



STATE OF NEW MEXICO
OFFICE OF THE TREASURER

THE HONORABLE TIM EICHENBERG
State Treasurer

SAMUEL K. COLLINS, JR.
Deputy State Treasurers

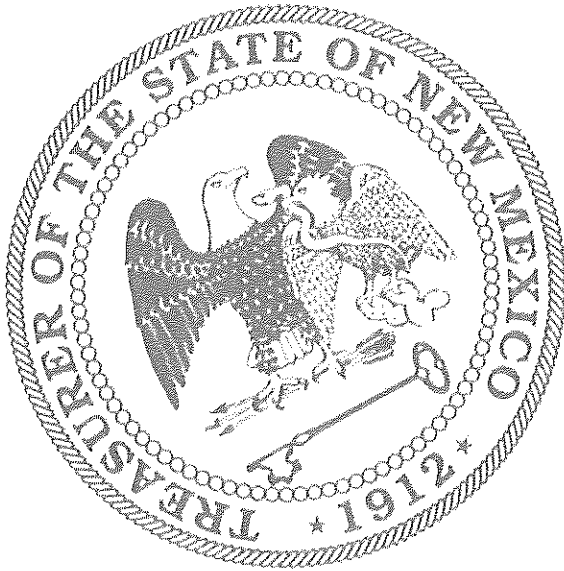
**STATE TREASURER'S
INVESTMENT COMMITTEE**

State Treasurer's conference room

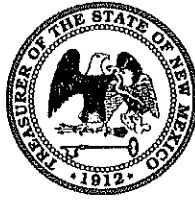


"Bosque Sunset" - New Mexico Tourism Department

Wednesday May 11, 2016
9:00am



1. Approval of May 11, 2016 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, May 11, 2016 9:00 a.m.

MEETING AGENDA (5 Min)

Roll Call

1. Approval of May 11, 2016 Agenda
2. Approval of April 13, 2016 Minutes
3. Public Comments

Action
Action

INVESTMENT REPORTS (45 min)

Month Ended
March 31, 2016

4. Executive Summary (Vikki Hanges)
5. Investment Policy Compliance Report (Arsenio Garduño)
6. Investment Accounting Report (Steve Vigil)
7. Cash Projections (Arsenio Garduño)
8. Investment Advisor – March 2016 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 – (Charmaine Cook)
16. Credit

Informational
Informational
Informational
Informational
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Action
Informational

CASH MANAGEMENT
& COLLATERAL REPORTS (10 Min)

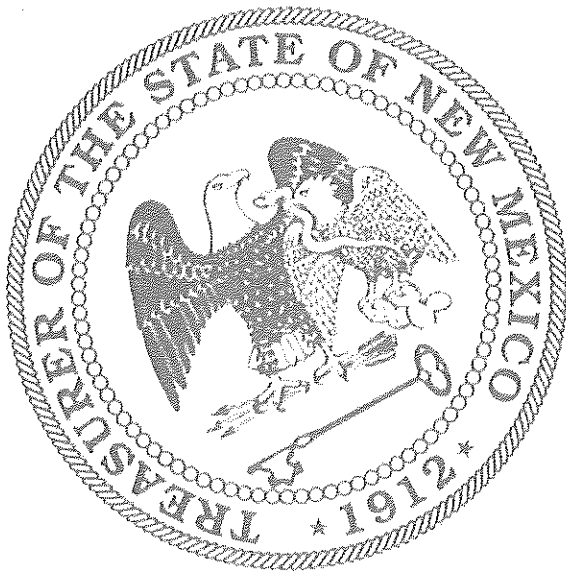
Month Ended
March 31, 2016

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

Informational
Informational

COMMITTEE REPORTS (5 min)

19. Next Meeting --Wednesday, June 8, 2016 9:00 am
20. Adjournment



2. Approval of April 13, 2016 Minutes

**New Mexico State Treasurer's Office
STIC Committee Meeting
Meeting Minutes
Wednesday, April 13, 2016**

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, Santa Fe, New Mexico 87505.

Members Present

Ms. Charmaine Cook, Chief Investment Officer, Chairman
Ms. Leila Kleats, Board of Finance Director
Mr. Mark Pike, Public Member
Mr. Paul Cassidy, Public Member (via telephone)

Staff Present

Mr. Samuel Collins, Deputy State Treasurer
Mr. Edward Gallegos, State Cash Manager
Mr. Steve Vigil, Investment Accounting Bureau Chief
Ms. Vikki Hanges, Portfolio Manager
Mr. Jeremy Landrum, Portfolio Manager
Mr. Arsenio Garduño, Collateral Manager
Mr. Paul Morneau, Chief Risk Officer
Ms. Victoria Hutchison, Financial Analyst
Ms. Julie Filatoff, STIC Secretary

Guests Present

Ms. Sally Walton (on behalf of Ms. Deanne Woodring), Government Portfolio Advisors (via telephone)
Mr. Jon Clark, Legislative Finance Committee Economist

1. Approval of April 13, 2016, Agenda

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

2. Approval of March 9, 2016, Minutes

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

3. Public Comments

None.

4. Executive Summary

Ms. Vikki Hanges presented highlights of the Executive Summary:

- The STO managed \$3.9 billion in assets at the end of February.
- The STO earned approximately \$2.6 million on its investment positions.
- On a mark-to-market basis, the portfolio increased \$.068 million.
- There was a flattening of the yield curve in February.
- Inflation has been subdued.
- Federal Reserve Board Chair Janet Yellen said that the Fed is focusing on the global economic weakness and the differential between interest rates here and overseas.
- Oil prices are up, the stock market has turned around, the S&P is up 1.5% for the year, and China's exports rose more than expected (19% vs. 14%). The bond market is down.
- The unrealized gain in the General Fund is about \$9.5 million. Bond proceeds about \$2.3 million.
- Performance is mixed.
- We lengthened the portfolios closer to the benchmark after the Fed meeting in March.

Discussion was held regarding transfer of funds from core to liquidity in March (\$395 million in FY 2016).

5. Investment Policy Compliance Report

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

- Bond Purchases/Sales: \$20.38 million primary bond volume (7% of total) and \$255.5 million secondary bond volume (93% of total) at end of February.
- Variable Rate Notes: \$138 million at the end of February, all held in LGIP. No structured notes.
- Inter-Portfolio Transfers: None in February.
- Realized Gains and Losses: \$139,293

6. Investment Accounting Report

Mr. Steve Vigil presented highlights of the Investment Accounting Report:

- Major issue is the outgrowth of the reporting design (QED vs. JPMorgan). This is specific to the inter-fund investments. We can identify the activity; it just doesn't show up on the QED earnings report.

Discussion concerning what the inter-fund investments comprise, which are monies invested in the LGIP from the General Fund Core Portfolio or the Bond Proceeds Portfolios. The interest earned is reported in the JPMorgan earnings report, but not on the same report for QED. The system of record (what generates to SHARE) is JPMorgan.

7. Cash Projections

Mr. Arsenio Garduño presented highlights of Cash Projections:

- Down 24.5% year-to-year (-\$549 million)
- Down 15.3% month-to-month (-\$304 million). February is typically a “down month.” On average we are carrying -27.75% balances.

Discussion regarding cash flow—seeing any type of recovery in April? Going into March, up compared to last year. Still a decreasing month. Liquidity needed to operate state government.

8. Portfolio Summary—General Fund Investment Pool

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

- \$1.7 billion at close of February. Weighted average duration was just under two years, vs. the benchmark duration of 2.12 years.
- Approximately \$9.5 million in unrealized gains.

9. Portfolio Summary—Local Government Investment Pool

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

- Closed month of February at \$634 million, approximately \$30 million lower than the end of January. Reflective of participants drawing down funds.
- Participant balance was \$76 million (12%).
- Judicial Court participant balance was \$3.8 million (0.6%).
- Overnight repurchase rate was 8%, a function of short trades being better.
- The pool earned \$199,317 for February (\$1,145,127 for FY 2016).
- S&P downgraded Bank of the West. Brought the fund from \$60 million to \$12 million in Bank of the West. (Most in repurchase.)
- Ended month with 0% exposure to Farmer Mac.

Discussion regarding why Bank of the West was downgraded—capitalization. Went from A1 to A2 rating. Confidence in Bank of the West is strong, but we are complying with the rating service requirements.

Discussion regarding mark-to-market (daily vs. weekly).

Discussion regarding if local government will need to materially draw down LGIP funds due to economy. (We’re not seeing that.)

Discussion regarding increasing repurchase—have we looked at counter-party risk? Can only perform repurchase with higher-rated participants, which diminishes the concern. STO does so in accordance with investment policy and with collateral. Chairman Cook clarified that daily repurchase for STO and other agencies goes through AVM (third-party vendor), but LGIP repurchase is done directly by STO staff. Is repurchase a sustainable strategy? Yes; will monitor how dynamic changes.

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

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

- Ended February at \$691 million, approximately \$11 million higher than end of January.
- Pool paid out \$13 million for capital spending and received \$24 million in tax receipts for payment of debt service.
- Unrealized gains: \$629,230 end of February.
- Monthly net earnings: \$425,438.
- FY 2016 earnings: \$3,020,999.
- Duration: 1.13 years (vs. benchmark of 1.32 years).
- Purchase yield: 0.75% at end of February vs. 0.76% for previous month.

11. Portfolio Summary—Taxable Bond Proceeds Investment Pool

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

- Closed February at \$635 million vs. \$658 million at end of January.
- Received (and paid out) \$23 million for capital project draws.
- Unrealized gains: \$1,625,064.
- Monthly net earnings: \$428,112.
- FY 2016 earnings: \$3,405,910.
- Duration: 1.11 years (vs. benchmark of 1.32 years).
- Purchase yield: 0.85% relative to 0.79% for previous month.

Discussion regarding severance tax sponge for the Taxable BPIP.

12. Portfolio Summary—Severance Tax Bonding Fund

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

- Closed February at \$195 million.
- Received \$24 million in February; in March, \$18 million. Declining steadily.

13. Broker-Dealer Activities

Chairman Cook shared the list of applications received from Broker-Dealers for FY 17 (11 primary, 37 secondary). The list of secondary brokers will be narrowed down slightly to those who are in the segments where STO is most active and will bring the most to the table for STO's benefit. At the May meeting we will present the proposed list for FY 17 and ask the STIC Committee for a vote of recommendation to the Treasurer. If the list is approved by the Treasurer, it will be presented to the Board of Finance in May. We wish to notify those selected by June 1, with an effective date of July 1.

Discussion regarding criteria to narrow down secondary dealers: Dealers who try to solve a problem, not simply push their inventory. Broker-dealers who are active in the local municipal market. The analysis is both qualitative and quantitative (league tables, most active for New Mexico municipal deals). Qualifications and licensing are verified through the Financial Industry Regulatory Authority (FINRA), and the selection criteria will be documented.

Chairman Cook distributed a copy of the Broker Dealer Applicant Submittal Update, which was added to the STIC binder as an addendum on April 13, 2016.

14. Credit

Ms. Vikki Hanges presented highlights of the current list of approved medium-term note/ Corporate Bond issuers. Upon review of ratings of approved issuers, Chevron Corp., Exxon, and HSBC went negative, but are still well within our rating criteria.

Chairman Cook noted that the portfolio managers are building credit files and moving to a point where they can start, under the right circumstances and opportunities. Raising liquidity and getting rid of Farmer MAC gave the portfolio managers more time to focus on credit.

15. State Agency Deposit Balances

Mr. Edward Gallegos presented highlights of the State Agency Deposit Balances:

- The State Fund Balances were \$75,255,206 at February month end. Balances held at Bank of the West were down due to lower revenues in the General Fund and the transfer of \$74 million of the LGIP account as required by Standard and Poor's rating criteria.

16. Collateral Report on Agency Deposits & CDs

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

- As of February, all institutions holding public funds met our collateral requirements.

Discussion regarding a monthly email from Steve Vigil to Steve Gonzales, DFA, regarding the investment fund earnings and distributions to the State General Fund. This is the same information provided to Jon Clark, LFC, and Leila Burrows Kleats, BOF.

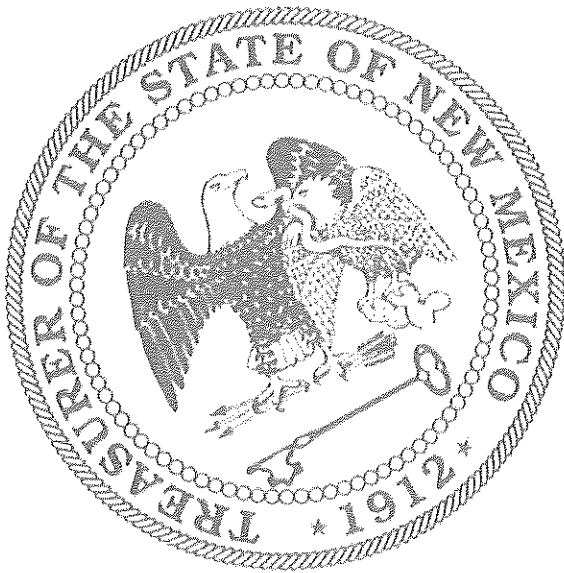
Ms. Samuel Collins will ensure Member Kleats receives this email monthly.

17. Next Meeting—Wednesday, May 11, 2015, 9:00 am

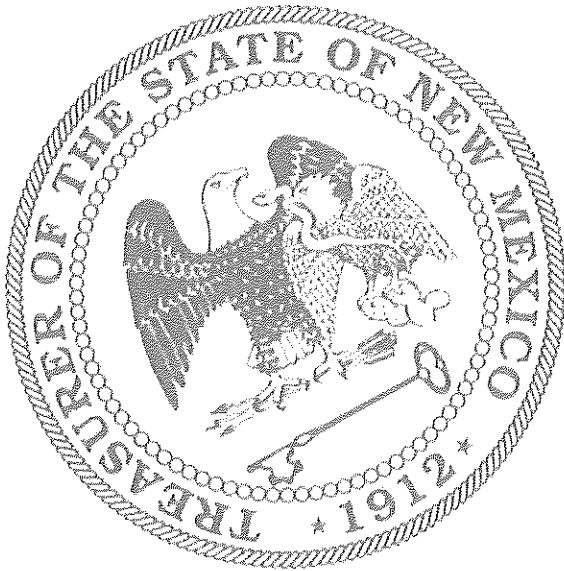
18. Adjournment

Meeting adjourned at 10:10 am.

Minutes were taken by Ms. Julie Filatoff.



3. Public Comments



4. Executive Summary

Executive Summary

- At the end of March, the State Treasurer managed \$3.7 billion in assets.
- During the month, the office earned approximately \$2.8 million on its investment positions.
- On a mark-to-market basis the portfolios increased \$2.1 million.
- US equity markets were higher in March, with the S&P 500 Index up 5.7%.
- Month end March US Treasury yields were mostly lower vs. February and considerably lower vs. calendar year end 2015.
- The Federal Reserve kept interest rates unchanged at their March meeting, accompanied by very dovish Fed Chair commentary.
- Oil prices were higher, up almost 14% for the month of March.
- The unemployment rate held steady at 4.9%. Nonfarm payroll employment came in higher vs. expectations, adding 230,000 jobs, with minimal revisions to prior month's data.
- The US dollar fell by almost 5% vs. the euro as the anticipated time frame for Fed interest rate hikes was pushed further out into the future.

Table 1 – Comparative Interest Rates

US Treasury Yields

				Monthly	Quarterly
<i>Maturity</i>	<i>12/31/15</i>	<i>2/29/16</i>	<i>03/31/16</i>	<i>Change</i>	<i>Change</i>
3-Month	0.17%	0.32%	0.20%	-0.12%	0.03%
6-Month	0.48%	0.47%	0.38%	-0.09%	-0.10%
2-Year	1.05%	0.78%	0.72%	-0.06%	-0.33%
3-Year	1.31%	0.89%	0.85%	-0.04%	-0.46%
5-Year	1.76%	1.21%	1.21%	0.00%	-0.56%
10-Year	2.27%	1.74%	1.77%	0.03%	-0.50%
30-Year	3.02%	2.62%	2.61%	-0.01%	-0.40%

Source: Bloomberg LP

Portfolio Mark-to-Market and Monthly Change

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

Table 2 - Unrealized Gains and Losses

<u>Fund</u>	<u>Unrealized Gain/Loss¹</u>	<u>Monthly Change in Unrealized Gain/Loss²</u>
<i>General Funds</i>	\$10.3 million	Increased \$0.8 million
<i>Bond Proceeds Funds</i>	\$ 3.4 million	Increased \$1.1 million
<i>Local Government Investment Pool</i>	Not Material	Not Material
<i>Severance Tax Bonding Fund</i>	Not Material	Not Material
<i>Source: QED</i>		

Portfolio Purchase Yields and Durations

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

Table 3 – Portfolio Purchase Yields and Durations

<u>Fund</u>	<u>Purchase Yield⁴</u>	<u>Effective Duration³</u>		
		<u>Portfolio</u>	<u>Benchmark</u>	<u>Percentage</u>
<i>General Fund Liquidity</i>	0.29%	0.01 Years		
<i>General Fund CORE</i>	1.23%	2.08 Years	2.14 Years	97%
<i>Bond Proceeds – Tax Exempt</i>	0.86%	1.25 Years	1.34 Years	93%
<i>Bond Proceeds – Taxable</i>	0.89%	1.18 Years	1.34 Years	88%
<i>Local Government Investment Pool</i>	0.42%	0.16 Years		
<i>Severance Tax Bonding Fund</i>	0.32%	0.15 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 March, the STO portfolios had the following performance numbers relative to their respective benchmarks:

Table 4 - Relative Performance of STO Funds

<i><u>Fund</u></i>	<i>Performance⁵</i>	
	<i><u>3 Months</u></i>	<i><u>12 Months</u></i>
<i>General Fund Liquidity</i>	0.07%	0.18%
S&P Government Pools Index (Gross)	<u>0.08%</u>	<u>0.21%</u>
Relative Performance (BPs)	(0.01)%	(0.03)%
 <i>General Fund CORE</i>	 1.10%	 1.22%
BAML 0-5 US Treasury	<u>1.26%</u>	<u>1.33%</u>
Relative Performance (BPs)	(0.16)%	(0.11)%
 <i>Bond Proceeds - Tax Exempt</i>	 0.63%	 0.71%
BAML 0-3 US Treasury	<u>0.67%</u>	<u>0.72%</u>
Relative Performance (BPs)	(0.04)%	(0.01)%
 <i>Bond Proceeds - Taxable</i>	 0.59%	 0.77%
BAML 0-3 US Treasury	<u>0.67%</u>	<u>0.72%</u>
Relative Performance (BPs)	(0.08)%	0.05%
 <i>Local Government Investment Pool</i>	 0.13%	 0.26%
S&P Government Pools Index (Gross)	<u>0.08%</u>	<u>0.21%</u>
Relative Performance (BPs)	0.05%	0.05%
 <i>Severance Tax Bonding Fund</i>	 0.10%	 0.24%
S&P Government Pools Index (Gross)	<u>0.08%</u>	<u>0.21%</u>
Relative Performance (BPs)	0.03%	0.03%

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 March are summarized in the table below.

Table 5 - Investment Earnings – Periods ended March, 2016

<i>Fund</i>	<i>Investment Net Earnings⁶</i>		
	<i>Mar FY'16</i>	<i>FY'16 YTD</i>	<i>FY'15 YTD</i>
<i>General Funds</i>	\$1,629,966	\$13,577,718	\$11,468,632
<i>Bond Proceeds Funds</i>	\$912,702	\$7,361,702	\$4,575,793
<i>Local Government Investment Pool⁷</i>	\$219,779	\$1,367,941	\$741,608
<i>Severance Tax Bonding Fund</i>	\$45,732	\$192,868	\$116,048

Source: QED

- The General Funds increased investment earnings by over \$2,000,000 in FY2016 vs. the same period in FY2015 as a result of the increased investment in the Core Fund as a percentage of the total Fund, and higher interest rates.
- Bond Proceeds funds have increased investment earnings by close to \$3,000,000 as a result of higher absolute balances and higher interest rates.
- The LGIP increased investment earnings vs. the same period in FY2015 as a result of higher interest rates.
- The STBF has utilized the LGIP, NM fully collateralized deposits, repo and short Agency securities to enhance yield. Severance tax deposits into the fund have been coming in lower during the current fiscal year vs. last year, however short term interest rates are higher as the Fed raised short term interest rates during FY2016.

Compensating Balances at Fiscal Agent Bank

During March, STO maintained Average Daily Collected Balances at the Fiscal Agent Bank of approximately \$33 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>	\$33,059,652
<i>Earnings Credit Rate</i>	0.50%
<i>Monthly Earnings</i>	\$14,082
<i>Estimated Fiscal YTD Earnings</i>	\$149,326

Source: Wells, Fargo & Co.

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

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

Monthly Investment Outlook

US Treasury yields were mostly lower in March, with short maturities outperforming on a yield basis. The Federal Reserve, as the market had expected, did not change interest rates at their March 2016 meeting. There were no indications that the June meeting held a high probability, although Janet Yellen did indicate that all meetings are “live” and the Fed Funds rate could be adjusted at any time. The Fed Chairman stressed that global economic weakness and the differential between US interest rates and those overseas were of concern. The Fed’s “dot plot” was revised to indicate expectations for only two rate hikes vs. the four that were implied after the December 2015 meeting.

With the April Federal Open Market Committee meeting upon us, we expect that they will maintain the status quo. There will not be a press conference following this meeting, so it will be interesting to see the changes in the Fed’s statement vs. the previous. Equity markets, even China (*only* down 15% year-to-date) have stabilized and oil prices have increased, two key factors that the Fed had seemingly been focused on. Therefore, the portfolios will be structured to take advantage of the fact that any increases in short term rates will be very gradual and may not be imminent. As always the investment philosophy employed is to maintain safety, liquidity and yield, in that order.

