLEY AUTHORITY	880590MU		10/10/17	1.011	99.97475	33,991,415.00	33,992,520.00	1,105.00
10,000,000	FEDERAL HOME LOAN BANKS	313385MV		10/11/17	.949	99.97375	9,997,375.00	9,997,500.00	125.00
7,286,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313589MV		10/11/17	1.001	99.97222	7,283,976.11	7,284,178.50	202.39
20,000,000	UNITED STATES TREASURY BILLS	912796KR		10/12/17	1.109	99.96618	19,993,235.00	19,994,800.00	1,565.00
5,000,000	FEDERAL FARM CREDIT BANKS	3133EGMC	.670	10/18/17	1.069	99.98101	4,999,050.30	4,999,150.00	99.70
50,000,000	UNITED STATES TREASURY BILLS	912796LY		10/19/17	1.077	99.94629	49,973,144.50	49,978,500.00	5,355.50
6,450,000	FEDERAL HOME LOAN BANKS	313385NE		10/20/17	.995	99.94775	6,446,629.88	6,446,839.50	209.62
15,000,000	FEDERAL HOME LOAN BANKS	3130AAPL	.601	10/23/17	1.061	100.00000	15,000,000.00	14,999,850.00	- 150.00
1,670,000	FEDERAL HOME LOAN BANKS	3130A7VF	.968	10/25/17	.919	100.01463	1,670,244.29	1,670,200.40	- 43.89
32,000,000	FEDERAL HOME LOAN BANKS	3130ABAM	.861	10/25/17	1.021	99.99407	31,998,102.51	31,998,400.00	297.49
6,600,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313589NK		10/25/17	1.037	99.93100	6,595,446.00	6,595,842.00	396.00
1,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0PQ	.875	10/26/17	1.152	99.98049	999,804.86	999,890.00	85.14
14,000,000	FEDERAL HOME LOAN BANKS	313385NU		11/03/17	1.032	99.90558	13,986,781.67	13,987,540.00	758.33
23,195,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G8VP	.830	11/06/17	1.088	99.97461	23,189,111.61	23,190,824.90	1,713.29
1,000,000	FEDERAL FARM CREDIT BANKS	31331KR4	1.500	11/08/17	1.022	100.04847	1,000,484.68	1,000,390.00	- 94.68
1,040,000	FEDERAL HOME LOAN BANKS	3133XM08	5.000	11/17/17	1.102	100.49481	1,045,146.05	1,045,002.40	- 143.65
1,960,000	FEDERAL FARM CREDIT BANKS	3133EEQ9	.786	11/27/17	1.120	100.01967	1,960,385.52	1,960,470.40	84.88
2,000,000	FEDERAL FARM CREDIT BANKS	31331J4H	2.500	12/06/17	1.139	100.24353	2,004,870.69	2,005,560.00	689.31
7,000,000	FEDERAL HOME LOAN BANKS	313372C3	3.125	12/08/17	1.087	100.37663	7,026,363.96	7,024,780.00	- 1,583.96
1,000,000	FEDERAL HOME LOAN BANKS	313371N2	2.125	12/08/17	1.125	100.18433	1,001,843.29	1,001,760.00	- 83.29
28,339,000	TENNESSEE VALLEY AUTHORITY	880591CU	6.250	12/15/17	.863	101.10217	28,651,343.68	28,628,341.19	- 23,002.49
5,150,000	FEDERAL HOME LOAN BANKS	3130A6SW	1.000	12/19/17	1.061	99.98621	5,149,289.62	5,149,124.50	- 165.12
9,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0SW	.875	12/27/17	1.162	99.93098	8,993,787.77	8,991,720.00	- 2,067.77
13,500,000	FEDERAL HOME LOAN BANKS	3130A5JG	.850	12/29/17	1.072	99.94542	13,492,632.26	13,493,520.00	887.74
475,800,000							476,055,370.87	476,043,611.59	- 11,759.28

====> 0031 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2017 <====

20,000,000	FEDERAL HOME LOAN BANKS	313385SC		1/22/18	1.085	99.66100	19,932,200.00	19,932,800.00	600.00
35,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	313397SN		2/01/18	1.123	99.61904	34,866,664.58	34,868,400.00	1,735.42
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	313397SP		2/02/18	1.075	99.63144	19,926,288.89	19,924,200.00	- 2,088.89

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 9/30/17 (Trade)

BOOK VALUES AMORTIZED THROUGH 9/30/17

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
5,000,000	FEDERAL FARM CREDIT BANKS	3133EEMX	1.004	2/06/18	.917	100.12020	5,006,010.12	5,002,400.00	- 3,610.12
11,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0TG	.875	2/08/18	1.121	99.91318	11,490,016.14	11,484,705.00	- 5,311.14
12,000,000	FEDERAL FARM CREDIT BANKS	3133EEQM	1.110	2/20/18	1.195	99.96667	11,996,000.99	11,996,280.00	279.01
6,800,000	FEDERAL HOME LOAN BANKS	3130A9A2	.930	3/06/18	.954	100.03958	6,802,691.74	6,801,020.00	- 1,671.74
4,800,000	FEDERAL FARM CREDIT BANKS	3133EEV8	.520	3/09/18	1.316	99.97594	4,798,845.25	4,803,984.00	5,138.75
10,000,000	FEDERAL FARM CREDIT BANK	3133EGH3	.510	3/14/18	1.266	99.99378	9,999,378.18	9,999,500.00	121.82
4,000,000	FEDERAL FARM CREDIT BANKS	3133EEZ5	.542	3/22/18	1.291	99.98818	3,999,527.11	4,003,080.00	3,552.89
3,000,000	TENNESSEE VALLEY AUTHORITY	880591EC	4.500	4/01/18	1.285	101.59734	3,047,920.18	3,047,670.00	- 250.18
1,000,000	FEDERAL FARM CREDIT BANKS	3133EDG8	1.250	4/03/18	1.250	100.00000	1,000,000.00	999,580.00	- 420.00
10,650,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EAEA	.750	4/09/18	1.134	99.80033	10,628,735.45	10,620,606.00	- 8,129.45
900,000	FEDERAL HOME LOAN BANKS	3130ABE7	1.125	5/08/18	1.250	99.92472	899,322.46	898,956.00	- 366.46
1,000,000	FEDERAL FARM CREDIT BANKS	31331YW6	4.900	6/12/18	1.276	102.50540	1,025,054.00	1,024,690.00	- 364.00
10,000,000	FEDERAL HOME LOAN BANKS	313385ZV	4.960	7/26/18	1.255	98.97356	9,897,355.55	9,896,900.00	- 455.55
700,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G9Q6	1.050	7/27/18	3.084	99.85242	698,966.93	698,124.00	- 842.93
6,000,000	FEDERAL FARM CREDIT BANKS	313313ZZ		7/30/18	1.255	98.95978	5,937,586.67	5,937,300.00	- 286.67
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134GA4D	.759	8/10/18	.900	100.00000	5,000,000.00	4,998,250.00	- 1,750.00
7,250,000	FEDERAL FARM CREDIT BANKS	3133EG6H	.693	11/09/18	1.167	99.98663	7,249,030.86	7,248,405.00	- 625.86
10,000,000	FEDERAL FARM CREDIT BANKS	3133EHLT	1.012	12/05/18	1.144	99.99564	9,999,563.73	9,999,100.00	- 463.73
184,600,000							184,201,158.83	184,185,950.00	- 15,208.83

====> 0021 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2018 <====

15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G8B9	1.149	2/14/19	1.157	100.00000	15,000,000.00	14,995,950.00	- 4,050.00
5,000,000	FEDERAL FARM CREDIT BANKS	3133EHME	1.170	3/12/19	1.146	100.03116	5,001,557.94	5,000,700.00	- 857.94
10,000,000	FEDERAL FARM CREDIT BANKS	3133EHKC	.987	3/25/19	1.134	99.99455	9,999,454.65	9,998,100.00	- 1,354.65
10,000,000	FEDERAL FARM CREDIT BANKS	3133EHDN	.980	3/27/19	1.237	99.98689	9,998,688.91	10,007,500.00	8,811.09
10,000,000	FEDERAL FARM CREDIT BANKS	3133EHQT	1.145	4/10/19	1.147	99.99130	9,999,129.85	9,996,200.00	- 2,929.85
5,000,000	FEDERAL FARM CREDIT BANK	3133EHSF	1.135	4/25/19	1.147	99.98149	4,999,074.42	4,997,850.00	- 1,224.42
5,000,000	FEDERAL FARM CREDIT BANKS	3133EHPR	1.170	6/27/19	1.167	100.00000	5,000,000.00	4,997,850.00	- 2,150.00
60,000,000							59,997,905.77	59,994,150.00	- 3,755.77

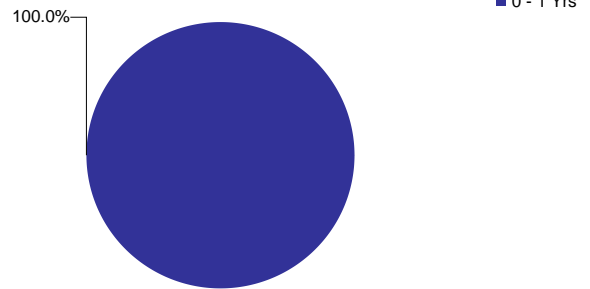
====> 0007 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2019 <====

720,400,000							720,254,435.47	720,223,711.59	- 30,723.88
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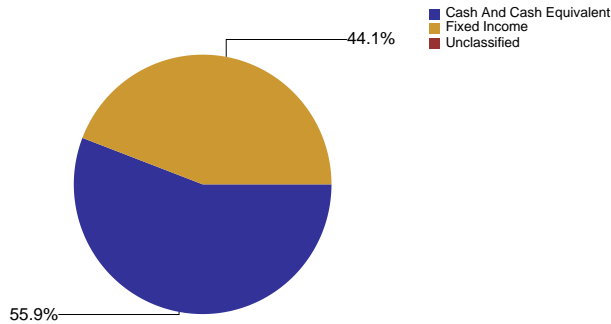
====> 0059 ITEMS IN SUBTOTAL FOR ==> FUND NAME..... ==> LGIP FUND <====

Portfolio Characteristics Duration Mix

Total Net Assets (Millions)	742.1
Weighted Average Life (Years)	0.29
Weighted Avg. Effective Duration (Years)	0.12
Weighted Average Coupon (%)	0.87
Weighted Average Current Yield (%)	0.99
Weighted Average Yield to Maturity (%)	0.99
Weighted Average Rating	AAA
Number of Holdings	63

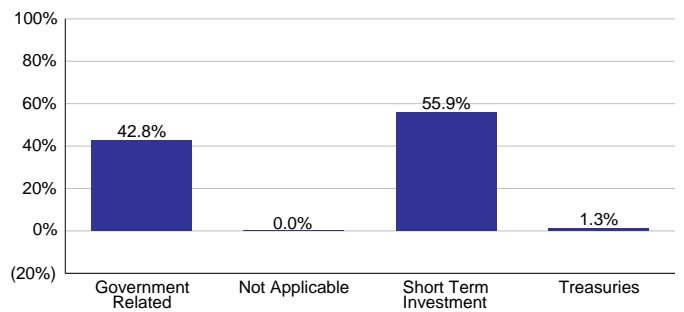
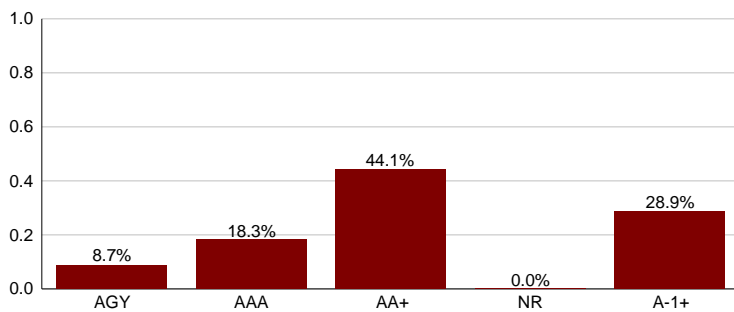


Asset Mix Top Ten Portfolio Holdings



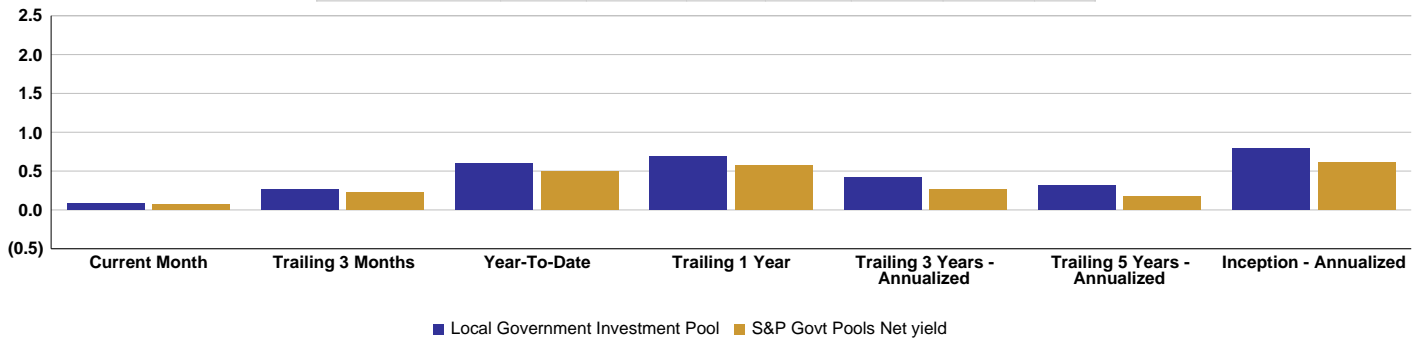
Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
99HQ90098	REPO BANK OF NEW YORK (HGS) LGIPREPO092617_1	6.74%	1.02	3/10/2017
99HR20033	REPO BANK OF NEW YORK (HGS) LGIPREPO092917_1	5.27%	1.04	8/10/2017
99HR20034	REPO BANK OF NEW YORK (HGS) LGIPREPO092917	4.84%	1.04	9/10/2017
313397SN2	FEDERAL HOME LOAN MORTGAGE CORP DISCOUNT NOTES	4.70%	0.00	19/10/2017
880590MU5	TENNESSEE VALLEY AUTHORITY DISCOUNT NOTES ZERO CPN	4.58%	0.00	23/10/2017
3130ABAM8	FEDERAL HOME LOAN BANKS BOND VARIABLE 25/OCT/2017	4.32%	1.02	25/10/2017
912796LW7	UNITED STATES OF AMERICA BILL ZERO CPN 05/OCT/2017	4.04%	0.00	5/10/2017
880591CU4	TENNESSEE VALLEY AUTHORITY 6.25% BDS 15/DEC/2017	3.93%	6.25	15/12/2017
3134G8VP1	FEDERAL HOME LOAN MORTGAGE CORP NOTES FIXED .83%	3.14%	0.83	6/11/2017
912796LY3	UNITED STATES OF AMERICA BILL ZERO CPN 19/OCT/2017	6.73%	0.00	19/10/2017

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
Local Government Investment Pool	0.08	0.26	0.59	0.69	0.42	0.32	0.79
S&P Govt Pools Net yield	0.08	0.22	0.50	0.58	0.27	0.18	0.62
Excess	0.01	0.04	0.09	0.12	0.15	0.14	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 \$612.9mil vs. \$633.5mil at the end of August.
- The Pool received \$20mil in draw requests for capital spending during the month and paid out \$15.5mil for capital projects.

Portfolio Mix

- 100% of the Tax-Exempt BPIP portfolio was invested in fixed income securities: 40% in US treasuries, 48% in US agency securities, 7% in corporate securities and commercial paper, 1% in NM municipal securities and the balance, approximately 4%, was held in cash equivalents and collateralized NM bank CDs.
- 47% of the portfolio was invested in securities that mature in one year, 31% in securities that mature from 1-2 years, 21% in securities that mature from 2-4 years and 1% in securities out to 5 years.
- The Tax-Exempt BPIP held positions in 79 securities.
- Weighted Average Life of the Tax Exempt BPIP was 1.32 years. The Weighted Average duration was 1.27 years.
- The maximum security term for the Tax-Exempt BPIP portfolio is 5 years.

Investment Earnings

- Unrealized gains in the Tax-Exempt BPIP Portfolio were \$(1,587,100) on September 30th.
- Monthly net earnings on the portfolio for September were \$607,173.
- Net earnings for FY2018 were \$1,553,177.
- Earnings on the Tax-Exempt BPIP are used to offset capital and debt service spending.

Investment Highlights

- The duration of the Tax-Exempt BPIP at the end of September was 1.27 yrs. vs. the Benchmark at 1.38 yrs.
- During the month the Pool purchased \$10mil of a 2 year US agency security.

Performance

- The purchase yield was 1.19% at the end of September vs. 1.19% reported for the previous month.
- The Tax-Exempt BPIP returned (0.05)% for the month of September and 0.27% for the three months ended September 30, 2017, vs. Index returns of (0.09)% and 0.26% respectively. For the trailing 12 mos. the Pool returned 0.58% vs. 0.39% for the benchmark.

Investment Strategy

- The option-adjusted duration of the Tax-Exempt BPIP portfolio is currently 1.21 yrs. vs. 1.39 yrs.
- To date, the Pool has not received any capital project withdrawal requests for 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 position.

STATE OF NEW MEXICO
BOND PROCEEDS INV POOL1 TAX EX (4000)
Portfolio Classification Summary
Positions Held as of 9/30/17 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	1.0139	.00550	13,570,478	13,570,478	13,570,478		2.220
COMMERCIAL PAPER-DISCOUNT BASED	1	1.3469	.35890	15,000,000	14,928,500	14,928,500		2.442
CERTIFICATES OF DEPOSIT	1	.7800	.76440	1,500,000	1,500,000	1,500,000		.245
US TREASURY NOTE ACT/ACT 2X	16	1.2025	1.58227	245,000,000	244,864,037	244,314,550	-549,487	39.972
CORPORATE BONDS	2	1.6509	2.07014	12,500,000	12,490,608	12,482,125	-8,483	2.042
AGENCY US BOND 30/360 2X	19	.9793	.72134	113,090,000	113,565,841	113,240,815	-325,026	18.527
AGENCY 30/360 2X	4	1.3501	1.99540	47,500,000	47,456,302	47,260,525	-195,777	7.732
AGENCY US BOND 30/360 ZERO CPN	1	1.5892	2.02470	25,000,000	24,241,458	24,099,000	-142,458	3.943
AGENCY US NOTES 30/360 2X	20	1.2824	.90593	109,340,000	109,322,933	108,973,783	-349,150	17.829
CORP US NOTE 30/360 2X	4	1.2532	.88703	17,000,000	17,085,270	17,076,535	-8,735	2.794
MUNI US 30/360 2X	6	.9350	.59583	3,085,000	3,097,618	3,090,950	-6,668	.506
MUNICIPAL BOND REVENUE	3	1.1684	.69640	545,000	549,522	548,206	-1,316	.090
UNITS - INVESTMENT POOL 1	1			9,876,306	9,876,306	9,876,306		1.616
CASH ACCOUNT	1			250,962	250,962	250,962		.041
	80	1.1897	1.26584	613,257,746	612,799,835	611,212,735	-1,587,100	100.000

STATE OF NEW MEXICO
TREASURERS OFFICE
Position holdings as of 9/30/17 (Trade)
BOOK VALUES AMORTIZED THROUGH 9/30/17

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
9,876,306	UNITS - INVESTMENT POOL 1	UNITS001				1.00000	9,876,306.12	9,876,306.12	
9,876,306							9,876,306.12	9,876,306.12	

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

835,000	JAL N MEX PUB SCH DIST NO 19	470143AR	2.000	10/01/17	.701	100.00000	835,000.00	835,000.00	
13,570,478	OVERNIGHT REPO	1002RP	1.000	10/02/17	1.000	100.00000	13,570,478.37	13,570,478.37	
2,000,000	FEDERAL HOME LOAN BANKS	3133792L	1.230	10/20/17	.786	100.02317	2,000,463.48	2,000,220.00	- 243.48
5,000,000	FEDERAL HOME LOAN BANKS	3130A6LZ	.625	10/26/17	.733	99.99240	4,999,619.86	4,998,650.00	- 969.86
1,000,000	FEDERAL HOME LOAN BANKS	3130A4B2	1.000	10/27/17	.787	100.01516	1,000,151.60	999,990.00	- 161.60
1,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136FPTQ	2.200	10/27/17	.650	100.11143	1,001,114.27	1,000,930.00	- 184.27
15,000,000	UNITED STATES TREASURY NOTES	912828UA	.625	11/30/17	.814	99.96884	14,995,325.30	14,988,450.00	- 6,875.30
5,000,000	FEDERAL FARM CREDIT BANKS	3133EGDC	.850	12/06/17	.710	100.02484	5,001,242.14	4,999,450.00	- 1,792.14
7,000,000	GENERAL ELECTRIC COMPANY	369604BC	5.250	12/06/17	1.081	100.74799	7,052,359.22	7,048,860.00	- 3,499.22
14,505,000	TENNESSEE VALLEY AUTHORITY	880591CU	6.250	12/15/17	.965	101.08064	14,661,746.92	14,653,096.05	- 8,650.87
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADX	1.000	12/15/17	.711	100.05886	10,005,885.72	9,998,200.00	- 7,685.72
74,910,478							75,123,386.88	75,093,324.42	- 30,062.46

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

24,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADN	.750	1/12/18	.904	99.95653	23,989,566.13	23,971,920.00	- 17,646.13
5,000,000	UNITED STATES TREASURY NOTES	912828P2	.750	1/31/18	.723	100.00875	5,000,437.38	4,993,100.00	- 7,337.38
15,000,000	PEFCO - CP	7426M3B8		2/08/18	1.328	99.52333	14,928,500.00	14,928,500.00	
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADP	.875	3/07/18	.928	99.97694	19,995,387.49	19,971,600.00	- 23,787.49
13,585,000	FEDERAL HOME LOAN BANKS	313378A4	1.375	3/09/18	.966	100.17826	13,609,216.92	13,596,818.95	- 12,397.97
25,000,000	UNITED STATES TREASURY NOTES	912828J6	1.000	3/15/18	.899	100.04587	25,011,467.62	24,976,500.00	- 34,967.62
12,500,000	FEDERAL HOME LOAN BANKS	3130A7CX	.875	3/19/18	.822	100.02433	12,503,041.61	12,482,750.00	- 20,291.61
20,000,000	UNITED STATES TREASURY NOTES	912828Q4	.875	3/31/18	.746	100.06398	20,012,796.41	19,964,000.00	- 48,796.41
2,000,000	FEDERAL FARM CREDIT BANKS	3133EDHU	1.420	4/02/18	.820	100.30037	2,006,007.32	2,001,740.00	- 4,267.32
10,000,000	FEDERAL FARM CREDIT BANKS	3133EG3A	1.040	4/04/18	1.032	100.00405	10,000,405.42	9,991,900.00	- 8,505.42
1,000,000	FEDERAL HOME LOAN BANKS	3133807A	1.060	5/30/18	.850	100.13838	1,001,383.75	998,120.00	- 3,263.75
5,000,000	UNITED STATES TREASURY NOTES	912828VE	1.000	5/31/18	.719	100.18561	5,009,280.46	4,991,400.00	- 17,880.46
100,000	SANDOVAL CNTY N MEX INCENTIVE PA	800051AW	1.952	6/01/18	1.460	100.32423	100,324.23	99,781.00	- 543.23
155,000	RUIDOSO N MEX GROSS RCPTS TAX RE	781336BB	2.000	6/01/18	1.100	100.59552	155,923.05	155,945.50	22.45
260,000	ARTESIA N MEX GROSS RCPTS TAX RE	043053BV	2.000	6/01/18	1.000	100.66212	261,721.51	261,809.60	88.09

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 9/30/17 (Trade)