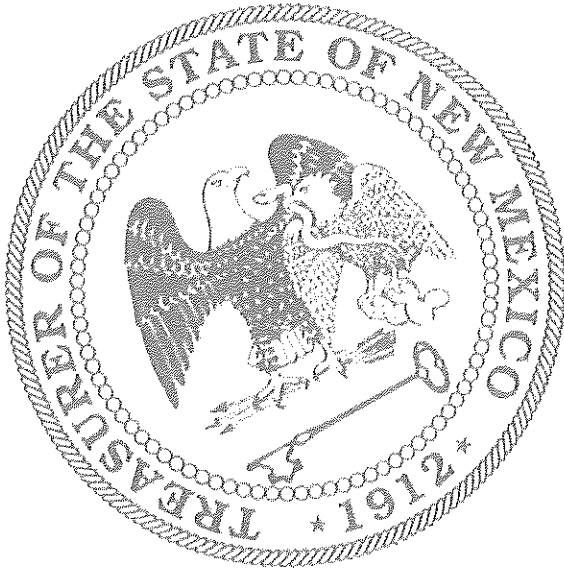
Vikki Hanges
Portfolio Manager

New Mexico State Treasurer
Monthly Fund Summary Report
(Unaudited)
As of March 31, 2016

General Fund				Performance				Monthly Earnings			YTD Earnings		
Sub-Account	Holdings		Unrealized	12-Month Total Return	Benchmark	Index Return	Relative Performance	Change in			Change in		
	Cost Basis	Market Value	Gain/Loss					Earnings	Market Value	Total	Earnings	Market Value	Total
Cash Balances	\$ 31,731,087	\$ 31,731,087	\$ -										
Liquidity	426,215,237	426,215,237	-	0.18%	S&P LGIP Gross	0.21%	-0.03%	\$ 62,202	\$ -	\$ 62,202	\$ 507,710	\$ -	\$ 507,710
CORE	1,151,167,523	1,161,521,362	10,353,839	1.22%	ML Treasury 0-5	1.33%	-0.11%	1,567,764	828,383	2,396,147	13,070,008	3,301,297	16,371,305
TRAN	-	-	-	0.00%	All-In Tran TIC	0.00%	0.00%	-	-	-	-	-	-
Totals	\$ 1,609,113,847	\$ 1,619,467,686	\$ 10,353,839	0.94%	Blended	1.03%	-0.09%	\$ 1,629,966	\$ 828,383	\$ 2,458,349	\$ 13,577,718	\$ 3,301,297	\$ 16,879,015
Bond Proceeds Investment Pool (BPPI)													
Sub-Account	Holdings		Unrealized	12-Month Total Return	Benchmark	Index Return	Relative Performance	Change in			Change in		
	Cost Basis	Market Value	Gain/Loss					Earnings	Market Value	Total	Earnings	Market Value	Total
Tax-Exempt	\$ 608,278,228	\$ 609,447,579	\$ 1,169,351	0.71%	ML Treasury 0-3	0.72%	-0.01%	\$ 450,016	\$ 540,121	\$ 990,137	\$ 3,479,545	\$ 359,865	\$ 3,839,410
Taxable	599,934,272	602,133,820	2,199,548	0.77%	ML Treasury 0-3	0.72%	0.05%	462,686	574,484	1,037,170	3,882,157	362,843	4,245,000
Totals	\$ 1,208,212,500	\$ 1,211,581,399	\$ 3,368,899	0.74%	Blended	0.72%	0.02%	\$ 912,702	\$ 1,114,605	\$ 2,027,307	\$ 7,361,702	\$ 722,708	\$ 8,084,410
Local Government Investment Pool (LGIP)													
Sub-Account	Holdings		Unrealized	12-Month Total Return	Benchmark	Index Return	Relative Performance	Change in			Change in		
	Cost Basis	Market Value	Gain/Loss					Earnings	Market Value	Total	Earnings	Market Value	Total
LGIP (See Note 5)	\$ 620,519,636	\$ 620,614,345	\$ 94,709	0.26%	S&P LGIP Gross	0.21%	0.05%	\$ 219,779	\$ 106,169	\$ 325,948	\$ 1,367,941	\$ 89,420	\$ 1,457,361
Severance Tax Bonding Fund													
Sub-Account	Holdings		Unrealized	12-Month Total Return	Benchmark	Index Return	Relative Performance	Change in			Change in		
	Cost Basis	Market Value	Gain/Loss					Earnings	Market Value	Total	Earnings	Market Value	Total
STBF	\$ 213,932,657	\$ 213,961,120	\$ 28,463	0.24%	S&P LGIP Gross	0.21%	0.03%	\$ 45,732	\$ 25,059	\$ 71,791	\$ 192,868	\$ 25,945	\$ 218,813
Estimated Totals (all funds)													
		\$ 3,665,624,550	\$ 13,845,910					\$ 2,808,179	\$ 2,075,216	\$ 4,883,395	\$ 22,500,228	\$ 4,139,370	\$ 26,639,598

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 March, the following were the ratios of primary and secondary bond transactions in the portfolios:

Table 7 - Primary/Secondary Market Volume – March 2016

Primary Bond Volume	\$65,000,000	6%
Secondary Bond Volume	<u>\$950,345,000</u>	<u>94%</u>
Total	\$1,015,345,000	100%

Source: QED

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

Commissions Paid

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

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

Variable Rate and Structured Note Holdings

At the end of March, total holdings of Variable Rate Notes were \$140,025,000.

Table 8 - Variable Rate Note Holdings – March 2016

General Fund	-
Taxable BPIP	-
Tax Exempt BPIP	-
LGIP	<u>\$140,025,000</u>
Total Holdings	\$140,025,000

Source: QED

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

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

Transaction Variances and Inter-Portfolio Transactions

During March, 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 8 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 41 sales which resulted in realized gains/losses.

Table 1 - Realized Gains and Losses on Securities Sold – March 2016

<u>Trade Date</u>	<u>Account</u>	<u>Par Amount</u>	<u>Security</u>	<u>Realized G/L</u>
		505,458,000	Detail on next page	425,676.40
Total Realized gain (loss)				<u>425,676.40</u>

Trade Documentation

Purchase/Sales Activity¹

There were a total of 91 security trades tracked during the month of March by the Trade Compliance Officer in the Investment Division.

Table 2 – Securities Trades – March 2016

	<u>Quantity</u>	<u>Par-Value</u>	<u>Cost/Proceeds</u>	<u>Realized Gain/Loss</u>
Purchases	50	509,887,000	510,922,661	0
Sales	41	505,458,000	507,054,093	425,676
Totals:	91	1,015,345,000	1,017,976,754	425,676

Trade documentation and Investment Processing Compliance

All trades have been accounted for and written documentation has been reviewed for compliance with internal procedures and policies.

During the month of March, there was a noted violation of the policy. During the month, LGIP holdings exceeded investment parameters for the maximum percentage for a particular issuer. LGIP portfolio holdings in Federal Home Loan Bank (FHLB) exceeded 33% of the portfolio, which is the maximum per issuer. As soon as the exception was identified, the Portfolio Manager sold one position, which returned the portfolio to a compliant state.

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

¹ Excludes daily repurchase agreement transactions.

Trade Date	Account	Par Amount	Security	Realized G/L
3/9/2016	GF CORE	14,000,000	T 1.625 7/31/19	23,741.79
3/10/2016	GF CORE	25,900,000	T 1.625 12/31/19	12,109.93
3/10/2016	GF CORE	20,000,000	T 3.000 2/28/17	27,117.67
3/10/2016	GF CORE	25,000,000	T .875 12/31/16	23,171.54
3/11/2016	GF CORE	21,000,000	T .875 7/15/17	26,921.52
3/16/2016	BPIP TE	15,000,000	T .250 4/15/16	2,285.54
3/16/2016	BPIP TX	15,000,000	T .250 4/15/16	1,614.79
3/17/2016	GF CORE	20,000,000	T 1.000 3/31/17	42,278.50
3/18/2016	GF CORE	1,000,000	T 1.000 8/31/16	2,113.14
3/28/2016	BPIP TE	5,000,000	T 1.750 5/31/16	2,160.26
3/28/2016	BPIP TX	5,000,000	T 1.750 5/31/16	2,160.26
3/4/2016	GF CORE	20,000,000	FHLMC .875 2/22/17	33,212.57
3/8/2016	GF CORE	20,000,000	FHLB 1.000 2/13/17	50,022.54
3/8/2016	GF CORE	5,000,000	FHLB 1.000 6/09/17	4,688.48
3/16/2016	BPIP TX	15,000,000	FNMA .500 3/30/16	1,346.23
3/18/2016	GF CORE	1,127,000	FFCB 5.125 8/25/16	349.01
3/18/2016	GF CORE	7,500,000	FFCB .520 6/17/16	2,063.18
3/29/2016	BPIP TE	5,000,000	FHLB 1.875 3/13/20	4,133.47
3/29/2016	BPIP TX	5,000,000	FHLB 1.875 3/13/20	4,133.47
3/29/2016	BPIP TE	4,780,000	FFCB 1.650 7/29/19	8,604.00
3/17/2016	LGIP	10,000,000	FHLB 0.000 4/27/16	2,722.23
3/17/2016	LGIP	15,000,000	FHLB 0.000 7/20/16	6,974.99
3/18/2016	LGIP	12,000,000	FHLB 0.000 5/23/16	4,515.00
3/31/2016	LGIP	15,000,000	FHLB 0.000 4/20/16	356.25
3/31/2016	LGIP	7,500,000	FHLMC 0.000 8/19/16	4,316.67
3/17/2016	GF CORE	15,000,000	FAMAC .900 6/09/16	16,500.00
3/18/2016	GF CORE	10,000,000	FAMAC .900 6/09/16	10,022.01
3/1/2016	BPIP TE	7,500,000	FNMA 5.000 3/15/16	670.31
3/2/2016	BPIP TX	8,709,000	FNMA 2.250 3/15/16	120.45
3/9/2016	GF CORE	25,500,000	FHLMC 1.000 7/28/17	12,681.10
3/10/2016	LGIP	7,800,000	FAMAC 2.000 7/27/16	13.84
3/10/2016	GF CORE	5,000,000	FHLMC 1.000 9/29/17	8,461.68
3/11/2016	GF CORE	20,000,000	FNMA 1.125 7/20/18	56,648.14
3/17/2016	LGIP	15,000,000	FAMAC .440 10/05/16	0.23
3/28/2016	BPIP TX	5,000,000	FHLMC 2.000 1/20/21	1,500.00
3/29/2016	BPIP TX	10,000,000	FNMA 1.100 3/27/18	-
3/10/2016	GF CORE	15,000,000	FNMA 1.100 3/13/18	24,750.00
3/2/2016	LGIP	15,000,000	FAMAC .160 9/16/16	10.12
3/2/2016	LGIP	10,000,000	FAMAC .016 9/16/16	6.74
3/10/2016	LGIP	25,000,000	FAMAC .250 4/05/17	147.40
3/29/2016	BPIP TE	1,142,000	PEFCO 1.375 2/15/17	1,031.35
Total Realized gain (loss)				425,676.40

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 3/01/16 Through 3/31/16

TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
<u>PURCHASE TRANSACTIONS</u>													
3/16/16	912828J6	US TREASURY NOT	25163	UNITED STATES TREASURY	1.000	3/15/18	1.0059	DEUTSCHE BANK S	4002	7,500,000.00	7,499,121.09		
3/17/16	912828N4	US TREASURY NOT	25180	UNITED STATES TREASURY	1.750	12/31/20	1.3834	BARCLAYS	1001	20,000,000.00	20,338,281.25		
3/18/16	912828RF	US TREASURY NOT	25193	UNITED STATES TREASURY	1.000	8/31/16	.4519	BMO CAPTIAL MAR	4101	15,000,000.00	15,036,328.13		
3/22/16	912828WQ	US TREASURY NOT	25208	UNITED STATES TREASURY	.500	6/30/16	.3415	DAIWA CAPITAL M	4001	25,000,000.00	25,010,742.19		
3/07/16	3130A6EK	AGENCY US FLOAT	25102	FEDERAL HOME LOAN BANKS	.399	6/01/16	.4059	INTL FCSTONE PA	4101	10,000,000.00	9,999,826.20		
3/11/16	3133EDH2	AGENCY US FLOAT	25142	FEDERAL FARM CREDIT BAN	.451	9/14/16	.4759	BARCLAYS	4101	1,375,000.00	1,374,822.17		
3/15/16	31331K6S	AGENCY US FLOAT	25161	FEDERAL FARM CREDIT BAN	.479	1/17/17	.4793	WELLS FARGO SEC	4101	10,000,000.00	10,000,000.00		
3/15/16	3134G75N	AGENCY US FLOAT	25153	FEDERAL HOME LOAN MORTG	.479	4/27/17	.5178	CANTOR FITZGERA	4101	10,000,000.00	9,995,600.00		
3/01/16	3133782M	AGENCY US BOND	25075	FEDERAL HOME LOAN BANKS	1.500	3/08/19	1.1268	HSBC	4000	10,000,000.00	10,110,400.00		
3/02/16	313375K4	AGENCY US BOND	25067	FEDERAL HOME LOAN BANKS	2.000	9/14/18	.9892	INTL FCSTONE PA	4002	15,000,000.00	15,378,000.00		
3/04/16	3130A3E6	AGENCY US BOND	25100	FEDERAL HOME LOAN BANKS	.320	5/11/16	.4266	BB&T CAPITAL MA	4101	23,865,000.00	23,860,463.26		
3/04/16	3130A7CV	AGENCY US BOND	25052	FEDERAL HOME LOAN BANKS	1.375	2/18/21	1.5647	RBS	1001	20,000,000.00	19,820,000.00		
3/10/16	3130A57M	AGENCY US BOND	25132	FEDERAL HOME LOAN BANKS	.250	4/27/16	.4297	BB&T CAPITAL MA	4101	12,295,000.00	12,292,172.15		
3/16/16	3130A7L9	AGENCY US BOND	25170	FEDERAL HOME LOAN BANK	.850	4/17/17	.8500	INTL FCSTONE PA	4101	1,310,000.00	1,310,000.00		
3/18/16	3133EDDP	AGENCY US BOND	25181	FEDERAL FARM CREDIT BAN	.520	6/17/16	.4042	BROKER DIRECT	4001	7,500,000.00	7,502,063.18		
3/24/16	313382F7	AGENCY US BOND	25217	FEDERAL HOME LOAN BANKS	1.100	12/27/18	1.1001	BANK OF OKLAHOM	1001	500,000.00	499,998.00		
3/30/16	3130A4UC	AGENCY US BOND	25250	FEDERAL HOME LOAN BANKS	1.125	4/27/18	.6018	BANK OF OKLAHOM	4000	1,000,000.00	1,000,358.78		4/27/16
3/02/16	313384G2	AGENCY US DISC	25083	FEDERAL HOME LOAN BANKS		9/16/16	.5748	BOSC, INC	4101	500,000.00	498,432.21		
3/21/16	313312US	AGENCY US DISC	25194	FEDERAL FARM CREDIT BAN		3/24/16	.2800	FTN FINANCIAL S	4101	24,000,000.00	23,999,626.67		
3/22/16	313384YL	AGENCY US DISC	25209	FEDERAL HOME LOAN BANKS		6/22/16	.3653	WELLS FARGO SEC	4001	25,000,000.00	24,976,934.03		
3/24/16	313384YT	AGENCY US DISC	25216	FEDERAL HOME LOAN BANKS		6/29/16	.3704	MIZUHO SECURITI	4001	26,127,000.00	26,102,026.94		
3/29/16	313396G9	AGENCY US DISC	25240	FEDERAL HOME LOAN MORTG		9/23/16	.4862	JEFFRIES & CO	4101	20,000,000.00	19,952,308.33		
3/31/16	3130A76J	FED HOME LOAN B	25261	FEDERAL HOME LOAN BANKS	.440	6/30/16	.3952	BB&T CAPITAL MA	4001	15,000,000.00	15,001,650.00		
3/31/16	3130A76J	FED HOME LOAN B	25260	FEDERAL HOME LOAN BANKS	.440	6/30/16	.3952	BB&T CAPITAL MA	4101	28,610,000.00	28,613,147.10		
3/01/16	3137EACW	AGENCY US NOTES	25074	FEDERAL HOME LOAN MORTG	2.000	8/25/16	.5207	KEYBANC CAPITAL	4101	11,805,000.00	11,888,697.45		
3/02/16	3135G0J6	AGENCY US NOTES	25084	FNMA	.875	3/28/18	.9730	TD SECURITIES	4002	10,000,000.00	9,980,000.00		
3/02/16	3136G0T3	AGENCY US NOTES	25085	FEDERAL NATIONAL MORTGA	1.220	10/25/18	1.2146	INTL FCSTONE PA	4000	10,000,000.00	10,000,000.00		4/25/16
3/04/16	3134G3YF	AGENCY US NOTES	25101	FEDERAL HOME LOAN MORTG	1.500	7/18/19	1.2488	BOSC, INC	4000	2,000,000.00	2,016,500.00		
3/04/16	31359MW4	AGENCY US NOTES	25093	FEDERAL NATIONAL MORTGA	5.250	9/15/16	.6129	BB&T CAPITAL MA	4101	250,000.00	256,131.25		
3/07/16	31359MH8	AGENCY US NOTES	23527	FEDERAL NATIONAL MORTGA	5.000	3/15/16	.3273	DEUTSCHE BANK S	4101	3,500,000.00	3,503,174.50		
3/07/16	3135G0AL	AGENCY US NOTES	23413	FEDERAL NATIONAL MORTGA	2.250	3/15/16	.3077	RBS GREENWICH C	4101	5,000,000.00	5,001,885.00		
3/10/16	31315PA2	AGENCY US NOTES	25131	FEDERAL AGRICULTURAL MO	2.000	7/27/16	.4162	ISSUER DIRECT	4001	7,800,000.00	7,846,566.00		
3/10/16	3134G8RW	AGENCY US NOTES	25133	FREDDIE MAC	1.240	3/29/19	1.2400	INTL FCSTONE PA	4000	12,500,000.00	12,500,000.00		9/29/16
3/10/16	3134G8RW	AGENCY US NOTES	25134	FREDDIE MAC	1.240	3/29/19	1.2400	INTL FCSTONE PA	4002	12,500,000.00	12,500,000.00		9/29/16
3/10/16	3137EAAD	AGENCY US NOTES	25130	FEDERAL HOME LOAN MORTG	5.250	4/18/16	.4108	BOSC, INC	4101	600,000.00	602,977.63		
3/11/16	31359M2D	AGENCY US NOTES	25144	FEDERAL NATIONAL MORTGA	4.875	12/15/16	.7054	BOSC, INC	4101	785,000.00	809,531.25		
3/16/16	31359M2D	AGENCY US NOTES	25144	FEDERAL NATIONAL MORTGA	4.875	12/15/16	.6713	BMO CAPTIAL MAR	4101	4,000,000.00	4,124,656.00		
3/16/16	31359MW4	AGENCY US NOTES	25093	FEDERAL NATIONAL MORTGA	5.250	9/15/16	.5700	WELLS FARGO SEC	4101	4,000,000.00	4,092,296.00		

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TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
3/17/16	3132X0CG	AGENCY US NOTES	25178	FEDERAL AGRICULTURAL MO	.440	10/05/16	.4569	BROKER DIRECT	1001	15,000,000.00	14,998,614.00		
3/18/16	31315PB7	AGENCY US NOTES	25182	FEDERAL AGRICULTURAL MO	.900	6/09/16	.4359	BROKER DIRECT	4001	10,000,000.00	10,010,022.01		
3/18/16	3136G1FU	AGENCY US NOTES	25187	FEDERAL NATIONAL MORTGA	1.000	12/19/17	.9052	BANK OF OKLAHOM	4002	2,000,000.00	2,003,275.42		
3/18/16	3137EADZ	AGENCY US NOTES	25183	FREDDIE MAC	1.125	4/15/19	1.1360	CASTLEOAK SECUR	1001	20,000,000.00	19,993,400.00		
3/21/16	3137EADS	AGENCY US NOTES	25201	FEDERAL HOME LOAN MORTG	.875	10/14/16	.5408	BARCLAYS	4101	15,000,000.00	15,028,050.00		
3/30/16	3135G0ZB	AGENCY US NOTES	25249	FEDERAL NATIONAL MORTGA	.750	4/20/17	.7100	INTL FCSTONE PA	4101	5,000,000.00	5,002,100.00		
3/15/16	3133EERF	AGENCY US VARIA	25160	FEDERAL FARM CREDIT BAN	.495	4/27/17	.5846	TD SECURITIES	4101	250,000.00	249,747.50		
3/18/16	3133ECXS	AGENCY US VARIA	25192	FEDERAL FARM CREDIT BAN	.530	7/20/16	.4246	INTL FCSTONE PA	4101	20,000,000.00	20,006,720.00		
3/18/16	3133EFKH	AGENCY US VARIA	25184	FEDERAL FARM CREDIT BAN	.440	4/20/17	.5048	INTL FCSTONE PA	4101	5,400,000.00	5,396,157.61		
3/29/16	013493BY	MUNI US 30/360	25241	ABQ BERN COUNTY WATER U	5.250	7/01/16	.5523	SOUTHWEST	4000	665,000.00	672,787.15		
3/31/16	517538BX	MUNI US 30/360	25252	LAS CRUCES N MEX ST SHA	3.000	6/01/16	.5029	SOUTHWEST	4002	400,000.00	401,660.00		
3/31/16	013572KL	MUNICIPAL BOND	25259	ALBUQUERQUE N MEX MET A	4.000	8/01/16	.5039	SOUTHWEST	4002	1,850,000.00	1,865,410.50		
50 PURCHASES DURING PERIOD TOTAL.....										509,887,000.00	510,922,660.95		
SALE TRANSACTIONS													
3/09/16	912828WW	US TREASURY NOT	23289	UNITED STATES TREASURY	1.625	7/31/19		BARCLAYS	1001	14,000,000.00	14,219,296.88	23,741.79	
3/10/16	912828G9	US TREASURY NOT	23168	UNITED STATES TREASURY	1.625	12/31/19		BARCLAYS	1001	25,900,000.00	26,206,550.78	12,109.93	
3/10/16	912828MS	US TREASURY NOT	20698	UNITED STATES TREASURY	3.000	2/28/17	.7248	TD SECURITIES	1001	20,000,000.00	20,439,062.50	27,117.67	
3/10/16	912828RX	US TREASURY NOT	15905	UNITED STATES TREAS NTS	.875	12/31/16		HSBC	1001	25,000,000.00	25,042,968.75	23,171.54	
3/11/16	912828WT	US TREASURY NOT	21831	UNITED STATES TREASURY	.875	7/15/17		RBS GREENWICH C	1001	21,000,000.00	21,001,640.63	26,921.52	
3/16/16	912828UW	US TREASURY NOT	20671	UNITED STATES TREASURY	.250	4/15/16	.2990	BARCLAYS	4000	15,000,000.00	14,999,414.06	2,285.54	
3/16/16	912828UW	US TREASURY NOT	20670	UNITED STATES TREASURY	.250	4/15/16	.2990	BARCLAYS	4002	15,000,000.00	14,999,414.06	1,614.79	
3/17/16	912828SM	US TREASURY NOT	21274	UNITED STATES TREASURY	1.000	3/31/17	.7003	DEUTSCHE BANK S	1001	20,000,000.00	20,061,718.75	42,278.50	
3/18/16	912828RF	US TREASURY NOT	15510	UNITED STATES TREASURY	1.000	8/31/16		MIZUHO SECURITI	1001	1,000,000.00	1,002,421.88	2,113.14	
3/28/16	912828QP	US TREASURY NOT	20790	UNITED STATES TREASURY	1.750	5/31/16		BARCLAYS	4000	5,000,000.00	5,012,695.31	2,160.26	
3/28/16	912828QP	US TREASURY NOT	20789	UNITED STATES TREASURY	1.750	5/31/16	.2727	BARCLAYS	4002	5,000,000.00	5,012,695.31	2,160.26	
3/04/16	3137EADT	AGENCY US BOND	20762	FREDDIE MAC	.875	2/22/17	.7538	DAIWA CAPITAL M	1001	20,000,000.00	20,023,100.00	33,212.57	
3/08/16	3133786Q	AGENCY US BOND	16067	FEDERAL HOME LOAN BANK	1.000	2/13/17	.7595	WELLS FARGO SEC	1001	20,000,000.00	20,044,380.96	50,022.54	
3/08/16	313379FW	AGENCY US BOND	21561	FEDERAL HOME LOAN BANKS	1.000	6/09/17		WELLS FARGO SEC	1001	5,000,000.00	5,009,168.20	4,688.48	
3/16/16	3135G0VA	AGENCY US BOND	18525	FANNIE MAE	.500	3/30/16		WELLS FARGO SEC	4002	15,000,000.00	15,001,140.00	1,346.23	
3/18/16	31331V2U	AGENCY US BOND	21984	FEDERAL FARM CREDIT BAN	5.125	8/25/16		TD SECURITIES	1001	1,127,000.00	1,149,145.55	349.01	
3/18/16	3133EDDP	AGENCY US BOND	20713	FEDERAL FARM CREDIT BAN	.520	6/17/16	.4042	BROKER DIRECT	1001	7,500,000.00	7,502,063.18	2,063.18	
3/29/16	313378J7	AGENCY US BOND	25014	FEDERAL HOME LOAN BANKS	1.875	3/13/20		WELLS FARGO SEC	4000	5,000,000.00	5,117,075.00	4,133.47	
3/29/16	313378J7	AGENCY US BOND	25013	FEDERAL HOME LOAN BANKS	1.875	3/13/20	1.2659	WELLS FARGO SEC	4002	5,000,000.00	5,117,075.00	4,133.47	
3/29/16	3133EE4S	AGENCY US BOND	23990	FEDERAL FARM CREDIT BAN	1.650	7/29/19	1.1004	INTL FCSTONE PA	4000	4,780,000.00	4,788,604.00	8,604.00	7/29/16
3/17/16	313384WC	AGENCY US DISC	24625	FEDL HOME LOAN BK CONS		4/27/16	.2651	TD SECURITIES	4101	10,000,000.00	9,997,055.56	2,722.23	
3/17/16	313384ZQ	AGENCY US DISC	24833	FEDL HOME LOAN BK CONS		7/20/16		BMO CAPTIAL MAR	4101	15,000,000.00	14,980,108.33	6,974.99	
3/18/16	313384XE	AGENCY US DISC	24721	FEDERAL HOME LOAN BANKS		5/23/16		DEUTSCHE BANK S	4101	12,000,000.00	11,993,595.00	4,515.00	
3/31/16	313384VV	AGENCY US DISC	24405	FEDERAL HOME LOAN BANKS		4/20/16		TD SECURITIES	4101	15,000,000.00	14,998,416.67	356.25	

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 3/01/16 Through 3/31/16

TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
3/31/16	313396C6	AGENCY US DISC	25021	FEDERAL HOME LOAN MORTG		8/19/16		WELLS FARGO SEC	4101	7,500,000.00	7,490,083.33	4,316.67	
3/17/16	31315PB7	AGENCY 30/360 2	16016	FEDERAL AGRICULTURAL MO	.900	6/09/16	.4096	MIZUHO SECURITI	1001	15,000,000.00	15,016,500.00	16,500.00	
3/18/16	31315PB7	AGENCY 30/360 2	16016	FEDERAL AGRICULTURAL MO	.900	6/09/16		BROKER DIRECT	1001	10,000,000.00	10,010,022.01	10,022.01	
3/01/16	31359MH8	AGENCY US NOTES	20039	FEDERAL NATIONAL MORTGA	5.000	3/15/16	.3014	TD SECURITIES	4000	7,500,000.00	7,512,705.00	670.31	
3/02/16	3135G0AL	AGENCY US NOTES	21688	FEDERAL NATIONAL MORTGA	2.250	3/15/16		INTL FCSTONE PA	4002	8,709,000.00	8,714,486.67	120.45	
3/09/16	3137EADJ	AGENCY US NOTES	17209	FEDERAL HOME LOAN MORTG	1.000	7/28/17	.8826	HSBC	1001	25,500,000.00	25,541,055.00	12,681.10	
3/10/16	31315PA2	AGENCY US NOTES	23825	FEDERAL AGRICULTURAL MO	2.000	7/27/16	.4162	ISSUER DIRECT	4101	7,800,000.00	7,846,566.00	13.84	
3/10/16	3137EADL	AGENCY US NOTES	17682	FEDERAL HOME LOAN MORTG	1.000	9/29/17	.9492	HSBC	1001	5,000,000.00	5,003,900.00	8,461.68	
3/11/16	3135G0E3	AGENCY US NOTES	23577	FEDERAL NATIONAL MORTGA	1.125	7/20/18	1.0627	DAIWA CAPITAL M	1001	20,000,000.00	20,028,860.00	56,648.14	
3/17/16	3132X0CG	AGENCY US NOTES	24275	FEDERAL AGRICULTURAL MO	.440	10/05/16		BROKER DIRECT	4101	15,000,000.00	14,998,614.00	.23	
3/28/16	3134G8GW	AGENCY US NOTES	24790	FEDERAL HOME LOAN MORTG	2.000	1/20/21	1.4723	KEYBANC CAPITAL	4002	5,000,000.00	5,001,500.00	1,500.00	4/20/16
3/29/16	3136G1GD	AGENCY US NOTES	24942	FEDERAL NATIONAL MORTGA	1.100	3/27/18		INTL FCSTONE PA	4002	10,000,000.00	10,000,000.00		6/27/16
3/10/16	3136G1EN	FED NATL MORTGA	18502	FED NATL MORTGAGE ASSN	1.100	3/13/18	1.0167	JEFFRIES & CO	1001	15,000,000.00	15,024,750.00	24,750.00	
3/02/16	3132X0BY	AGENCY US VARIA	24155	FEDERAL AGRICULTURAL MO	.160	9/16/16		INTL FCSTONE PA	4101	15,000,000.00	14,999,550.00	10.12	
3/02/16	3132X0BY	AGENCY US VARIA	24155	FEDERAL AGRICULTURAL MO	.160	9/16/16	.4235	INTL FCSTONE PA	4101	10,000,000.00	9,999,700.00	6.74	
3/10/16	3132X0CE	AGENCY US VAR 3	24234	FARMER MAC	.250	4/05/17	.4728	INTL FCSTONE PA	4101	25,000,000.00	24,999,250.00	147.40	
3/29/16	742651DN	CORP US NOTE 30	24907	PRIVATE EXPORT FUNDING	1.375	2/15/17	.7970	KEYBANC CAPITAL	4000	1,142,000.00	1,147,744.26	1,031.35	
41 SALES DURING PERIOD TOTAL.....										505,458,000.00	507,054,092.63	425,676.40	
== GRAND-TOTAL ==>										1015345000.00	1017976753.58	425,676.40	

*** END-OF-REPORT ***

NM State Treasurer Office

TRADE ACTIVITY FOR MARCH 2016 AND FISCAL YEAR 16 - 3RD QUARTER

NM STO Trade Activity March 2016		
Purchase	Volume	Trades
Treasury	67,500,000	4
Agency	403,472,000	39
Callable	36,000,000	4
CD's	-	-
Muni	2,915,000	3
Total Purchase	509,887,000	50
Sale	Volume	Trades
Treasury	166,900,000	11
Agency	318,778,000	27
Callable	19,780,000	3
Muni	-	-
Total Sale	505,458,000	41
Total Volume	1,015,345,000	91

LGIP		
Repo Term	180,000,000	4
Repo ON	340,000,000	11
Total Repo	520,000,000	15

Fiscal Year 16 3rd QTR		
Purchase	Volume	Trades
	87,500,000	5
	627,739,000	74
	86,800,000	13
	4,000,000	2
	4,930,000	9
	810,969,000	103
Sale	Volume	Trades
	256,400,000	16
	429,230,000	33
	19,780,000	3
	0	0
	705,410,000	52
	1,516,379,000	155

NM State Treasurer Office

TRADE ACTIVITY FOR MARCH 2016 AND FISCAL YEAR 16 - 3RD QUARTER

GF Core Trade Activity March 2016			Fiscal Year 16 3rd QTR		
Purchase	Volume	Trades	Purchase	Volume	Trades
Treasury	20,000,000	1		40,000,000	2
Agency	55,500,000	4		89,500,000	7
Callable					
CD's					
Muni					
Total Purchase	75,500,000	5		129,500,000	9
Sale	Volume	Trades	Sale	Volume	Trades
Treasury	126,900,000	7		201,400,000	11
Agency	144,127,000	11		215,127,000	15
Callable					
Muni					
Total Sale	271,027,000	18		416,527,000	26
Total Volume	346,527,000	23		546,027,000	35

BPIP TE Trade Activity March 2016			Fiscal Year 16 3rd QTR		
Purchase	Volume	Trades	Purchase	Volume	Trades
Treasury					
Agency	12,000,000	2		33,442,000	9
Callable	23,500,000	3		43,300,000	7
CD's					
Muni	665,000	1		2,680,000	7
Total Purchase	36,165,000	6		79,422,000	23
Sale	Volume	Trades	Sale	Volume	Trades
Treasury	20,000,000	2		35,000,000	3
Agency	13,642,000	3		29,412,000	4
Callable	4,780,000	1		4,780,000	1
Muni					
Total Sale	38,422,000	6		69,192,000	8
Total Volume	74,587,000	12		148,614,000	31

NM State Treasurer Office

TRADE ACTIVITY FOR MARCH 2016 AND FISCAL YEAR 16 - 3RD QUARTER

BPIP TX Trade Activity March 2016			Fiscal Year 16 3rd QTR		
Purchase	Volume	Trades	Purchase	Volume	Trades
Treasury	7,500,000	1		7,500,000	1
Agency	27,000,000	3		47,000,000	6
Callable	12,500,000	1		43,500,000	6
CD's				4,000,000	2
Muni	2,250,000	2		2,250,000	2
Total Purchase	49,250,000	7		104,250,000	17
Sale	Volume	Trades	Sale	Volume	Trades
Treasury	20,000,000	2		20,000,000	2
Agency	28,709,000	3		52,391,000	4
Callable	15,000,000	2		15,000,000	2
Muni					
Total Sale	63,709,000	7		87,391,000	8
Total Volume	112,959,000	14		191,641,000	25

STB Trade Activity March 2016			Fiscal Year 16 3rd QTR		
Purchase	Volume	Trades	Purchase	Volume	Trades
Treasury	25,000,000	1		25,000,000	1
Agency	91,427,000	6		111,427,000	7
Callable					
CD's					
Muni					
Total Purchase	116,427,000	7		136,427,000	8
Sale	Volume	Trades	Sale	Volume	Trades
Treasury					
Agency					
Callable					
Muni					
Total Sale	-	0		0	0
Total Volume	116,427,000	7		136,427,000	8

NM State Treasurer Office

TRADE ACTIVITY FOR MARCH 2016 AND FISCAL YEAR 16 - 3RD QUARTER

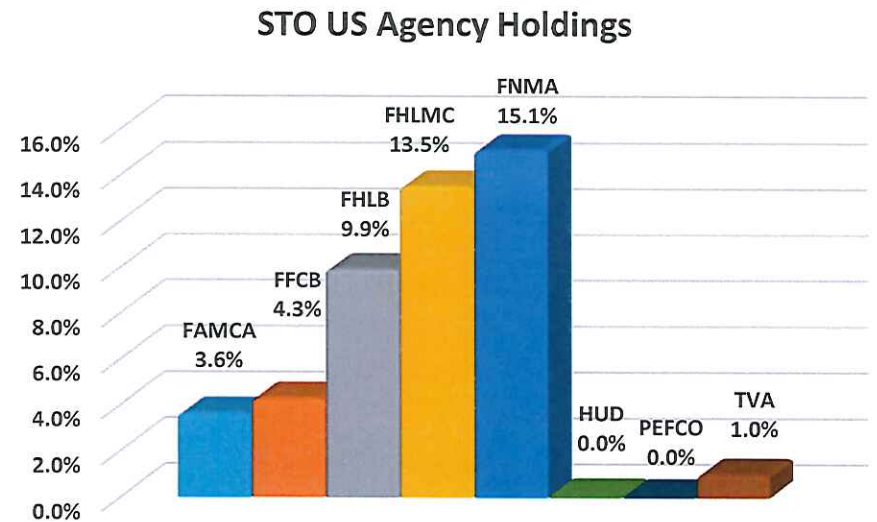
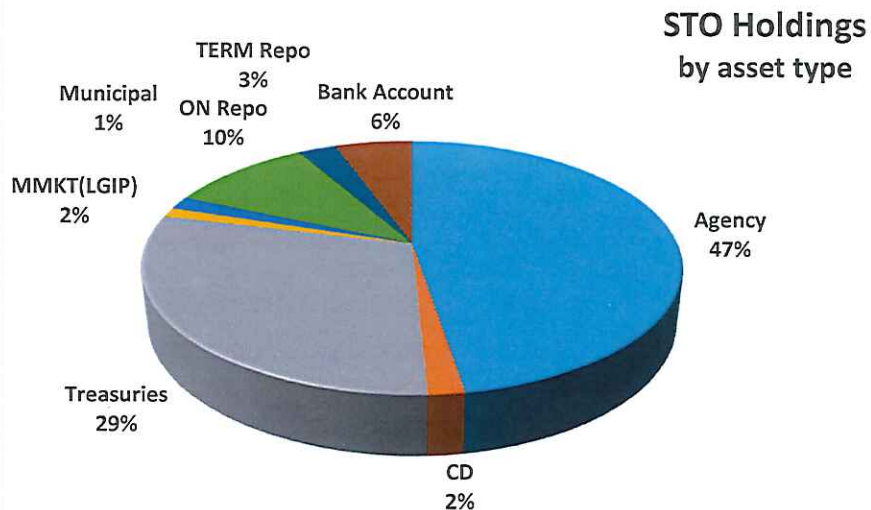
<u>LGIP Trade Activity March 2016</u>			<u>Fiscal Year 16 3rd QTR</u>		
Purchase	Volume	Trades	Purchase	Volume	Trades
Treasury	15,000,000	1		15,000,000	1
Agency	217,545,000	24		346,370,000	45
Callable					
CD's					
Muni					
Total Purchase	232,545,000	25		361,370,000	46
Sale	Volume	Trades	Sale	Volume	Trades
Treasury					
Agency	132,300,000	10		132,300,000	10
Callable					
Muni					
Total Sale	132,300,000	10		132,300,000	10
Total Volume	364,845,000	35		493,670,000	56
<u>LGIP Repo Activity March 2016</u>					
Repo Activity	Volume	Trades			
Repo Term	180,000,000	4		380,000,000	10
Repo ON	340,000,000	11		340,000,000	11
Total Repo	520,000,000	15		720,000,000	21

NM State Treasurer Office Security Holding by Portfolio

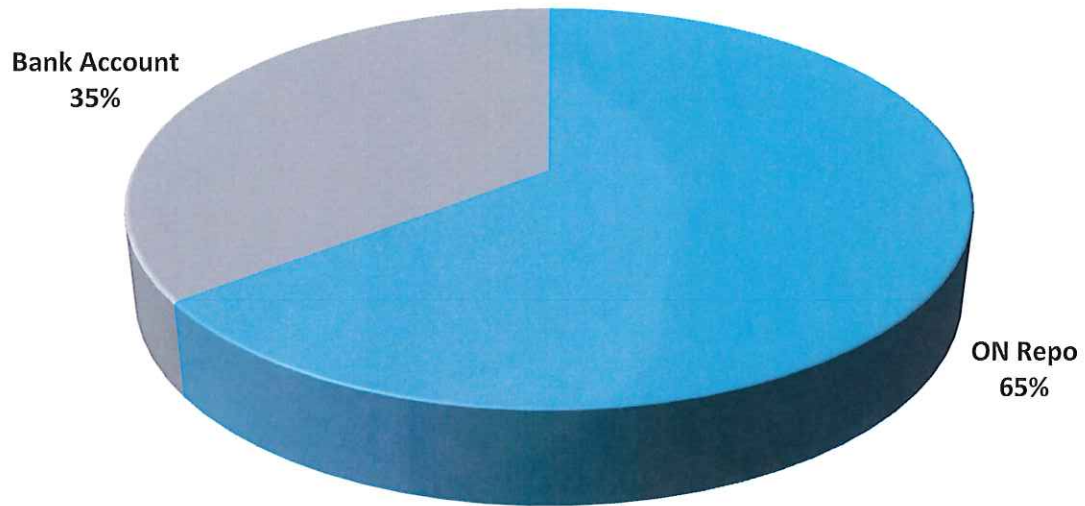
March 31, 2016

Values are based on position holdings

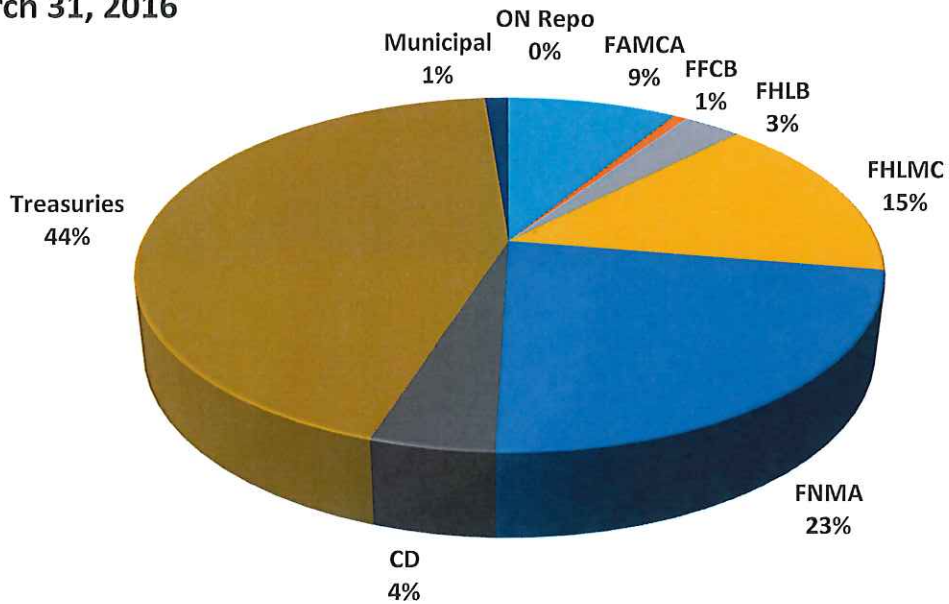
	<u>GF LIQ</u>	<u>GF CORE</u>	<u>BPIP TE</u>	<u>BPIP TX</u>	<u>STB</u>	<u>LGIP</u>	<u>STO Holdings</u>	
Portfolio Balance	426,215,237	1,148,052,729	604,162,736	597,909,556	213,857,536	620,089,308	3,610,287,102	
Agency	-	578,941,000	350,159,000	241,000,000	111,427,000	430,795,000	1,712,322,000	47.4%
FAMCA	-	99,500,000	5,000,000	8,000,000	17,800,000	-	130,300,000	3.6%
FFCB	-	8,000,000	37,000,000	-	7,500,000	101,525,000	154,025,000	4.3%
FHLB	-	34,500,000	42,065,000	50,000,000	51,127,000	180,485,000	358,177,000	9.9%
FHLMC	-	175,000,000	133,500,000	68,500,000	20,000,000	90,247,000	487,247,000	13.5%
FNMA	-	261,941,000	95,189,000	114,500,000	15,000,000	58,538,000	545,168,000	15.1%
HUD	-	-	1,400,000	-	-	-	1,400,000	0.0%
PEFCO	-	-	-	-	-	-	-	0.0%
TVA	-	-	36,005,000	-	-	-	36,005,000	1.0%
CD	-	52,750,000	3,000,000	10,200,000	-	-	65,950,000	1.8%
Treasuries	-	501,750,000	209,000,000	310,050,000	25,000,000	15,000,000	1,060,800,000	29.4%
Municipal	-	13,845,000	21,865,000	6,370,000	-	-	42,080,000	1.2%
MMKT(LGIP)	-	-	7,060,270	10,334,006	44,101,650	-	61,495,925	1.7%
ON Repo	275,499,496	766,729	13,078,466	19,955,551	23,269,371	35,000,000	367,569,614	10.2%
TERM Repo	-	-	-	-	-	100,000,000	100,000,000	2.8%
Bank Account	150,715,741	-	-	-	10,059,514	39,294,308	200,069,563	5.5%