BOOK VALUES AMORTIZED THROUGH 9/30/17

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
250,000	UNIVERSITY N MEX UNIV REVS	914692ZG	1.220	6/01/18	1.220	100.00000	250,000.00	249,745.00	- 255.00
1,000,000	FEDERAL HOME LOAN BANKS	313379DT	1.250	6/08/18	.832	100.28506	1,002,850.60	999,750.00	- 3,100.60
5,000,000	FEDERAL HOME LOAN BANKS	313379DT	1.250	6/08/18	.840	100.27947	5,013,973.26	4,998,750.00	- 15,223.26
1,000,000	UNIVERSITY N MEX UNIV REVS	914692W6	1.438	6/20/18	1.060	100.26958	1,002,695.76	998,940.00	- 3,755.76
185,000	ABQ NM GROSS RCPT LODGERS TAX RE	01354MFV	3.000	7/01/18	1.200	101.33870	187,476.59	186,615.05	- 861.54
1,500,000	FARMERS AND STOCKMENS BANK	8521060	.780	7/06/18	.780	100.00000	1,500,000.00	1,500,000.00	
1,300,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G0QW	1.350	7/11/18	.865	100.37471	1,304,871.26	1,300,078.00	- 4,793.26
5,000,000	PRIVATE EXPORT FUNDING CORP.	742651DS	1.875	7/15/18	.962	100.71509	5,035,754.35	5,019,500.00	- 16,254.35
1,000,000	FEDERAL FARM CREDIT BANKS	3133EAZX	1.060	7/24/18	.875	100.14940	1,001,494.02	998,110.00	- 3,384.02
7,500,000	FEDERAL HOME LOAN BANKS	3130A8U5	.830	7/25/18	.864	99.97188	7,497,891.33	7,471,650.00	- 26,241.33
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G9HJ	1.000	8/10/18	1.143	99.87768	4,993,884.24	4,985,800.00	- 8,084.24
60,000	HOBBS N MEX MUN SCH DIST NO 16	43385QAU	1.000	9/15/18	.950	100.04710	60,028.26	60,054.60	26.34
2,000,000	FEDERAL FARM CREDIT BANKS	3133ED2C	1.950	9/17/18	.905	100.99746	2,019,949.29	2,011,520.00	- 8,429.29
1,250,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3K7	1.200	9/24/18	.943	100.25064	1,253,132.95	1,248,112.50	- 5,020.45
10,000,000	UNITED STATES TREASURY NOTES	912828T4	.750	9/30/18	1.086	99.66731	9,966,730.61	9,939,500.00	- 27,230.61
785,000	JAL N MEX PUB SCH DIST NO 19	470143AS	2.000	10/01/18	.850	101.14267	793,969.98	791,264.30	- 2,705.68
5,000,000	FEDERAL HOME LOAN BANKS	3130A9AE	.875	10/01/18	.908	99.96742	4,998,370.80	4,978,050.00	- 20,320.80
2,500,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G42X	1.050	10/30/18	.878	100.18430	2,504,607.62	2,488,475.00	- 16,132.62
15,000,000	UNITED STATES TREASURY NOTES	912828WD	1.250	10/31/18	.944	100.32798	15,049,197.43	14,977,200.00	- 71,997.43
20,000,000	UNITED STATES TREASURY NOTES	912828RT	1.375	11/30/18	1.300	100.08602	20,017,204.98	19,994,600.00	- 22,604.98
5,000,000	FREDDIE MAC	3134G9WB	1.000	12/28/18	1.000	100.00000	5,000,000.00	4,969,550.00	- 30,450.00
243,930,000							244,039,542.63	243,553,149.50	- 486,393.13

====> 0036 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2018 <====

5,000,000	UNITED STATES TREASURY NOTES	912828B3	1.500	1/31/19	1.092	100.53748	5,026,874.01	5,005,300.00	- 21,574.01
15,000,000	UNITED STATES TREASURY NOTES	912828C2	1.500	2/28/19	1.309	100.26646	15,039,969.35	15,014,100.00	- 25,869.35
10,000,000	FEDERAL HOME LOAN BANKS	3133782M	1.500	3/08/19	1.127	100.52995	10,052,995.39	10,004,300.00	- 48,695.39
20,000,000	UNITED STATES TREASURY NOTES	912828ST	1.250	4/30/19	1.332	99.87195	19,974,389.99	19,942,200.00	- 32,189.99
2,500,000	PEPSICO INC	713448DR	1.550	5/02/19	1.588	99.93989	2,498,497.35	2,497,875.00	- 622.35
2,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3YF	1.500	7/18/19	1.249	100.44444	2,008,888.87	1,994,660.00	- 14,228.87
20,000,000	UNITED STATES TREASURY NOTES	9128282K	1.375	7/31/19	1.345	100.05335	20,010,669.24	19,968,000.00	- 42,669.24
10,525,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G3K4	1.260	8/02/19	3.071	99.84311	10,508,487.38	10,457,534.75	- 50,952.63
7,500,000	FEDERAL HOME LOAN BANK	3130A8Y7	.875	8/05/19	.940	99.88121	7,491,090.96	7,411,275.00	- 79,815.96
25,000,000	FHLMC	3137EAEH	1.375	8/15/19	1.436	99.88802	24,972,005.04	24,925,000.00	- 47,005.04
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3A9	1.400	8/22/19	1.587	99.65199	4,982,599.49	4,986,650.00	4,050.51
10,000,000	APPLE INC.	037833CZ	1.500	9/12/19	1.544	99.91596	9,991,596.37	9,981,200.00	- 10,396.37
5,000,000	FEDERAL HOME LOAN BANK	3130A9EP	1.000	9/26/19	1.029	99.94296	4,997,147.84	4,948,050.00	- 49,097.84

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 9/30/17 (Trade)

BOOK VALUES AMORTIZED THROUGH 9/30/17

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
25,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313586RC		10/09/19	1.567	96.96583	24,241,458.14	24,099,000.00	- 142,458.14
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G4EL	1.125	10/11/19	1.257	99.99616	4,999,807.98	4,955,400.00	- 44,407.98
2,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G0T7	1.320	10/22/19	1.423	99.79072	1,995,814.38	1,989,800.00	- 6,014.38
1,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G2YA	1.400	11/26/19	1.400	100.00000	1,500,000.00	1,487,790.00	- 12,210.00
171,025,000							170,292,291.78	169,668,134.75	- 624,157.03

====> 0017 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2019 <====

5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EAEE	1.500	1/17/20	1.502	99.99507	4,999,753.42	4,986,850.00	- 12,903.42
2,500,000	MICROSOFT CORP	594918BV	1.850	2/06/20	1.873	99.94636	2,498,659.00	2,510,300.00	11,641.00
10,000,000	FANNIE MAE	3135G0T2	1.500	2/28/20	1.517	99.96059	9,996,059.18	9,976,200.00	- 19,859.18
10,000,000	FEDERAL HOME LOAN BANKS	313378J7	1.875	3/13/20	1.066	101.95039	10,195,038.53	10,059,300.00	- 135,738.53
1,265,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G0E5	1.625	3/27/20	1.097	101.29181	1,281,341.34	1,264,342.20	- 16,999.14
1,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G4AC	1.250	3/27/20	1.560	99.24570	992,456.98	988,100.00	- 4,356.98
2,500,000	TOYOTA MOTOR CREDIT CORP	89236TDU	1.950	4/17/20	1.966	99.96043	2,499,010.65	2,500,925.00	1,914.35
1,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G12H	1.400	6/05/20	1.149	100.65920	1,006,591.98	993,690.00	- 12,901.98
30,000,000	UNITED STATES TREASURY NOTES	912828XU	1.500	6/15/20	1.485	100.00000	30,000,000.00	29,934,300.00	- 65,700.00
5,000,000	FEDERAL HOME LOAN BANKS	3130AANA	1.750	7/30/20	1.750	100.00000	5,000,000.00	4,996,650.00	- 3,350.00
10,000,000	UNITED STATES TREASURY NOTES	912828L3	1.375	8/31/20	1.518	99.59290	9,959,289.86	9,931,300.00	- 27,989.86
10,000,000	UNITED STATES TREASURY NOTES	912828N4	1.750	12/31/20	1.585	100.51950	10,051,950.29	10,018,800.00	- 33,150.29
88,265,000							88,480,151.23	88,160,757.20	- 319,394.03

====> 0012 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2020 <====

20,000,000	UNITED STATES TREASURY NOTES	912828Q3	1.250	3/31/21	1.636	98.69227	19,738,454.87	19,675,800.00	- 62,654.87
20,000,000							19,738,454.87	19,675,800.00	- 62,654.87

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

5,000,000	FEDERAL AGRICULTURAL MTG CO	3132X0WS	1.900	9/01/22	1.905	99.97479	4,998,739.50	4,934,300.00	- 64,439.50
5,000,000							4,998,739.50	4,934,300.00	- 64,439.50

====> 0001 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2022 <====

STATE OF NEW MEXICO
TREASURERS OFFICE
 Position holdings as of 9/30/17 (Trade)
 BOOK VALUES AMORTIZED THROUGH 9/30/17

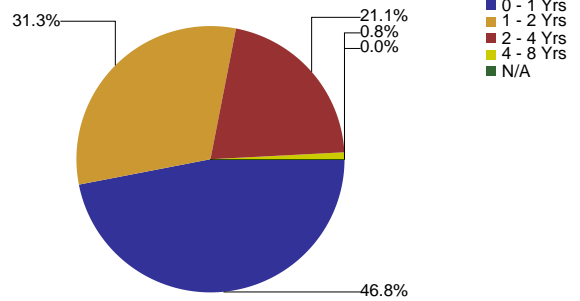
POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
<u>613,006,784</u>							<u>612,548,873.01</u>	<u>610,961,771.99</u>	<u>- 1,587,101.02</u>

====> 0079 ITEMS IN SUBTOTAL FOR ====> FUND NAME..... ====> BOND PROCEEDS INV POOL1 TAX EX <

Portfolio Characteristics

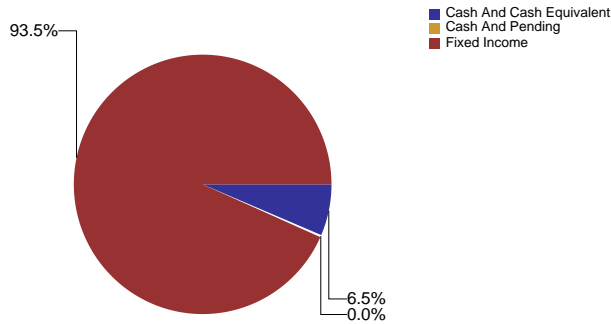
Duration Mix

Total Net Assets (Millions) **612.9**
 Weighted Average Life (Years) **1.32**
 Weighted Avg. Effective Duration (Years) **1.27**
 Weighted Average Coupon (%) **1.30**
 Weighted Average Current Yield (%) **1.37**
 Weighted Average Yield to Maturity (%) **1.37**
 Weighted Average Rating **AA**
 Number of Holdings **79**



Asset Mix

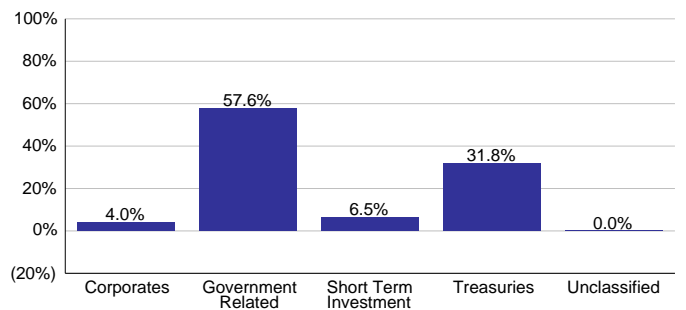
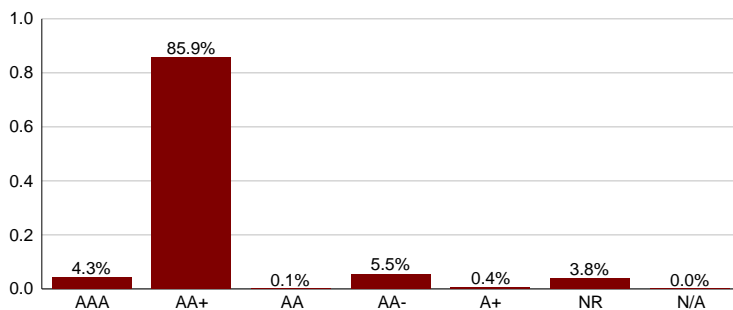
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
912828XU9	UNITED STATES 3 YEAR BENCHMARK 1.500% 2020-06-15	4.91%	1.50	15/6/2020
3137EAEH8	FEDERAL HOME LOAN MORTGAGE CORP BOND FIXED 1.375%	4.08%	1.38	15/8/2019
912828J68	TWEB RR UNITED STATES 2X OLD 3 YEAR POINT 1.000% 2018-03-15	4.08%	1.00	15/3/2018
313586RCS	FEDERAL NATIONAL MORTGAGE ASSOC 0% NTS 09/OCT/2019	3.93%	0.00	9/10/0019
3137EADN6	FEDERAL HOME LOAN MORTGAGE CORP 0.75% BDS	3.92%	0.75	12/1/2018
912828RT9	UNITED STATES OF AMERICA 1.375% 2018-11-30	3.28%	1.38	30/11/2018
912828ST8	UNITED STATES OF AMERICA 1.250% 2019-04-30	3.27%	1.25	30/4/2019
912828ZK5	TWEB WHEN ISSUED UNITED STATES 2 YEAR 1.250% 2019-07-31	3.27%	1.38	31/7/2019
3137EADP1	FEDERAL HOME LOAN MORTGAGE CORP 0.875% BDS	3.26%	0.88	7/3/2018
912828Q45	UNITED STATES OF AMERICA TREAS NOTE 0.875% 2018-03-31	3.26%	0.88	31/3/2018

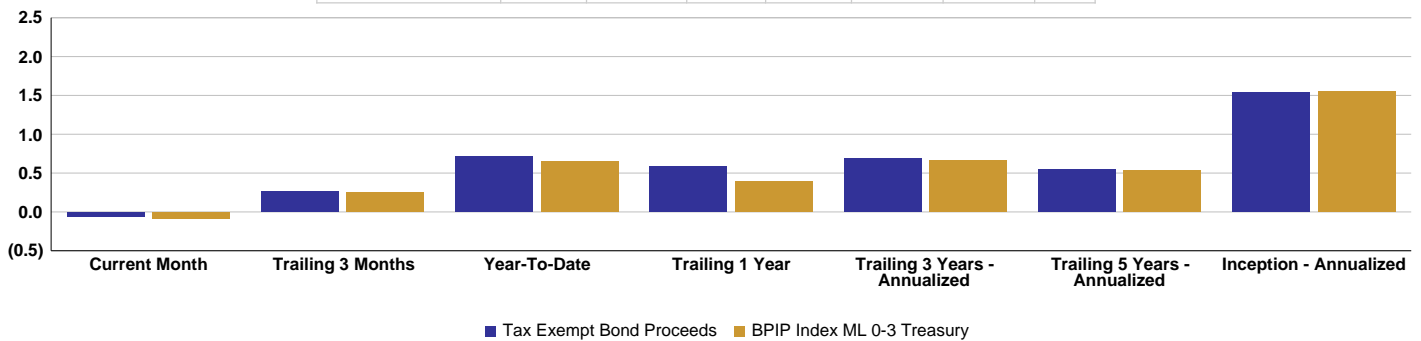
Quality/Rating Weightings

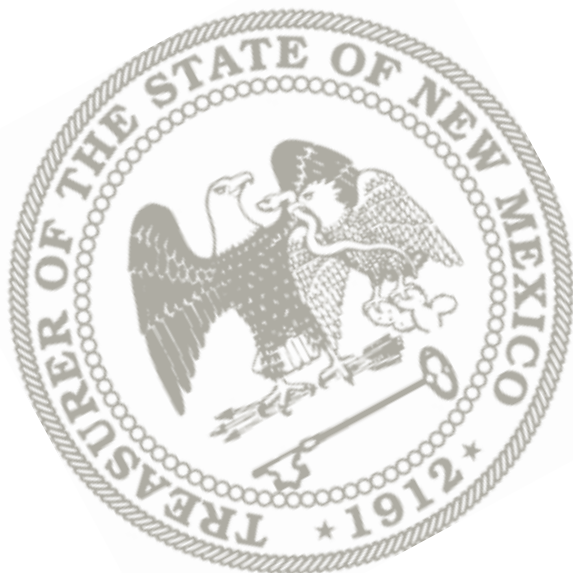
Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Tax Exempt Bond Proceeds	(0.05)	0.27	0.71	0.58	0.69	0.55	1.54
BPIP Index ML 0-3 Treasury	(0.09)	0.26	0.66	0.39	0.66	0.54	1.56
Excess	0.03	0.01	0.06	0.19	0.03	0.02	(0.01)





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 \$346mil vs. \$364mil at the end of August.
- The Pool received \$14.8mil in draw requests for capital spending during the month and paid out \$9mil for capital projects.

Portfolio Mix

- 100% of the Taxable BPIP portfolio was invested in fixed income securities: 9% in US treasuries, 66% in US agency securities, 10% in commercial paper and corporate securities, 1% in NM municipal securities and the balance, approximately 13%, was held in cash equivalents and collateralized NM bank CDs.
- 57% of the portfolio was invested in securities that mature in one year, 24% in securities that mature from 1-2 years, 19% in securities that mature from 2-4 years and 0% in securities out to 5 years.
- The Taxable BPIP held positions in 57 securities.
- Weighted Average Life of the Taxable BPIP was 1.13 years. The Weighted Average duration was 1.08 years.
- The maximum security term for the Taxable BPIP portfolio is 5 years.

Investment Earnings

- The unrealized gains in the Taxable BPIP were \$(843,794) as of September 30th.
- Monthly net earnings on the portfolio for September were \$364,586.
- FY2018 net earnings were roughly \$1,130,620.
- Earnings on the Bond Proceeds Investment Pool are used to offset capital and debt service spending.

Investment Highlights

- The Taxable BPIP duration at the end of September was 1.08 years vs. the Benchmark at 1.38 yrs.
- During October the Pool purchased \$22mil in commercial paper and sold \$38.5mil in short term agencies, treasuries and a local government municipal. All sales were executed at gains.

Performance

- Purchase Yield at the end of September was 1.14% relative to 1.15% at the end of the prior month.
- The Taxable BPIP returned 0.00% for the month of September and 0.31% for the three months ended September 30, 2017, vs. Index returns of (0.09)% and 0.26% respectively. For the trailing 12 mos. the Pool returned 0.77% vs. 0.66% for the benchmark.

Investment Strategy

- The option-adjusted duration of the Taxable BPIP portfolio is currently 1.04 yrs. vs. 1.39 yrs.
- To date, the Pool has not received any capital project withdrawal requests for October.
- The Taxable BPIP has maintained duration shorter than that of the benchmark in order to provide adequate liquidity for project withdrawals while minimizing overnight cash position.

STATE OF NEW MEXICO
BOND PROCEEDS INV POOL2 TAXABLE (4002)
Portfolio Classification Summary
Positions Held as of 9/30/17 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	1.0139	.00550	23,073,488	23,073,488	23,073,488		6.678
COMMERCIAL PAPER-DISCOUNT BASED	2	1.1402	.05180	22,000,000	21,987,694	21,987,694		6.364
CERTIFICATES OF DEPOSIT	4	1.1657	.97792	7,700,000	7,700,000	7,700,000		2.229
LINKED-CERTIFICATE OF DEPOSIT	2	.9500	.28490	4,000,000	4,000,000	4,000,000		1.158
US TREASURY NOTE ACT/ACT 2X	4	.9456	.86195	32,500,000	32,541,624	32,431,300	-110,324	9.387
CORPORATE BONDS	1	1.9932	2.54790	2,500,000	2,499,011	2,500,925	1,914	.724
AGENCY US BOND 30/360 2X	15	.9526	.82305	96,500,000	96,832,412	96,536,755	-295,657	27.942
AGENCY 30/360 2X	3	1.4250	1.94438	32,500,000	32,516,936	32,438,375	-78,561	9.389
AGENCY US BOND 30/360 ZERO CPN	1	1.3811	2.02470	15,000,000	14,604,774	14,459,400	-145,374	4.185
AGENCY US NOTES 30/360 2X	11	1.2651	1.29600	80,830,000	80,947,016	80,762,664	-184,352	23.376
FED NATL MORTGAGE ASSN DEBS	1	.7604	3.74790	3,665,000	3,665,000	3,631,905	-33,095	1.051
CORP US NOTE 30/360 2X	3	1.8236	2.69187	14,273,000	14,311,008	14,324,949	13,941	4.146
CORP US FLOAT ACT/360 4X	1	1.5163	.24660	3,000,000	3,002,766	3,003,990	1,224	.869
MUNI US 30/360 2X	6	1.1214	1.01286	3,650,000	3,689,949	3,676,439	-13,510	1.064
UNITS - INVESTMENT POOL 1	1			4,935,318	4,935,318	4,935,318		1.428
CASH ACCOUNT	1			29,251	29,251	29,251		.008
	<u>57</u>	<u>1.1426</u>	<u>1.10980</u>	<u>346,156,057</u>	<u>346,336,247</u>	<u>345,492,453</u>	<u>-843,794</u>	<u>100.000</u>

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 9/30/17 (Trade)
BOOK VALUES AMORTIZED THROUGH 9/30/17

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
4,935,318	UNITS - INVESTMENT POOL 1	UNITS001				1.00000	4,935,317.63	4,935,317.63	
4,935,318							4,935,317.63	4,935,317.63	

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

23,073,488	OVERNIGHT REPO	1002RP	1.000	10/02/17	1.000	100.00000	23,073,487.59	23,073,487.59	
12,000,000	EXXON MOBIL	30229AXJ		10/18/17	1.111	99.94758	11,993,710.00	11,993,710.00	
10,000,000	TOYOTA MOTOR CREDIT CORP	89233GXL		10/20/17	1.141	99.93983	9,993,983.34	9,993,983.34	
5,000,000	FEDERAL HOME LOAN BANKS	313381B2	.750	12/08/17	.790	99.99219	4,999,609.65	4,996,850.00	- 2,759.65
2,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G1FU	1.000	12/19/17	.905	100.01995	2,000,399.06	1,998,700.00	- 1,699.06
52,073,488							52,061,189.64	52,056,730.93	- 4,458.71

====> 0005 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2017 <====

2,000,000	WESTERN COMMERCE BANK	2013171	.950	1/12/18	.950	100.00000	2,000,000.00	2,000,000.00	
2,000,000	WESTERN COMMERCE BANK	2013172	.950	1/12/18	.950	100.00000	2,000,000.00	2,000,000.00	
5,000,000	FEDERAL HOME LOAN BANKS	3130A8RY	.750	1/19/18	.812	99.98097	4,999,048.67	4,994,350.00	- 4,698.67
3,000,000	U.S. BANK NATIONAL ASSOCIATION	90331HMV	1.467	1/29/18	1.495	100.09218	3,002,765.34	3,003,990.00	1,224.66
1,000,000	FINANCING CORPORATION	317705AD	9.400	2/08/18	1.052	102.92912	1,029,291.20	1,028,940.00	- 351.20
7,500,000	UNITED STATES TREASURY NOTES	912828J6	1.000	3/15/18	1.006	99.99710	7,499,782.66	7,492,950.00	- 6,832.66
12,500,000	FEDERAL HOME LOAN BANKS	3130A7CX	.875	3/19/18	.822	100.02433	12,503,041.61	12,482,750.00	- 20,291.61
10,000,000	FNMA	3135G0J6	.875	3/28/18	.973	99.95202	9,995,201.99	9,985,100.00	- 10,101.99
5,000,000	UNITED STATES TREASURY NOTES	912828VE	1.000	5/31/18	.719	100.18561	5,009,280.46	4,991,400.00	- 17,880.46
5,000,000	FEDERAL HOME LOAN BANKS	313379DT	1.250	6/08/18	.840	100.27947	5,013,973.26	4,998,750.00	- 15,223.26
500,000	FEDERAL FARM CREDIT BANKS	3133EEZ2	1.160	6/18/18	.912	100.17545	500,877.25	499,915.00	- 962.25
7,750,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G32U	.875	6/26/18	.874	100.00056	7,750,043.36	7,727,215.00	- 22,828.36
1,100,000	WESTERN BANK ALAMOGORDO	81186499	1.260	6/30/18	1.260	100.00000	1,100,000.00	1,100,000.00	
1,950,000	NEW MEXICO ST SEVERANCE TAX	647310X8	2.000	7/01/18	1.100	100.66936	1,963,052.60	1,956,435.00	- 6,617.60
290,000	ALBUQUERQUE N MEX ARPT REV	013538HB	5.110	7/01/18	1.535	102.65320	297,694.29	295,489.70	- 2,204.59
5,000,000	FEDERAL HOME LOAN BANKS	3130A8KR	.820	7/06/18	.884	99.95104	4,997,552.06	4,983,750.00	- 13,802.06
2,600,000	WESTERN BANK CLOVIS	159850	.900	7/13/18	.900	100.00000	2,600,000.00	2,600,000.00	
275,000	LOS LUNAS N MEX SCH DIST NO 1	545562RX	2.000	7/15/18	1.020	100.76717	277,109.71	276,988.25	- 121.46
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0E3	1.125	7/20/18	1.205	99.93592	14,990,387.36	14,971,050.00	- 19,337.36
2,500,000	WESTERN BANK ALAMOGORDO	81187124	1.260	7/23/18	1.260	100.00000	2,500,000.00	2,500,000.00	
7,500,000	FEDERAL HOME LOAN BANKS	3130A8U5	.830	7/25/18	.864	99.97188	7,497,891.33	7,471,650.00	- 26,241.33