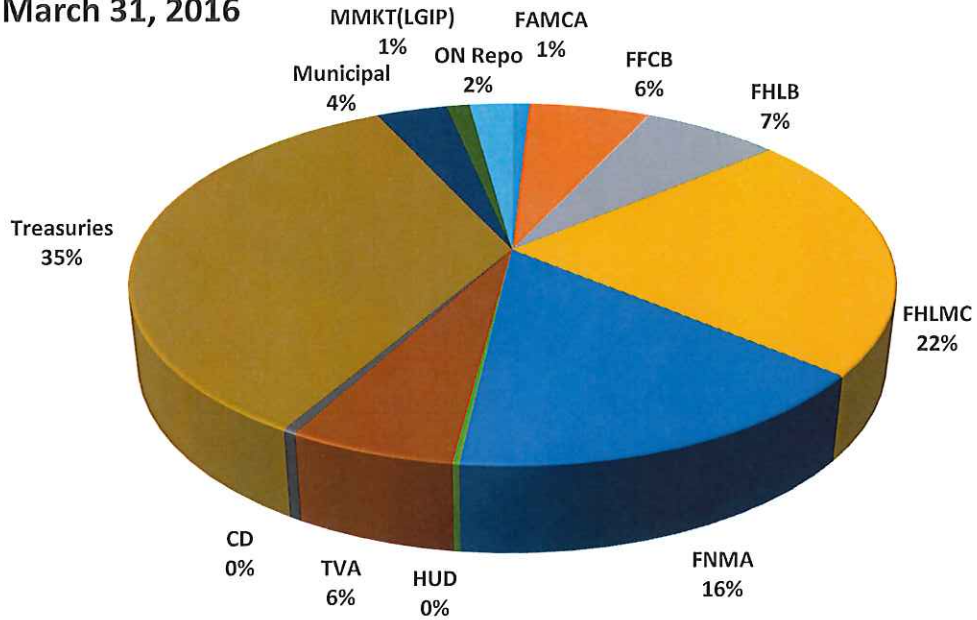
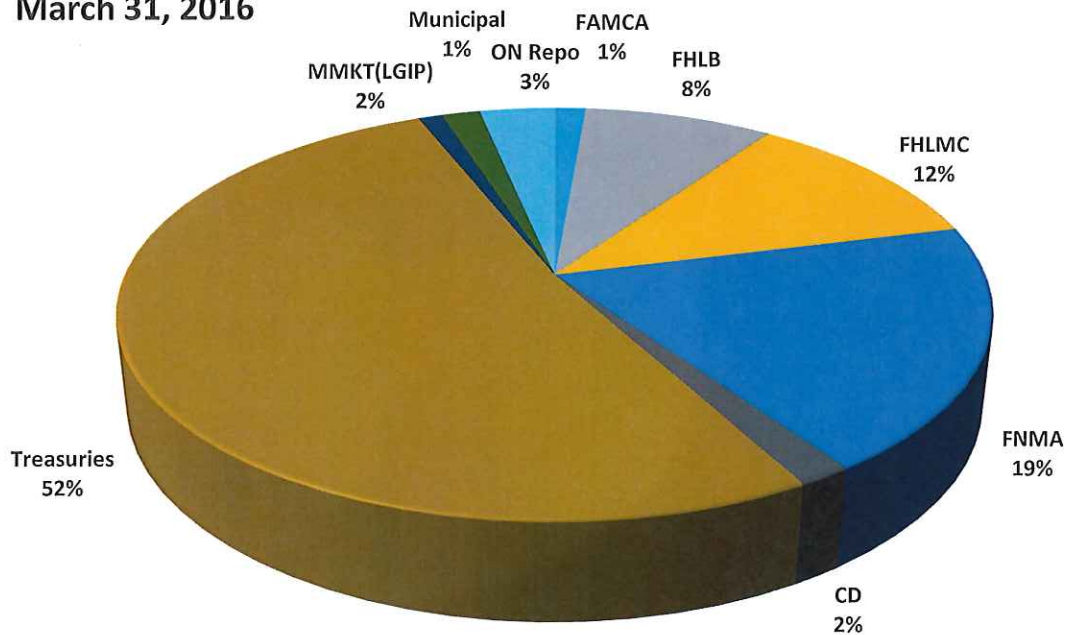


GF Liquidity Holdings March 31, 2016

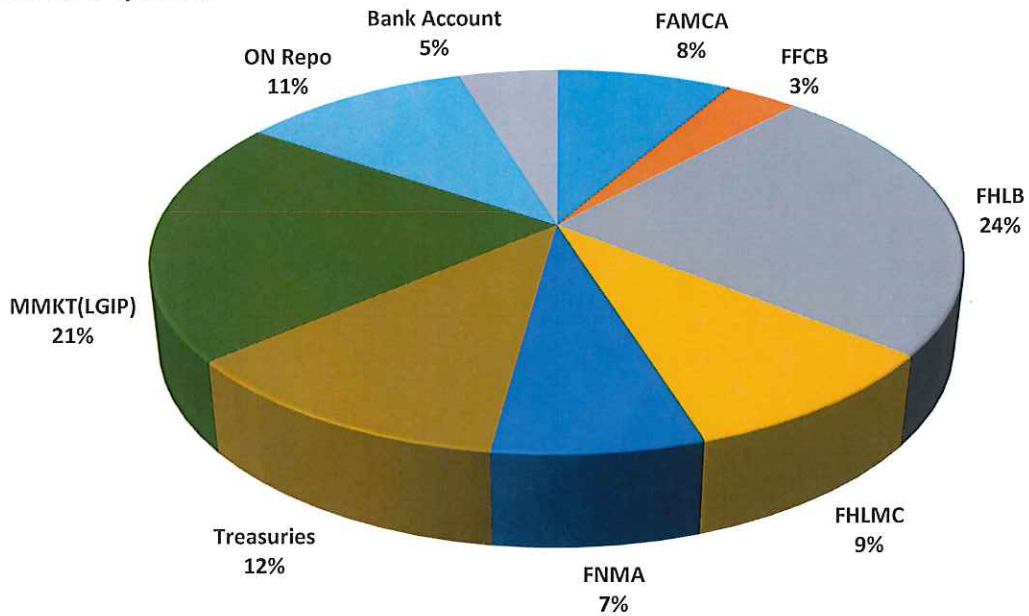


GF CORE Holdings March 31, 2016

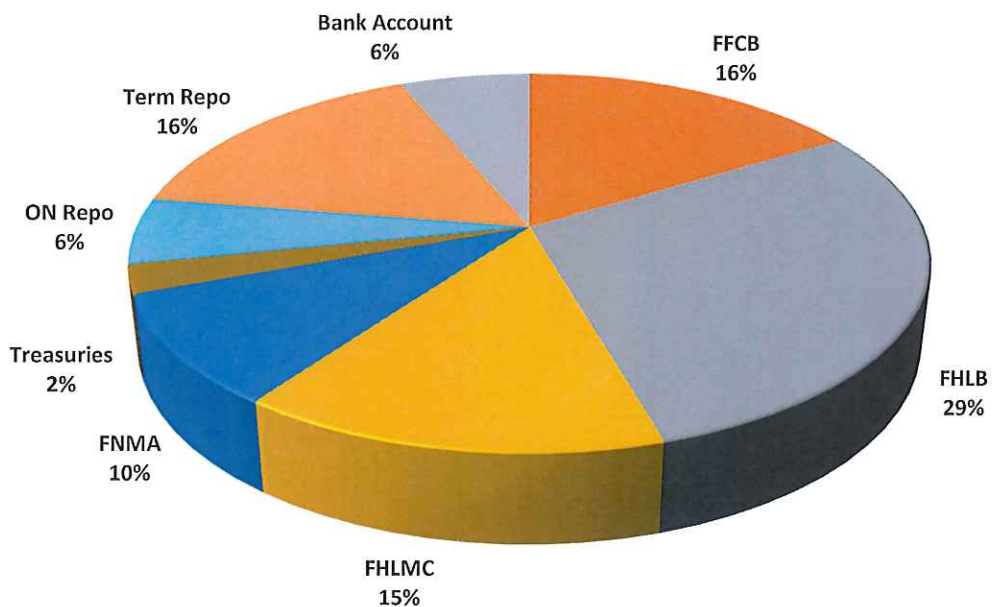


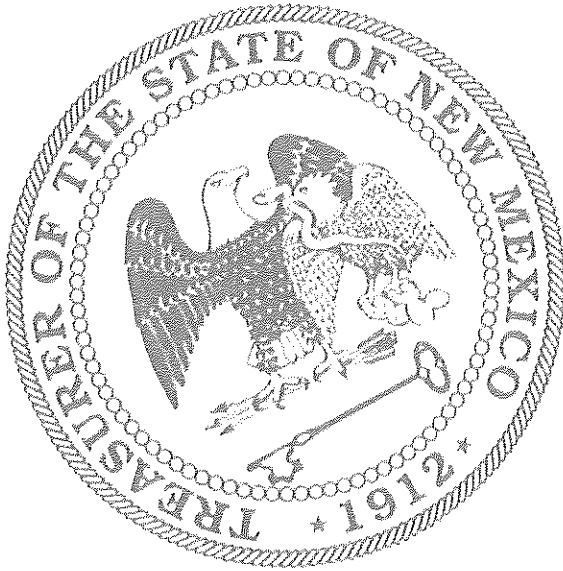
BPIP Tax-Exempt Holdings**March 31, 2016****BPIP Taxable Holdings****March 31, 2016**

STB Holdings March 31, 2016



LGIP Holdings March 31, 2016





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



STATE OF NEW MEXICO
OFFICE OF THE TREASURER

THE HONORABLE TIM EICHENBERG
State Treasurer

SAMUEL K. COLLINS, JR
Deputy State Treasurer

Memorandum

Date: April 7, 2016
To: Charmaine Cook, Chief Investment Officer & Investment Division Director
From: Steve Vigil, Investment Accounting Bureau Chief SV
CC: STO Investments Division, Leo Marquez II, STO Chief Financial Officer
Subject: March 2016 Investment Reconciliation

March 2016 Investments Reconciliation

The March 2016 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 February 29th and March 31st.
3. Cash transaction activity proofs.
4. Earned income proofs.
5. Proof of change in cost.
6. Duplicate cash activity.
7. JP Morgan to QED inventory reconciliation.
8. JP Morgan to QED income reconciliation.

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

Earned interest materiality threshold is ½ basis point of the total market value of a JP Morgan account. The JPM-QED income reconciliation has one material difference. The difference stems from QED reporting. QED income reporting is not designed to include interest from inter-fund investments because inter-fund investments do not include a day count convention, coupon rate, or a maturity date. Please refer to the JPM-QED income reconciliation.

JP Morgan to QED Inventory Reconciliations
For Accounting Period Ended March 31, 2016
Market Value Reconciliation

W/P Ref
503

JPM Account	Market Value	QED Fund #	Name	Market Value	Difference	BPS Dollar Threshold *
P 09336	426,215,263.37	1000	GF Liquidity	426,215,237.37	26.00	213,107.63
P 09337	1,161,530,907.11	1001	GF Core	1,161,521,361.18	9,545.93	580,765.45
P 09334	138,430,386.46	1101	ONREPO	138,447,664.06	(17,277.60)	69,215.19
P 89523	228,974,763.37	4001	STB	228,974,503.86	259.51	114,487.38
P 09335	610,127,858.55	4000	BPIP#1	610,129,094.30	(1,235.75)	305,063.93
P 09339	604,385,261.82	4002	BPIP#2	604,404,889.10	(19,627.28)	302,192.63
P 09333	626,761,195.13	4101	LGIP	626,761,368.86	(173.73)	313,380.60
Total	3,796,425,635.81			3,796,454,118.73	(28,482.92)	1,898,212.82

Cost Reconciliation

JPM Account	Cost	QED Fund #	Name	Cost	Difference	BPS Dollar Threshold *
P 09336	426,215,263.37	1000	GF Liquidity	426,215,237.37	26.00	213,107.63
P 09337	1,161,450,223.38	1001	GF Core	1,161,450,045.30	178.08	580,725.11
P 09334	138,430,386.46	1101	ONREPO	138,447,664.06	(17,277.60)	69,215.19
P 89523	229,099,137.11	4001	STB	229,099,112.10	25.01	114,549.57
P 09335	613,047,001.42	4000	BPIP#1	613,047,001.42	-	306,523.50
P 09339	606,228,073.08	4002	BPIP#2	606,228,073.11	(0.03)	303,114.04
P 09333	627,150,987.91	4101	LGIP	627,150,987.91	-	313,575.49
Total	3,801,621,072.73			3,801,638,121.27	(17,048.54)	1,900,810.54

Position Reconciliation

JPM Account	Position Size	QED Fund #	Name	Position Size	Difference	BPS Dollar Threshold *
P 09336	426,215,263.37	1000	GF Liquidity	426,215,237.37	26.00	213,107.63
P 09337	1,148,052,729.05	1001	GF Core	1,148,052,729.05	-	574,026.36
P 09334	138,430,386.46	1101	ONREPO	138,447,664.06	(17,277.60)	69,215.19
P 89523	228,857,560.65	4001	STB	228,857,535.65	25.00	114,428.78
P 09335	604,827,735.97	4000	BPIP#1	604,827,735.97	-	302,413.87
P 09339	600,159,556.30	4002	BPIP#2	600,159,556.30	-	300,079.78
P 09333	626,199,307.99	4101	LGIP	626,199,307.99	-	313,099.65
Total	3,772,742,539.79			3,772,759,766.39	(17,226.60)	1,886,371.27

*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 March 31, 2016

W/P Ref
504

JPM Account	Earned Interest	QED Fund #	Name	Earned Interest	Difference	BPS Dollar Threshold *
P 09336	65,925.76	1000	GF Liquidity	62,202.00	3,723.76	21,310.76
P 09337	1,539,043.21	1001	GF Core	1,538,956.90	86.31	58,076.55
P 09334	19,873.36	1101	ONREPO	19,873.35	0.01	6,921.52
P 89523	123,496.80	4001	STB	109,776.57	13,720.23	11,448.74
P 09335	717,958.60	4000	BPIP#1	724,915.55	(6,956.95)	30,506.39
P 09339	714,521.59	4002	BPIP#2	711,308.34	3,213.25	30,219.26
P 09333	407,608.65	4101	LGIP	407,554.69	53.96	31,338.06
Total	3,588,427.97			3,574,587.40	13,840.57	189,821.28

JP Morgan to QED Amortization/Accretion Reconciliation

JPM Account	Amortization/Accretion	QED Fund #	Name	Amortization/Accretion	Difference
P 09336	-	1000	GF Liquidity	-	-
P 09337	(313,184.77)	1001	GF Core	(348,045.23)	34,860.46
P 09334	-	1101	ONREPO	-	-
P 89523	(64,855.60)	4001	STB	(64,044.88)	(810.72)
P 09335	(287,675.10)	4000	BPIP#1	(295,346.14)	7,671.04
P 09339	(237,821.98)	4002	BPIP#2	(259,497.69)	21,675.71
P 09333	(203,858.06)	4101	LGIP	(202,166.07)	(1,691.99)
Total	(1,107,395.51)			(1,169,100.01)	61,704.50

* BPS Dollar Threshold

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

0.005%

Note: QED uses multiple methods (referenced below) to compute amortization/accretion where the configuration is matched with an asset type. JP Morgan uses, but is not limited to, the pro rata, straight line, and level yield methods for amortization/accretion. Therefore, the 61,704.50 difference stems from the accounting method JP Morgan uses to compute amortization/accretion vs. QED.

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

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 3/01/16 Through 3/31/16

TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
PURCHASE TRANSACTIONS													
3/16/16	912828J6	US TREASURY NOT	25163	UNITED STATES TREASURY	1.000	3/15/18	1.0059	DEUTSCHE BANK S	4002	7,500,000.00	7,499,121.09		
3/17/16	912828N4	US TREASURY NOT	25180	UNITED STATES TREASURY	1.750	12/31/20	1.3834	BARCLAYS	1001	20,000,000.00	20,338,281.25		
3/18/16	912828RF	US TREASURY NOT	25193	UNITED STATES TREASURY	1.000	8/31/16	.4519	BMO CAPTIAL MAR	4101	15,000,000.00	15,036,328.13		
3/22/16	912828WQ	US TREASURY NOT	25208	UNITED STATES TREASURY	.500	6/30/16	.3415	DAIWA CAPITAL M	4001	25,000,000.00	25,010,742.19		
3/07/16	3130A6EK	AGENCY US FLOAT	25102	FEDERAL HOME LOAN BANKS	.399	6/01/16	.4059	INTL FCSTONE PA	4101	10,000,000.00	9,999,826.20		
3/11/16	3133EDH2	AGENCY US FLOAT	25142	FEDERAL FARM CREDIT BAN	.451	9/14/16	.4759	BARCLAYS	4101	1,375,000.00	1,374,822.17		
3/15/16	31331K6S	AGENCY US FLOAT	25161	FEDERAL FARM CREDIT BAN	.479	1/17/17	.4793	WELLS FARGO SEC	4101	10,000,000.00	10,000,000.00		
3/15/16	3134G75N	AGENCY US FLOAT	25153	FEDERAL HOME LOAN MORTG	.479	4/27/17	.5178	CANTOR FITZGERA	4101	10,000,000.00	9,995,600.00		
3/01/16	3133782M	AGENCY US BOND	25075	FEDERAL HOME LOAN BANKS	1.500	3/08/19	1.1268	HSBC	4000	10,000,000.00	10,110,400.00		
3/02/16	313375K4	AGENCY US BOND	25067	FEDERAL HOME LOAN BANKS	2.000	9/14/18	.9892	INTL FCSTONE PA	4002	15,000,000.00	15,378,000.00		
3/04/16	3130A3E6	AGENCY US BOND	25100	FEDERAL HOME LOAN BANKS	.320	5/11/16	.4266	BB&T CAPITAL MA	4101	23,865,000.00	23,860,463.26		
3/04/16	3130A7CV	AGENCY US BOND	25052	FEDERAL HOME LOAN BANKS	1.375	2/18/21	1.5647	RBS	1001	20,000,000.00	19,820,000.00		
3/10/16	3130A57M	AGENCY US BOND	25132	FEDERAL HOME LOAN BANKS	.250	4/27/16	.4297	BB&T CAPITAL MA	4101	12,295,000.00	12,292,172.15		
3/16/16	3130A7L9	AGENCY US BOND	25170	FEDERAL HOME LOAN BANK	.850	4/17/17	.8500	INTL FCSTONE PA	4101	1,310,000.00	1,310,000.00		
3/18/16	3133EDDP	AGENCY US BOND	25181	FEDERAL FARM CREDIT BAN	.520	6/17/16	.4042	BROKER DIRECT	4001	7,500,000.00	7,502,063.18		
3/24/16	313382F7	AGENCY US BOND	25217	FEDERAL HOME LOAN BANKS	1.100	12/27/18	1.1001	BANK OF OKLAHOM	1001	500,000.00	499,998.00		
3/30/16	3130A4UC	AGENCY US BOND	25250	FEDERAL HOME LOAN BANKS	1.125	4/27/18	.6018	BANK OF OKLAHOM	4000	1,000,000.00	1,000,358.78		4/27/16
3/02/16	313384G2	AGENCY US DISC	25083	FEDERAL HOME LOAN BANKS		9/16/16	.5748	BOSC, INC	4101	500,000.00	498,432.21		
3/21/16	313312US	AGENCY US DISC	25194	FEDERAL FARM CREDIT BAN		3/24/16	.2800	FTN FINANCIAL S	4101	24,000,000.00	23,999,626.67		
3/22/16	313384YL	AGENCY US DISC	25209	FEDERAL HOME LOAN BANKS		6/22/16	.3653	WELLS FARGO SEC	4001	25,000,000.00	24,976,934.03		
3/24/16	313384YT	AGENCY US DISC	25216	FEDERAL HOME LOAN BANKS		6/29/16	.3704	MIZUHO SECURITI	4001	26,127,000.00	26,102,026.94		
3/29/16	313396G9	AGENCY US DISC	25240	FEDERAL HOME LOAN MORTG		9/23/16	.4862	JEFFRIES & CO	4101	20,000,000.00	19,952,308.33		
3/31/16	3130A76J	FED HOME LOAN B	25261	FEDERAL HOME LOAN BANKS	.440	6/30/16	.3952	BB&T CAPITAL MA	4001	15,000,000.00	15,001,650.00		
3/31/16	3130A76J	FED HOME LOAN B	25260	FEDERAL HOME LOAN BANKS	.440	6/30/16	.3952	BB&T CAPITAL MA	4101	28,610,000.00	28,613,147.10		
3/01/16	3137EACW	AGENCY US NOTES	25074	FEDERAL HOME LOAN MORTG	2.000	8/25/16	.5207	KEYBANC CAPITAL	4101	11,805,000.00	11,888,697.45		
3/02/16	3135G0J6	AGENCY US NOTES	25084	FNMA	.875	3/28/18	.9730	TD SECURITIES	4002	10,000,000.00	9,980,000.00		
3/02/16	3136G0T3	AGENCY US NOTES	25085	FEDERAL NATIONAL MORTGA	1.220	10/25/18	1.2146	INTL FCSTONE PA	4000	10,000,000.00	10,000,000.00		4/25/16
3/04/16	3134G3YF	AGENCY US NOTES	25101	FEDERAL HOME LOAN MORTG	1.500	7/18/19	1.2488	BOSC, INC	4000	2,000,000.00	2,016,500.00		
3/04/16	31359MM4	AGENCY US NOTES	25093	FEDERAL NATIONAL MORTGA	5.250	9/15/16	.6129	BB&T CAPITAL MA	4101	250,000.00	256,131.25		
3/07/16	31359MH8	AGENCY US NOTES	23527	FEDERAL NATIONAL MORTGA	5.000	3/15/16	.3273	DEUTSCHE BANK S	4101	3,500,000.00	3,503,174.50		
3/07/16	3135G0AL	AGENCY US NOTES	23413	FEDERAL NATIONAL MORTGA	2.250	3/15/16	.3077	RBS GREENWICH C	4101	5,000,000.00	5,001,885.00		
3/10/16	31315PA2	AGENCY US NOTES	25131	FEDERAL AGRICULTURAL MO	2.000	7/27/16	.4162	ISSUER DIRECT	4001	7,800,000.00	7,846,566.00		
3/10/16	3134G8RW	AGENCY US NOTES	25133	FREDDIE MAC	1.240	3/29/19	1.2400	INTL FCSTONE PA	4000	12,500,000.00	12,500,000.00		9/29/16
3/10/16	3134G8RW	AGENCY US NOTES	25134	FREDDIE MAC	1.240	3/29/19	1.2400	INTL FCSTONE PA	4002	12,500,000.00	12,500,000.00		9/29/16
3/10/16	3137EAAD	AGENCY US NOTES	25130	FEDERAL HOME LOAN MORTG	5.250	4/18/16	.4108	BOSC, INC	4101	600,000.00	602,977.63		
3/11/16	31359M2D	AGENCY US NOTES	25144	FEDERAL NATIONAL MORTGA	4.875	12/15/16	.7054	BOSC, INC	4101	785,000.00	809,531.25		
3/16/16	31359M2D	AGENCY US NOTES	25144	FEDERAL NATIONAL MORTGA	4.875	12/15/16	.6713	BMO CAPTIAL MAR	4101	4,000,000.00	4,124,656.00		
3/16/16	31359MM4	AGENCY US NOTES	25093	FEDERAL NATIONAL MORTGA	5.250	9/15/16	.5700	WELLS FARGO SEC	4101	4,000,000.00	4,092,296.00		

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 3/01/16 Through 3/31/16

TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
3/17/16	3132X0CG	AGENCY US NOTES	25178	FEDERAL AGRICULTURAL MO	.440	10/05/16	.4569	BROKER DIRECT	1001	15,000,000.00	14,998,614.00		
3/18/16	31315PB7	AGENCY US NOTES	25182	FEDERAL AGRICULTURAL MO	.900	6/09/16	.4359	BROKER DIRECT	4001	10,000,000.00	10,010,022.01		
3/18/16	3136G1FU	AGENCY US NOTES	25187	FEDERAL NATIONAL MORTGA	1.000	12/19/17	.9052	BANK OF OKLAHOM	4002	2,000,000.00	2,003,275.42		
3/18/16	3137EADZ	AGENCY US NOTES	25183	FREDDIE MAC	1.125	4/15/19	1.1360	CASTLEOAK SECUR	1001	20,000,000.00	19,993,400.00		
3/21/16	3137EADS	AGENCY US NOTES	25201	FEDERAL HOME LOAN MORTG	.875	10/14/16	.5408	BARCLAYS	4101	15,000,000.00	15,028,050.00		
3/30/16	3135G0ZB	AGENCY US NOTES	25249	FEDERAL NATIONAL MORTGA	.750	4/20/17	.7100	INTL FCSTONE PA	4101	5,000,000.00	5,002,100.00		
3/15/16	3133EERF	AGENCY US VARIA	25160	FEDERAL FARM CREDIT BAN	.495	4/27/17	.5846	TD SECURITIES	4101	250,000.00	249,747.50		
3/18/16	3133ECXS	AGENCY US VARIA	25192	FEDERAL FARM CREDIT BAN	.530	7/20/16	.4246	INTL FCSTONE PA	4101	20,000,000.00	20,006,720.00		
3/18/16	3133EFKH	AGENCY US VARIA	25184	FEDERAL FARM CREDIT BAN	.440	4/20/17	.5048	INTL FCSTONE PA	4101	5,400,000.00	5,396,157.61		
3/29/16	013493BY	MUNI US 30/360	25241	ABQ BERN COUNTY WATER U	5.250	7/01/16	.5523	SOUTHWEST	4000	665,000.00	672,787.15		
3/31/16	517538BX	MUNI US 30/360	25252	LAS CRUCES N MEX ST SHA	3.000	6/01/16	.5029	SOUTHWEST	4002	400,000.00	401,660.00		
3/31/16	013572KL	MUNICIPAL BOND	25259	ALBUQUERQUE N MEX MET A	4.000	8/01/16	.5039	SOUTHWEST	4002	1,850,000.00	1,865,410.50		

50 PURCHASES DURING PERIOD TOTAL.....

509,887,000.00 510,922,660.95

SALE TRANSACTIONS

3/09/16	912828WW	US TREASURY NOT	23289	UNITED STATES TREASURY	1.625	7/31/19		BARCLAYS	1001	14,000,000.00	14,219,296.88	23,741.79	
3/10/16	912828G9	US TREASURY NOT	23168	UNITED STATES TREASURY	1.625	12/31/19		BARCLAYS	1001	25,900,000.00	26,206,550.78	12,109.93	
3/10/16	912828MS	US TREASURY NOT	20698	UNITED STATES TREASURY	3.000	2/28/17	.7248	TD SECURITIES	1001	20,000,000.00	20,439,062.50	27,117.67	
3/10/16	912828RX	US TREASURY NOT	15905	UNITED STATES TREAS NTS	.875	12/31/16		HSBC	1001	25,000,000.00	25,042,968.75	23,171.54	
3/11/16	912828WT	US TREASURY NOT	21831	UNITED STATES TREASURY	.875	7/15/17		RBS GREENWICH C	1001	21,000,000.00	21,001,640.63	26,921.52	
3/16/16	912828UW	US TREASURY NOT	20671	UNITED STATES TREASURY	.250	4/15/16	.2990	BARCLAYS	4000	15,000,000.00	14,999,414.06	2,285.54	
3/16/16	912828UW	US TREASURY NOT	20670	UNITED STATES TREASURY	.250	4/15/16	.2990	BARCLAYS	4002	15,000,000.00	14,999,414.06	1,614.79	
3/17/16	912828SM	US TREASURY NOT	21274	UNITED STATES TREASURY	1.000	3/31/17	.7003	DEUTSCHE BANK S	1001	20,000,000.00	20,061,718.75	42,278.50	
3/18/16	912828RF	US TREASURY NOT	15510	UNITED STATES TREASURY	1.000	8/31/16		MIZUHO SECURITI	1001	1,000,000.00	1,002,421.88	2,113.14	
3/28/16	912828QP	US TREASURY NOT	20790	UNITED STATES TREASURY	1.750	5/31/16		BARCLAYS	4000	5,000,000.00	5,012,695.31	2,160.26	
3/28/16	912828QP	US TREASURY NOT	20789	UNITED STATES TREASURY	1.750	5/31/16	.2727	BARCLAYS	4002	5,000,000.00	5,012,695.31	2,160.26	
3/04/16	3137EADT	AGENCY US BOND	20762	FREDDIE MAC	.875	2/22/17	.7538	DAIWA CAPITAL M	1001	20,000,000.00	20,023,100.00	33,212.57	
3/08/16	3133786Q	AGENCY US BOND	16067	FEDERAL HOME LOAN BANK	1.000	2/13/17	.7595	WELLS FARGO SEC	1001	20,000,000.00	20,044,380.96	50,022.54	
3/08/16	313379FW	AGENCY US BOND	21561	FEDERAL HOME LOAN BANKS	1.000	6/09/17		WELLS FARGO SEC	1001	5,000,000.00	5,009,168.20	4,688.48	
3/16/16	3135G0VA	AGENCY US BOND	18525	FANNIE MAE	.500	3/30/16		WELLS FARGO SEC	4002	15,000,000.00	15,001,140.00	1,346.23	
3/18/16	31331V2U	AGENCY US BOND	21984	FEDERAL FARM CREDIT BAN	5.125	8/25/16		TD SECURITIES	1001	1,127,000.00	1,149,145.55	349.01	
3/18/16	3133EDDP	AGENCY US BOND	20713	FEDERAL FARM CREDIT BAN	.520	6/17/16	.4042	BROKER DIRECT	1001	7,500,000.00	7,502,063.18	2,063.18	
3/29/16	313378J7	AGENCY US BOND	25014	FEDERAL HOME LOAN BANKS	1.875	3/13/20		WELLS FARGO SEC	4000	5,000,000.00	5,117,075.00	4,133.47	
3/29/16	313378J7	AGENCY US BOND	25013	FEDERAL HOME LOAN BANKS	1.875	3/13/20	1.2659	WELLS FARGO SEC	4002	5,000,000.00	5,117,075.00	4,133.47	
3/29/16	3133EE4S	AGENCY US BOND	23990	FEDERAL FARM CREDIT BAN	1.650	7/29/19	1.1004	INTL FCSTONE PA	4000	4,780,000.00	4,788,604.00	8,604.00	7/29/16
3/17/16	313384WC	AGENCY US DISC	24625	FEDL HOME LOAN BK CONS		4/27/16	.2651	TD SECURITIES	4101	10,000,000.00	9,997,055.56	2,722.23	
3/17/16	313384ZQ	AGENCY US DISC	24833	FEDL HOME LOAN BK CONS		7/20/16		BMO CAPTIAL MAR	4101	15,000,000.00	14,980,108.33	6,974.99	
3/18/16	313384XE	AGENCY US DISC	24721	FEDERAL HOME LOAN BANKS		5/23/16		DEUTSCHE BANK S	4101	12,000,000.00	11,993,595.00	4,515.00	
3/31/16	313384VV	AGENCY US DISC	24405	FEDERAL HOME LOAN BANKS		4/20/16		TD SECURITIES	4101	15,000,000.00	14,998,416.67	356.25	

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 3/01/16 Through 3/31/16

TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
3/31/16	313396C6	AGENCY US DISC	25021	FEDERAL HOME LOAN MORTG		8/19/16		WELLS FARGO SEC	4101	7,500,000.00	7,490,083.33	4,316.67	
3/17/16	31315PB7	AGENCY 30/360 2	16016	FEDERAL AGRICULTURAL MO	.900	6/09/16	.4096	MIZUHO SECURITI	1001	15,000,000.00	15,016,500.00	16,500.00	
3/18/16	31315PB7	AGENCY 30/360 2	16016	FEDERAL AGRICULTURAL MO	.900	6/09/16		BROKER DIRECT	1001	10,000,000.00	10,010,022.01	10,022.01	
3/01/16	31359MH8	AGENCY US NOTES	20039	FEDERAL NATIONAL MORTGA	5.000	3/15/16	.3014	TD SECURITIES	4000	7,500,000.00	7,512,705.00	670.31	
3/02/16	3135G0AL	AGENCY US NOTES	21688	FEDERAL NATIONAL MORTGA	2.250	3/15/16		INTL FCSTONE PA	4002	8,709,000.00	8,714,486.67	120.45	
3/09/16	3137EADJ	AGENCY US NOTES	17209	FEDERAL HOME LOAN MORTG	1.000	7/28/17	.8826	HSBC	1001	25,500,000.00	25,541,055.00	12,681.10	
3/10/16	31315PA2	AGENCY US NOTES	23825	FEDERAL AGRICULTURAL MO	2.000	7/27/16	.4162	ISSUER DIRECT	4101	7,800,000.00	7,846,566.00	13.84	
3/10/16	3137EADL	AGENCY US NOTES	17682	FEDERAL HOME LOAN MORTG	1.000	9/29/17	.9492	HSBC	1001	5,000,000.00	5,003,900.00	8,461.68	
3/11/16	3135G0E3	AGENCY US NOTES	23577	FEDERAL NATIONAL MORTGA	1.125	7/20/18	1.0627	DAIWA CAPITAL M	1001	20,000,000.00	20,028,860.00	56,648.14	
3/17/16	3132X0CG	AGENCY US NOTES	24275	FEDERAL AGRICULTURAL MO	.440	10/05/16		BROKER DIRECT	4101	15,000,000.00	14,998,614.00	.23	
3/28/16	3134G8GW	AGENCY US NOTES	24790	FEDERAL HOME LOAN MORTG	2.000	1/20/21	1.4723	KEYBANC CAPITAL	4002	5,000,000.00	5,001,500.00	1,500.00	4/20/16
3/29/16	3136G1GD	AGENCY US NOTES	24942	FEDERAL NATIONAL MORTGA	1.100	3/27/18		INTL FCSTONE PA	4002	10,000,000.00	10,000,000.00		6/27/16
3/10/16	3136G1EN	FED NATL MORTGA	18502	FED NATL MORTGAGE ASSN	1.100	3/13/18	1.0167	JEFFRIES & CO	1001	15,000,000.00	15,024,750.00	24,750.00	
3/02/16	3132X0BY	AGENCY US VARIA	24155	FEDERAL AGRICULTURAL MO	.160	9/16/16		INTL FCSTONE PA	4101	15,000,000.00	14,999,550.00	10.12	
3/02/16	3132X0BY	AGENCY US VARIA	24155	FEDERAL AGRICULTURAL MO	.160	9/16/16	.4235	INTL FCSTONE PA	4101	10,000,000.00	9,999,700.00	6.74	
3/10/16	3132X0CE	AGENCY US VAR 3	24234	FARMER MAC	.250	4/05/17	.4728	INTL FCSTONE PA	4101	25,000,000.00	24,999,250.00	147.40	
3/29/16	742651DN	CORP US NOTE 30	24907	PRIVATE EXPORT FUNDING	1.375	2/15/17	.7970	KEYBANC CAPITAL	4000	1,142,000.00	1,147,744.26	1,031.35	
41 SALES DURING PERIOD TOTAL.....										505,458,000.00	507,054,092.63	425,676.40	
=== GRAND-TOTAL ==>										1015345000.00	1017976753.58	425,676.40	

*** END-OF-REPORT ***

From: Vigil, Steve, STO

Sent: Wednesday, April 13, 2016 1:54 PM

To: Gonzales, Steve A., DFA <SteveA.Gonzales@state.nm.us>

Cc: Collins, Sam, STO <Sam.Collins@state.nm.us>; Cook, Charmaine, STO <Charmaine.Cook@state.nm.us>; Marquez, Leo, STO <Leo.Marquez@state.nm.us>; Burrows, Leila K, DFA <LeilaK.Burrows@state.nm.us>; Jon.Clark@nmlegis.gov

Subject: SGF Distribution

Good afternoon Steve,

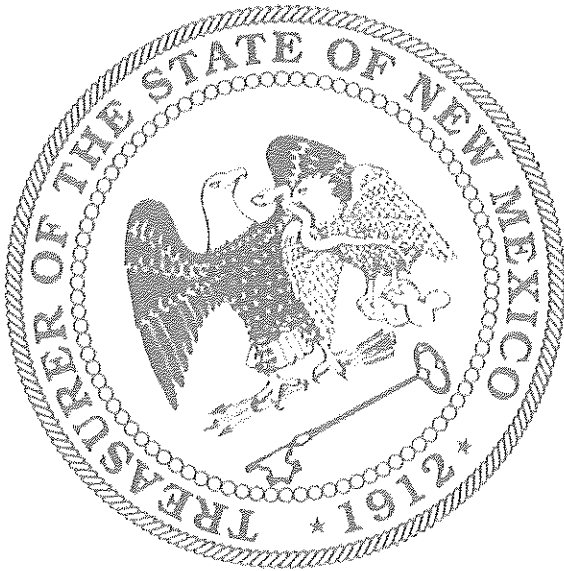
STO is scheduled to make a distribution to the State General Fund for March 2016 in the amount of \$2,258,039.87. Below is the FY16 distribution summary.

Mar-16				
State General Fund Distribution Worksheet				
Section 6-10-2.1 Distribution Methodology				
	General Fund Liquidity	General Fund Core	Self-Earning	
(Includes Accretion/Amortization)				
Component	Amount	Amount	Amount	Total
Earned Income*	\$ 65,925.76	\$ 1,225,858.44	\$ (203,801.26)	\$ 1,087,982.94
Realized Gains/(Losses)	-	404,554.33	-	404,554.33
Unrealized Gains/(Losses)	-	765,502.60	-	765,502.60
Distribution Total	\$ 65,925.76	\$ 2,395,915.37	\$ (203,801.26)	\$ 2,258,039.87
* Earned Income is accrued investment income +/- accretion/amortization				

Fiscal Year 2016 SGF Distribution		
Month	Amount	
Jul-15	2,119,110.56	
Aug-15	21,369.41	
Sep-15	5,395,534.03	
Oct-15	(1,852,582.32)	
Nov-15	(3,301,686.63)	
Dec-15	(1,558,672.09)	
Jan-16	10,656,329.22	
Feb-16	1,854,326.37	
Mar-16	2,258,039.87	
Apr-16	-	
May-16	-	
Jun-16	-	
Total	15,591,768.42	

Should you have any questions, feel free to contact me. Thanks.

Steve



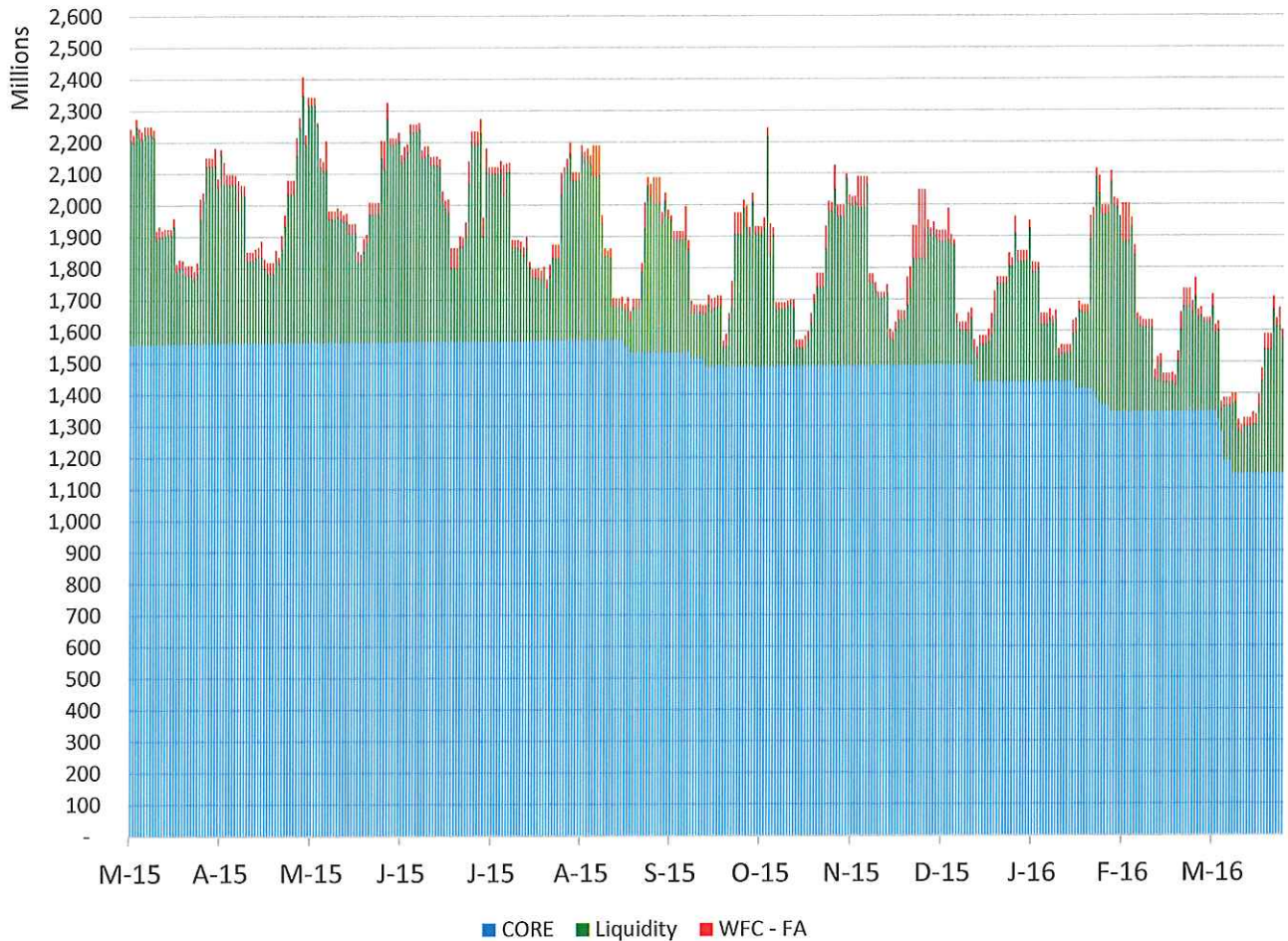
7. Cash Projections

March 31, 2016

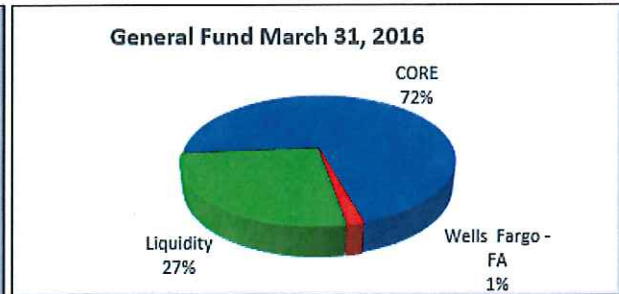
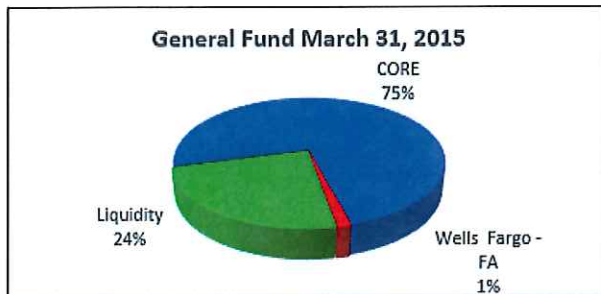
GFIP Cash Flows

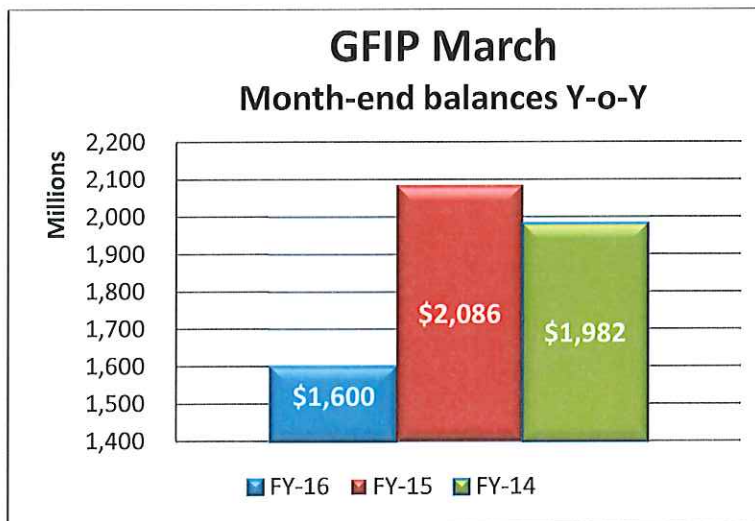
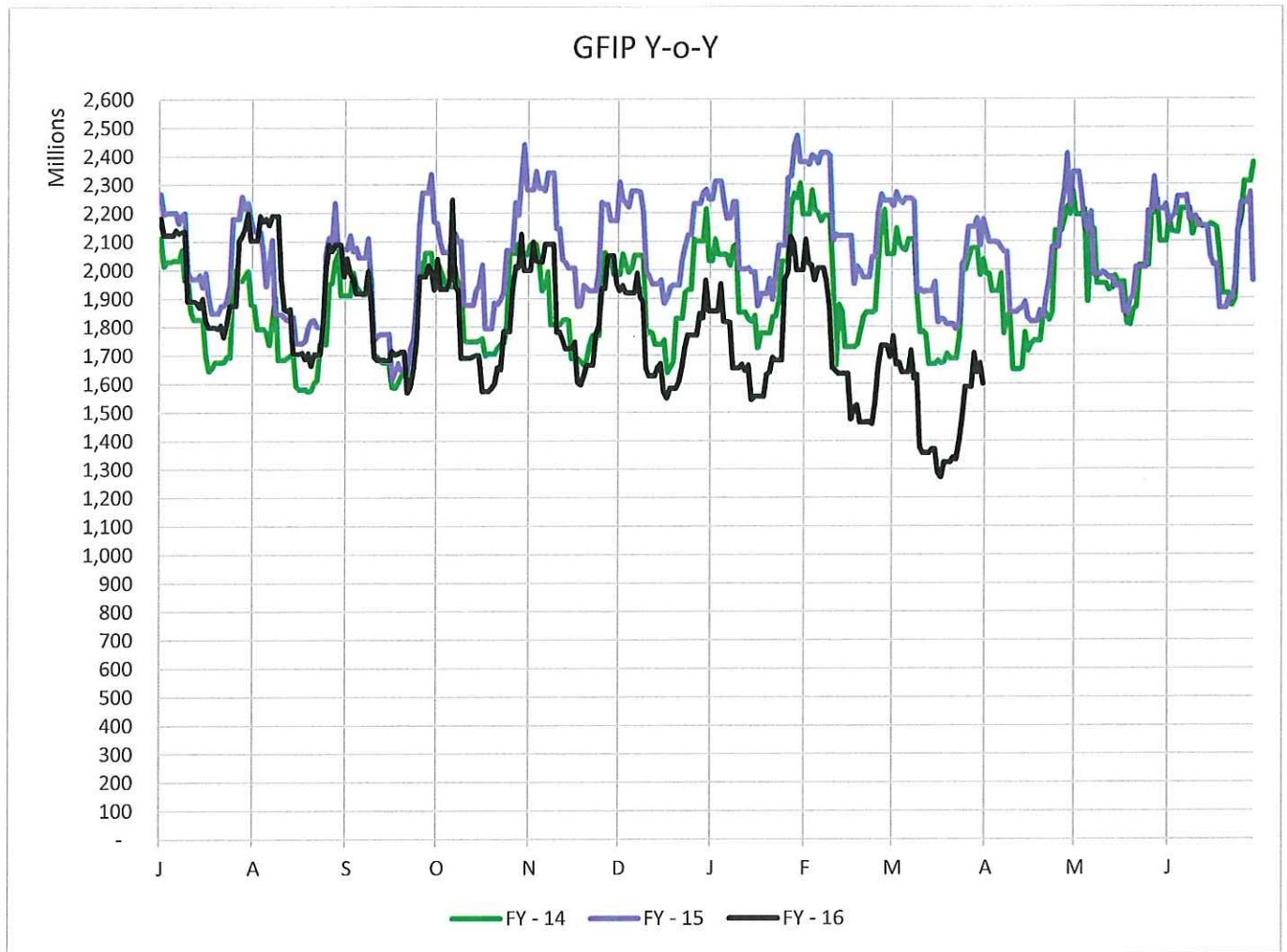