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 9/30/17 (Trade)

BOOK VALUES AMORTIZED THROUGH 9/30/17

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
3,800,000	FNMA	3136G3YU	.850	7/26/18	.850	100.00000	3,800,000.00	3,782,748.00	- 17,252.00
285,000	CITY OF BELEN N MEX GO BDS	077563DT	2.000	8/01/18	.950	100.86873	287,475.89	287,436.75	- 39.14
25,000,000	FEDERAL HOME LOAN BANKS	313375K4	2.000	9/14/18	.989	100.95594	25,238,984.81	25,139,500.00	- 99,484.81
5,000,000	FEDERAL FARM CREDIT BANKS	3133EGUY	.875	9/20/18	.931	99.94574	4,997,286.82	4,974,650.00	- 22,636.82
5,000,000	UNITED STATES TREASURY NOTES	912828T4	.750	9/30/18	1.086	99.66731	4,983,365.31	4,969,750.00	- 13,615.31
5,000,000	FEDERAL HOME LOAN BANKS	3130A9AE	.875	10/01/18	.908	99.96742	4,998,370.80	4,978,050.00	- 20,320.80
10,000,000	FEDERAL FARM CREDIT BANKS	3133EFX6	.960	10/05/18	.846	100.11440	10,011,439.51	9,960,500.00	- 50,939.51
5,000,000	FREDDIE MAC	3137EAED	.875	10/12/18	.896	99.97846	4,998,923.01	4,975,150.00	- 23,773.01
3,000,000	TENNESSEE VALLEY AUTHORITY	880591EQ	1.750	10/15/18	1.334	100.42730	3,012,818.91	3,010,080.00	- 2,738.91
15,000,000	UNITED STATES TREASURY NOTES	912828WD	1.250	10/31/18	.944	100.32798	15,049,197.43	14,977,200.00	- 71,997.43
5,000,000	FEDERAL HOME LOAN BANKS	313376BR	1.750	12/14/18	1.208	100.64450	5,032,225.17	5,018,000.00	- 14,225.17
179,550,000							179,937,080.81	179,433,787.70	- 503,293.11

====> 0032 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2018 <====

2,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G2EH	1.375	2/27/19	1.375	100.00000	2,000,000.00	1,998,120.00	- 1,880.00
2,500,000	PEPSICO INC	713448DR	1.550	5/02/19	1.588	99.93989	2,498,497.35	2,497,875.00	- 622.35
1,500,000	FARMERS & STOCKMENS BANK	07052017	1.400	7/05/19	1.400	100.00000	1,500,000.00	1,500,000.00	-
315,000	BELEN N MEX CONS SCH DIST NO 2	077581QE	2.000	8/01/19	1.050	101.71951	320,416.47	318,739.05	- 1,677.42
535,000	BELEN N MEX CONS SCH DIST NO 2	077581QT	2.000	8/01/19	1.050	101.71952	544,199.41	541,350.45	- 2,848.96
7,500,000	FEDERAL HOME LOAN BANK	3130A8Y7	.875	8/05/19	.940	99.88121	7,491,090.96	7,411,275.00	- 79,815.96
20,000,000	FANNIE MAE	3135G0ZG	1.750	9/12/19	1.658	100.17563	20,035,125.96	20,084,800.00	49,674.04
2,000,000	FEDERAL HOME LOAN BANKS	3130A4G8	1.650	9/24/19	1.650	100.00000	2,000,000.00	1,999,020.00	- 980.00
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313586RC		10/09/19	1.362	97.36516	14,604,774.31	14,459,400.00	- 145,374.31
5,000,000	FANNIE MAE	3135G0R3	1.000	10/24/19	1.091	99.81438	4,990,719.20	4,942,300.00	- 48,419.20
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0ZY	1.750	11/26/19	1.727	100.04846	20,009,692.53	20,076,000.00	66,307.47
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G3TF	1.200	12/30/19	1.200	100.00000	5,000,000.00	4,946,650.00	- 53,350.00
81,350,000							80,994,516.19	80,775,529.50	- 218,986.69

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

5,200,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136FTB7	2.000	2/07/20	.984	102.35325	5,322,369.15	5,234,580.00	- 87,789.15
2,500,000	TOYOTA MOTOR CREDIT CORP	89236TDU	1.950	4/17/20	1.966	99.96043	2,499,010.65	2,500,925.00	1,914.35
2,500,000	APPLE INC.	037833CS	1.800	5/11/20	1.835	99.91022	2,497,755.48	2,501,125.00	3,369.52
5,080,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134GBVN	1.650	7/10/20	1.650	100.00000	5,080,000.00	5,067,350.80	- 12,649.20

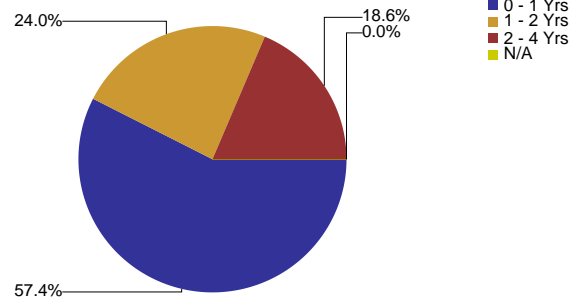
STATE OF NEW MEXICO
TREASURERS OFFICE
 Position holdings as of 9/30/17 (Trade)
 BOOK VALUES AMORTIZED THROUGH 9/30/17

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
9,273,000	MICROSOFT CORPORATION	594918BG	2.000	11/03/20	1.845	100.45027	9,314,753.48	9,325,948.83	11,195.35
<u>24,553,000</u>							<u>24,713,888.76</u>	<u>24,629,929.63</u>	<u>- 83,959.13</u>
====> 0005 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2020 <====									
3,665,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G9D8	.750	6/30/21	.750	100.00000	3,665,000.00	3,631,905.05	- 33,094.95
<u>3,665,000</u>							<u>3,665,000.00</u>	<u>3,631,905.05</u>	<u>- 33,094.95</u>
====> 0001 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2021 <====									
<u>346,126,806</u>							<u>346,306,993.03</u>	<u>345,463,200.44</u>	<u>- 843,792.59</u>
====> 0056 ITEMS IN SUBTOTAL FOR ====> FUND NAME..... ====> BOND PROCEEDS INV POOL2 TAXABLE<									

Portfolio Characteristics

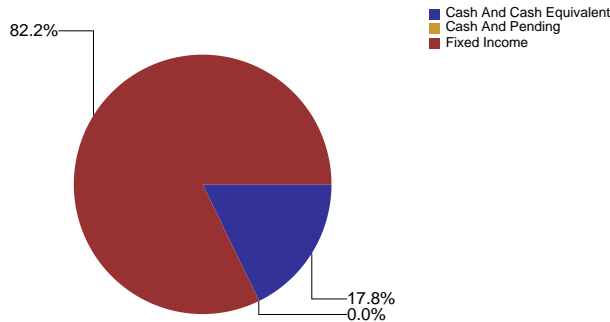
Duration Mix

Total Net Assets (Millions)	346.3
Weighted Average Life (Years)	1.13
Weighted Avg. Effective Duration (Years)	1.08
Weighted Average Coupon (%)	1.17
Weighted Average Current Yield (%)	1.33
Weighted Average Yield to Maturity (%)	1.34
Weighted Average Rating	AA
Number of Holdings	57



Asset Mix

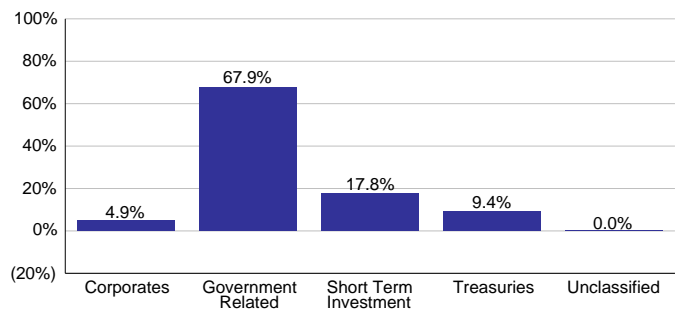
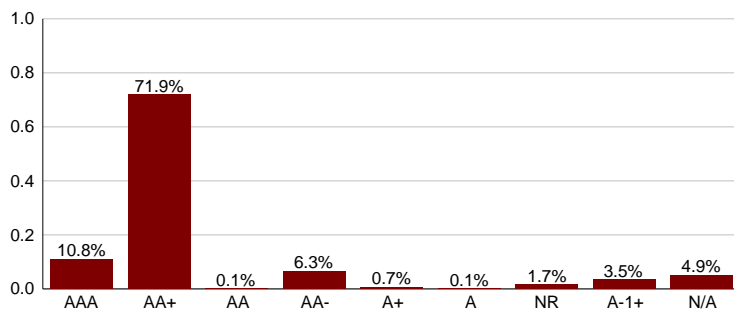
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
313375K48	FHLB 2.000 '18 USD	7.27%	2.00	14/9/2018
3135G0Z2Y	FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES FIXED	5.83%	1.75	26/11/2019
3135G0ZG1	FNMA 1.750 '19 USD	5.81%	1.75	12/9/2019
912828WDB	UNITED STATES OF AMERICA 1.250% 2018-10-31	4.35%	1.25	31/10/2018
3135G0E33	FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES FIXED	4.33%	1.12	20/7/2018
313586RCS	FEDERAL NATIONAL MORTGAGE ASSOC 0% NTS 09/OCT/2019	4.18%	0.00	9/10/0019
3130A7CX1	FEDERAL HOME LOAN BANKS BOND FIXED .875%	3.61%	0.88	19/3/2018
30229AXJ3	EXXON MOBIL CORP CORPORATE COMMERCIAL PAPER	3.46%	0.00	18/10/2017
3133EFX69	FEDERAL FARM CREDIT BANK BOND FIXED .96%	2.89%	0.96	5/10/2018
99HR20025	REPO JPMORGAN CHASE BK (GREENWICH) 092917E	6.66%	1.00	3/10/2017

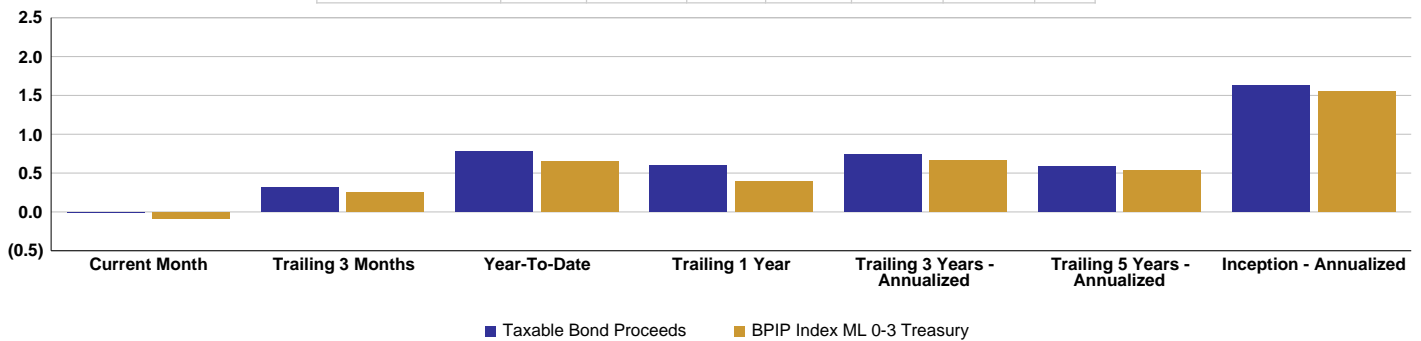
Quality/Rating Weightings

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
Taxable Bond Proceeds	0.00	0.31	0.77	0.60	0.74	0.58	1.63
BPIP Index ML 0-3 Treasury	(0.09)	0.26	0.66	0.39	0.66	0.54	1.56
Excess	0.09	0.06	0.12	0.21	0.08	0.04	0.07





14. Portfolio Summary- Severance Tax Bonding Fund

Portfolio Summary – Severance Tax Bonding Fund

Summary

- The Severance Tax Bonding Fund closed the month of September at \$112MM.
- The Severance Tax Bonding Fund net earnings were \$85,872 for September.

Portfolio Mix

- The Severance Tax Bonding Fund is primarily invested in the overnight repurchase agreement pool, short US Treasury and Agency securities, and high quality commercial paper.
- 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.
 - On June 30th and December 30th, the STBF transfers available balances, in excess of debt service needs, to the Severance Tax Permanent Fund.
- Severance Taxes are remitted to the Treasury on a monthly basis and are ranging between \$25MM and \$35MM per month.
 - The STB Fund received \$32MM in September.

Investment Strategy

- Due to its short-term nature, investments of three to six month maturities are viable investments for the STBF pool.
- The STB Fund received \$28MM in October from Severance Taxes.

STATE OF NEW MEXICO
STB FUND (4001)
Portfolio Classification Summary
Positions Held as of 9/30/17 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	1.0139	.00550	4,536,959	4,536,959	4,536,959		4.048
COMMERCIAL PAPER-DISCOUNT BASED	9	1.2219	.20446	17,600,000	17,556,521	17,556,521		15.664
U.S. TREASURY BILLS	3	1.0558	.23717	50,500,000	50,375,274	50,377,235	1,961	44.948
AGENCY US BOND 30/360 2X	3	1.1173	.19283	3,600,000	3,606,120	3,605,910	-210	3.217
AGENCY US DISC ACT/360 360 DAY	3	1.0597	.21583	23,100,000	23,047,982	23,048,964	982	20.565
AGENCY US BOND 30/360 ZERO CPN	1	1.0999	.12600	3,378,000	3,373,490	3,372,933	-557	3.009
AGENCY US NOTES 30/360 2X	3	1.0964	.20624	7,700,000	7,753,477	7,751,892	-1,585	6.916
UNITS - INVESTMENT POOL 1	1			1,764,557	1,764,557	1,764,557		1.574
CASH ACCOUNT	1			63,739	63,739	63,739		.057
	<u>25</u>	<u>1.0698</u>	<u>.21097</u>	<u>112,243,255</u>	<u>112,078,119</u>	<u>112,078,710</u>	<u>591</u>	<u>100.000</u>

STATE OF NEW MEXICO
TREASURERS OFFICE
 Position holdings as of 9/30/17 (Trade)
 BOOK VALUES AMORTIZED THROUGH 9/30/17

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
1,764,557	UNITS - INVESTMENT POOL 1	UNITS001				1.00000	1,764,556.99	1,764,556.99	
1,764,557							1,764,556.99	1,764,556.99	

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

4,536,959	OVERNIGHT REPO	1002RP	1.000	10/02/17	1.000	100.00000	4,536,958.94	4,536,958.94	
3,378,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31358C7N		11/15/17	1.085	99.86650	3,373,490.37	3,372,933.00	- 557.37
1,600,000	GE CAPITAL TREASURY LLC	36164JYH		11/17/17	1.225	99.84072	1,597,451.55	1,597,451.55	
1,200,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EABA	5.125	11/17/17	1.098	100.51117	1,206,134.01	1,206,072.00	- 62.01
1,360,000	FEDERAL HOME LOAN BANKS	3133XMQ8	5.000	11/17/17	1.116	100.49288	1,366,703.18	1,366,541.60	- 161.58
1,500,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G9CG	.875	11/17/17	1.135	99.96635	1,499,495.31	1,499,370.00	- 125.31
3,000,000	US BANK NAT'L ASSOC	9033A0YQ		11/24/17	1.173	99.82450	2,994,735.00	2,994,735.00	
3,100,000	FEDERAL HOME LOAN BANKS	313385PU		11/27/17	1.043	99.83533	3,094,895.33	3,095,164.00	268.67
2,500,000	UNITED STATES TREASURY BILLS	912796LB		12/07/17	1.029	99.80905	2,495,226.25	2,495,475.00	248.75
3,900,000	EXXON MOBIL	30229AZF		12/15/17	1.133	99.76458	3,890,818.75	3,890,818.75	
1,000,000	FEDERAL FARM CREDIT BANKS	3133EEFE	1.125	12/18/17	1.122	100.00000	1,000,000.00	999,740.00	- 260.00
1,100,000	TOYOTA MOTOR CREDIT CORPORATION	89233GZK		12/19/17	1.214	99.73447	1,097,079.19	1,097,079.19	
10,000,000	FEDERAL HOME LOAN BANKS	313385QT		12/20/17	1.043	99.76889	9,976,888.89	9,977,200.00	311.11
10,000,000	UNITED STATES TREASURY BILLS	912796MH		12/21/17	1.024	99.77028	9,977,027.50	9,977,900.00	872.50
1,600,000	PEFCO	7426M2ZN		12/22/17	1.267	99.71276	1,595,404.15	1,595,404.15	
1,200,000	TOYCC CP	89233GZN		12/22/17	1.255	99.71528	1,196,583.33	1,196,583.33	
10,000,000	FEDERAL HOME LOAN BANKS	313385QV		12/22/17	1.048	99.76197	9,976,197.22	9,976,600.00	402.78
1,600,000	TOYOTA MOTOR CREDIT CORP	89233GZS		12/26/17	1.318	99.68706	1,594,992.89	1,594,992.89	
1,200,000	GE CAPITAL TREASURY LLC	36164JZS		12/26/17	1.265	99.69900	1,196,388.00	1,196,388.00	
2,400,000	PEFCO - CP	7426M2ZT		12/27/17	1.173	99.71121	2,393,069.00	2,393,069.00	
1,240,000	FEDERAL FARM CREDIT BANKS	3133EFWW	.875	12/27/17	1.070	99.95291	1,239,416.05	1,239,628.00	211.95
38,000,000	UNITED STATES TREASURY BILLS	912796MJ		12/28/17	1.047	99.74479	37,903,019.16	37,903,860.00	840.84
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G9TA	5.000	12/29/17	1.061	100.95697	5,047,848.44	5,046,450.00	- 1,398.44
110,414,959							110,249,822.51	110,250,414.40	591.89

====> 0023 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2017 <====

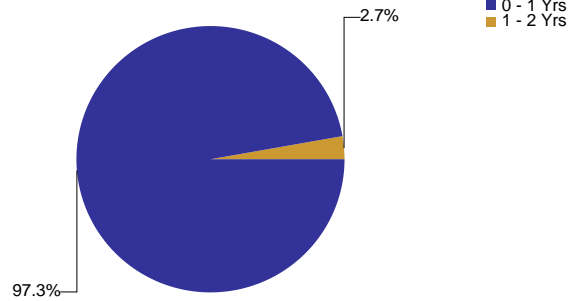
112,179,516							112,014,379.50	112,014,971.39	591.89
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====> 0024 ITEMS IN SUBTOTAL FOR ====> FUND NAME..... ====> STB FUND <====

Portfolio Characteristics

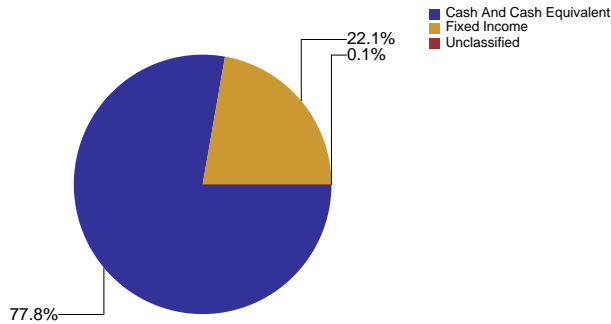
Duration Mix

Total Net Assets (Millions)	112.2
Weighted Average Life (Years)	0.24
Weighted Avg. Effective Duration (Years)	0.24
Weighted Average Coupon (%)	0.43
Weighted Average Current Yield (%)	3.61
Weighted Average Yield to Maturity (%)	3.61
Weighted Average Rating	AA
Number of Holdings	26



Asset Mix

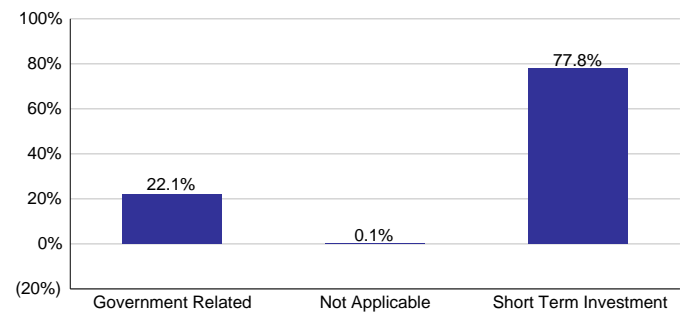
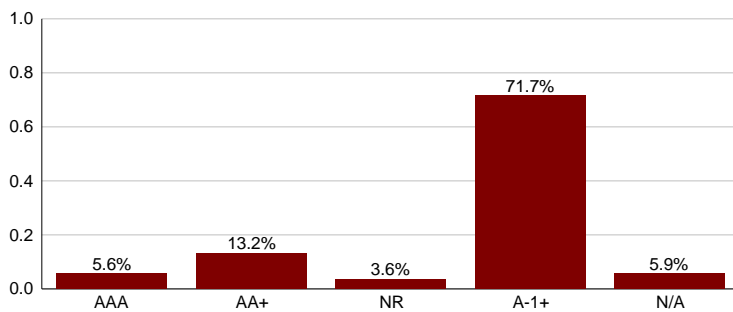
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
912796MJ5	UNITED STATES OF AMERICA BILL ZERO CPN 28/DEC/2017	33.80%	0.00	28/12/2017
313385QT6	FEDL HOME LOAN BK CONS DISC NT MATURES 20/DEC/2005	8.90%	0.00	20/12/2017
313385QV1	FEDL HOME LOAN BK CONS DISC NT MATURES 22/DEC/2005	8.90%	0.00	16/10/2017
3134G9TA5	FEDERAL HOME LOAN MORTGAGE CORP NOTES FIXED 5%	4.56%	5.00	29/12/2017
99HR20029	REPO JPMORGAN CHASE BK (GREENWICH) 092917A	4.05%	1.00	7/10/2017
30229AZF9	EXXON CORP DISCOUNTED	3.47%	0.00	15/12/0017
31358C7N0	FEDERAL NATIONAL MORTGAGE ASSOCIATION DISCOUNT	3.01%	0.00	15/11/2017
313385PL4	FEDL HOME LOAN BK CONS DISC NT MATURES 27/NOV/2009	2.76%	0.00	15/10/2017
9033A0YQ7	US BANK N.A. BANKERS' ACCEPTANCE DISCOUNT DTD	2.67%	0.00	23/11/2018
912796MH9	UNITED STATES OF AMERICA BILL ZERO CPN 21/DEC/2017	8.90%	0.00	21/12/2017

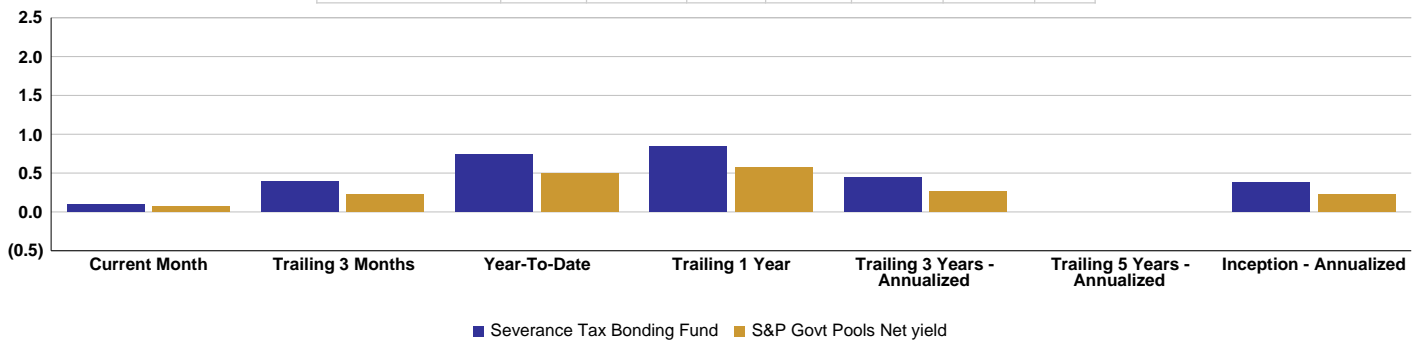
Quality/Rating Weightings

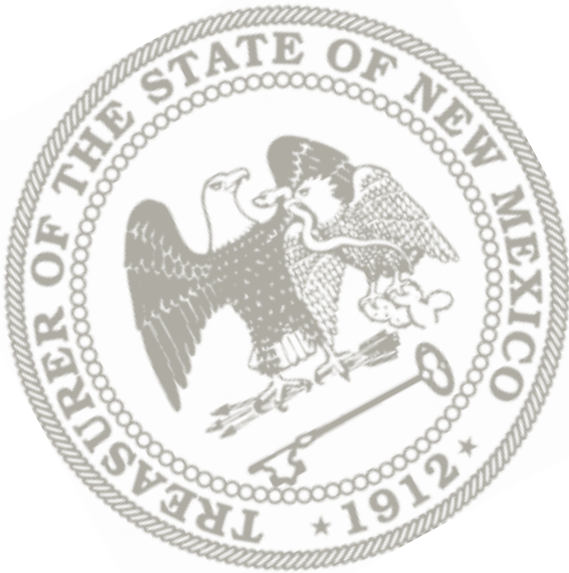
Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Severance Tax Bonding Fund	0.09	0.39	0.74	0.84	0.44		0.38
S&P Govt Pools Net yield	0.08	0.22	0.50	0.58	0.27		0.23
Excess	0.02	0.17	0.24	0.27	0.17	0.00	0.16