1 Year -Cash Balances (Liquidity, Core, & Fiscal Agent Accounts)



GENERAL FUND	Mar-15	Feb-16	Mar-16	Y-o-Y Change	M-o-M Change
Liquidity	494,194,666	314,128,086	426,215,237	(67,979,429)	112,087,151
CORE	1,563,329,158	1,344,596,257	1,148,052,729	(415,276,429)	(196,543,528)
Wells Fargo - FA	28,054,720	35,162,724	26,054,340	(2,000,380)	(9,108,384)
	2,085,578,544	1,693,887,067	1,600,322,306	(485,256,238)	(93,564,761)

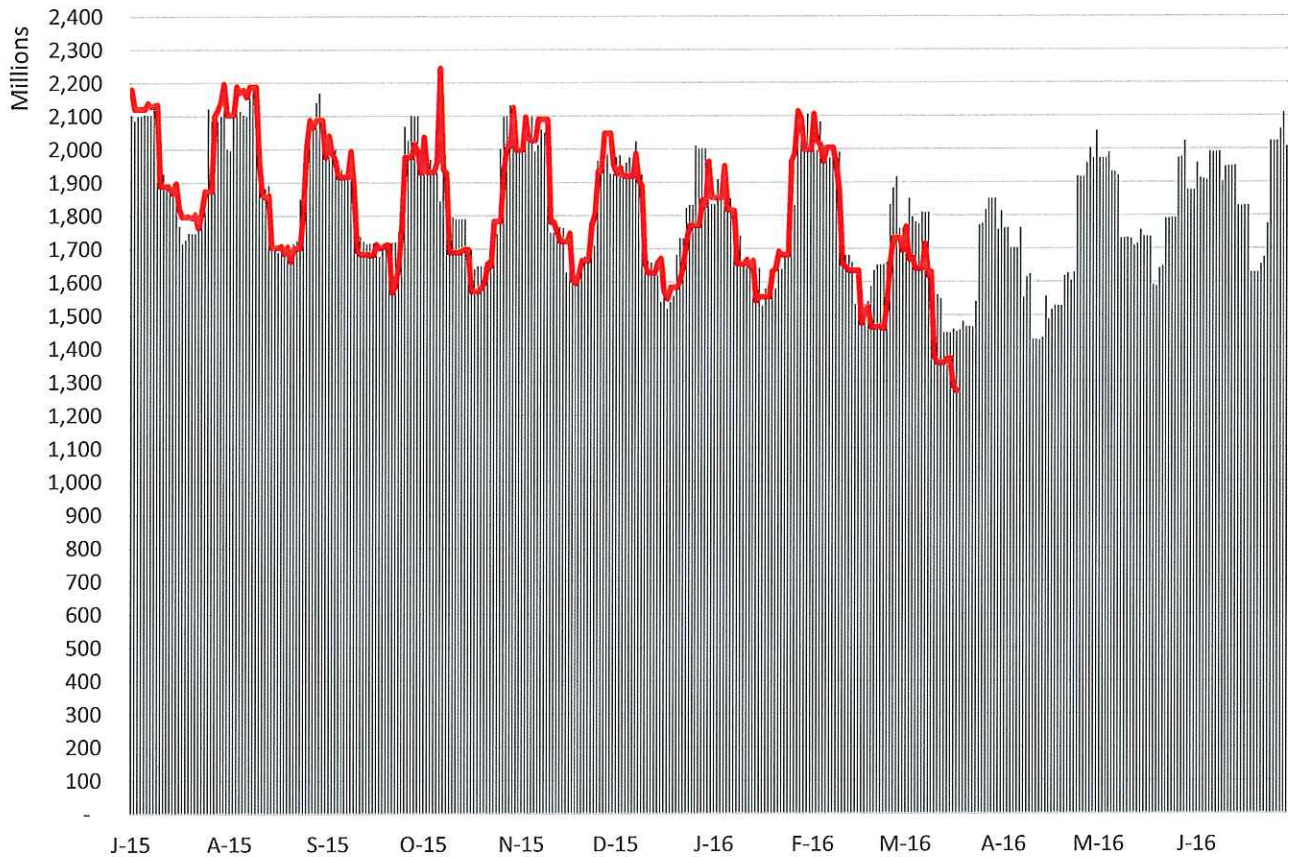




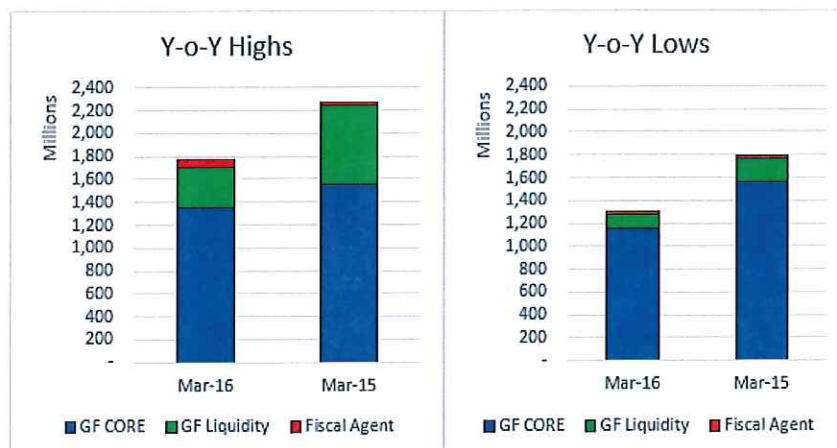
The balance as of March 31, 2016 of the General Fund Investments Pool (GFIP) Y-o-Y has decreased - 23.3% from March 31, 2015 and - 19.3% decrease from March 31, 2014 . M-o-M GFIP balances decreased to \$1.600 billion at March 31, 2016 from \$1.1694 billion at February 29, 2016 a decrease of \$94 million or -5.5%.



FY - 16 GFIP Balances Projections



	Mar-16	Mar-15	Change
High	1,766,760,984.00	2,273,092,488.11	-28.66%
Low	1,302,141,008.42	1,792,120,450.51	-37.63%
Average	1,511,310,532.81	2,032,738,112.66	-34.50%

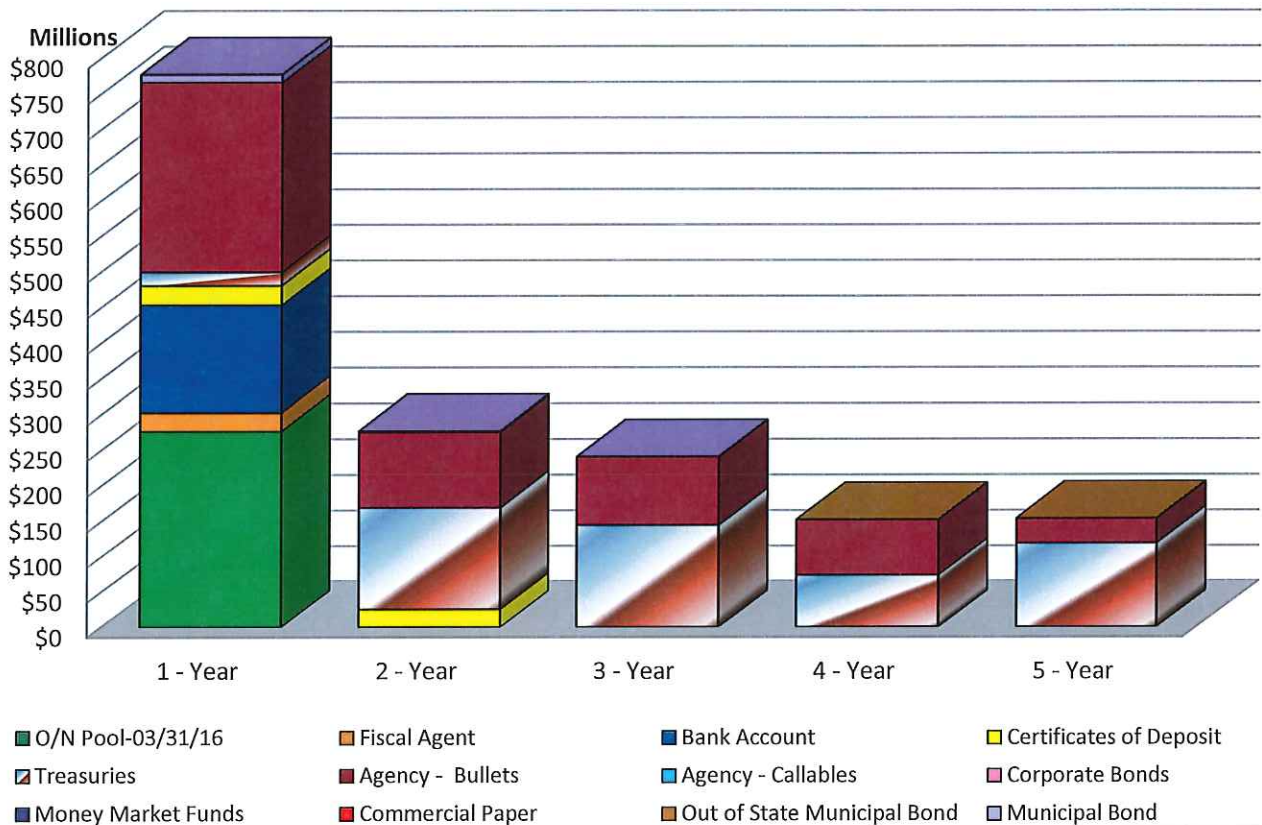


March 31, 2016

GFIP Cash Flows



General Fund Maturity Ladder by Year & Asset Type as of March 31, 2016



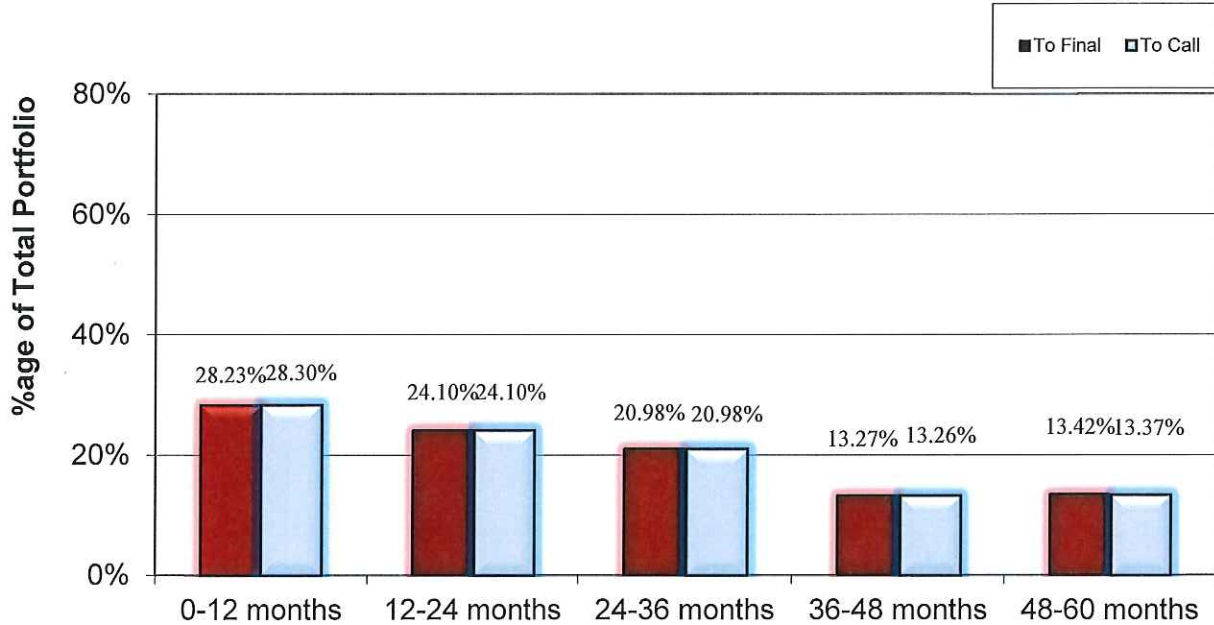
Asset Allocation	1 - Year	2 - Year	3 - Year	4 - Year	5 - Year	Total	%
Agency - Bullets	266,000,000	105,500,000	95,500,000	77,941,000	34,000,000	578,941,000	36%
Agency - Callables						0	0%
Corporate Bonds						0	0%
Money Market Funds						0	0%
Certificates of Deposit	27,250,000	25,500,000				52,750,000	3%
Municipal Bond	11,065,000	1,635,000	375,000			13,075,000	1%
Out of State Municipal Bond				175,000	595,000	770,000	0%
Commercial Paper						0	0%
Treasuries	19,000,000	144,000,000	145,000,000	74,250,000	119,500,000	501,750,000	31%
Bank Account	150,715,741					150,715,741	9%
Fiscal Agent	26,054,340					26,054,340	2%
O/N Pool-03/31/16	276,266,225					276,266,225	17%
Total:	776,351,307	276,635,000	240,875,000	152,366,000	154,095,000	1,600,322,307	100%
% of Total:	49%	17%	15%	10%	10%		

March 31, 2016

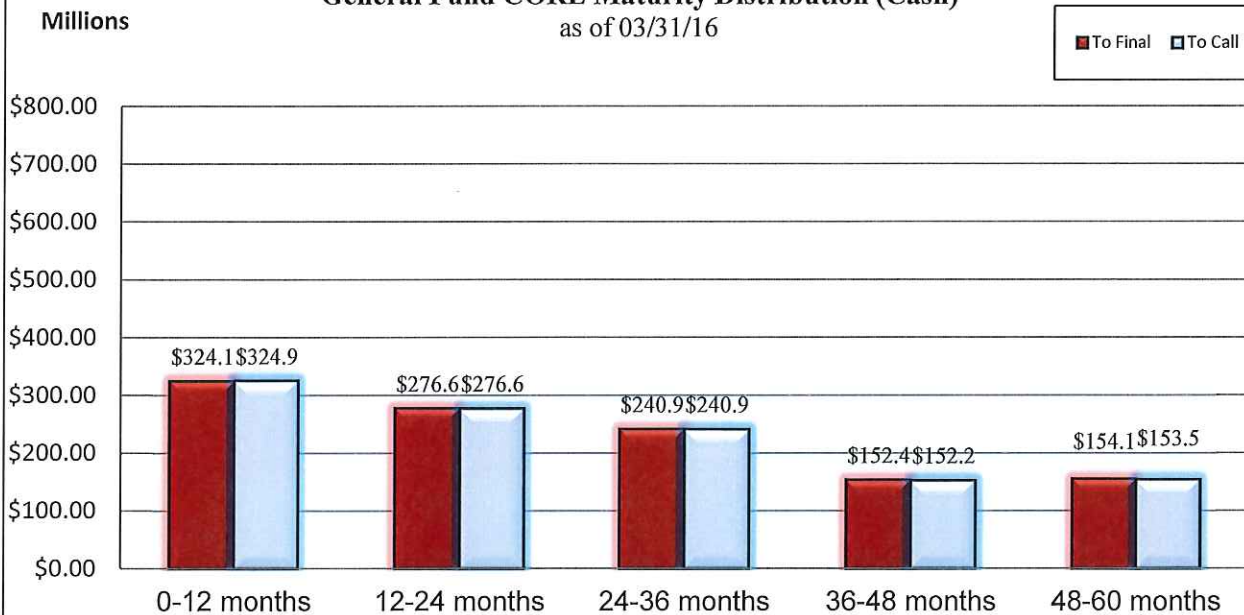
GFIP Cash Flows

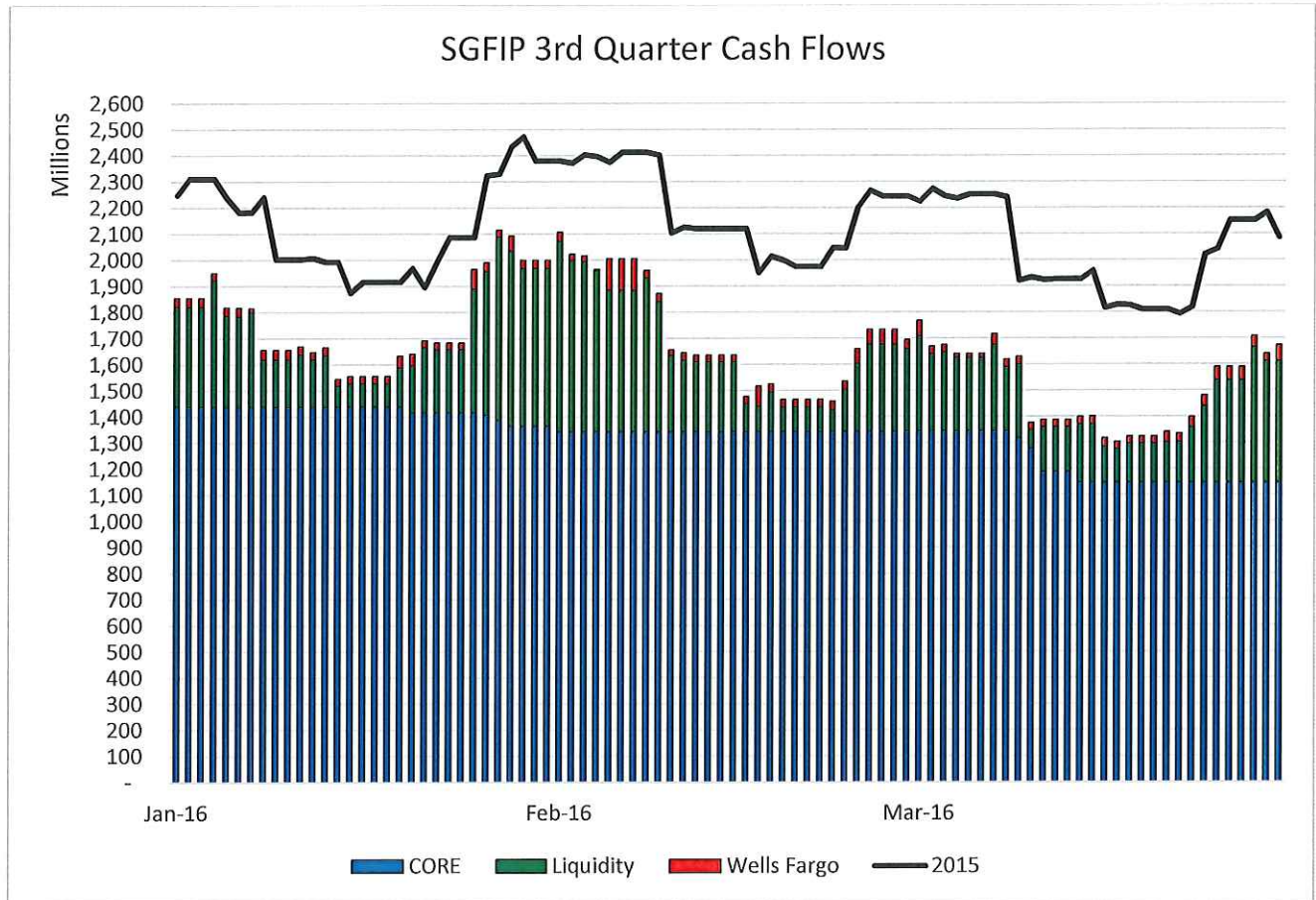


General Fund CORE, Maturity Distribution as of 03/31/16



General Fund CORE Maturity Distribution (Cash) as of 03/31/16





Highlights

January

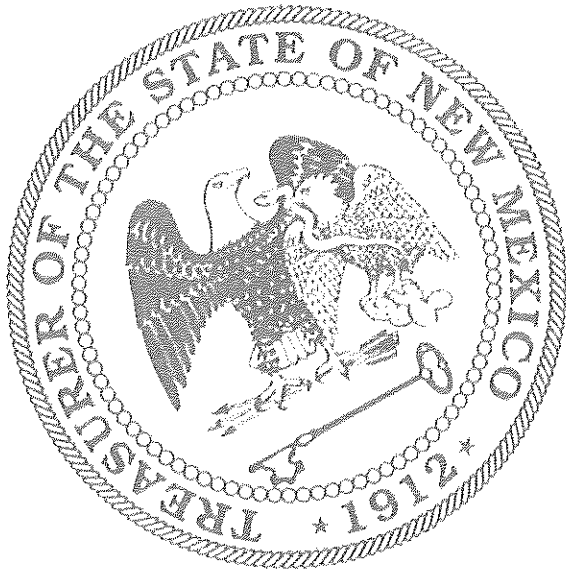
- \$100mm transfer from GF CORE to GF Liquidity
 - Transfer was to rebalance liquidity and avoid interest rate risk

February

- Personal income tax (PIT) Disbursed \$123.5mm
- Tax Revenues down \$60mm year over year

March

- \$200mm transfer from GF Core to GF Liquidity
 - Funds needed to have sufficient cash to operate the state



8. March 2016 Quarterly Investment Report – Investment Advisor

QUARTERLY REPORT

Quarter Ending March 31, 2016



New Mexico State Treasurer's Office Investment Portfolio Analysis



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GPA QUARTERLY OBSERVATIONS: ENDING MARCH 31, 2016

Market Commentary

Market Yields: The first quarter of 2016 witnessed a strong treasury rally with 3-year notes dropping 46 basis points and 5-year notes dropping 55 basis points. The two year note also had a substantial movement in yield from 1.05% to a quarter ending yield of .72%. The only part of the curve that increased in yield was the 3-month and under part of the curve which was still reacting to the one Fed Funds target rate increase in December of 2015. The two year to five year curve continued to flatten from 71 basis points to 49 basis points. Turmoil in global financial markets contributed to a flight to quality to U.S. Treasuries during the first quarter.

FOMC: As expected, the Fed made no additional moves after the increase in the Fed Funds target rate range from 0.0%-.25% to .25%-.50% in December of 2015. The statements released in January and March came out more dovish than expected. Fed officials expressed that the economy has made further progress toward the Fed's objective of maximum employment, however inflation is expected to remain low. While concerned about global financial conditions, Fed Chair Yellen summed up the Fed stance by saying, "Given the risks to the outlook I consider it appropriate for the Committee to proceed cautiously in adjusting policy".

Employment: The unemployment rate fell to 4.9% from last quarter's 5.0%. Total nonfarm payrolls continued to exceed expectations with increases in the quarter of 292,000, 151,000 and 242,000.

GDP: GDP expanded at 0.5% in the first quarter. This is a decrease from 1.40% in the fourth quarter of 2015.

Quarterly Yield Change

	06/30/15	09/30/15	12/31/15	03/31/16
3-month bill	.01	.00	.16	.20
2- year note	.64	.63	1.05	.72
5 -year note	1.65	1.36	1.76	1.21
10- year note	2.35	2.04	2.27	1.77

Economist's Survey Projections

	Q1-16	Q2-16	Q3-16	Q4-16
Real GDP	2.20	1.90	2.00	2.40
CPI (YOY%)	1.10	1.10	1.30	1.70
Unemployment	4.90	4.80	4.80	4.70

Market Outlook

Fed Funds: The FOMC acted boldly at the March 15-16, 2016 meeting, announcing a plan for only two 25 basis point (0.25%) rate hikes this year instead of the four that it had previously projected. Fed officials remain resolute that future increases remain dependent on labor market conditions and inflation. The forecast 2016 year end fed funds rate is .95%, down slightly from the Quarter 4 forecast of 1.25%. The next two FOMC meetings of 2016 are April 27 and June 15. The expectation is for no increase in April and a possible increase at the June meeting.

2 year: The 2 year treasury note is forecasted by over 80 economists contributing to Bloomberg to trade at .93, 1.09, 1.30, 1.49 for the end of each of the next four quarters. Stronger economic data, both domestically and abroad, will be required for these projections to take place.

Oil: Crude oil began the quarter at 39.98 and finished at 38.26 after reaching a low of 30.76 in February. Oil is expected to increase in the 2nd quarter of 2016.

Portfolio Positioning: GPA is continuing to recommend that portfolios stay neutral to their respective benchmark durations. We value the carry trade as we think the Fed may be slow to raise the Fed Funds rate. We will continue to recommend credit when spreads justify additions as economic conditions should continue to be strong. We are also suggesting that portfolios position their maturities for a curve that will continue to flatten. We expect rates to rise modestly over the next quarter.

Economist's Survey Projections for Rates

	Q1-16	Q2-16 est	Q3-16 est	Q4-16 est
Fed Funds	.50	.65	.75	.95
2 Year	.77	.93	1.09	1.30
10 year	1.86	1.96	2.10	2.28



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) The portfolios are all aligned relatively neutral to the identified benchmarks based on duration of each fund.
- 2) The portfolios are weighted towards high quality securities with a higher than normal allocation to US Treasury securities.
- 3) STO continues to evaluate buying corporate positions to provide further asset allocation and to potentially increase retruns.
- 4) STO continues to be pro-active in managing liquidity requirements given the lower overall general balance funds.



Executive Summary

Quarterly Statistics:

- ✓ The STO Total Fund market value balances decreased this quarter which was expected.
- ✓ The decrease in balances were due to cash outflows in all three of the primary investment funds: General Fund Core. BPIP Taxable and Tax-Exempt.
- ✓ Liquidity requirements are managed in each fund to ensure cash is available when needed. The general fund liquidity increased this the quarter.
- ✓ Investment components for each fund are targeted to a specific market benchmarks and all funds were invested shorter in duration than the established benchmark durations, which indicates a cautious position in anticipation of higher rates.
- ✓ Activity occurred throughout the quarter with the greatest volume occurring in March.
- ✓ Realized gains on the sales for the quarter across all funds totaled \$807,404.

KEY MEASURES

STO Total	Balance
12/31/2015	4,159,924,846
3/31/2016	<u>3,781,266,227</u>
Change	(378,658,619)

General	Core Balance
12/31/2015	1,449,708,000
3/31/2016	<u>1,164,904,450</u>
Change	(284,803,550)

General Fund	Liquidity Balance
	426,217,406

Purchase Par Amount All Funds	
Count=103	810,969,000
Sales Amount All Funds	
Count=52	705,410,000

Realized Gains All Funds	
	807,404



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 portfolios are slightly shorter than 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.

Ranking on Reinvestment Rate risk: **LOW**

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

KEY MEASURES

Interest Risk

NEUTRAL

Credit Risk

LOW

Reinvestment Rate Risk

LOW

Fed Funds Target

Previous .25-.50%

Current .25-.50%

2 Year Treasury Yields

Last Quarter End 1.05%

This Quarter End 0.72%



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 declined by \$240MM. STO focused on increasing the balances in the fund dedicated to the liquidity component and increased it to \$425MM at quarter end. The duration of the core fund was extended from 1.81 on 12/31/15 to 2.08 on 3/31/16. This is 96% of the benchmark duration and is consistent with the portfolio manager's outlook to maintain the duration relatively close to the benchmark.

BPIP Taxable and Tax Exempt Funds:

The taxable and tax exempt funds both declined this quarter by \$73MM and \$80MM respectively. The durations were slightly extended and both funds remain within 85-95% of their benchmark duration. These funds continue to experience volatile cash flows and the liquidity balances should be monitored. Realized gains occurred in both funds.

LGIP Fund: The LGIP balance decreased by \$33MM versus last quarter. The earnings rate on the pool is consistent with the market conditions and is moving upward. The portfolio manager added Agency floating rate notes which is contributing to earnings in the portfolio. All of the Farmer Mac positions were liquidated from the pool this quarter.

Investment Objectives

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

KEY MEASURES

Investment Strategy

General Core Fund

Portfolio Duration	2.08
Benchmark Duration	2.15

BPIP Tax Exempt

Portfolio Duration	1.25
Benchmark Duration	1.35

BPIP Taxable

Portfolio Duration	1.18
Benchmark Duration	1.35

Total NM Investment Funds

Portfolio Duration	1.39
Benchmark Duration	1.48

LGIP

Portfolio DTM	51
Benchmark DTM	34

DTM=Days to maturity



ASSET ALLOCATION REPORT

Allocation Report by Fund

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

Change in the Quarter

LGIP Fund

The primary changes for the quarter include the shift in the LGIP from 31.44% in Bank Deposits to Repurchase agreements, US Treasury and Agency securities. Agency floating rate notes were purchased for the LGIP to take advantage of the rising LIBOR rate relative to short term US treasury rates. Also, all Farmer Mac's were sold in the LGIP and shifted to other US Agency holdings.

GENERAL Fund

The liquidity fund reduced its holdings of Bank deposits and shifted to repurchase agreements. This was a credit move by STO to reduce holdings in Bank of the West. The core fund had a modest shift from US treasury to US agency holdings.

BPIP Funds

The Tax-Exempt funds had a shift from US treasury to Agency and a reduction in LGIP and Repo as cash balances were withdrawn. The Taxable fund increased in both Treasury and Agency positions with a reduction in Repo.

Issuer Exposure

All the portfolios continue to have a higher than normal allocation to US treasury securities. This is due to the lack of relatively attractive yield spread in US Agency and Municipal holdings. STO continues to evaluate the introduction of Corporate bonds into the portfolio. Spreads are beginning to become more attractive in both the agency and corporate sector.

LGIP Asset Classes

The LGIP is not using the allocation to US Treasuries due to the short maturity nature of this portfolio. Slight added yield to agency and floating rate notes provides incremental yield, which is important in this fund. STO reduced its allocation to bank holdings and moved back to the repo market for overnight liquidity funds.

KEY MEASURES

Asset Allocations

General Core Fund

Agency	50.28%
Treasury	43.93%
Corporate	0.00%
Muni	1.02%
Other	4.77%

BPIP Tax Exempt

Agency	58.20%
Treasury	34.37%
Corporate	0.00%
Muni	3.76%
Other	3.67%

BPIP Taxable

Agency	40.46%
Treasury	51.76%
Corporate	0%
Muni	1.78%
Other	6.00%

LGIP

Agency	70.52%
Treasury	2.42%
Bank Deposits	0.00%
Repo	21.72%
Other	5.34%



Portfolio Name	Market Value+int	% Fund	Repo	Bank Deposits	Treasury	Agency	Corp/CP	Muni	Cash
Total LGIP	\$ 621,649,038	100%	21.72%	0.00%	2.42%	70.52%	0.00%		5.34%
Liquidity	\$ 266,643,483	43%							
Investments	\$ 355,005,555	57%							
LGIP GIP Index Benchmark			25.97%	16.05%	5.27%	52.23%	0.00%	0.00%	0.48%
Portfolio Name	Market Value+Int	% Fund	Repo	CD/Bank	Treasury	Agency	Corp/CP	LGIP	Muni
Total General Fund	\$ 1,591,121,856	100%					0.00%		
Liquidity	\$ 426,217,406	27%	64.64%	35.36%			0.00%		
Investment Core	\$ 1,164,904,450	73%	0.07%	4.70%	43.93%	50.28%	0.00%		1.02%
Portfolio Name	Market Value+Int	% Fund	Repo	CD/Bank	Treasury	Agency	Cash	LGIP	Muni
Total Tax Exempt	\$ 611,680,261	100%	2.14%	0.49%	34.37%	58.20%	-0.11%	1.15%	3.76%
Liquidity	\$ (16,582,485)	-3%							
Investments	\$ 628,262,746	103%							
Portfolio Name	Market Value+Int	% Fund	Repo	CD/Bank	Treasury	Agency	Cash	LGIP	Muni
Total Taxable	\$ 603,957,557	100%	3.30%	1.36%	51.76%	40.46%	-0.37%	1.71%	1.78%
Liquidity	\$ (4,905,334)	-1%							
Investments	\$ 608,862,891	101%							
Portfolio Name	Market Value+Int	% Fund	Repo	CD/Bank	Treasury	Agency	Corp/CP	LGIP	Muni
Overnight Repo Pool	\$ 138,431,463	100%	100.00%				0.00%		
Liquidity	\$ 138,431,463	100%							
Investments		0%							
Portfolio Name	Market Value+Int	% Fund	Repo	CD/Bank	Treasury	Agency	Cash	LGIP	Muni
Severance Tax Bonding	\$ 214,426,052	100%	10.85%	0.00%	11.68%	59.20%	-2.30%	20.57%	0.00%
Liquidity	\$ 199,867,506	93%							
Investments	\$ 14,558,546	7%							
TOTAL STO FUNDS	\$ 3,781,266,227								

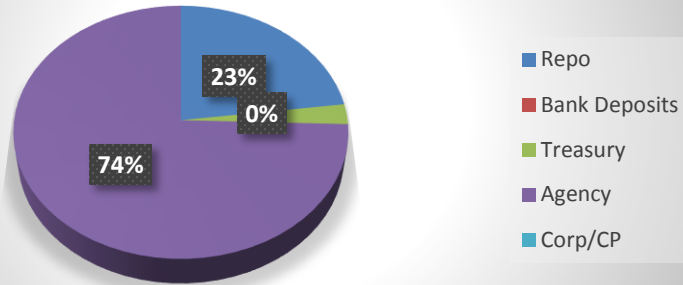
Source : JP Morgan Reports - Balances -Trade Date

Source: Asset Allocation STO - JP Morgan Reports

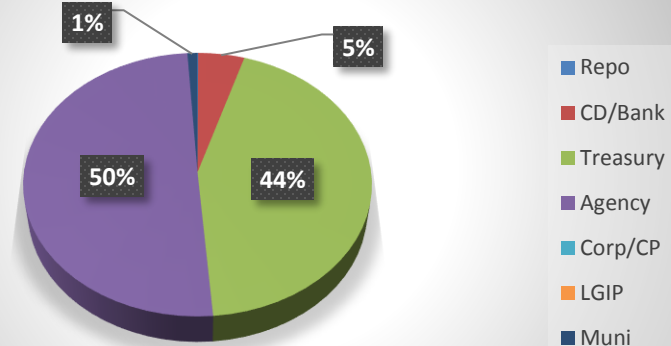
The benchmarks for STO Funds are 100% US Treasury Securities

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

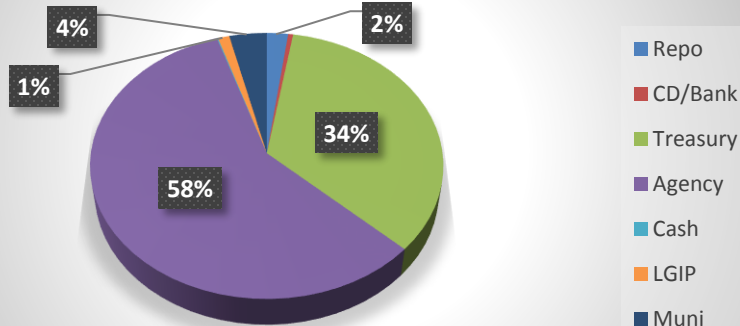
Total LGIP Allocations



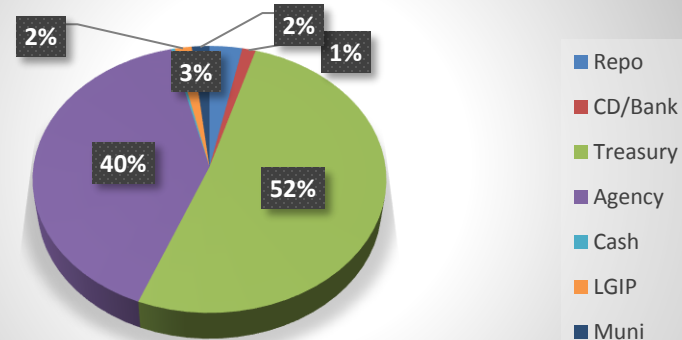
General Fund Core Allocations



Total Tax Exempt Allocations



Total Taxable Allocations





CHANGE IN PORTFOLIO FROM 12/31/15-3/31/16

LGIP Fund	Market Value+int	Repo	Bank	Treasury	Agency	Corp/CP	Other		
3/31/2016	\$ 621,649,038	21.72%	0.00%	2.42%	70.52%	0.00%	0.00%		
12/31/2015	\$ 655,619,027	3.81%	31.44%	0.00%	64.75%	0.00%	0.00%		
Change over Period	\$ (33,969,989)	0.00%	-31.44%	0.00%	5.77%	0.00%	0.00%		
General Fund Liquidity	Market Value+Int	Repo	CD/Bank	Treasury	Agency	Corp/CP	LGIP	Muni	
3/31/2016	\$ 426,217,406	64.64%	35.36%	0.00%	0.00%	0.00%	0.00%	0.00%	
12/31/2015	\$ 381,802,185	47.45%	52.55%	0.00%	0.00%	0.00%	0.00%	0.00%	
Change over Period	\$ 44,415,221	17.19%	-17.19%	0.00%	0.00%	0.00%	0.00%	0.00%	
General Fund Core	Market Value+Int	Repo	CD/Bank	Treasury	Agency	Corp/CP	LGIP	Muni	
3/31/2016	\$ 1,164,904,450	0.07%	4.70%	43.93%	50.28%	0.00%	0.00%	1.02%	
12/31/2015	\$ 1,449,708,000	0.07%	3.78%	46.06%	49.12%	0.00%	0.00%	0.97%	
Change over Period	\$ (284,803,550)	0.00%	0.92%	-2.13%	1.16%	0.00%	0.00%	0.05%	
BPIP Tax Exempt	Market Value+Int	Repo	CD/Other	Treasury	Agency	Cash	LGIP	Muni	
3/31/2016	\$ 611,680,261	2.14%	0.49%	34.37%	58.20%	-0.11%	1.15%	3.76%	
12/31/2015	\$ 691,959,590	5.60%	0.41%	38.94%	48.93%	0.00%	3.19%	2.93%	
Change over Period	\$ (80,279,329)	-3.46%	0.08%	-4.57%	9.27%	-0.11%	-2.04%	0.83%	
BPIP Taxable	Market Value+Int	Repo	CD/Other	Treasury	Agency	Cash	LGIP	Muni	
3/31/2016	\$ 603,957,557	3.30%	1.36%	51.76%	40.46%	-0.37%	1.71%	1.78%	
12/31/2015	\$ 677,926,286	7.16%	1.51%	50.02%	39.01%	0.00%	1.52%	0.78%	
Change over Period	\$ (73,968,729)	-3.86%	-0.15%	1.74%	1.45%	-0.37%	0.19%	1.00%	
Overnight Repo Pool	Market Value+Int	Repo	CD/Other	Treasury	Agency	Corp/CP	LGIP	Muni	
3/31/2016	\$ 138,431,463	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
12/31/2015	\$ 157,802,618	100.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
Change over Period	\$ (19,371,155)								
Severance Tax Bonding	Market Value+Int	Repo	CD/Other	Treasury	Agency	Cash	LGIP	Muni	
3/31/2016	\$ 214,426,052	10.85%	0.00%	11.68%	59.20%	-2.30%	20.57%	0.00%	
12/31/2015	\$ 145,107,140	51.56%	6.92%	0.00%	11.14%	0.00%	30.38%	0.00%	
Change over Period	\$ 69,318,912	-40.71%	-6.92%	0.00%	48.06%	-2.30%	-9.81%	0.00%	
TOTAL STO FUNDS 3/31/16	\$ 3,781,266,227								
TOTAL STO FUNDS 12/31/15	\$ 4,159,924,846								
Total Change	<u>\$ (378,658,619)</u>								

Source : JP Morgan Reports - Balances

Source: Asset Allocation STO - QED Reports

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



PERFORMANCE REPORT

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 maintained shorter durations than the benchmarks due to the outlook and expectation of higher interest rates. Rates ended the period lower by approximately 30 basis points lower in the 2-3 year maturities. The core fund slightly outperformed and the BPIP slightly underperformed due to cash flow timing and deviations in the durations of the portfolios versus benchmarks.

Attribution Analysis

The primary contributor to return was the duration positioning relative to the benchmark. Credit exposure was minimal with the use of municipal securities. US treasury securities continue to add value in performance relative to Agency securities.

Observations and Considerations

Interest rates are expected to continue to be volatile in anticipation of a federal reserve rate change on the federal funds rate. Rates are expected to be higher into 2016, however, other impacts such as oil and China's economic conditions will continue to influence the fixed income market. GPA is recommending to maintain durations in the portfolios slightly shorter to neutral the benchmark durations.

KEY MEASURES

Performance	Quarter
<u>General Core Fund</u>	
Portfolio	0.07%
Benchmark	0.05%
Book Yield	Book Yield
<u>BPIP Tax Exempt</u>	
Portfolio	0.63%
Benchmark	0.67%
Book Yield	Book Yield
<u>BPIP Taxable</u>	
Portfolio	0.59%
Benchmark	0.67%
Book Yield	1.04%
<u>NM Investment Funds</u>	
Portfolio	0.73%
Benchmark	0.82%
Book Yield	0.00%
<u>LGIP</u>	
Portfolio Net Yield	0.37%
Benchmark Net Yield	0.23%



PERFORMANCE BY INVESTMENT FUND

			Daily Yields	Earnings Yield	
			3/31/2016	6/30/15-3/31/16	
Portfolio Name	Market Value	Days	Quarter End Yield	Fiscal Year	
LGIP 30 Day Gross Yield	\$ 621,649,038	51	0.420%	0.25%	
S&P LGIP Govt Pools Gross Return		34	0.390%	0.32%	
LGIP 30 Day Net Yield		51	0.370%	0.20%	
S&P LGIP Govt Pools Net Return		34	0.230%	0.18%	
STO INVESTMENT FUNDS			Total Return		
			3/31/2016	3/31/2016	6/30/15-3/31/16
Portfolio Name	Market Value	Duration - End	Quarter Return	Fiscal Year	% of STO
General Fund Liquidity	\$ 426,217,406	0.00	0.07%	0.15%	15.19%
Fund Benchmark S&P LGIP Pool Net Return		0.01	0.05%	0.08%	
Portfolio Name	Market Value	Duration - End	Quarter Return	Fiscal Year	% of STO
General Fund Core	\$ 1,164,904,450	2.08	1.10%	1.15%	41.50%
Fund Benchmark Treasury 0-5 Year		2.15	1.26%	1.30%	
Portfolio Name	Market Value	Duration - End	Quarter Return	Fiscal Year	% of STO
General Fund Total	\$ 1,591,121,856	1.52	0.89%	0.95%	56.69%
General Fund Total Benchmark - Weighted		1.58	0.78%		
Portfolio Name	Market Value	Duration - End	Quarter Return	Fiscal Year	% of STO
BPIP Tax Exempt	\$ 611,680,261	1.25	0.63%	0.59%	21.79%
Fund Benchmark - Treasury 0-3 Year		1.35	0.67%		
Portfolio Name	Market Value	Duration - End	Quarter Return	Fiscal Year	% of STO
BPIP Taxable	\$ 603,957,557	1.18	0.59%	0.63%	21.52%
Fund Benchmark - Treausry 0-3 Year		1.35	0.67%	0.60%	
Total STO Investment Funds	\$ 2,806,759,674	1.39	0.73%	0.76%	100.00%
Weighted Benchmark		1.48	0.82%	0.68%	
STO OTHER FUNDS		3/31/2016	3/31/2016	6/30/15-3/31/16	
Portfolio Name	Market Value	Duration - End	Quarter Return	Fiscal Year	
Serverance Tax Bonding	\$ 214,426,052	0.15	0.10%	0.21%	
Portfolio Name	Market Value	Duration - End	Quarter Return	Fiscal Year	
Overnight Repo Pool	\$ 138,431,463	0	0.08%	0.14%	

Total STO Investment Funds \$ 3,781,266,227

JP Morgan reports are based on trade date and includes accrued interest *LGIP return data provided by STO and based on yield earnings
All other returns are total return which reflects Market Value change and accrual interest earnings.