15. Broker Dealer Activities

KEY		
FUND	1000	GENERAL FUND LIQUIDITY
FUND	1001	GENERAL FUND CORE
FUND	1101	OVERNIGHT REPO
FUND	4000	BPIP TAX EXEMPT
FUND	4001	SEVERANCE TAX BONDING FUND
FUND	4002	BPIP TAXABLE
FUND	4101	LGIP

New Mexico State Treasurer's
Executive Summary of Investment Activity
Summary of Broker Participation
Purchases and Sales By Broker, Market & Security Type
All Funds
2017-2018

Volume at Par (\$ in thousands)

Broker/Dealer:	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	YTD Total	YTD Percent
Academy Securities													-	0.0%
Barclays	170,000	48,000	50,000										268,000	12.1%
BB and T (Scott & Stringfellow)		42,183	700										42,883	1.9%
BMO Capital Markets			80,000										80,000	3.6%
BNP Paribas													-	0.0%
BOSC, Inc	2,675	5,000	8,580										16,255	0.7%
Cantor, Fitzgerald													-	0.0%
CastleOak Securities LP	37,788	20,000	23,500										81,288	3.7%
Citigroup													-	0.0%
Daiwa Capital Markets America	4,167	7,286	10,000										21,453	1.0%
Deutsche Bank	50,000	26,677	27,500										104,177	4.7%
Drexel Hamilton LLC													-	0.0%
First Southwest													-	0.0%
FTN Financial													-	0.0%
George K Baum & Co													-	0.0%
Guggenheim Securities LLC		25,000	20,000										45,000	2.0%
HSBC	30,000	20,000	25,000										75,000	3.4%
Intl FCStone	18,000	10,525	25,000										53,525	2.4%
Jefferies	69,400	36,100	60,000										165,500	7.5%
JP Morgan & Co													-	0.0%
KeyBanc Capital Markets		20,000	15,000										35,000	1.6%
Loop Capital Markets	93,000		5,000										98,000	4.4%
MBS (Multi-Bank Securities)													-	0.0%
MFR Securities													-	0.0%
Mizuho Securities USA	45,000	26,600											71,600	3.2%
Morgan Stanley	29,163	46,000	3,455										78,618	3.6%
Mutual Securities nInc.													-	0.0%
Raymond, James & Associates													-	0.0%
RBS Securities		5,000	10,000										15,000	0.7%
Robert W. Baird & Co.		2,620											2,620	0.1%
Samuel A Ramirez & Co.		61,750											61,750	2.8%
Societe General Americas													-	0.0%
Southwest Securities/Hilltop													-	0.0%
Stifel Nicklaus & Co													-	0.0%
TD Securities	71,000	128,300	74,000										273,300	12.4%
UBS Financial Services	27,790												27,790	1.3%
Vining Sparks		650											650	0.0%
Wedbush Securities													-	0.0%
Wells Fargo Securities	68,400	61,290	3,740										133,430	6.0%
Williams Capital Group		77,800	35,200										113,000	5.1%
Direct Purchase	126,200	112,300	105,100										343,600	15.6%
Interfund													-	0.0%
Total	842,583	783,081	581,775	-	-	-	-	-	-	-	-	-	2,207,439	100.0%

Market type:	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	YTD Total	YTD %
-														
Primary Market	126,200	248,400	244,300										618,900	28.0%
Secondary Market	716,383	534,681	337,475										1,588,539	72.0%
Total	842,583	783,081	581,775	-	-	-	-	-	-	-	-	-	2,207,439	100.0%

Security type:	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	YTD Total	YTD %
- 2														
ABS													-	0.0%
Agencies	493,383	442,331	294,020										1,229,734	55.7%
Certificates of Deposit/Bank MMDA	4,000												4,000	0.2%
Commercial Paper	118,200	130,100	134,300										382,600	17.3%
Corporate Bonds			25,000										25,000	1.1%
MBS													-	0.0%
Municipal/Sponge	4,000	650	5,455										10,105	0.5%
Treasuries	223,000	210,000	123,000										556,000	25.2%
Total	842,583	783,081	581,775	-	-	-	-	-	-	-	-	-	2,207,439	100.0%

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 9/01/17 Through 9/30/17

TXN-DATE	CUSIP#	ASSET-TYPE	INVST#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
PURCHASE TRANSACTIONS													
9/06/17	30229AZF	COMMERCIAL PAPE	28653	EXXON MOBIL		12/15/17	1.1335	ISSUER DIRECT	4001	2,800,000.00	2,791,299.00		
9/08/17	30229AX4	COMMERCIAL PAPE	28678	EXXON MOBIL - CP		10/04/17	1.0908	ISSUER DIRECT	1000	25,000,000.00	24,982,590.28		
9/08/17	36960LWV	COMMERCIAL PAPE	28679	GENERAL ELECTRIC CO - C		9/29/17	1.1206	ISSUER DIRECT	1000	25,000,000.00	24,986,000.00		
9/12/17	89233GXD	COMMERCIAL PAPE	28694	TOYCC CP		10/13/17	1.1511	BROKER DIRECT	1000	25,000,000.00	24,976,041.67		
9/14/17	7426M3C8	COMMERCIAL PAPE	28712	PEFCO CP		3/08/18	1.3285	WILLIAMS CAPITA	1001	20,000,000.00	19,872,400.00		
9/20/17	30229AXJ	COMMERCIAL PAPE	28753	EXXON MOBIL		10/18/17	1.1109	ISSUER DIRECT	4002	12,000,000.00	11,990,010.00		
9/20/17	89233GXL	COMMERCIAL PAPE	28752	TOYOTA MOTOR CREDIT COR		10/20/17	1.1410	ISSUER DIRECT	4002	10,000,000.00	9,990,816.67		
9/21/17	30229AZF	COMMERCIAL PAPE	28653	EXXON MOBIL		12/15/17	1.1330	ISSUER DIRECT	4001	1,100,000.00	1,097,099.67		
9/21/17	36960LWV	COMMERCIAL PAPE	28777	GENERAL ELECTRIC CO - C		9/29/17	1.0802	ISSUER DIRECT	4001	1,100,000.00	1,099,769.00		
9/21/17	89233GZK	COMMERCIAL PAPE	28776	TOYOTA MOTOR CREDIT COR		12/19/17	1.2136	ISSUER DIRECT	4001	1,100,000.00	1,096,746.44		
9/27/17	7426M2ZT	COMMERCIAL PAPE	28588	PEFCO - CP		12/27/17	1.1734	WILLIAMS CAPITA	4001	1,200,000.00	1,196,490.00		
9/07/17	912796LB	U.S. TREASURY B	28668	UNITED STATES TREASURY		12/07/17	1.0286	WELLS FARGO SEC	4001	2,500,000.00	2,493,587.50		
9/21/17	912796MH	U.S. TREASURY B	28775	UNITED STATES TREASURY		12/21/17	1.0236	BMO CAPTIAL MAR	4001	10,000,000.00	9,974,475.00		
9/22/17	912796MJ	U.S. TREASURY B	28786	UNITED STATES TREASURY		12/28/17	1.0458	HSBC	4001	18,000,000.00	17,952,543.54		
9/26/17	912796MJ	U.S. TREASURY B	28786	UNITED STATES TREASURY		12/28/17	1.0478	GUGGENHEIM SECU	4001	20,000,000.00	19,946,588.89		
9/01/17	912828L2	US TREASURY NOT	28642	UNITED STATES TREASURY	1.875	8/31/22	1.7535	BARCLAYS	1001	20,000,000.00	20,115,625.00		
9/05/17	037833CZ	CORPORATE BONDS	28652	APPLE INC.	1.500	9/12/19	1.5438	DEUTSCHE BANK S	1001	10,000,000.00	9,991,400.00		
9/06/17	037833CZ	CORPORATE BONDS	28660	APPLE INC.	1.500	9/12/19	1.5438	CASTLEOAK SECUR	4000	10,000,000.00	9,991,400.00		
9/07/17	3130ACE2	AGENCY US BOND	28667	FEDERAL HOME LOAN BANK	1.375	9/28/20	1.4828	HSBC	1001	7,000,000.00	6,977,530.00		
9/12/17	3133EFWV	AGENCY US BOND	28695	FEDERAL FARM CREDIT BAN	.875	12/27/17	1.0702	WELLS FARGO SEC	4001	1,240,000.00	1,239,295.88		
9/21/17	3133EEFE	AGENCY US BOND	28771	FEDERAL FARM CREDIT BAN	1.125	12/18/17	1.1217	BOSC, INC	4001	1,000,000.00	1,000,000.00		
9/25/17	3130A8QM	AGENCY US BOND	28795	FEDERAL HOME LOAN BANKS	.700	1/12/18	1.1283	BOSC, INC	1001	6,580,000.00	6,571,775.00		
9/26/17	3130A5JG	AGENCY US BOND	28807	FEDERAL HOME LOAN BANKS	.850	12/29/17	1.0715	CASTLEOAK SECUR	4101	13,500,000.00	13,492,301.76		
9/27/17	3133EDG8	AGENCY US BOND	28823	FEDERAL FARM CREDIT BAN	1.250	4/03/18	1.2500	BOSC, INC	4101	1,000,000.00	1,000,000.00		
9/06/17	880590ME	AGENCY US DISC	28651	TENNESSEE VALLEY AUTHOR		9/26/17	1.0056	TD SECURITIES	4101	5,000,000.00	4,997,208.33		
9/07/17	313385NU	AGENCY US DISC	28669	FEDERAL HOME LOAN BANKS		11/03/17	1.0317	WILLIAMS CAPITA	4101	14,000,000.00	13,977,568.89		
9/19/17	880590MU	AGENCY US DISC	28729	TENNESSEE VALLEY AUTHOR		10/10/17	1.0106	TD SECURITIES	4101	34,000,000.00	33,979,968.33		
9/21/17	313385QV	AGENCY US DISC	28774	FEDERAL HOME LOAN BANKS		12/22/17	1.0478	DAIWA CAPITAL M	4001	10,000,000.00	9,973,584.72		
9/22/17	313313MD	AGENCY US DISC	28778	FEDERAL FARM CREDIT BAN		9/25/17	1.0001	JEFFRIES & CO	4101	60,000,000.00	59,995,000.00		
9/25/17	313385ME	AGENCY US DISC	28787	FEDERAL HOME LOAN BANKS		9/26/17	1.0000	BMO CAPTIAL MAR	4101	60,000,000.00	59,998,333.33		
9/27/17	880590NB	AGENCY US DISC	28821	TENNESSEE VALLEY AUTHOR		10/17/17	1.0005	TD SECURITIES	1000	35,000,000.00	34,981,527.78		
9/20/17	313586RC	AGENCY US BOND	23818	FEDERAL NATIONAL MORTGA		10/09/19	1.7771	KEYBANC CAPITAL	1001	10,000,000.00	9,648,500.00		
9/15/17	3134G9Q6	AGENCY US NOTES	28721	FEDERAL HOME LOAN MORTG	1.050	7/27/18	3.0841	BB&T CAPITAL MA	4101	700,000.00	698,453.00		10/27/17
9/26/17	3134G9TA	AGENCY US NOTES	28804	FEDERAL HOME LOAN MORTG	5.000	12/29/17	1.0614	LOOP CAPITAL MA	4001	5,000,000.00	5,050,025.00		
9/27/17	3135G0TG	AGENCY US NOTES	28623	FEDERAL NATIONAL MORTGA	.875	2/08/18	1.1206	BMO CAPTIAL MAR	4101	10,000,000.00	9,991,050.00		
9/22/17	191216BF	CORP US NOTE 30	28785	THE COCA-COLA COMPANY	1.650	11/01/18	1.4380	KEYBANC CAPITAL	1001	5,000,000.00	5,011,500.00		
9/07/17	GISDGO17	MUNICIPAL BOND	28670	GADSDEN ISD GO ETC 2017	1.282	10/19/17	1.2741	ISSUER DIRECT	1000	2,000,000.00	2,000,000.00		
37 PURCHASES DURING PERIOD TOTAL.....										495,820,000.00	495,128,504.68		

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 9/01/17 Through 9/30/17

TXN-DATE	CUSIP#	ASSET-TYPE	INVST#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
<u>SALE TRANSACTIONS</u>													
9/22/17	912796LZ	U.S. TREASURY B	27781	UNITED STATES TREASURY		10/26/17		DEUTSCHE BANK S	4001	17,500,000.00	17,486,906.15	1,030.17	
9/26/17	912796LY	U.S. TREASURY B	28315	UNITED STATES TREASURY		10/19/17		BARCLAYS	4001	25,000,000.00	24,985,715.28	2,215.28	
9/12/17	912828PN	US TREASURY NOT	24730	UNITED STATES TREASURY	2.750	12/31/17		RBS	4002	10,000,000.00	10,047,815.60	2.45	
9/11/17	3133EHGU	AGENCY US VARIA	27758	FEDERAL FARM CREDIT BAN	.940	4/25/19		BARCLAYS	4101	5,000,000.00	5,001,614.75	2,625.40	
9/14/17	3130A8Q6	AGENCY US VARIA	25882	FEDERAL HOME LOAN BANK	.626	1/08/18		INTL FCSTONE PA	4002	25,000,000.00	25,015,898.75	15,898.75	
9/12/17	64711NM2	MUNI US 30/360	26896	NEW MEXICO FIN AUTH REV	4.000	6/01/18		MORGAN STANLEY	4002	3,455,000.00	3,533,497.60	11,742.61	
6 SALES DURING PERIOD TOTAL.....										85,955,000.00	86,071,448.13	33,514.66	
=== GRAND-TOTAL ==>										581,775,000.00	581,199,952.81	33,514.66	
*** END-OF-REPORT ***													

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 7/01/17 Through 9/30/17

TXN-DATE	CUSIP#	ASSET-TYPE	INVST#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
PURCHASE TRANSACTIONS													
7/07/17	36960LUQ	COMMERCIAL PAPE	28243	GECO CP		7/24/17	1.0805	ISSUER DIRECT	1001	20,000,000.00	19,991,600.00		
7/07/17	36960LV9	COMMERCIAL PAPE	28242	GECO CP		8/09/17	1.0910	ISSUER DIRECT	1000	25,000,000.00	24,977,291.67		
7/11/17	30229AV2	COMMERCIAL PAPE	28260	EXXON MOBIL CP		8/02/17	1.0807	ISSUER DIRECT	1000	25,000,000.00	24,984,250.00		
7/13/17	30229AV2	COMMERCIAL PAPE	28277	EXXON MOBIL CP		8/02/17	1.0806	ISSUER DIRECT	1001	25,000,000.00	24,985,750.00		
7/14/17	89233GVE	COMMERCIAL PAPE	28288	TOYOTA MOTOR CORP - CP		8/14/17	1.1110	ISSUER DIRECT	1000	20,000,000.00	19,982,733.33		
7/19/17	36164JYH	COMMERCIAL PAPE	28314	GE CAPITAL TREASURY LLC		11/17/17	1.2250	ISSUER DIRECT	4001	1,600,000.00	1,593,493.33		
7/19/17	89233GZS	COMMERCIAL PAPE	28313	TOYOTA MOTOR CREDIT COR		12/26/17	1.3176	ISSUER DIRECT	4001	1,600,000.00	1,590,742.67		
8/02/17	7426M2ZN	COMMERCIAL PAPE	28429	PEFCO		12/22/17	1.2674	WILLIAMS CAPITA	4001	1,600,000.00	1,592,041.33		
8/07/17	89233GWS	COMMERCIAL PAPE	28461	TOYOTA MOTOR CREDIT		9/26/17	1.1719	ISSUER DIRECT	4000	15,000,000.00	14,976,112.50		
8/08/17	36960LW8	COMMERCIAL PAPE	28471	GECO - CP		9/08/17	1.1210	ISSUER DIRECT	1000	25,000,000.00	24,976,666.67		
8/11/17	89233GWD	COMMERCIAL PAPE	28504	TOYOTA MOTOR CREDIT COR		9/13/17	1.1411	ISSUER DIRECT	1000	25,000,000.00	24,976,250.00		
8/11/17	89233HB9	COMMERCIAL PAPE	28505	TOYOTA MOTOR CREDIT COR		2/09/18	1.3794	ISSUER DIRECT	1001	20,000,000.00	19,863,761.11		
8/16/17	36164KBD	COMMERCIAL PAPE	28530	GE CAPITAL US HOLDING I		2/13/18	1.3389	SYSTEM - UNIDEN	1001	20,000,000.00	19,867,000.00		
8/17/17	7426M3B8	COMMERCIAL PAPE	28538	PEFCO - CP		2/08/18	1.3285	WILLIAMS CAPITA	4000	15,000,000.00	14,904,300.00		
8/23/17	36164JZS	COMMERCIAL PAPE	28573	GE CAPITAL TREASURY LLC		12/26/17	1.2655	ISSUER DIRECT	4001	1,200,000.00	1,194,792.00		
8/25/17	7426M2ZT	COMMERCIAL PAPE	28588	PEFCO - CP		12/22/17	1.2250	WILLIAMS CAPITA	4001	1,200,000.00	1,195,079.33		
8/25/17	9033A0YQ	COMMERCIAL PAPE	28592	US BANK NAT'L ASSOC		11/24/17	1.1734	ISSUER DIRECT	1000	700,000.00	697,998.00		
8/25/17	9033A0YQ	COMMERCIAL PAPE	28590	US BANK NAT'L ASSOC		11/24/17	1.1734	ISSUER DIRECT	4001	3,000,000.00	2,991,420.00		
8/28/17	89233GZN	COMMERCIAL PAPE	28603	TOYCC CP		12/22/17	1.2550	ISSUER DIRECT	4001	1,200,000.00	1,195,208.33		
9/06/17	30229AZF	COMMERCIAL PAPE	28653	EXXON MOBIL		12/15/17	1.1335	ISSUER DIRECT	4001	2,800,000.00	2,791,299.00		
9/08/17	30229AX4	COMMERCIAL PAPE	28678	EXXON MOBIL - CP		10/04/17	1.0908	ISSUER DIRECT	1000	25,000,000.00	24,982,590.28		
9/08/17	36960LWV	COMMERCIAL PAPE	28679	GENERAL ELECTRIC CO - C		9/29/17	1.1206	ISSUER DIRECT	1000	25,000,000.00	24,986,000.00		
9/12/17	89233GXD	COMMERCIAL PAPE	28694	TOYCC CP		10/13/17	1.1511	BROKER DIRECT	1000	25,000,000.00	24,976,041.67		
9/14/17	7426M3C8	COMMERCIAL PAPE	28712	PEFCO CP		3/08/18	1.3285	WILLIAMS CAPITA	1001	20,000,000.00	19,872,400.00		
9/20/17	30229AXJ	COMMERCIAL PAPE	28753	EXXON MOBIL		10/18/17	1.1109	ISSUER DIRECT	4002	12,000,000.00	11,990,010.00		
9/20/17	89233GXL	COMMERCIAL PAPE	28752	TOYOTA MOTOR CREDIT COR		10/20/17	1.1410	ISSUER DIRECT	4002	10,000,000.00	9,990,816.67		
9/21/17	30229AZF	COMMERCIAL PAPE	28653	EXXON MOBIL		12/15/17	1.1330	ISSUER DIRECT	4001	1,100,000.00	1,097,099.67		
9/21/17	36960LWV	COMMERCIAL PAPE	28777	GENERAL ELECTRIC CO - C		9/29/17	1.0802	ISSUER DIRECT	4001	1,100,000.00	1,099,769.00		
9/21/17	89233GZK	COMMERCIAL PAPE	28776	TOYOTA MOTOR CREDIT COR		12/19/17	1.2136	ISSUER DIRECT	4001	1,100,000.00	1,096,746.44		
9/27/17	7426M2ZT	COMMERCIAL PAPE	28588	PEFCO - CP		12/27/17	1.1734	WILLIAMS CAPITA	4001	1,200,000.00	1,196,490.00		
7/05/17	07052017	CERTIFICATES OF	28218	FARMERS & STOCKMENS BAN	1.400	7/05/19	1.4000	SYSTEM - UNIDEN	4002	1,500,000.00	1,500,000.00		
7/21/17	81187124	CERTIFICATES OF	28332	WESTERN BANK ALAMOGORDO	1.260	7/23/18	1.2600	SYSTEM - UNIDEN	4002	2,500,000.00	2,500,000.00		
7/19/17	912796LY	U.S. TREASURY B	28315	UNITED STATES TREASURY		10/19/17	1.0830	MIZUHO SECURITI	4001	25,000,000.00	24,931,750.00		
7/19/17	912796LY	U.S. TREASURY B	28310	UNITED STATES TREASURY		10/19/17	1.0772	LOOP CAPITAL MA	4101	50,000,000.00	49,862,738.56		
7/25/17	912796LZ	U.S. TREASURY B	27781	UNITED STATES TREASURY		10/26/17	1.1440	LOOP CAPITAL MA	4001	8,000,000.00	7,976,680.66		
8/01/17	912796KR	U.S. TREASURY B	28408	UNITED STATES TREASURY		10/12/17	1.1094	MIZUHO SECURITI	4101	20,000,000.00	19,956,335.00		
8/09/17	912796LW	U.S. TREASURY B	28473	UNITED STATES TREASURY		10/05/17	1.0678	GUGGENHEIM SECU	4101	25,000,000.00	24,957,804.17		
8/16/17	912796LW	U.S. TREASURY B	28473	UNITED STATES TREASURY		10/05/17	1.0671	RBS	4101	5,000,000.00	4,992,600.69		

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TXN-DATE	CUSIP#	ASSET-TYPE	INVST#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
9/07/17	912796LB	U.S. TREASURY B	28668	UNITED STATES TREASURY		12/07/17	1.0286	WELLS FARGO SEC	4001	2,500,000.00	2,493,587.50		
9/21/17	912796MH	U.S. TREASURY B	28775	UNITED STATES TREASURY		12/21/17	1.0236	BMO CAPTIAL MAR	4001	10,000,000.00	9,974,475.00		
9/22/17	912796MJ	U.S. TREASURY B	28786	UNITED STATES TREASURY		12/28/17	1.0458	HSBC	4001	18,000,000.00	17,952,543.54		
9/26/17	912796MJ	U.S. TREASURY B	28786	UNITED STATES TREASURY		12/28/17	1.0478	GUGGENHEIM SECU	4001	20,000,000.00	19,946,588.89		
7/13/17	912828XU	US TREASURY NOT	28280	UNITED STATES TREASURY	1.500	6/15/20	1.5439	HSBC	4000	10,000,000.00	9,987,500.00		
7/19/17	912828XG	US TREASURY NOT	28322	UNITED STATES TREASURY	2.125	6/30/22	1.8308	DEUTSCHE BANK S	1001	10,000,000.00	10,138,671.88		
7/25/17	912828XG	US TREASURY NOT	28322	UNITED STATES TREASURY	2.125	6/30/22	1.8910	DEUTSCHE BANK S	1001	10,000,000.00	10,109,765.63		
7/26/17	912828TW	US TREASURY NOT	28357	UNITED STATES TREASURY	.750	10/31/17	1.1534	WELLS FARGO SEC	1001	20,000,000.00	19,978,906.25		
7/26/17	912828XM	US TREASURY NOT	28364	UNITED STATES TREASURY	1.625	7/31/20	1.5504	BARCLAYS	1001	20,000,000.00	20,043,750.00		
7/26/17	912828XQ	US TREASURY NOT	28365	UNITED STATES TREASURY	2.000	7/31/22	1.8785	HSBC	1001	20,000,000.00	20,115,625.00		
8/01/17	9128282K	US TREASURY NOT	28410	UNITED STATES TREASURY	1.375	7/31/19	1.3451	HSBC	4000	20,000,000.00	20,011,718.75		
8/01/17	912828C2	US TREASURY NOT	28415	UNITED STATES TREASURY	1.500	2/28/19	1.3090	TD SECURITIES	4000	15,000,000.00	15,044,531.25		
8/01/17	912828L3	US TREASURY NOT	28411	UNITED STATES TREASURY	1.375	8/31/20	1.5182	BARCLAYS	4000	10,000,000.00	9,957,031.25		
8/01/17	912828N4	US TREASURY NOT	28413	UNITED STATES TREASURY	1.750	12/31/20	1.5850	BARCLAYS	4000	10,000,000.00	10,054,687.50		
8/01/17	912828Q3	US TREASURY NOT	28414	UNITED STATES TREASURY	1.250	3/31/21	1.6271	MORGAN STANLEY	4000	10,000,000.00	9,866,406.25		
8/01/17	912828ST	US TREASURY NOT	28412	UNITED STATES TREASURY	1.250	4/30/19	1.3319	TD SECURITIES	4000	20,000,000.00	19,971,875.00		
8/02/17	912828T3	US TREASURY NOT	28427	UNITED STATES TREASURY	1.125	9/30/21	1.7245	DEUTSCHE BANK S	1001	10,000,000.00	9,760,156.25		
8/03/17	912828U8	US TREASURY NOT	28439	UNITED STATES TREASURY	2.000	12/31/21	1.7304	MORGAN STANLEY	1001	10,000,000.00	10,114,062.50		
8/04/17	912828Q3	US TREASURY NOT	28414	UNITED STATES TREASURY	1.250	3/31/21	1.6363	MORGAN STANLEY	4000	10,000,000.00	9,863,671.88		
8/04/17	912828RT	US TREASURY NOT	28451	UNITED STATES TREASURY	1.375	11/30/18	1.2999	JEFFRIES & CO	4000	20,000,000.00	20,019,531.25		
8/07/17	912828XU	US TREASURY NOT	28280	UNITED STATES TREASURY	1.500	6/15/20	1.4846	WELLS FARGO SEC	4000	20,000,000.00	20,008,593.75		
8/08/17	912828TM	US TREASURY NOT	27573	UNITED STATES TREASURY	.625	8/31/17	1.0222	CASTLEOAK SECUR	4101	5,000,000.00	4,998,859.20		
9/01/17	912828L2	US TREASURY NOT	28642	UNITED STATES TREASURY	1.875	8/31/22	1.7535	BARCLAYS	1001	20,000,000.00	20,115,625.00		
9/05/17	037833CZ	CORPORATE BONDS	28652	APPLE INC.	1.500	9/12/19	1.5438	DEUTSCHE BANK S	1001	10,000,000.00	9,991,400.00		
9/06/17	037833CZ	CORPORATE BONDS	28660	APPLE INC.	1.500	9/12/19	1.5438	CASTLEOAK SECUR	4000	10,000,000.00	9,991,400.00		
7/18/17	3133EHSF	AGENCY US FLOAT	28307	FEDERAL FARM CREDIT BAN	1.135	4/25/19	1.1400	INTL FCSTONE PA	4101	5,000,000.00	4,999,560.00		
8/08/17	3134GBB9	AGENCY US FLOAT	28472	FEDERAL HOME LOAN MORTG	1.149	2/14/19	1.1489	CASTLEOAK SECUR	4101	15,000,000.00	15,000,000.00		
7/10/17	880591EC	AGENCY US BOND	28252	TENNESSEE VALLEY AUTHOR	4.500	4/01/18	1.2848	INTL FCSTONE PA	4101	3,000,000.00	3,069,120.00		
7/13/17	31331YW6	AGENCY US BOND	28281	FEDERAL FARM CREDIT BAN	4.900	6/12/18	1.2764	BOSC, INC	4101	1,000,000.00	1,032,720.00		
7/25/17	3130AAM8	AGENCY US BOND	28354	FEDERAL HOME LOAN BANKS	1.625	1/18/19	1.3086	DEUTSCHE BANK S	1001	15,000,000.00	15,022,500.00		1/18/18
7/26/17	3133EFEU	AGENCY US BOND	28366	FEDERAL FARM CREDIT BAN	.780	8/28/17	1.1045	WELLS FARGO SEC	4101	2,400,000.00	2,399,322.61		
8/02/17	3130A6G6	AGENCY US BOND	28426	FEDERAL HOME LOAN BANKS	.840	9/08/17	1.0800	WELLS FARGO SEC	4101	9,000,000.00	8,997,870.24		
8/04/17	3130A6S6	AGENCY US BOND	27768	FEDERAL HOME LOAN BANKS	1.000	12/19/17	1.0964	WELLS FARGO SEC	4101	3,250,000.00	3,248,838.91		
8/04/17	3133XM08	AGENCY US BOND	28441	FEDERAL HOME LOAN BANKS	5.000	11/17/17	1.1016	WELLS FARGO SEC	4101	1,040,000.00	1,051,192.44		
8/28/17	3133XM08	AGENCY US BOND	28602	FEDERAL HOME LOAN BANKS	5.000	11/17/17	1.1164	DEUTSCHE BANK S	4001	1,360,000.00	1,371,369.60		
8/31/17	313371N2	AGENCY US BOND	28622	FEDERAL HOME LOAN BANKS	2.125	12/08/17	1.1250	BOSC, INC	4101	1,000,000.00	1,002,671.50		
9/07/17	3130ACE2	AGENCY US BOND	28667	FEDERAL HOME LOAN BANK	1.375	9/28/20	1.4828	HSBC	1001	7,000,000.00	6,977,530.00		
9/12/17	3133EFW8	AGENCY US BOND	28695	FEDERAL FARM CREDIT BAN	.875	12/27/17	1.0702	WELLS FARGO SEC	4001	1,240,000.00	1,239,295.88		
9/21/17	3133EEFE	AGENCY US BOND	28771	FEDERAL FARM CREDIT BAN	1.125	12/18/17	1.1217	BOSC, INC	4001	1,000,000.00	1,000,000.00		
9/25/17	3130A8Q0	AGENCY US BOND	28795	FEDERAL HOME LOAN BANKS	.700	1/12/18	1.1283	BOSC, INC	1001	6,580,000.00	6,571,775.00		
9/26/17	3130A5JG	AGENCY US BOND	28807	FEDERAL HOME LOAN BANKS	.850	12/29/17	1.0715	CASTLEOAK SECUR	4101	13,500,000.00	13,492,301.76		

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TXN-DATE	CUSIP#	ASSET-TYPE	INVS#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
9/27/17	3133EDG8	AGENCY US BOND	28823	FEDERAL FARM CREDIT BAN	1.250	4/03/18	1.2500	BOSC, INC	4101	1,000,000.00	1,000,000.00		
7/13/17	313385KG	AGENCY US DISC	28279	FEDERAL HOME LOAN BANKS		8/11/17	1.0058	WELLS FARGO SEC	1000	28,000,000.00	27,978,113.33		
7/13/17	313385KK	AGENCY US DISC	28278	FEDERAL HOME LOAN BANKS		8/14/17	1.0109	UBS	1000	27,790,000.00	27,765,830.42		
7/13/17	880590JX	AGENCY US DISC	28276	TENNESSEE VALLEY AUTHOR		8/02/17	1.0006	TD SECURITIES	4101	41,000,000.00	40,977,222.22		
7/14/17	313385JH	AGENCY US DISC	27960	FEDERAL HOME LOAN BANKS		7/19/17	.9801	TD SECURITIES	4101	15,000,000.00	14,997,958.33		
7/19/17	313313JJ	AGENCY US DISC	28311	FEDERAL FARM CREDIT BAN		7/20/17	.9300	JEFFRIES & CO	4101	54,400,000.00	54,398,594.67		
7/20/17	313397KN	AGENCY US DISC	28323	FEDERAL HOME LOAN MORTG		8/17/17	.9707	MORGAN STANLEY	4101	12,000,000.00	11,990,946.67		
7/20/17	313397KN	AGENCY US DISC	28323	FEDERAL HOME LOAN MORTG		8/17/17	1.0008	DAIWA CAPITAL M	4101	4,167,000.00	4,163,759.00		
7/27/17	313385JZ	AGENCY US DISC	28369	FEDERAL HOME LOAN BANKS		8/04/17	1.0002	LOOP CAPITAL MA	4101	35,000,000.00	34,992,222.22		
7/27/17	313385KM	AGENCY US DISC	28378	FEDERAL HOME LOAN BANKS		8/16/17	1.0205	BARCLAYS	1000	90,000,000.00	89,951,550.00		
7/27/17	313385KU	AGENCY US DISC	28377	FEDERAL HOME LOAN BANKS		8/23/17	1.0208	BARCLAYS	1000	30,000,000.00	29,977,900.00		
7/27/17	313385KU	AGENCY US DISC	28377	FEDERAL HOME LOAN BANKS		8/23/17	1.0208	BARCLAYS	1000	30,000,000.00	29,977,900.00		
7/28/17	313589LP	AGENCY US DISC	28386	FEDERAL NATIONAL MORTGA		9/11/17	1.0212	CASTLEOAK SECUR	1000	12,788,000.00	12,772,782.28		
8/01/17	880590KL	AGENCY US DISC	28409	TENNESSEE VALLEY AUTHOR		8/15/17	1.0024	TD SECURITIES	4101	43,300,000.00	43,284,332.62		
8/02/17	313589LP	AGENCY US DISC	28386	FEDERAL NATIONAL MORTGA		9/11/17	1.0060	DEUTSCHE BANK S	1000	15,317,000.00	15,300,324.38		
8/04/17	313385KC	AGENCY US DISC	28450	FEDERAL HOME LOAN BANKS		8/07/17	.9701	WILLIAMS CAPITA	4101	25,000,000.00	24,997,979.17		
8/07/17	313385KF	AGENCY US DISC	28452	FEDERAL HOME LOAN BANKS		8/10/17	.9801	WILLIAMS CAPITA	4101	25,000,000.00	24,997,958.33		
8/08/17	880590KT	AGENCY US DISC	28463	TENNESSEE VALLEY AUTHOR		8/22/17	.9974	TD SECURITIES	4101	50,000,000.00	49,980,613.89		
8/09/17	313589NK	AGENCY US DISC	28474	FEDERAL NATIONAL MORTGA		10/25/17	1.0373	MIZUHO SECURITI	4101	6,600,000.00	6,585,389.25		
8/10/17	313385LJ	AGENCY US DISC	28485	FEDERAL HOME LOAN BANKS		9/06/17	1.0057	WELLS FARGO SEC	1000	28,000,000.00	27,979,676.67		
8/11/17	313313ZZ	AGENCY US DISC	28496	FEDERAL FARM CREDIT BAN		7/30/18	1.2553	MORGAN STANLEY	4101	6,000,000.00	5,927,046.67		
8/11/17	313385LL	AGENCY US DISC	28503	FEDERAL HOME LOAN BANKS		9/08/17	1.0057	BARCLAYS	1000	28,000,000.00	27,980,458.33		
8/11/17	313385ZV	AGENCY US DISC	28506	FEDERAL HOME LOAN BANKS	4.960	7/26/18	1.2550	JEFFRIES & CO	4101	10,000,000.00	9,880,822.22		
8/21/17	313589MV	AGENCY US DISC	28547	FEDERAL NATIONAL MORTGA		10/11/17	1.0014	DAIWA CAPITAL M	4101	7,286,000.00	7,275,678.17		
8/25/17	313385PU	AGENCY US DISC	28589	FEDERAL HOME LOAN BANKS		11/27/17	1.0427	JEFFRIES & CO	4001	3,100,000.00	3,091,850.44		
8/25/17	313385QT	AGENCY US DISC	28591	FEDERAL HOME LOAN BANKS		12/20/17	1.0434	WILLIAMS CAPITA	4001	10,000,000.00	9,967,066.67		
8/28/17	313397SP	AGENCY US DISC	28594	FEDERAL HOME LOAN MORTG		2/02/18	1.0750	RAMIREZ & CO, I	4101	20,000,000.00	19,906,077.78		
8/30/17	313385SC	AGENCY US DISC	28613	FEDERAL HOME LOAN BANKS		1/22/18	1.0847	RAMIREZ & CO, I	4101	20,000,000.00	19,913,000.00		
9/06/17	880590ME	AGENCY US DISC	28651	TENNESSEE VALLEY AUTHOR		9/26/17	1.0056	TD SECURITIES	4101	5,000,000.00	4,997,208.33		
9/07/17	313385NU	AGENCY US DISC	28669	FEDERAL HOME LOAN BANKS		11/03/17	1.0317	WILLIAMS CAPITA	4101	14,000,000.00	13,977,568.89		
9/19/17	880590MU	AGENCY US DISC	28729	TENNESSEE VALLEY AUTHOR		10/10/17	1.0106	TD SECURITIES	4101	34,000,000.00	33,979,968.33		
9/21/17	313385QV	AGENCY US DISC	28774	FEDERAL HOME LOAN BANKS		12/22/17	1.0478	DAIWA CAPITAL M	4001	10,000,000.00	9,973,584.72		
9/22/17	313313MD	AGENCY US DISC	28778	FEDERAL FARM CREDIT BAN		9/25/17	1.0001	JEFFRIES & CO	4101	60,000,000.00	59,995,000.00		
9/25/17	313385ME	AGENCY US DISC	28787	FEDERAL HOME LOAN BANKS		9/26/17	1.0000	BMO CAPTIAL MAR	4101	60,000,000.00	59,998,333.33		
9/27/17	880590NB	AGENCY US DISC	28821	TENNESSEE VALLEY AUTHOR		10/17/17	1.0005	TD SECURITIES	1000	35,000,000.00	34,981,527.78		
7/18/17	3137EAEH	AGENCY 30/360 2	28309	FHLMC	1.375	8/15/19	1.4473	CASTLEOAK SECUR	4000	5,000,000.00	4,992,650.00		
7/28/17	3135G0T6	AGENCY 30/360 2	28388	FNMA	1.500	7/30/20	1.6039	CASTLEOAK SECUR	1001	20,000,000.00	19,939,400.00		
8/08/17	3137EAEH	AGENCY 30/360 2	28309	FHLMC	1.375	8/15/19	1.4356	KEYBANC CAPITAL	4000	20,000,000.00	19,976,000.00		
7/13/17	313586RC	AGENCY US BOND	23818	FEDERAL NATIONAL MORTGA		10/09/19	1.8566	JEFFRIES & CO	1001	10,000,000.00	9,601,400.00		
7/13/17	313586RC	AGENCY US BOND	23818	FEDERAL NATIONAL MORTGA		10/09/19	1.8541	MORGAN STANLEY	1001	7,163,000.00	6,877,840.97		
7/13/17	313586RC	AGENCY US BOND	25780	FEDERAL NATIONAL MORTGA		10/09/19	1.8522	MORGAN STANLEY	4000	10,000,000.00	9,602,300.00		

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 7/01/17 Through 9/30/17

TXN-DATE	CUSIP#	ASSET-TYPE	INVST#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
7/14/17	313586RC	AGENCY US BOND	23818	FEDERAL NATIONAL MORTGA		10/09/19	1.8367	JEFFRIES & CO	1001	5,000,000.00	4,803,450.00		
8/15/17	313586RC	AGENCY US BOND	23818	FEDERAL NATIONAL MORTGA		10/09/19	1.7673	MORGAN STANLEY	1001	10,000,000.00	9,634,400.00		
8/31/17	31358C7N	AGENCY US BOND	28631	FEDERAL NATIONAL MORTGA		11/15/17	1.0848	BB&T CAPITAL MA	4001	3,378,000.00	3,370,483.95		
9/20/17	313586RC	AGENCY US BOND	23818	FEDERAL NATIONAL MORTGA		10/09/19	1.7771	KEYBANC CAPITAL	1001	10,000,000.00	9,648,500.00		
7/14/17	3137EADJ	AGENCY US NOTES	27663	FEDERAL HOME LOAN MORTG	1.000	7/28/17	.9774	TD SECURITIES	4101	15,000,000.00	15,000,067.50		
7/18/17	3135G0PQ	AGENCY US NOTES	28308	FEDERAL NATIONAL MORTGA	.875	10/26/17	1.1519	BOSC, INC	4101	1,000,000.00	999,250.00		
7/18/17	3137EADL	AGENCY US NOTES	27151	FEDERAL HOME LOAN MORTG	1.000	9/29/17	1.1254	BOSC, INC	4101	675,000.00	674,831.25		
7/26/17	3130A62S	AGENCY US NOTES	28367	FEDERAL HOME LOAN BANKS	.750	8/28/17	1.1045	WELLS FARGO SEC	4101	3,000,000.00	2,999,076.19		
8/04/17	3136G4AC	AGENCY US NOTES	28443	FEDERAL NATIONAL MORTGA	1.250	3/27/20	1.5601	BOSC, INC	4000	1,000,000.00	992,011.13		
8/07/17	3134G8VQ	AGENCY US NOTES	28463	FEDERAL HOME LOAN MORTG	.810	10/04/17	1.0903	BB&T CAPITAL MA	4101	12,610,000.00	12,604,451.60		
8/10/17	3136G3K4	AGENCY US NOTES	28492	FEDERAL NATIONAL MORTGA	1.260	8/02/19	3.0707	INTL FCSTONE PA	4000	10,525,000.00	10,482,163.25		11/02/17
8/17/17	3136G0T7	AGENCY US NOTES	28539	FEDERAL NATIONAL MORTGA	1.320	10/22/19	1.4234	BB&T CAPITAL MA	4000	2,000,000.00	1,995,580.00		
8/22/17	3132X0WS	AGENCY US NOTES	28564	FEDERAL AGRICULTURAL MT	1.900	9/01/22	1.9053	RAMIREZ & CO, I	1001	10,000,000.00	9,997,500.00		
8/22/17	3132X0WS	AGENCY US NOTES	28565	FEDERAL AGRICULTURAL MT	1.900	9/01/22	1.9053	RAMIREZ & CO, I	4000	5,000,000.00	4,998,750.00		
8/28/17	3134G9CG	AGENCY US NOTES	28604	FEDERAL HOME LOAN MORTG	.875	11/17/17	1.1350	BOSC, INC	4001	1,500,000.00	1,499,147.95		
8/28/17	3137EABA	AGENCY US NOTES	28601	FEDERAL HOME LOAN MORTG	5.125	11/17/17	1.0980	DEUTSCHE BANK S	4001	1,200,000.00	1,210,404.00		
8/31/17	3134G3M3	AGENCY US NOTES	28632	FEDERAL HOME LOAN MORTG	1.000	9/27/17	1.0509	BB&T CAPITAL MA	4101	1,000,000.00	999,960.00		
8/31/17	3134G8VP	AGENCY US NOTES	28633	FEDERAL HOME LOAN MORTG	.830	11/06/17	1.0878	BB&T CAPITAL MA	4101	23,195,000.00	23,184,771.01		
8/31/17	3135G0TG	AGENCY US NOTES	28623	FEDERAL NATIONAL MORTGA	.875	2/08/18	1.1250	BOSC, INC	4101	1,500,000.00	1,498,368.47		
9/15/17	3134G9Q6	AGENCY US NOTES	28721	FEDERAL HOME LOAN MORTG	1.050	7/27/18	3.0841	BB&T CAPITAL MA	4101	700,000.00	698,453.00		10/27/17
9/26/17	3134G9TA	AGENCY US NOTES	28804	FEDERAL HOME LOAN MORTG	5.000	12/29/17	1.0614	LOOP CAPITAL MA	4001	5,000,000.00	5,050,025.00		
9/27/17	3135G0TG	AGENCY US NOTES	28623	FEDERAL NATIONAL MORTGA	.875	2/08/18	1.1206	BMO CAPTIAL MAR	4101	10,000,000.00	9,991,050.00		
8/02/17	3130AA5F	FED NATL MORTGA	28428	FEDERAL HOME LOAN BANKS	1.000	12/16/21	2.0413	RAMIREZ & CO, I	1001	6,750,000.00	6,741,562.50		12/16/17
8/09/17	3134GBWE	FED NATL MORTGA	28483	FEDERAL HOME LOAN MORTG	1.500	6/29/21	1.8229	ROBERT W BAIRD	1001	2,620,000.00	2,616,725.00		12/29/17
7/07/17	3133EHQT	AGENCY US VARIA	28244	FEDERAL FARM CREDIT BAN	1.145	4/10/19	1.1465	INTL FCSTONE PA	4101	10,000,000.00	9,999,100.00		
9/22/17	191216BF	CORP US NOTE 30	28785	THE COCA-COLA COMPANY	1.650	11/01/18	1.4380	KEYBANC CAPITAL	1001	5,000,000.00	5,011,500.00		
8/14/17	64711NA7	MUNI US 30/360	28508	NEW MEXICO FIN AUTH REV	5.000	6/15/20	1.8303	VINING SPARKS	1001	650,000.00	706,511.00		
7/28/17	CMS2017	MUNICIPAL BOND	28387	CARLSBAD MUNICIPAL SCHO	1.274	8/24/17	1.2659	ISSUER DIRECT	1000	4,000,000.00	4,000,000.00		
9/07/17	GISDGO17	MUNICIPAL BOND	28670	GADSDEN ISD GO ETC 2017	1.282	10/19/17	1.2741	ISSUER DIRECT	1000	2,000,000.00	2,000,000.00		
149 PURCHASES DURING PERIOD TOTAL.....										2068484000.00	2064594622.42		

SALE TRANSACTIONS

9/22/17	912796LZ	U.S. TREASURY B	27781	UNITED STATES TREASURY		10/26/17		DEUTSCHE BANK S	4001	17,500,000.00	17,486,906.15	1,030.17	
9/26/17	912796LY	U.S. TREASURY B	28315	UNITED STATES TREASURY		10/19/17		BARCLAYS	4001	25,000,000.00	24,985,715.28	2,215.28	
7/14/17	912828NR	US TREASURY NOT	21120	UNITED STATES TREASURY	2.375	7/31/17		MIZUHO SECURITI	1001	20,000,000.00	20,010,937.50	1,342.00	
7/19/17	912828UJ	US TREASURY NOT	22607	UNITED STATES TREASURY	.875	1/31/18		WELLS FARGO SEC	4002	15,000,000.00	14,980,664.06	6,737.73	
7/19/17	912828UR	US TREASURY NOT	22618	UNITED STATES TREASURY	.750	2/28/18		DEUTSCHE BANK S	4002	15,000,000.00	14,965,429.69	7,850.80	
9/12/17	912828PN	US TREASURY NOT	24730	UNITED STATES TREASURY	2.750	12/31/17		RBS	4002	10,000,000.00	10,047,815.60	2.45	
8/07/17	3130A62S	AGENCY US NOTES	28367	FEDERAL HOME LOAN BANKS	.750	8/28/17		JEFFRIES & CO	4101	3,000,000.00	2,999,505.00	131.40	

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 7/01/17 Through 9/30/17

TXN-DATE	CUSIP#	ASSET-TYPE	INVST#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
9/11/17	3133EHGU	AGENCY US VARIA	27758	FEDERAL FARM CREDIT BAN	.940	4/25/19		BARCLAYS	4101	5,000,000.00	5,001,614.75	2,625.40	
9/14/17	3130A8Q6	AGENCY US VARIA	25882	FEDERAL HOME LOAN BANK	.626	1/08/18		INTL FCSTONE PA	4002	25,000,000.00	25,015,898.75	15,898.75	
9/12/17	64711NM2	MUNI US 30/360	26896	NEW MEXICO FIN AUTH REV	4.000	6/01/18		MORGAN STANLEY	4002	3,455,000.00	3,533,497.60	11,742.61	
10 SALES DURING PERIOD TOTAL.....										138,955,000.00	139,027,984.38	49,576.59	
=== GRAND-TOTAL ==>										2207439000.00	2203622606.80	49,576.59	

*** END-OF-REPORT ***



16. Credit Investing

APPROVED MEDIUM TERM NOTE/CORPORATE BOND ISSUERS
September 2017

	Mkt Cap	Rating/Credit Outlook						Comments:			
Issuer	(Bil)	Moody's		S&P		Fitch					
3M CO	\$93.55	A1	STABLE	AA-	STABLE	NR	NR				
APPLE INC	\$637.82	Aa1	STABLE	AA+	STABLE	NR	NR				
BERKSHIRE HATHWAY	\$327.10	Aa2	STABLE	AA	STABLE	A+	STABLE				
CHEVRON CORP	\$166.80	Aa2	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	NR	NR				
EXXON MOBIL CORP	\$330.64	Aaa	STABLE	AA+	NEG	NR	NR				
GEN ELECTRIC CO	\$283.71	A1	STABLE	AA- /*-	NEG	AA-	STABLE	10/20/17 - S&P Negative Watch			
IBM CORP	\$146.48	A1	STABLE	A+	STABLE	A+	NEG				
INTEL CORP	\$153.17	A1	STABLE	A+	POS	A+	STABLE				
JOHNSON & JOHNSON	\$265.03	Aaa	STABLE	AAA	STABLE	AAA	STABLE				
MICROSOFT CORP	\$375.95	Aaa	NEG	AAA	STABLE	AA+	STABLE				
PEPSICO INC	\$143.72	A1	STABLE	A+	STABLE	A	STABLE				
PFIZER INC	\$206.44	A1	STABLE	AA	STABLE	A+	NEG				
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	A+	STABLE	10/3/17 - Fitch to A+ from AA-			
WELLS FARGO BANK	\$267.53	Aa2	STABLE	AA-	NEG	AA-	STABLE	10/3/17 - Fitch to AA- from AA			

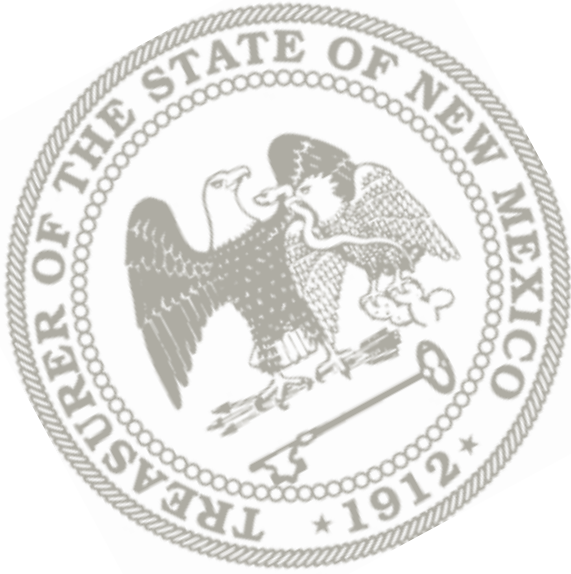
APPROVED COMMERCIAL PAPER ISSUERS

September 2017

Issuer	Rating/Credit Outlook						Comments:				
	Moody's		S&P		Fitch						
BANK OF NY CO INC.	P-1	STABLE	A-1	STABLE	F1+	STABLE					
CHEVRON FUNDING CORP	P-1	STABLE	A-1+	NEG	NR	NR					
DEERE & COMPANY	P-1	NEG	A-1	STABLE	F1	NR					
ELI LILLY & CO	P-1	STABLE	A-1+	STABLE	F1	STABLE					
EXXON MOBIL CORP	P-1	STABLE	A-1+	NEG	NR	NR					
GE CO/CAPITAL TREASURY	P-1	STABLE	A-1+ *-	NEG	F1+	STABLE	10/20/17 - S&P Negative Watch				
HSBC USA INC	P-1	STABLE	A-1	NEG	F1+	STABLE	9/28/17 - MDY to Stable from Neg				
IBM CORP	P-1	STABLE	A-1	STABLE	F1	NEG					
PNC BANK NA	P-1	STABLE	A-1	STABLE	F1	STABLE					
PROCTER & GAMBLE CO	P-1	STABLE	A-1+	STABLE	NR	NR					
TOYOTA MOTOR CREDIT CORP	P-1	STABLE	A-1+	STABLE	F1	STABLE					
USAA CAPITAL CORP	P-1	STABLE	A-1+	STABLE	NR	NR					
US BANK NA	P-1	STABLE	A-1+	STABLE	F1+	STABLE					
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	NEG	F1	STABLE	10/3/17 - Fitch to F1 from F1+ -Risk governance and controls				

Portfolio Credit Exposure
September 2017

Portfolio	Issuer	Face Amount	Yield	Maturity	% of Port	Total %
GF CORE	AAPL	2,500,000	1.59%	2/8/2019	0.28%	
	AAPL	10,000,000	1.54%	9/12/2019	1.13%	
	AAPL	2,500,000	1.84%	5/11/2020	0.28%	
	KO	5,000,000	1.44%	11/1/2018	0.56%	
	GE TSY/CO	20,000,000	1.33%	2/13/2018	2.26%	
	MSFT	2,500,000	1.87%	2/6/2020	0.28%	
	PEFCO	20,000,000	1.33%	3/8/2018	2.26%	
	PEP	5,000,000	1.59%	5/2/2019	0.56%	
	TOYCC	20,000,000	1.37%	2/9/2018	2.26%	
	USB	5,000,000	2.07%	1/24/2020	0.56%	
						10.45%
GF LIQUIDITY	XON	25,000,000	1.09%	10/4/2017	2.79%	
	TOYCC	25,000,000	1.15%	10/13/2017	2.79%	
	USB	700,000	1.17%	11/24/2017	0.08%	
						5.67%
BPIP TE	AAPL	10,000,000	1.54%	9/12/2019	1.64%	
	GE TSY/CO	7,000,000	1.08%	12/6/2017	1.15%	
	MSFT	2,500,000	1.87%	2/6/2020	0.41%	
	PEFCO	15,000,000	1.33%	2/8/2018	2.45%	
	PEP	2,500,000	1.59%	5/2/2019	0.41%	
	TOYCC	2,500,000	1.97%	4/17/2020	0.41%	
						6.46%
BPIP TAX	AAPL	2,500,000	1.84%	5/11/2020	0.72%	
	XON	12,000,000	1.11%	10/18/2017	3.47%	
	MSFT	9,273,000	1.85%	11/3/2020	2.68%	
	PEP	2,500,000	1.59%	5/2/2019	0.72%	
	TOYCC	10,000,000	1.14%	10/20/2017	2.89%	
	TOYCC	2,500,000	1.97%	4/17/2020	0.72%	
	USB	3,000,000	1.50%	1/29/2018	0.87%	
STBF	XON	3,900,000	1.13%	12/15/2017	3.48%	
	GE TSY/CO	1,600,000	1.23%	11/17/2017	1.43%	
	GE TSY/CO	1,200,000	1.26%	12/26/2017	1.07%	
	PEFCO	1,600,000	1.26%	12/22/2017	1.43%	
	PEFCO	2,400,000	1.17%	12/27/2017	2.14%	
	TOYCC	1,100,000	1.21%	12/19/2017	0.98%	
	TOYCC	1,200,000	1.25%	12/22/2017	1.07%	
	TOYCC	1,600,000	1.32%	12/26/2017	1.43%	
	USB	3,000,000	1.17%	11/24/2017	2.68%	
All Portfolios	AAPL	27,500,000			0.76%	
	XON	40,900,000			1.13%	
	KO	5,000,000			0.14%	
	GE TSY/CO	29,800,000			0.82%	
	MSFT	14,273,000			0.39%	
	PEFCO	39,000,000			1.08%	
	PEP	10,000,000			0.28%	
	TOYCC	63,900,000			1.76%	
USB	11,700,000			0.32%		
Total Credit Exposure		242,073,000				6.68%



17. Investment Policies

***State of New Mexico
Office of the State Treasurer***



Investment Policy

November 2017

Tim Eichenberg
New Mexico State Treasurer

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I. Statement of Purpose/Statutory Authority:

The purpose of this Investment Policy is to provide guidance governing the investment functions of the State Treasurer’s Office (STO) with regard to the investment of public funds.

STO is established by Article V, Section 1 of the New Mexico Constitution. The duties and responsibilities of the State Treasurer are further defined by Chapters 6 and 8 of the New Mexico Statutes.

Specific authority concerning the investment of public funds can be found at NMSA 1978, §§6-10-10, 6-10-10.1, 6-10-24, 6-10-24.1, 6-10-25, 6-10-26, 6-10-37, 6-10-44 and 6-14-10.1, as well as Article VIII, Section 4 of the New Mexico Constitution.

STO will submit this Investment Policy to the State Board of Finance pursuant to its advice and consent role established in NMSA 1978, §6-10-10.

II. Definitions:

Authorized Investment Officers	Those individuals and third-party entities authorized by the State Treasurer to invest monies on behalf of the State of New Mexico.												
Custodian	A specialized financial institution, approved by the State Board of Finance, responsible for the safekeeping of assets. The assets may be in electronic or physical form. Some additional responsibilities may include facilitating securities settlements and the collection of income on assets held in safekeeping.												
Duration	A measure of the price sensitivity of an underlying security, or portfolio, to changes in interest rates.												
DVP	Delivery Versus Payment, a method of securities settlement where securities are simultaneously exchanged for payment.												
Fiscal Agent Bank	A bank or savings and loan association designated by the State Board of Finance pursuant to NMSA 1978, §6-10-35, acting on behalf of the State of New Mexico, to perform various financial functions. Fiscal agent bank functions include the collection of all monies received by the State of New Mexico and the management of STO’s checking account. Monies held at the Fiscal Agent Bank are managed to a target balance after the payment of checks, warrants, ACH volume and wire transfers are processed by the State.												
Investment Grade Ratings	A rating within any of the following rating agencies: <table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Rating Agency</u></th> <th style="text-align: left;"><u>Long-Term</u></th> <th style="text-align: left;"><u>Short-Term</u></th> </tr> </thead> <tbody> <tr> <td>Standard & Poor’s</td> <td>A to AAA</td> <td>A-1</td> </tr> <tr> <td>Fitch</td> <td>A to AAA</td> <td>F1</td> </tr> <tr> <td>Moody’s</td> <td>A2 to Aaa</td> <td>P-1</td> </tr> </tbody> </table>	<u>Rating Agency</u>	<u>Long-Term</u>	<u>Short-Term</u>	Standard & Poor’s	A to AAA	A-1	Fitch	A to AAA	F1	Moody’s	A2 to Aaa	P-1
<u>Rating Agency</u>	<u>Long-Term</u>	<u>Short-Term</u>											
Standard & Poor’s	A to AAA	A-1											
Fitch	A to AAA	F1											
Moody’s	A2 to Aaa	P-1											
Maturity Date	The date on which the principal amount of a debt instrument becomes due and is repaid to the investor, along with all remaining interest.												
WAM	Weighted Average Maturity. For a given portfolio, the average maturity of investment holdings weighted by the relative size of each position.												

III. Identification of Funds:

Funds managed by STO are separated into distinct portfolios and managed in accordance with each portfolio's respective objectives and constraints. A brief description of the portfolios presently managed by STO are included below.

General Fund Investment Pool, consisting of three main components:

- General Fund Liquidity Portfolio – Immediate cash needs of the State are to be met with the General Fund Liquidity Portfolio. The General Fund Liquidity Portfolio is expected to have minimal liquidity risk and all investments in this portfolio are constrained to less than a year;
- General Fund Core Portfolio – The General Fund Core Portfolio is comprised of balances that are not necessary to meet the short-term cash flow needs of the State. Accordingly, it may be invested over a longer term than the General Fund Liquidity Portfolio; and
- General Fund TRAN Portfolio. The General Fund TRAN Portfolio may temporarily hold proceeds of short-term Tax and Revenue Anticipation Notes (TRAN), which are periodically issued and sold by the Treasurer pursuant to NMSA 1978, §6-12A-5, in order to anticipate the collection and receipt of anticipated revenue and after certifying the need to issue TRAN.

Bond Proceeds Investment Pool, consisting of two main components:

- Tax-Exempt Bond Proceeds Investment Portfolio (Tax-Exempt BPIP) – The Tax-Exempt BPIP holds proceeds from tax-exempt general obligation and severance tax bonds issued by the State Board of Finance until they are expended on capital projects.
- Taxable Bond Proceeds Investment Portfolio (Taxable BPIP) – The Taxable BPIP holds proceeds from taxable severance tax bonds issued by the State Board of Finance until expended on capital projects.

Local Government Investment Pool (LGIP) – The LGIP was created pursuant to NMSA 1978, §6-10-10.1 to allow municipal, county, tribal and quasi-governmental bodies to remit money to STO for money management services on a pooled basis. The LGIP is covered by a separate investment policy.

Severance Tax Bonding Fund – The Severance Tax Bonding Fund holds severance tax receipts pledged for debt service on severance tax bonds before being spent on permitted uses or transfer to the Severance Tax Permanent Fund held by the State Investment Council.

Repurchase Pool – The Repurchase Pool acts as a repository for cash balances from the portfolios managed by STO, from the Educational Retirement Board, the State Investment Council, the Public Employees Retirement Association and other entities within the state.

IV. Objectives:

All funds will be invested in a manner that is in conformance with federal, state and other legal requirements.

The Chief Investment Officer (CIO) and Authorized Investment Officers (AIOs) will observe the following priorities in making investment decisions, in the order described:

1. **Safety** – the first priority is the preservation of the principal of the funds to be invested;
2. **Liquidity** - the second level of priority is maintaining sufficient availability of cash, or the capacity to obtain it without sacrificing principal loss, in order to satisfy the reasonably anticipated, continuing operational requirements of the specific fund invested; and
3. **Return**– the third priority is maximizing investment return, consistent with the higher priorities of safety and liquidity of principal.

V. Standards of Care:

A. Delegation by the State Treasurer of Investment Authority

NMSA 1978, §6-10-10 allows the State Treasurer to invest money, not immediately needed for the operation of state government, in permissible securities and contracts as outlined by the statute.

To ensure effective investment management of public funds, the investment functions are delegated to the Investment Division reporting to the Deputy Treasurer. The Investment Division includes a CIO and AIOs. AIOs will report to the CIO and the CIO will report to the Deputy Treasurer. The CIO will maintain a current list of AIOs.

B. Ethics and Conflict of Interest

The Deputy Treasurer, CIO and AIOs shall adhere to standards of conduct as follows:

- The Governmental Conduct Act, NMSA 1978, §§10-16-1 through 10-16-18;
- The State Treasurer's Employee Code of Conduct¹;
- The State Treasurer's Campaign Contributions Policy;
- The Whistleblower Policy, NMSA 1978 §§10-16C-1 through 10-16C-6;
- The Gift Act, NMSA 1978 §§10-16B-1 through 10-16B-4; and
- The Procurement Code, NMSA 1978 §§13-1-28 through 13-1-199.

The CIO and AIOs shall file personal disclosure forms as required by the Governmental Conduct Act and the State Treasurer's Code of Conduct.

C. Prudence

The CIO and AIOs shall perform investment duties in a manner consistent with this Investment Policy and the standard of a prudent investor² in light of the purposes, terms, distribution requirements and other circumstances then prevailing as to the assets entrusted to them.

In the process of investing funds, the CIO and AIOs will exercise reasonable care, skill, diligence and prudence considering investments not in isolation, but in the context of the

¹ As required by NMSA 1978, §10-16-11.

² Uniform Prudent Investor Act, NMSA 1978, §§45-7-601 through 45-7-612

portfolio as a whole and as part of an overall investment strategy. That strategy shall incorporate the risk and return objectives articulated in this policy.

The CIO and AIOs, acting in accordance with New Mexico Statutes, written procedures and this Investment Policy and exercising due diligence shall be relieved of personal liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

VI. Controls:

A. Custody

All investment securities purchased by the CIO and AIOs, held as collateral for repurchase agreements and bank deposits or held as collateral for securities lending arrangements shall be held in third-party safekeeping at a financial institution qualified to act in this capacity.

All securities held for STO's portfolios will be free and clear of any lien and all transactions will be conducted in compliance with NMSA 1978 §6-10-10(O), which requires same day transfer of funds with the settlement of securities.

The Custodian will provide reports that list all transactions that occurred during the month and all securities held for STO at month-end including the book and market value of holdings.

The representatives of the Custodian responsible for, or in any manner involved with, the safekeeping and custody process of STO shall be bonded in amounts required by the State Board of Finance under a custody agreement to protect from losses due to malfeasance and misfeasance.

B. Approved Broker-Dealers and Counterparties

To ensure proper separation of duties from the investment functions, the State Cash Manager shall maintain a list of broker-dealers and counterparties approved to provide investment services to STO. Eligible broker-dealers will need to meet all of the following conditions:

- The broker-dealer and its representatives must be registered pursuant to the New Mexico Uniform Securities Act ³;
- The broker-dealer must be registered with the Financial Industry Regulatory Authority (FINRA);
- All broker-dealer representatives who have direct contact with securities trading between STO and the firm must have a FINRA Series 7 License, or equivalent certification.
- The broker-dealer representatives must have a minimum of five (5) years continuous employment history involving fixed income securities; and
- Counterparties must operate under the terms of a securities lending or repurchase agreement.

³New Mexico Uniform Securities Act, NMSA 1978, §§58-13C-101 through 58-13C-701 (2009) and NMAC 12.11.2.

The Broker-Dealer list will be submitted to the State Treasurer's Investment Committee for recommendation and will be approved by the State Treasurer. The list will be submitted by the Treasurer to the State Board of Finance for its advice and consent.

C. Competitive Transactions

The CIO and AIOs will conduct all securities transactions in a fair, open and transparent competitive process:

- All securities transactions shall be executed at the highest bid or lowest offer to STO, subject to diversification constraints.
- Every effort to obtain at least three bids or offers on a specific security will be conducted. If unobtainable, documentation of comparable securities accompanied by current market levels will be retained to provide evidence of price transparency and trade execution at competitive levels.
- Offers or bids for securities may be received from approved broker-dealers or direct issuers by any of the following means:
 - By phone; or
 - By e-mail or other form of electronic communication; or
 - Through an electronic trading platform; or
 - Directly from issuers of eligible investments.
- In the case of investments made under the Linked Deposit program⁴, this policy and its standard of care are restricted to the express provisions of the statutes directing such investments.

D. Internal Controls

The CIO will maintain sufficient internal controls to protect against the loss of public funds arising from negligence, theft, or misuse. The controls will require the CIO to:

- Communicate regularly with the Deputy Treasurer regarding investment activities, including any significant changes in market value or credit quality of investment positions;
- Require monthly reconciliation of internal investment accounting and reporting to all external statements provided by the custodian and other financial institutions;
- Monitor compliance with applicable state investment statutes;
- Require Delivery Versus Payment security settlement except for physical securities;
- Maintain clear delegation of investment authority;
- Ensure the separation of investing authority from cash activities and record-keeping;
- Ensure that all deposits are sufficiently collateralized per State Board of Finance Collateral Policy, 2.60.4 NMAC;
- Require the use of approved objective criteria in selecting broker-dealers and financial institutions authorized to provide investment services to the state;
- Maintain documentation on investment procedures;
- Report violations of this policy to the State Treasurer in a timely manner; and,
- Require the use of agency approved objective criteria in awarding investment purchases and sales to authorized financial institutions and broker-dealers.

⁴ Linked Deposit Program NMSA 1978, §6-10-24.2.

E. External Controls

- STO will retain all records related to investment activities pursuant to state law;
- As prescribed by the Audit Act⁵, the State Auditor or designated independent auditor will review the investment activities of STO to determine the compliance of those activities with this Investment Policy and state statutes;
- The market value of all funds held by the Custodian will be calculated monthly and provided to the State Treasurer.

F. State Treasurer's Investment Committee

The State Treasurer may establish the State Treasurer's Investment Committee. This advisory committee will review investment reporting and any other matters of the State Treasurer's choosing.

- The Investment Committee shall consist of five (5) voting members: the State Treasurer, or designee; a member of the Treasurer's staff upon appointment by the Treasurer or designee; the director of the State Board of Finance, or designee; and two members who are participants in the private investment community or have expert knowledge or professional experience in the subject of public finance or public money investing, of which one member will be appointed by the State Treasurer and approved by the State Board of Finance and one member will be appointed by the State Board of Finance and approved by the State Treasurer. The member of the Treasurer's staff shall be selected in a manner consistent with maintaining a separation of responsibilities between the STO investment managers and the members of the committee.
- Each private sector member shall serve at the pleasure of the State Treasurer or the State Board of Finance appointing the private sector member. The private sector members shall serve for a term of two (2) years after appointment and shall be eligible for reappointment to serve for consecutive two (2) year terms. Any vacancy created by a private sector member shall be filled in the same manner as original appointments.

VII. Eligible and Ineligible Investments:

A. Eligible Investments

Eligible Investments are only those securities and deposits specifically authorized by statute. Consistent with NMSA 1978, §6-10-10 and other investment statutes, the CIO and AIOs may invest in the following:

- Cash at Banks, Savings and Loan Associations or Credit Unions whose deposits are insured by an agency of the United States and are certified or designated as eligible to receive public funds in New Mexico;
- Securities issued by the United States government;
- Securities issued or guaranteed by United States government agencies or instrumentalities including mortgage obligations;
- Repurchase Agreements, subject to restrictions contained in Section VII, paragraph C of this policy;
- Securities Lending Arrangements;

⁵ Audit Act NMSA 1978, §§12-6-1 through 12-6-14.

- Commercial Paper rated “prime” quality by a nationally recognized rating service, defined in this policy as investment grade, issued by corporations that are organized and operating in the United States and are included on STO’s approved issuer list;
- Corporate Bonds rated investment grade, as defined in this policy, by a nationally recognized rating service, issued by corporations that are organized and operating in the United States and are included on STO’s approved issuer list;
- Asset-Backed Obligations rated “AAA” or better by a nationally recognized rating service, and with a maturity of less than 5 years;
- Shares of open-ended diversified investment companies that are registered with the United States Securities and Exchange Commission; comply with the diversification, quality and maturity requirements of Rule 2a-7, or any successor rule, of the United States Securities and Exchange Commission applicable to money market mutual funds; assess no fees pursuant to Rule 12b-1, or any successor rule, of the United States Securities and Exchange Commission, no sales load on the purchase of shares and no contingent deferred sales charge or other similar charges, however designated; and do not use swap and derivative products. STO shall not, at any time, own more than five percent (5%) of a money market mutual fund’s assets;
- Individual, common or collective trust funds of banks or trust companies that are invested only in United States Government and Agency obligations and repurchase agreements secured by such obligations; have assets under management of at least one billion dollars (\$1,000,000,000); do not use swap and derivative products; and the investments made by STO are less than five percent (5%) of the assets of the fund.
- The Local Government Investment Pool, managed by STO, to less than 35% of the total assets of the Local Government Investment Pool;
- Securities issued by the State of New Mexico, it’s agencies, institutions, counties, municipalities, school districts, community college districts or other subdivisions of the state, or as otherwise provided by law and rated investment grade as defined by this policy; or
- Securities issued by states other than New Mexico or governmental entities in states other than New Mexico and rated investment grade as defined by this policy.

B. Ineligible Investments

To provide for the safety and liquidity of funds, the investment portfolios are specifically prohibited from investing in:

- Short Sales
- Whole Loan Mortgage Obligations
- Reverse Repurchase Agreements, except under a securities lending arrangement
- Inverse Floating Rate Notes
- Equity Securities
- Swaps and Derivatives

C. Repurchase Agreements

Repurchase Agreements are subject to additional restrictions:

- Transactions will be conducted only with currently approved dealers on the broker-dealer list, the Fiscal Agent Bank, approved counterparties under a

securities lending arrangement, or the master custodial bank, and under the terms of a written master repurchase agreement or securities lending arrangement;

- Each approved repo counterparty must have a net worth in excess of five hundred million dollars (\$500,000,000);
- Transactions with any single counterparty will not exceed 35% of any portfolio or \$200 million, whichever is greater;
- The maximum term of any repurchase agreement will be 1 year, except in the case of bond proceeds where a repurchase agreement is limited to 3 years; and
- Tri-Party Repurchase Agreement transactions may be entered into with a contracted custodial bank for this purpose, as long as all securities meet the requirements within this policy.

Securities accepted as collateral for repurchase agreements will be subject to the following additional restrictions:

- Securities placed as collateral for repurchase agreements, with a final maturity less than 10 years, will be priced at 102% of market value, plus accrued income;
- Securities placed as collateral for repurchase agreements, with a final maturity of 10 years or greater, will be priced at 103% of market value, plus accrued income;
- Agency mortgage-backed securities placed as collateral for term repurchase agreements with a maturity longer than seven days will be priced at 105% of market value, plus accrued income;
- Term repurchase agreements with a maturity date that is longer than seven days are required to have daily pricing of collateral; and
- Only treasury and agency securities, including agency mortgage-backed obligations, will be utilized as collateral for repurchase agreements.

VIII. Investment Parameters:

To provide for the safety and liquidity of funds, the investment portfolios will be subject to the restrictions listed below. These represent minimum investment restrictions under this Investment Policy and there may be separate procedures containing additional, more restrictive limitations for certain investment instruments.

All restrictions are based on a settlement date basis.

Maximum percentages for a particular issuer, investment type or liquidity constraints may on occasion be exceeded due to unforeseen circumstances (e.g., due to fluctuations in fund balances). Exceptions will be reported to the Treasurer, the State Treasurer’s Investment Committee and the State Board of Finance monthly.

A. Diversification

The following diversification limits shall apply to each portfolio:

<i>Allowable Securities</i>	<i>Diversification Limits</i>	<i>Further Limitations</i>
US Treasury Obligations	100%	
US Agency Obligations Primary Issuers – <i>FNMA, FHLMC, FCCB, FHLB</i> Secondary Issuers – <i>All Other Agencies</i>	100%	Per Primary Issuer: 35% Per Secondary Issuer: 5%
US Agency Issued Mortgage-Backed Securities	25%	
Bank Demand Deposits - Collateralized	100%	Per Issuer: 25%
Certificates of Deposit	\$400 Million	Per CD Issuer: \$30 Million
Linked Deposit Program Certificates of Deposit	\$40 Million	Per Qualified Depository Institution: \$10 Million

Commercial Paper, Corporate Bonds, Medium Term Notes, and Asset-Backed Obligations <i>(In Aggregate)</i>	40%	Per Corporate Issuer: 5% Per Asset-Backed Issue: 5%
NM LGIP (STO Funds in Aggregate)	100%	No more than 35% of the NM LGIP
Municipal Securities	15%	Per Issuer: 5%
Pre-Refunded 100% escrowed with US Government related securities	15%	Per Issuer Limit on Pre-Refunded: None
Variable Rate Demand Notes – LOC/Standby Purchase Agreement	15%	Per LOC/Standby Purchase Agreement Provider: 5% of total portfolio exposure
Repurchase Agreements	100%	Per Counterparty: 35% or \$200 Million
Variable Rate Obligations Including Variable Rate Demand Notes	25%	Per Issuer: 5% Non-Agency
Callable Securities	25%	
Open Ended 2a-7 Rated Fund US Treasury and Agency Only	100%	Per Issuer: 10%

B. Maturity Restrictions

The following maturity limits shall apply to each portfolio:

<i>Allowable Securities</i>	<i>Maturity Limits</i>	<i>Further Limitations</i>
All Securities		
Rated AA-/Aa3 or better	5 Years	See specific portfolio and sector limits below
Rated below AA-/Aa3	3 Years	
Certificates of Deposit	3 Years	
Municipal Bonds	3 Years	
Repurchase Agreements	1 Year	For BPIPs: 3 Years

<i>Portfolio</i>	<i>Maturity Limits</i>
General Fund Liquidity	1 year or less
General Fund CORE	5 years or less
Bond Proceeds	5 years or less
Severance Tax Bonding Fund	1 year or less

Securities with mandatory puts back to the issuer or remarketing agent shall be deemed to have a maturity date commensurate with the earliest put date.

Pre-refunded securities shall be deemed to have a maturity date commensurate with the call date.

C. Portfolio Duration

The CIO and AIOs will manage the portfolio durations to their approved benchmarks. Benchmarks will be reviewed by the State Treasurer’s Investment Committee for recommendation and will be approved by the State Treasurer and the State Board of Finance annually.

D. Credit Quality

The following issuer credit rating limits shall apply for all portfolios:

Short Term Credit Rating	A-1, P-1, F1 MIG-1 or better
Long Term Credit Rating	A, A2 or better
Asset-Backed Securities	AAA or Aaa

Pre-Refunded issues 100% escrowed with US Government related securities may be unrated, with an implied US Government equivalent rating.

E. Non-Public New Mexico Municipal Offerings

Severance Tax Notes or other non-public municipal offerings of New Mexico entities are subject to the approval of the State Treasurer.

IX. Reporting:

The Chief Investment Officer shall prepare a monthly investment report for the State Treasurer. An executive summary will be prepared in a manner that will allow the State Treasurer to ascertain whether investment activities during the reporting period are in compliance with this Investment Policy and New Mexico statutes.

The CIO will submit and present the monthly investment report, on behalf of the State Treasurer, to the State Board of Finance and will post the report on the State Treasurer's website and otherwise make it available to the public.

Specific Reporting Requirements: The report will include, at a minimum, the following:

- An executive summary that provides an analysis of the status of the current investment portfolios; including the LGIP and the individual transactions that were executed;
- An asset listing showing par value, cost, market value, type of investment, issuer, and interest rate of securities held;
- WAM and effective duration of the portfolio compared to applicable approved benchmarks;
- Average portfolio credit quality;
- Total rate of return for the portfolio for the last one month, three months, and twelve months with applicable approved benchmark returns for the same periods;
- Any cash flow projections⁶ prepared by the State Cash Manager for the portfolios;
- Sensitivity analysis for each portfolio on a quarterly basis;
- Transaction listing for the reporting period;
- A report of primary issues purchased and secondary issues purchased or sold;
- Transaction summaries for the reporting period and fiscal-year-to-date that include trade volumes, distributions by type of investment and counterparty; and
- Investment compliance review.

⁶ As required by NMSA 1978, §8-6-3.1 B (4).

A. Performance Standards

- The Investment Portfolios will be structured to obtain a market average rate of return taking into account investment risk constraints and cash flow needs.
- Each portfolio will be compared to an approved benchmark that appropriately models an expected risk and return profile.

B. Quarterly Reporting

On a quarterly basis, the CIO shall prepare a quarterly investment report that describes the investment strategy employed during the past quarter and the strategy planned for the next quarter. Information will be reported to the State Treasurer's Investment Committee and the State Board of Finance.

C. Annual Reporting

At the next regular State Treasurer's Investment Committee meeting after September 30 of each year, the CIO shall present an annual investment report that describes the investment strategy employed during the past fiscal year and the strategy planned for the next fiscal year. The report shall include annual comparisons of portfolio return to performance benchmarks for the preceding year.

X. Approval:

New Mexico State Treasurer's Office:

Tim Eichenberg
New Mexico State Treasurer

Date

By affixing the signature below, the State Board of Finance hereby provides its advice and consent pursuant to NMSA 1978, §6-10-10.

Secretary, State Board of Finance

Date

***State of New Mexico
Office of the State Treasurer***



***Local Government Investment Pool
Investment Policy***

November 2017

Tim Eichenberg
New Mexico State Treasurer

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I. Statement of Purpose/Statutory Authority:

The purpose of this investment policy is to provide guidance governing the investment functions of the State Treasurer’s Office (STO) with regard to the Local Government Investment Pool (“LGIP”).

STO is established by Article V, Section 1 of the New Mexico Constitution. The duties and responsibilities of the State Treasurer are further defined by Chapters 6 and 8 of the New Mexico Statutes.

Specific authority concerning the investment of the LGIP can be found at NMSA 1978, §6-10-10 and §6-10-10.1.

STO will submit this LGIP Investment Policy on behalf of the State Treasurer, to the State Board of Finance pursuant to its advice and consent role established at NMSA 1978, §6-10-10.

II. Definitions:

Authorized Investment Officers	Those individuals and third-party entities authorized by the State Treasurer to invest monies on behalf of the State of New Mexico.												
Custodian	A specialized financial institution, approved by the State Board of Finance, responsible for the safekeeping of assets. The assets may be in electronic or physical form. Some additional responsibilities may include facilitating securities settlements and the collection of income on assets held in safekeeping.												
Duration	A measure of the price sensitivity of an underlying security, or portfolio, to changes in interest rates.												
DVP	Delivery Versus Payment, a method of securities settlement where securities are simultaneously exchanged for payment.												
Fiscal Agent Bank	A bank or savings and loan association designated by the State Board of Finance pursuant to NMSA 1978, §6-10-35, acting on behalf of the State of New Mexico, to perform various financial functions. Fiscal agent bank functions include the collection of all monies received by the State of New Mexico and the management of STO’s checking account. Monies held at the Fiscal Agent Bank are managed to a target balance after payment of checks, warrants, ACH volume and wire transfers processed by the State.												
Investment Grade Ratings	A rating within any of the following rating agencies: <table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><u>Rating Agency</u></th> <th style="text-align: left;"><u>Long-Term</u></th> <th style="text-align: left;"><u>Short-Term</u></th> </tr> </thead> <tbody> <tr> <td>Standard & Poor’s</td> <td>A to AAA</td> <td>A-1</td> </tr> <tr> <td>Fitch</td> <td>A to AAA</td> <td>F1</td> </tr> <tr> <td>Moody’s</td> <td>A2 to Aaa</td> <td>P-1</td> </tr> </tbody> </table>	<u>Rating Agency</u>	<u>Long-Term</u>	<u>Short-Term</u>	Standard & Poor’s	A to AAA	A-1	Fitch	A to AAA	F1	Moody’s	A2 to Aaa	P-1
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Standard & Poor’s	A to AAA	A-1											
Fitch	A to AAA	F1											
Moody’s	A2 to Aaa	P-1											
Maturity Date	The date on which the principal amount of a debt instrument becomes due and is repaid to the investor, along with all remaining interest.												
WAM	Weighted Average Maturity. For a given portfolio, the average maturity of investment holdings weighted by the relative size of each position.												

III. Identification of Funds:

This Investment Policy applies only to the investment of the LGIP managed by the State Treasurer. The LGIP is a fund created by the New Mexico State Legislature to allow municipal, county, tribal and quasi-governmental bodies to remit money to the State Treasurer to receive professional money management on a pooled basis.¹

IV. Objectives:

The LGIP will be invested in a manner that is in conformance with federal, state and other legal requirements.

The Chief Investment Officer (CIO) and Authorized Investment Officers (AIOs) will observe the following priorities in making investment decisions, in the order described:

1. **Safety** – the first priority is the preservation of the principal of the funds to be invested;
2. **Liquidity** – the second priority is maintaining sufficient availability of cash, or the capacity to obtain it without sacrificing principal loss, in order to satisfy the reasonably anticipated, continuing operational requirements of the LGIP; and
3. **Return**– the third priority is maximizing investment return, consistent with the higher priorities accorded to the safety and liquidity of principal.

By statute, the LGIP is managed to an “AA” rating or better. The Chief Investment Officer and Authorized Investment Officers will comply with all rating agency criteria in order to maintain the LGIP’s statutory rating requirement.

The LGIP shall be invested with the objective of preserving a stable net asset value (NAV) of \$1.00 per share.

V. Standards of Care:

A. Delegation by the State Treasurer of Investment Authority

NMSA 1978, §6-10-10.1 allows for the creation of the Local Government Investment Pool within STO to invest money deposited by participating governments. The State Treasurer shall invest the Local Government Investment Pool as provided in NMSA 1978, §6-10-10.

To ensure effective investment management of public funds, the State Treasurer has delegated investment functions to an Investment Division reporting to the Deputy Treasurer. The Investment Division includes a CIO and AIOs. AIOs will report to the CIO and the CIO will report to the Deputy Treasurer. The CIO will maintain a current list of Authorized Investment Officers.

B. Ethics and Conflict of Interest

The Deputy Treasurer, CIO and AIOs shall adhere to standards of conduct as follows:

- The Governmental Conduct Act, NMSA §§10-16-1 through 10-16-18;
- The State Treasurer’s Employee Code of Conduct²;
- The State Treasurer’s Campaign Contributions Policy;
- The State Treasurer’s Whistleblower Policy;
- The Gift Act, NMSA 1978 §§10-16B-1 through 10-16B-4; and

¹ Local Government Investment Pool, NMSA 1978, §6-10-10.1.

² As required by NMSA 1978, §10-16-11.

- The Procurement Code, NMSA 1978 §§13-1-28 through 13-1-199.

The CIO and AIOs shall file personal disclosure forms as required by the Governmental Conduct Act and the State Treasurer's Code of Conduct.

C. Prudence

The Deputy Treasurer, CIO and AIOs shall perform investment duties in a manner consistent with this LGIP Investment Policy and the standard of a prudent investor³ in light of the purposes, terms, distribution requirements and other circumstances then prevailing as to the assets entrusted to them.

In the process of investing funds in the investment of the LGIP, the CIO and AIOs will exercise reasonable care, skill, diligence and prudence considering investments not in isolation, but in the context of the portfolio as a whole and as part of an overall investment strategy. That strategy shall incorporate the risk and return objectives articulated in this LGIP Investment Policy.

The CIO and AIOs, acting in accordance with New Mexico Statutes, written procedures, this LGIP Investment Policy and exercising due diligence shall be relieved of personal liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

VI. Controls:

A. Custody

All investment securities purchased by the CIO and AIOs, held as collateral on repurchase agreements and bank deposits or held as collateral on securities lending arrangements shall be held in third-party safekeeping at a financial institution qualified to act in this capacity.

All securities held for the LGIP will be free and clear of any lien and all transactions will be conducted in compliance with NMSA 1978, §6-10-10(O), which requires same day transfer of funds with the settlement of securities.

The Custodian will provide reports that list all transactions that occurred within the LGIP during the month and all securities held for the LGIP at month-end including the book and market value of holdings.

The representatives of the Custodian responsible for, or in any manner involved with, the safekeeping and custody process of the LGIP shall be bonded in amounts required by the State Board of Finance under a custody agreement to protect from losses due to malfeasance and misfeasance.

B. Approved Broker-Dealers and Counterparties

To ensure the proper separation of duties from the investment functions, the State Cash Manager shall maintain a list of broker-dealers and counterparties approved to provide investment services to the LGIP specifically and the state generally. Eligible broker-dealers will need to meet all of the following conditions:

³ Uniform Prudent Investor Act; NMSA 1978, §§45-7-601 through 45-7-612

- The broker-dealer and its representatives must be registered pursuant to the New Mexico Uniform Securities Act⁴;
- The broker-dealer must be registered with the Financial Industry Regulatory Authority (FINRA);
- All broker-dealer representatives who have direct contact with securities trading between STO and the firm must have a FINRA Series 7 License, or equivalent certification.
- The broker-dealer representatives must have a minimum of five (5) years continuous employment history involving fixed income securities; and
- Counterparties must operate under the terms of a securities lending or repurchase agreement.

The Broker Dealer list will be submitted to the State Treasurer's Investment Committee for recommendation and will be approved by the State Treasurer. The list will be submitted to the State Board of Finance for its advice and consent.

C. Competitive Transactions

The CIO and AIOs will conduct all securities transactions in a fair, open and transparent competitive process:

- All securities transactions shall be executed at the highest bid or lowest offer to STO, subject to diversification constraints;
- Every effort to obtain at least three bids or offers on a specific security will be conducted. If unobtainable, documentation of comparable securities accompanied by current market levels will be retained, to provide evidence of price transparency and trade execution at competitive levels.
- Offers or bids for securities may be received from approved broker-dealers or direct issuers by any of the following means:
 - By phone; or
 - By e-mail or other form of electronic communication; or
 - Through an electronic trading platform; or
 - Directly from issuers of eligible investments.

D. Internal Controls

The CIO will maintain sufficient internal controls to protect against the loss of public funds arising from negligence, theft, or misuse. These controls will require the CIO to:

- Communicate regularly with the Deputy Treasurer regarding investment activities, including any significant changes in market value or credit quality of investment positions;
- Require monthly reconciliation of internal investment accounting and reporting to all external statements provided by the custodian and other financial institutions;
- Monitor compliance with applicable state statutes;
- Require Delivery Versus Payment security settlement except for physical securities;
- Maintain clear delegation of investment authority;
- Ensure the separation of investing authority from cash activities and record-keeping;

⁴ New Mexico Uniform Securities Act, NMSA 1978, §§58-13C-101 through 58-13C-701 (2009) and NMAC 12.11.2

- Ensure that all deposits are sufficiently collateralized per State Board of Finance Collateral Policy, 2.60.4 NMAC, or as required by the rating agency for the LGIP, whichever is greater;
- Require the use of approved objective criteria in selecting broker-dealers and financial institutions authorized to provide investment services to the state;
- Maintain documentation on investment procedures;
- Report violations of this policy to the State Treasurer in a timely manner;
- Require the use of agency approved objective criteria in awarding investment purchases and sales to authorized financial institutions and broker-dealers.
- Ensure assets are valued by marking holdings to current market prices, thereby representing the full liquidation value of the LGIP;
- Ensure the NAV per share is computed by dividing the total market value of the LGIP's investments, less any liabilities, by the total outstanding shares of the LGIP; and,
- If the market-based NAV deviates from the \$1.00 NAV by more than 0.15% (\$0.0015; equating to less than \$0.9985 or more than \$1.0015), the CIO shall notify the Deputy Treasurer, in conjunction with the AIOs, to determine what, if any, actions need to be taken.

E. External Controls

- STO will retain all records related to LGIP investment activities pursuant to state law. As prescribed by the Audit Act⁵, the State Auditor or designated independent auditor will review the investment activities of STO with regard to the LGIP to determine the compliance of those activities with this LGIP Investment Policy and state statutes.
- The market value of all funds held by the custodian will be calculated monthly and provided to the State Treasurer.

F. State Treasurer's Investment Committee

The State Treasurer may establish the State Treasurer's Investment Committee; an advisory committee to review investment reporting and any other matters of the State Treasurer's choosing.

- The Investment Committee shall consist of five (5) voting members: the State Treasurer, or designee; a member of the Treasurer's staff upon appointment by the Treasurer or designee; the director of the State Board of Finance, or designee; and two members who are participants in the private investment community or have expert knowledge or professional experience in the subject of public finance or public money investing, of which one member will be appointed by the State Treasurer and approved by the State Board of Finance and one member will be appointed by the State Board of Finance and approved by the State Treasurer. The member of the Treasurer's staff shall be selected in a manner consistent with maintaining a separation of responsibilities between the STO investment managers and the members of the committee.
- Each private sector member shall serve at the pleasure of the State Treasurer or the State Board of Finance appointing the private sector member. The private sector members shall serve for a term of two (2) years after appointment and shall be

⁵ Audit Act, NMSA 1978, §§12-6-1 to-14.

eligible for reappointment to serve for consecutive two (2) year terms. Any vacancy created by a private sector member shall be filled in the same manner as original appointments.

VII. Eligible and Ineligible Investments:

A. Eligible Investments

Eligible Investments are only those securities and deposits specifically authorized by statute. Consistent with NMSA 1978, §§6-10-10 and 6-10-10.1, the CIO and AIOs may invest in the following:

- Cash at Banks, Savings and Loan Associations or Credit Unions whose deposits are insured by an agency of the United States and are certified or designated as eligible to receive public money on deposit in New Mexico;
- Securities issued by the United States government;
- Securities issued or guaranteed by United States government agencies or instrumentalities including mortgage obligations;
- Repurchase Agreements, subject to restrictions contained in Section VII, paragraph C of this LGIP Investment Policy;
- Securities Lending Arrangements;
- Commercial Paper rated “prime” quality by a nationally recognized rating service, defined in this policy as investment grade, issued by corporations that are organized and operating in the United States and are included on STO’s approved issuer list;
- Corporate Bonds rated investment grade, as defined in this policy, by a nationally recognized rating service, issued by corporations that are organized and operating in the United States and are included on STO’s approved issuer list;
- Asset-Backed Obligations rated “AAA” or better by a nationally recognized rating service, and with a maturity of less than 397 days;
- Shares of open-ended diversified investment companies that are registered with the United States Securities and Exchange Commission; comply with the diversification, quality and maturity requirements of Rule 2a-7, or any successor rule, of the United States Securities and Exchange Commission applicable to money market mutual funds; assess no fees pursuant to Rule 12b-1, or any successor rule, of the United States Securities and Exchange Commission, no sales load on the purchase of shares and no contingent deferred sales charge or other similar charges, however designated; and do not use swap and derivative products. STO shall not, at any time, own more than five percent (5%) of a money market mutual fund’s assets.
- Individual, common or collective trust funds of banks or trust companies that are invested only in United States Government and Agency obligations and repurchase agreements secured by such obligations; have assets under management of at least one billion dollars (\$1,000,000,000); do not use swap and derivative products; and the investments made by STO are less than five percent (5%) of the assets of the fund.

- Securities issued by the State of New Mexico, its agencies, institutions, counties, municipalities, school districts, community college districts or other subdivisions of the state, or as otherwise provided by law and rated investment grade as defined by this policy; or
- Securities issued by states other than New Mexico or governmental entities in states other than New Mexico and rated investment grade as defined by this policy.

B. Ineligible Investments

To provide for the safety and liquidity of funds, the Local Government Investment Pool is specifically prohibited from investing in:

- Short Sales
- Whole Loan Mortgage Obligations
- Reverse Repurchase Agreements, except under a securities lending arrangement
- Inverse Floating Rate Notes
- Equity Securities
- Swaps and Derivatives

C. Repurchase Agreements

Repurchase Agreements are subject to additional restrictions:

- Transactions will be conducted only with currently approved dealers and counterparties included on the broker-dealer list, the Fiscal Agent Bank, or the master custodial bank, operating under the terms of a master repurchase agreement or securities lending arrangement;
- Each approved repo counterparty must have a net worth in excess of five hundred million dollars (\$500,000,000).
- Transactions with any single counterparty will not exceed 35% of the portfolio;
- The maximum term of any repurchase agreement will be 1 year; and
- Tri-Party Repurchase Agreement transactions may be entered into with a contracted custodial bank for this purpose, as long as all securities meet the requirements within this policy.

Securities accepted as collateral for repurchase agreements will be subject to the following additional restrictions:

- Securities placed as collateral for repurchase agreements, with a final maturity less than 10 years, will be priced at 102% of market value, plus accrued income;
- Securities placed as collateral for repurchase agreements, with a final maturity of 10 years or greater, will be priced at 103% of market value, plus accrued income;
- Agency mortgage-backed securities placed as collateral for term repurchase agreements with a maturity longer than seven days will be priced at 105% of market value, plus accrued income;
- Term repurchase agreements with a maturity date that is longer than seven days are required to have daily pricing of collateral; and
- Only treasury and agency securities, including agency mortgage-backed obligations, will be utilized as collateral for repurchase agreements.

VIII. Investment Parameters:

To provide for the safety and liquidity of funds, the investment of the LGIP will be subject to the restrictions listed below. These represent minimum investment restrictions under this LGIP

Investment Policy and there may be separate procedures containing additional, more restrictive limitations for certain investment instruments. All restrictions are based on current market value.

Maximum percentages for a particular issuer, investment type or liquidity constraint may on occasion be exceeded due to unforeseen circumstances (e.g., due to fluctuations in fund balances). Exceptions will be reported to the Treasurer, the State Treasurer's Investment Committee and the State Board of Finance monthly. Steps will be taken to remedy any breaches that may put the LGIP's rating at risk of falling below the required AA or better rating.

A. Diversification

The following diversification limits shall apply to each portfolio:

<i>Allowable Securities</i>	<i>Diversification Limits</i>	<i>Further Limitations</i>
US Treasury Obligations	100%	
US Agency Obligations Primary Issuers – <i>FNMA, FHLMC, FFEB, FHLB</i> Secondary Issuers – <i>All Other Agencies</i>	100%	Per Primary Issuer: 33% Per Secondary Issuer: 5% except TVA – 10%
US Agency Issued Mortgage-Backed Securities	25%	
Bank Demand Deposits (Business Days)		Per Issuer:
A1+ or F1+ - 1 Day	100%	50%
A1 or P1 or F1 – 1 Day	100%	25%
A1 or P1 or F1 – 2 to 5 Days	100%	10%
A1 or P1 or F1 – 6 Days +	100%	5%
A2 or P2 or F2 - 1 Day	10%	2.5%
A3 or lower and nonrated – 1 Day	10%	0.25%
Certificates of Deposit	25%	Per CD Issuer: 5%
Commercial Paper, Corporate Bonds, Medium Term Notes, and Asset-Backed Obligations (<i>In Aggregate</i>)	40%	Per Corporate Issuer: 5% Per Asset-Backed Issue: 5%
Open Ended 2a-7 Rated Fund US Treasury and Agency <i>Only</i>	100%	Per Fund: 10%
Municipal Securities Pre-refunded 100% escrowed with US Government related securities	15% 15%	Per Issuer: 5%
Repurchase Agreements (Business Days)		Per Counterparty:
A1+ or F1+ - 1 Day	100%	35%
A1 or P1 or F1 – 1 Day	100%	25%
A1 or P1 or F1 – 2-5 Days	100%	10%
A1 or P1 or F1 – 6 Days +	100%	5%
A2 or P2 or F2 – 1 Day	10%	5%
Variable Rate Obligations US Treasury and GSE All Other	25%	Per Issuer: 25% 5%
Limited/Illiquid Securities (<i>In Aggregate</i>)	10%	Nonmarketable securities with maturities greater than 5 business days.

B. Maturity Restrictions

The following maturity limits shall apply to each portfolio:

<i>Allowable Securities</i>	<i>Maturity Limits</i>
All Securities	397 Days
Variable Rate Obligations	
US Treasury and GSE	762 Days
All Other	397 Days

C. Portfolio Duration

The CIO and AIOs will manage the LGIP within the weighted average maturity (WAM) required by the LGIP’s rating agency. The appropriate performance benchmark for the LGIP will be reflective of its short-term investment objective. The benchmark will be reviewed by the State Treasurer’s Investment Committee for recommendation and will be approved by the State Treasurer and the State Board of Finance annually.

Credit Quality

The following issuer credit rating limits shall apply for the LGIP:

<i>Investment Type</i>	<i>Credit</i>	
	<i>Short-Term</i>	<i>Long-Term</i>
US Treasury Obligations		
US Agency Obligations		
US Agency Issued Mortgage-Backed Securities		
Bank Demand Deposits - Collateralized	See Above	
Bank Certificates of Deposit	A1 or P1 or F1	A/A2
Asset-Backed Obligations	A1+ or P1 or F1+	AAA/Aaa
Commercial Paper	A1 or P1 or F1	A/A2
Corporate Bonds	A1 or P1 or F1	A/A2
Open-Ended 2a-7 rated fund US Treasury and Agency <i>Only</i>	AAAm or Aaa-mf or Aaammf	
Municipal Securities	A1 or MIG1 or F1	A/A2
Repurchase Agreements	See Above	
Variable Rate Obligations		
US Treasury and GSE		
All other	A1 or P1 or F1	A/A2
Limited/Illiquid Securities	A1 or P1 or F1	A/A2

IX. Reporting:

The CIO shall prepare a monthly investment report for the State Treasurer. For purposes of reporting, the LGIP Report may be combined with the reports of other assets under the management of the State Treasurer pursuant to the State Treasurer’s Investment Policy.

An executive summary will be prepared in a manner that will allow the State Treasurer to ascertain whether investment activities during the reporting period are in compliance with this LGIP Investment Policy, the State Treasurer’s Investment Policy and New Mexico statutes.

The CIO will submit and present the monthly investment report, on behalf of the State Treasurer, to the State Board of Finance and will post the report on the State Treasurer’s website and otherwise make it available to the public.

A. Specific Reporting Requirements:

The report will include, at a minimum, the following:

- An asset listing showing par value, cost, market value, type of investment, issuer, and interest rate of securities held;
- The total market value and amortized cost of all pool assets and the average 30-day yield, as of month-end;
- WAM to Reset and WAM to Final of the LGIP compared to the maximums allowable per the appropriate rating agency;
- Average portfolio credit quality;
- Total rate of return for the LGIP for the last one month, three months, and twelve months with applicable approved benchmark returns for the same periods;
- Sensitivity analysis on a quarterly basis;
- Transaction listing of the LGIP for the reporting period;
- A report of primary issues purchased and secondary issues purchased or sold;
- Transaction summaries for the reporting period and fiscal-year-to-date that include trade volumes, distributions by type of investment and counterparty; and
- LGIP Investment compliance review.

B. Performance Standards

- The LGIP will be structured to obtain a market average rate of return taking into account investment risk constraints and cash flow needs.
- The LGIP will be compared to an approved benchmark that appropriately models an expected risk and return profile.

C. Quarterly Reporting

On a quarterly basis, the CIO shall prepare a quarterly investment report that describes the investment strategy for the LGIP employed during the past quarter and the strategy planned for the next quarter. Information will be reported to the State Treasurer's Investment Committee and the State Board of Finance.

D. Annual Reporting

At the next regular State Treasurer's Investment Committee meeting after September 30 of each year, the CIO shall present an annual investment report on the LGIP that describes the investment strategy employed during the past fiscal year and the strategy planned for the next fiscal year. The report shall include annual comparisons of the portfolio's return to the performance benchmark for the preceding fiscal year.

X. Approval:

New Mexico State Treasurer's Office:

Tim Eichenberg
New Mexico State Treasurer

Date

By affixing the signature below, the State Board of Finance hereby exercises its advice and consent pursuant to NMSA 1978, §6-10-10.

Secretary, State Board of Finance

Date



18. State Agency Deposit Balances




Tim Eichenberg
State Treasurer

STATE OF NEW MEXICO
OFFICE OF THE TREASURER

Samuel Collins
Deputy State Treasurer

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

Date: October 24, 2017
To: Tim Eichenberg, State Treasurer
For: Governor Martinez and Members of the State Board of Finance
From: Charmaine Cook, State Cash Manager 
Subject: State Fund Deposit Activity for the month ending September 30, 2017

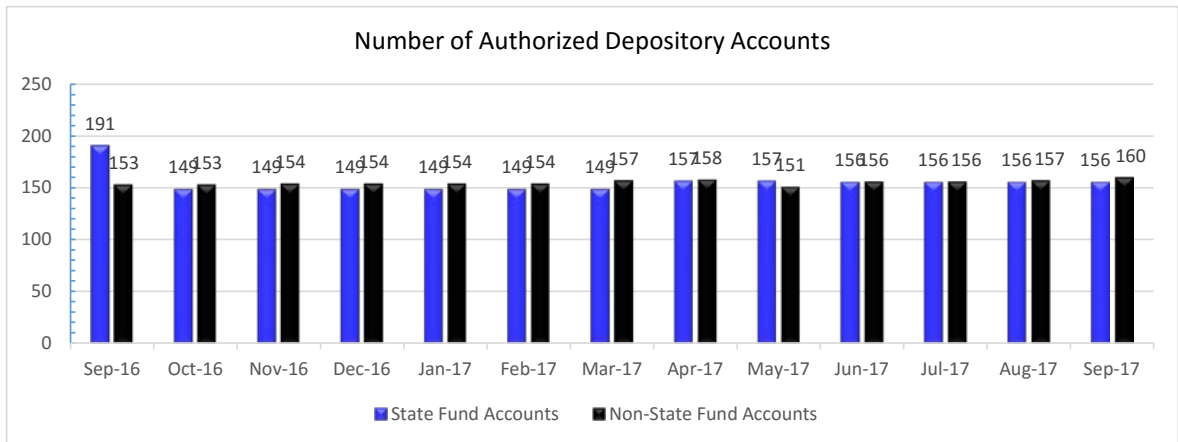
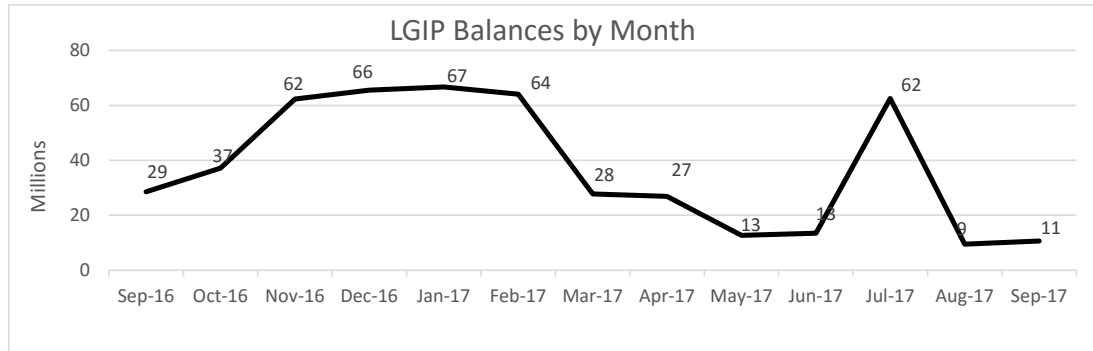
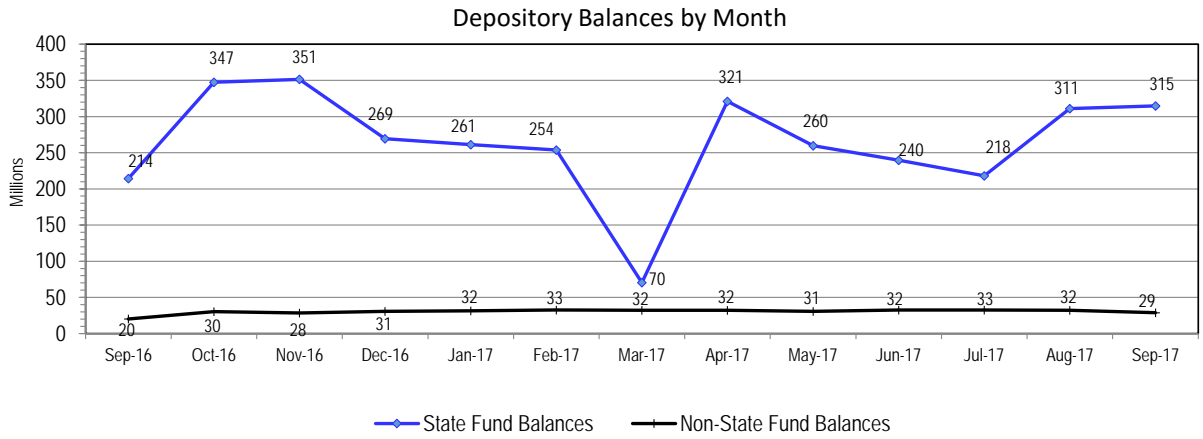
Pursuant to section 8-6-3.1 NMSA 1978, the State Cash Manager shall submit to the State Board of Finance a report showing state fund balances in each Financial Institution. Attached for your review is a summary of State fund balances in each institution through September 30, 2017.

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, 2017

(Attachments 3)

Depository Account Summary for September 2017



Depository accounts authorized in September 2017 pursuant to Section 6-1-13 NMSA :

Depository accounts opened in September 2017 3 13th Judicial

Depository accounts closed in September 2017

Depository Account Summary by Agency
September 2017

STATE FUNDS

NON-STATE FUNDS

<u>AGENCY</u>	<u># OF ACCTS.</u>	<u>BALANCE</u>
AOC (fines, fees etc.)	48	\$2,074,191
BERN. CO. METRO COURT	2	\$557,510
1-13 DISTRICT ATTORNEY	5	\$25,899
EDUCATION RETIREMENT BOARD	1	\$0
TAXATION & REVENUE DEPT.	6	\$6,129
PUBLIC SCHOOL INS. AUTHORITY	6	\$12,883,645
NMRHCA	0	\$0
PUBLIC DEFENDER	1	\$635
SECRETARY OF STATE	0	\$0
STATE TREASURER (JDC)	5	\$33,183
STATE TREASURER (OTHER)	1	\$63,739
STATE TREASURER (Liq. Reserve)	2	\$291,884,719
NM RACING COMMISSION	6	\$0
DEPT. OF GAME & FISH	2	\$143,499
SOUTHWEST REGION ED.	1	\$2,981,498
ENERGY & MINERALS	7	\$84,048
STATE ENGINEER'S OFFICE	9	\$37,071
IRRG WKS CONST	1	\$252,679
HUMAN SERVICES DEPT.	4	\$21,393
WORKFORCE SOLUTIONS	5	\$768,591
MINER'S HOSPITAL	1	\$2,461,967
DEPARTMENT OF HEALTH	32	\$432,145
ENVIRONMENT DEPARTMENT	0	\$0
CORRECTIONS DEPARTMENT	5	\$1,226
DEPT. OF PUBLIC SAFETY	2	\$112,671
HIGHWAY & TRANSPORTATION	4	\$606

<u>AGENCY</u>	<u># OF ACCTS.</u>	<u>BALANCE</u>
AOC	1	\$34,439
1ST JUDICIAL DIST. COURT	3	\$9,242,631
2ND JUDICIAL DIST. COURT	2	\$504,705
3RD JUDICIAL DIST. COURT	2	\$589,425
4TH JUDICIAL DIST. COURT	2	\$134,741
5TH JUDICIAL DIST. COURT	3	\$2,066,028
6TH JUDICIAL DIST. COURT	3	\$235,884
7TH JUDICIAL DIST. COURT	4	\$230,368
8TH JUDICIAL DIST. COURT	6	\$272,869
9TH JUDICIAL DIST. COURT	2	\$959,886
10TH JUDICIAL DIST. COURT	2	\$107,211
11TH JUDICIAL DIST. COURT	10	\$675,016
12TH JUDICIAL DIST. COURT	2	\$767,500
13TH JUDICIAL DIST. COURT	62	\$3,609,271
7TH DISTRICT ATTORNEY	1	\$1,804
10TH DISTRICT ATTORNEY	1	\$535
13TH DISTRICT ATTORNEY	1	\$2,402
PUBLIC DEFENDERS	1	\$905
ATTORNEY GENERAL	1	\$1,352
LGIP	5	\$10,674,290
SUPERSTENDENT OF INSURANCE	8	\$1,902,664
NM STATE FAIR	5	\$2,353,627
SOUTHWEST REGION ED.	1	\$15
MINER'S HOSPITAL	1	\$5,647
DEPARTMENT OF HEALTH	9	\$930,154
CHILDREN, YOUTH & FAMILIES	7	\$101,915
CORRECTIONS DEPARTMENT	12	\$2,270,225
DEPT. OF PUBLIC SAFETY	2	\$63,353
ED. RETIREMENT BOARD	1	\$1,975,000

sub-total: 156 \$314,827,044

sub-total: 160 \$39,713,862

Total Depository Balance: \$354,540,906
Total Depository Accounts: 316

State Fund Balances by Financial Institution September 2017

First National Bank/Alamogordo	\$	99,109
Century Bank/Santa Fe	\$	500
Bank of America/Albuquerque	\$	175,912
Wells Fargo Bank/Albuquerque	\$	16,091,729
Compass Bank/Albuquerque	\$	103,075,881
Bank of the West/Albuquerque	\$	191,876,561
First American Bank/Artesia	\$	35,435
Carlsbad National Bank/Carlsbad	\$	600
Western Commerce Bank/Carlsbad	\$	84,040
Farmers/Stockmens Bank/Clayton	\$	16,119
First National Bank/Clayton	\$	2,463,812
Citizens Bank/Clovis	\$	4,730
NM Bank & Trust/Albuquerque	\$	121,498
Lea County State Bank/Hobbs	\$	109,929
Southwest Capitol/Las Vegas	\$	137,057
Community 1st Bank/Las Vegas	\$	226,213
Western Bank/Lordsburg	\$	26,102
Los Alamos National Bank/Los Alamos	\$	5,484
International Bank/Raton	\$	19,033
Valley Bank of Commerce/Roswell	\$	92,616
First State Bank/Socorro	\$	3,249
Centinel Bank/Taos	\$	51,988
US Bank/Albuquerque	\$	17,821
Bank of the Southwest/Roswell	\$	80,623
Washington Federal	\$	10,888
Citizens Bank/Aztec	\$	115

Total: \$ 314,827,044



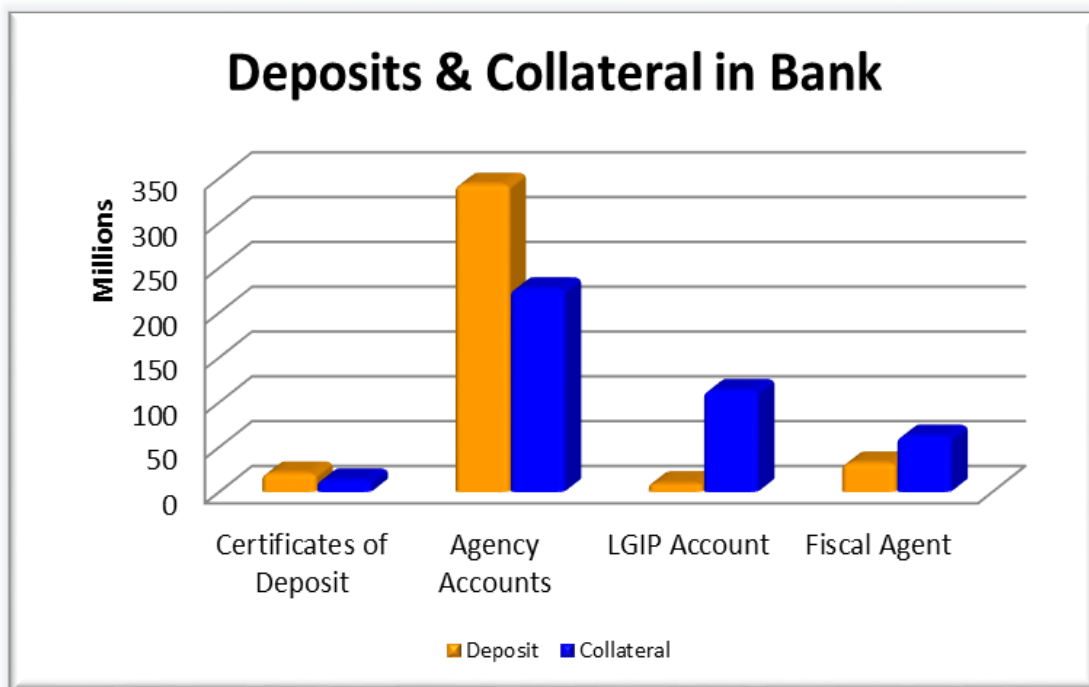
19. Collateral Report on Agency Deposits & CD's

Office of the Treasurer

Collateral Summary Review

September 30, 2017

All depository institutions holding public funds for the month ending September 30, 2017 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>
Certificates of Deposit	\$ 21.0 Million	\$ 13.0 Million	62.0%
Agency Accounts	343.9 Million	225.3 Million	65.5%
LGIP Account	10.7 Million	111.9 Million	1048.2%
Fiscal Agent	27.4 Million	60.7 Million	221.4%
Totals:	402.9 Million	411.0 Million	102.0%

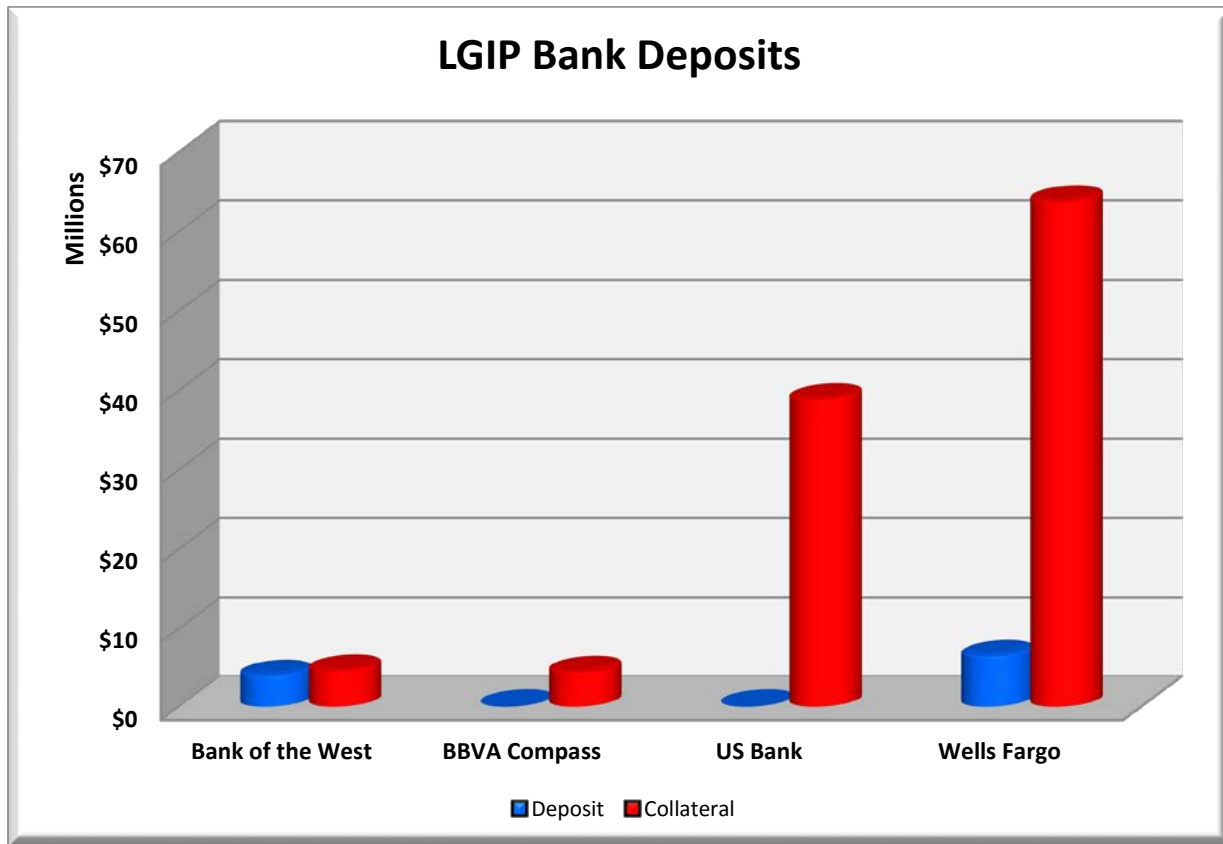


Office of the Treasurer
Collateral Review
Accumulated Total by Institution
September 30, 2017

FINANCIAL INSTITUTION	%	TOTAL	FDIC / NCUA	LESS INSURANCE	SUBJECT TO BE	COLLATERAL	EXCESS
		DEPOSITS	INSURANCE	COVERAGE	COLLATERALIZED	PLEGGED	(UNDER)
First National - Alamogordo	50%	99,108	82,081	17,027	8,514	950,261	941,748
Western - Alamogordo	50%	3,600,000	250,000	3,350,000	1,675,000	3,605,382	1,930,382
Bank of America	50%	249,036	249,036	0	0	0	0
Bank of the West	50%	196,539,889	250,000	196,289,889	98,144,944	100,730,656	2,585,711
BBVA Compass	75%	103,075,897	250,000	102,825,897	77,119,423	80,500,000	3,380,577
US Bank	50%	1,016,849	250,000	766,849	383,424	40,000,000	39,616,576
Wells Fargo	50%	45,551,742	250,000	45,301,742	22,650,871	108,896,975	86,246,104
First American	50%	35,435	35,435	0	0	0	0
My Bank	50%	350,725	250,000	100,725	50,363	250,000	199,637
Carlsbad National	50%	600	600	0	0	0	0
Western Commerce	50%	4,084,040	250,000	3,834,040	1,917,020	2,657,452	740,432
Farmers & Stockmen	50%	10,023,681	250,000	9,773,681	4,886,841	5,120,000	233,160
First National - Clayton	50%	2,463,812	250,000	2,213,812	1,106,906	1,269,093	162,187
Bank of Clovis	50%	959,886	250,000	709,886	354,943	817,664	462,721
Citizens - Clovis	50%	4,730	4,730	0	0	250,000	250,000
NM Bank & Trust	50%	299,411	250,000	49,411	24,706	263,190	238,484
Western - Clovis	50%	3,100,000	250,000	2,850,000	1,425,000	1,745,965	320,965
Lea County State	50%	109,929	109,929	0	0	0	0
Southwest Capital	50%	615,821	250,000	365,821	182,911	498,558	315,647
Community 1st - Las Vegas	102%	226,213	195,724	30,489	31,099	444,485	413,386
Western - Lordsburg	50%	39,102	39,102	0	0	365,050	365,050
Los Alamos National	75%	5,484	5,484	0	0	0	0
International	50%	73,511	35,291	38,220	19,110	149,464	130,354
Bank of the Southwest	50%	579,391	250,000	329,391	164,695	557,457	392,761
Valley Commerce	50%	92,616	92,616	0	0	0	0
Century	50%	1,903,164	250,000	1,653,164	826,582	1,138,970	312,388
First State	50%	79,331	79,331	0	0	0	0
Centinel	50%	51,988	51,988	0	0	0	0
Guadalupe Credit	50%	250,000	250,000	0	0	0	0
Washington Federal	50%	10,888	10,888	0	0	30,898	30,898
Citizens Bank of Aztec	50%	1,020	1,020	0	0	0	0
		375,492,277	4,992,234	370,500,043	210,972,350	350,241,519	139,269,169

LGIP Bank Deposits September 30, 2017

<u>Financial Institution</u>	<u>Percentage</u>	<u>Deposit</u>	<u>Collateral</u>
Bank of the West	114.6%	4,073,902	4,670,404
BBVA Compass	NA	1	4,500,000
US Bank	NA	-	38,900,000
Wells Fargo	967.0%	6,602,910	63,846,864
Totals	1048.2%	10,676,813	111,917,268



Standards & Poor's requires bank deposits to be collateralized @ a minimal of 100% collateral levels to maintain rating