SHOCK ANALYSIS REPORT

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 would move by approximately \$9,750,679 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 \$600M and the variance is due to the shorter duration of the investment funds of 1.64 versus 1.74 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

KEY MEASURES

Market Price Change

If Rates Rise

General Core Fund

25 Basis point change

Market Change

BPIP Tax Exempt

25 Basis point change

Market Change

BPIP Taxable

25 Basis point change

(9,750,679)

Total NM Funds

25 Basis point change

LGIP

25 Basis point change

Current NAV 100.0150

Potential Change 99.9850



SHOCK ANALYSIS

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

Assumptions:

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

STO FUNDS		RISK	Up 25 Basis Pts	Up 50 Basis Pts	Up 100 Basis Pts
Portfolio Name	Market Value	Duration - End	Market Change	Market Change	Market Change
General Fund Core	\$ 1,164,904,450.00	2.08	\$ (6,057,503.14)	\$ (12,115,006.28)	\$ (24,230,012.56)
Fund Benchmark		2.15	\$ (6,261,361.42)	\$ (12,522,722.84)	\$ (25,045,445.68)
Portfolio Name	Market Value	Duration - End	Market Change	Market Change	Market Change
BPIP Tax Exempt	\$ 611,680,261.00	1.25	\$ (1,911,500.82)	\$ (3,823,001.63)	\$ (7,646,003.26)
Fund Benchmark		1.35	\$ (2,064,420.88)	\$ (4,128,841.76)	\$ (8,257,683.52)
Portfolio Name	Market Value	Duration - End	Market Change	Market Change	Market Change
BPIP Taxable	\$ 603,957,557.00	1.18	\$ (1,781,674.79)	\$ (3,563,349.59)	\$ (7,126,699.17)
Fund Benchmark		1.35	\$ (2,038,356.75)	\$ (4,076,713.51)	\$ (8,153,427.02)
Total STO Investment Funds	\$ 2,380,542,268.00	1.64	\$ (9,750,678.75)	\$ (19,501,357.50)	\$ (39,002,715.00)
Total Benchmark Change		1.74	\$ (10,364,139.05)	\$ (20,728,278.11)	\$ (41,456,556.22)

* Data Source: JP Morgan Custodial Reports

ASSUMED EARNINGS COMPARISON OF PORTFOLIO TO CASH EARNINGS ANNUALIZED				
		3/31/2016	1 year	3 year*
Portfolio Name	Market Value	Book Yield	Earnings	Earnings
General Fund Core	\$ 1,164,904,450.00	1.22%	\$ 14,211,834.29	\$ 42,635,502.87
Cash		0.30%	\$ 3,494,713.35	\$ 10,484,140.05
Portfolio Name	Market Value	Book Yield	Earnings	Earnings
BPIP Tax Exempt	\$ 611,680,261.00	0.85%	\$ 5,199,282.22	\$ 15,597,846.66
Cash		0.30%	\$ 1,835,040.78	\$ 5,505,122.35
Portfolio Name	Market Value	Book Yield	Earnings	Earnings
BPIP Taxable	\$ 603,957,557.00	0.89%	\$ 5,375,222.26	\$ 16,125,666.77
Cash		0.30%	\$ 1,811,872.67	\$ 5,435,618.01
Total STO Investment Funds	\$ 2,380,542,268.00	1.041%	\$ 24,786,338.77	\$ 74,359,016.30

Data Source: JP Morgan Custodial Reports and QED reports

* 3 year returns assumes the same as current rates for the next 3 years.



SENSITIVITY ANALYSIS		As of 3/31/16
Weighted Average Maturity:		43
Shares Outstanding:	\$	620,658,630 Participant Share as of 3/28/16
Market Value (NAV):		1.00015
Total \$ Unrealized Loss:		\$0
Total \$ Unrealized Gain		\$93,099
Market Value - JP Morgan Price	\$	654,448,535

Basis Point Shift								Unrealized Gain (Loss)
300	0.995165	0.996240	0.996438	0.996616	0.996777	0.996923	0.997397	\$ (2,100,462)
250	0.996007	0.996894	0.997058	0.997205	0.997338	0.997459	0.997850	\$ (1,734,868)
200	0.996848	0.997549	0.997678	0.997794	0.997899	0.997994	0.998303	\$ (1,369,275)
150	0.997690	0.998203	0.998298	0.998383	0.998460	0.998530	0.998756	\$ (1,003,682)
100	0.998531	0.998858	0.998918	0.998972	0.999021	0.999065	0.999209	\$ (638,088)
50	0.999373	0.999512	0.999538	0.999561	0.999582	0.999601	0.999662	\$ (272,495)
0	1.000214	1.000167	1.000158	1.000150	1.000143	1.000136	1.000115	\$ 93,099
-50	1.001056	1.000821	1.000778	1.000739	1.000704	1.000672	1.000568	\$ 458,692
-100	1.001897	1.001476	1.001398	1.001328	1.001265	1.001207	1.001022	\$ 824,286
-150	1.002739	1.002130	1.002018	1.001917	1.001826	1.001743	1.001475	\$ 1,189,879
-200	1.003580	1.002785	1.002638	1.002506	1.002387	1.002278	1.001928	\$ 1,555,473
-250	1.004422	1.003439	1.003258	1.003095	1.002948	1.002814	1.002381	\$ 1,921,066
-300	1.005263	1.004094	1.003878	1.003684	1.003509	1.003349	1.002834	\$ 2,286,659

Redemption/Inflow	-30%	-10%	-5%	0%	5%	10%	30%
O/S Shares	434,461,041	558,592,767	589,625,698	620,658,630	651,691,561	682,724,493	806,856,219

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

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

* Source: S&P rating matrix

** Provided by STO on S&P Report

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



Disclaimer & Terms

3/31/2016

Disclaimer:

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9. Quarterly Investment Review – Portfolio Managers

Quarterly Investment Review

Market Summary

The US Treasury market turned in an impressive performance for the first quarter of 2016 on the heels of the first interest rate hike in years. In an unanticipated and dramatic fashion the year began with plunging global equity markets, triggering a flight-to-quality into US Treasuries. Declining oil prices also helped to push yields lower as the attainability of the Fed's 2% inflation target moved further out into the future.

US Treasuries repriced to reflect a much slower Fed tightening cycle for 2016. The Fed's dot plot was revised to indicate two or less rate hikes this calendar year vs. the original four that had been implied previously. Federal Reserve statements following the March Federal Open Market Committee meeting were also much more dovish than anticipated, throwing even the June meeting into question.

The STO portfolios were focused on providing liquidity when needed and occasionally able to utilize weakness in bond prices, to add portfolio duration. There were opportunities to add bullet Agency securities vs. Treasuries as new issue benchmarks were priced at attractive concessions to existing Agency debt. NM municipal securities continued to be less attractive investments vs. US Treasuries and Agencies, offering flat to negative yield spreads in most cases. With the liquidity needs, particularly with regard to the General Fund, our foray into corporate bond investing has not presented itself.

Table 11 – Comparative Quarterly Interest Rates

<u>US Treasury Yields</u>			
<u>Maturity</u>	<u>31-Dec</u>	<u>31-Mar</u>	<u>Change</u>
3-Month	0.17%	0.20%	0.03%
6-Month	0.48%	0.38%	-0.10%
2-Year	1.05%	0.72%	-0.33%
3-Year	1.31%	0.85%	-0.46%
5-Year	1.76%	1.21%	-0.56%
10-Year	2.27%	1.77%	-0.50%
30-Year	3.01%	2.61%	-0.40%
<i>Source: Bloomberg LP</i>			

Investment Strategy Employed During the Past Quarter

The general strategy for the first quarter of 2016 was similar to the fourth quarter of 2015. The portfolios were structured more conservatively than their benchmarks in terms of duration, as the 25 basis point increase by the Federal Reserve in December was viewed as the beginning of interest rate "normalization". Expectations for additional interest rate hikes appeared to be in the offing.

Portfolio performance was hindered, however, by the dramatic selloff in global equity markets and plunging oil prices, prompting a massive flight-to-quality into fixed income securities. Further Fed tightening was put on hold as the quarter ended with no monetary policy changes.

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

General Fund Investment Pool

At the end of the quarter the General Fund Investment Pool had a 26% and 74% weighting between the Liquidity and CORE portions respectively. With increasing cash needs for NM state operations, \$300 million was transferred out of the CORE and into Liquidity during the quarter.

The GF Core continued to maintain a conservative duration vs. the benchmark, meeting cash needs as they arose. Yield curve positioning was a factor as the five year maturity had the greatest yield decline. For the last 12 months, shorter duration and positioning for cash flows, was a drag on performance for the CORE portfolio.

Table 12 – Quarterly General Fund Investment Pool Relative Performance

<u>Fund</u>	<u>Performance</u>	
	<u>Quarter</u>	<u>12 Months</u>
<i>General Fund CORE</i>	1.10%	1.22%
<i>BAML 0-5 US Treasury</i>	<u>1.26%</u>	<u>1.33%</u>
<i>Relative Performance (BPs)</i>	(0.16)%	(0.11)%

Source: JP Morgan

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

<u>Fund</u>	<u>Duration</u>		<u>Percentage</u>
	<u>Portfolio</u>	<u>Benchmark</u>	
<i>General Fund Liquidity</i>	0.01 Years		
<i>General Fund CORE</i>	2.08 Years	2.14 Years	97%

Source: QED, JPMorgan

Bond Proceeds Funds

With regard to relative performance, the Bond Proceeds Investment Pools underperformed their benchmarks for the first quarter. For the the 12-month period, the Tax Exempt Pool underperformed slightly while the Taxable Pool outperformed vs. benchmarks.

Table 14 Quarterly Bond Proceeds Investment Pool Relative Performance

<u>Fund</u>	<u>Performance</u>	
	<u>Quarter</u>	<u>12 Months</u>
<i>Bond Proceeds - Tax Exempt</i>	0.63%	0.71%
<i>BAML 0-3 US Treasury</i>	<u>0.67%</u>	<u>0.72%</u>
<i>Relative Performance (BPs)</i>	(0.04)%	(0.01)%
 <i>Bond Proceeds – Taxable</i>	 0.59%	 0.77%
<i>BAML 0-3 US Treasury</i>	<u>0.67%</u>	<u>0.72%</u>
<i>Relative Performance (BPs)</i>	(0.08)%	0.05%

Source: JPMorgan

With regard to positioning, both Pools were shorter than the duration of their benchmarks, however yield curve positioning allowed the Pools to take advantage of investments longer than the 0-3 year Treasury benchmark. For the 12-month returns, the Tax Exempt Pool was similar to the benchmark as the Taxable Pool outperformed as the 0 to 5 year segment of the yield curve flattened.

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

<u>Fund</u>	<u>Duration</u>		<u>Percentage</u>
	<u>Portfolio</u>	<u>Benchmark</u>	
<i>Bond Proceeds - Tax Exempt</i>	1.25 Years	1.34 Years	93%
<i>Bond Proceeds – Taxable</i>	1.18 Years	1.34 Years	88%

Source: QED, JPMorgan

Local Government Investment Pool

The LGIP decreased by \$30mil to end the quarter at a market value of \$620mil. On a comparative basis, the fund has outperformed its peers, for both the 3 and 12-month periods. The maintenance of the weighted average maturity of the Pool, close to the maximum allowable for AAAm funds, was a positive influence on the performance.

Table 16 – Quarterly Local Government Investment Pool Relative Performance

<u>Fund</u>	<u>Performance</u>	
	<u>Quarter</u>	<u>12 Months</u>
<i>Local Government Investment Pool</i>	0.13%	0.26%
<i>S&P Government Bond Index (Gross)</i>	0.08%	0.21%
<i>Relative Performance (BPs)</i>	0.05%	0.05%

Source: JPMorgan

Severance Tax Bonding Fund

The Severance Tax Bonding Fund grew by \$69mil during the first quarter of 2016 with the receipt of severance taxes at the rate of \$20-30MM/month. Balances are built throughout the quarter to cover debt service payments on outstanding severance tax bonds on Jan and July 1 and to retire severance tax and supplemental severance tax notes.

The Severance Tax Bonding Fund was invested in overnight repurchase agreements, short term Agency notes, the LGIP and NM collateralized bank deposits. The Fund can purchase longer maturities vs. overnight investments to pick up additional yield as long as debt service payments can be met on a timely basis.

Table 177 – Quarterly Severance Tax Bonding Fund Relative Performance

<u>Fund</u>	<u>Performance</u>	
	<u>Quarter</u>	<u>12 Months</u>
<i>Severance Tax Bonding Fund</i>	0.10%	0.24%
<i>S&P Government Bond Index (Gross)</i>	0.08%	0.21%
<i>Relative Performance (BPs)</i>	0.02%	0.03%

Source: JPMorgan

Expectations for the Upcoming Quarter and Year

The performance of the fixed income markets will hinge on the prospects for Federal Reserve monetary policy changes. The Fed has indicated in post FOMC meeting statements and press conferences that the health of the global economy is an extremely important consideration when determining interest rate changes. The Fed will be very slow to act if equity markets are unstable.

The June meeting brings the Brexit vote into play, as it occurs after the FOMC meeting and may give the Fed pause. If Great Britain votes in favor of leaving the EU, this would be viewed as another blow to global economic activity, leading to potential equity market unrest. In addition, as this is a presidential election year, the Fed may choose to weigh on the more conservative side with respect to monetary tightening.

Fed activity will continue to be data dependent. With negative interest rate policies and sovereign bond purchase programs proving to be less than successful in Europe and Asia, global economic weakness may prevail for some time. Therefore the portfolios will be conservative with regard to benchmark durations in order to meet liquidity needs but will take advantage of higher yields, when they arise, to lengthen portfolios.

General Fund Investment Pool

The General Fund Investment Pool will remain fully invested. In the second quarter of 2016, \$50 million has been transferred so far from the Core to the Liquidity Pool to meet liquidity needs. With minimal maturities occurring in the Core portfolio, all portfolio restructurings will need to be accomplished via the sale of existing holdings.

Bond Proceeds Pools

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

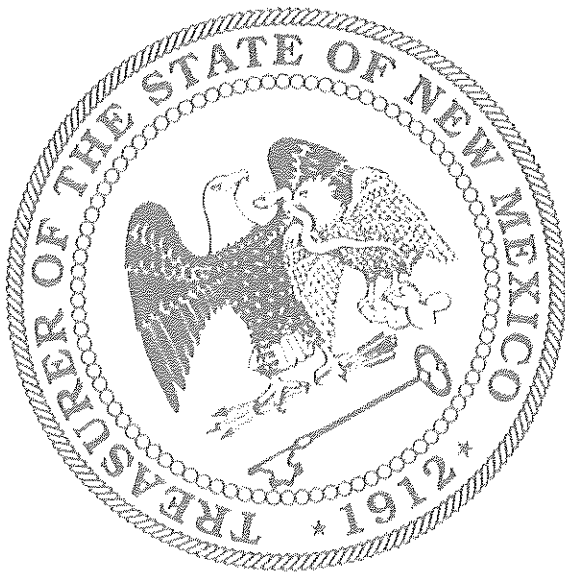
Local Government Investment Pool

The LGIP has decreased by \$20 million since the end of December 2015. The yield on the Pool was between 0.26-0.42% with a net yield payable to participants of 0.21-0.37%. The WAM to reset will continue to be close to the maximum allowable 60 days.

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. We will actively manage investments to mature close to the end of June in order to meet expected debt service payments. Given the reduction in oil and gas revenues, we expect deposits to be between \$15-\$25mil/month average.

Vikki Hanges
Portfolio Manager



10. Portfolio Summary- General Fund Investment Pool

Portfolio Summary – General Fund Investment Pool

Summary

- The General Fund Investment Pool (Bank balances, Liquidity and Core Portfolios) closed the month of March at \$1.6 Billion.

Portfolio Mix

- At month end, 100% of the General Fund CORE portfolio was invested in fixed income securities; 44% in US Government Securities; 51% in Government Related Securities (Municipal Bonds and Agency Securities), and the balance ~5% in cash and cash equivalents.
- 28% of the portfolio was invested in securities that mature in one year; 24% in securities that mature from 1-2 years; 36% in 2-4 years and 12% within 5 years.
- The General Fund Core portfolio held positions in 98 securities at the end of March.
- The Weighted Average Life of the CORE portion of the General Fund was 2.13 years. The Weighted Average duration was 2.08 years.
- The benchmark duration for the CORE portfolio was 2.14 years.
- The maximum security term for the CORE portfolio is 5 years.

Performance

- For the last 3 months, the General Fund underperformed its benchmark, returning 1.10% vs. 1.26%.
- For the last 12 months, the General Fund underperformed its benchmark. The General Fund gained 1.22% while the benchmark rose 1.33%.

Market Value and Investment Earnings

- Unrealized gains/losses in the Core Portfolio at the end of March were \$10,353,839.
- Over the month, the unrealized value of the portfolio increased \$0.83 million due to a decrease in relative interest rates.
- Monthly net earnings for March on the General Fund Portfolios were \$1.6 million.
- Total monthly earnings including mark-to-market were \$2.5 million.
- Year-to-date net earnings were \$13.6 million.
- Total year-to-date earnings including mark-to-market were \$16.9 million.
- STO projection of net earnings for FY16 - \$15.5 million.
- Earnings on the General Fund are used to offset General Fund Spending.

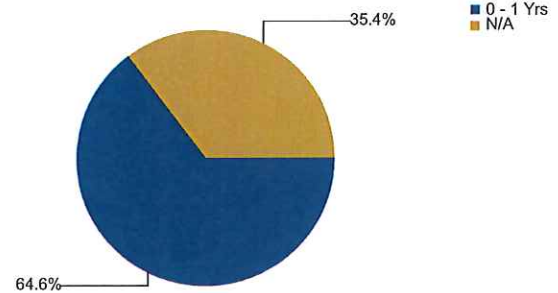
Investment Highlights

- The portfolio remained shorter than the benchmark duration to preserve principal in anticipation of liquidity needs.
- The Core portfolio will move closer to the benchmark duration as opportunities arise.
- In March and April, \$200 million and \$50 million respectively, was transferred out of the Core portfolio and into Liquidity to meet cash needs.

Portfolio Characteristics

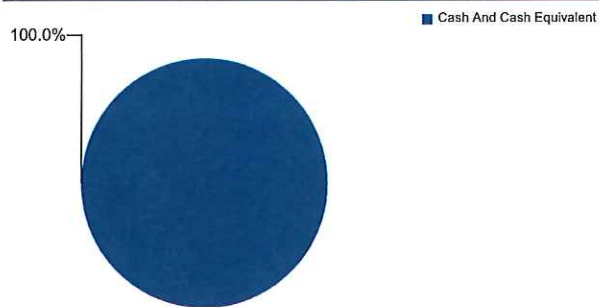
Total Net Assets (Millions)
Weighted Average Life (Years)
Weighted Avg. Effective Duration (Years)
Weighted Average Coupon (%)
Weighted Average Current Yield (%)
Weighted Average Rating
Number of Holdings

426.2
0.00
0.00
0.18
0.18
0.18
AAA
8



Asset Mix

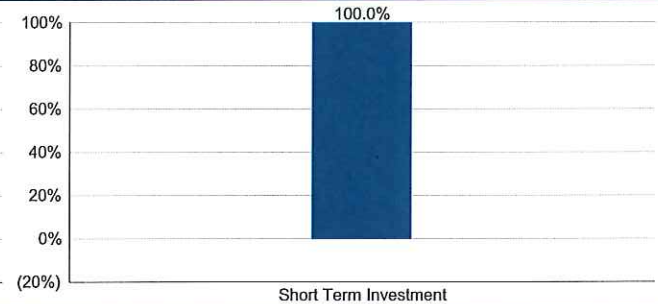
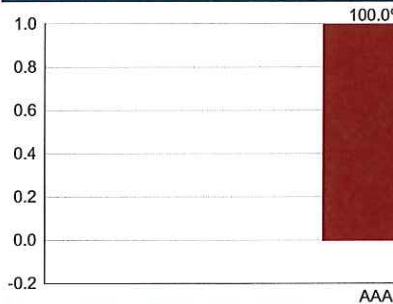
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
89499LC10	BANK OF THE WEST	35.36%	0.00	1/4/2016
99G910032	REPO JPMORGAN CHASE BK (GREENWICH) 033116K	11.71%	0.28	1/4/2016
99G910031	REPO JPMORGAN CHASE BK (GREENWICH) 033116N	11.71%	0.28	1/4/2016
99G910034	REPO JPMORGAN CHASE BK (GREENWICH) 033116O	0.12%	0.28	1/4/2016
99G910041	REPO JPMORGAN CHASE BK (GREENWICH) 033116L	11.71%	0.28	1/4/2016
99G910038	REPO JPMORGAN CHASE BK (GREENWICH) 033116J	11.71%	0.28	1/4/2016
99G910036	REPO JPMORGAN CHASE BK (GREENWICH) 033116P	5.95%	0.28	1/4/2016
99G910042	REPO JPMORGAN CHASE BK (GREENWICH) 033116M	11.71%	0.28	1/4/2016

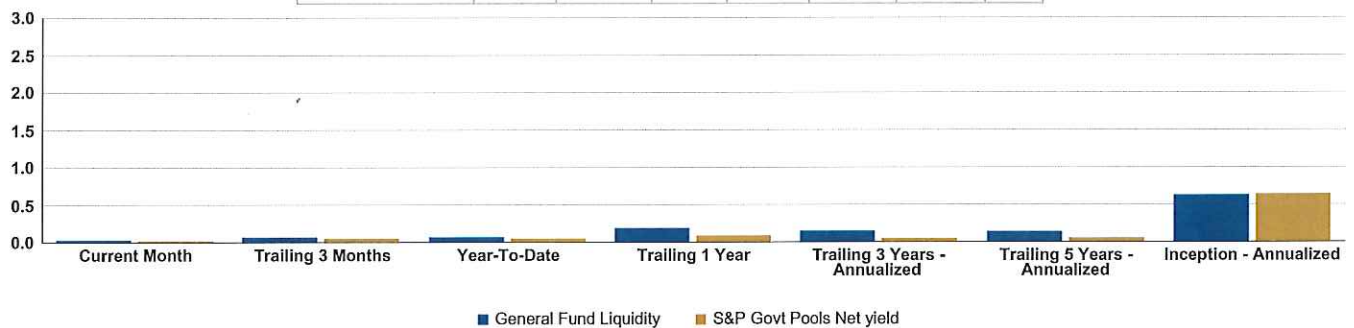
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
General Fund Liquidity	0.03	0.07	0.07	0.18	0.15	0.14	0.63
S&P Govt Pools Net yield	0.02	0.05	0.05	0.09	0.05	0.05	0.64
Excess	0.01	0.02	0.02	0.10	0.10	0.09	(0.01)

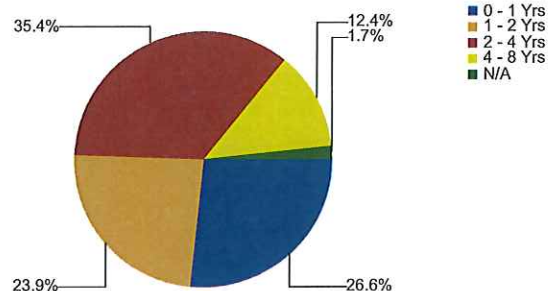


Portfolio Characteristics

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

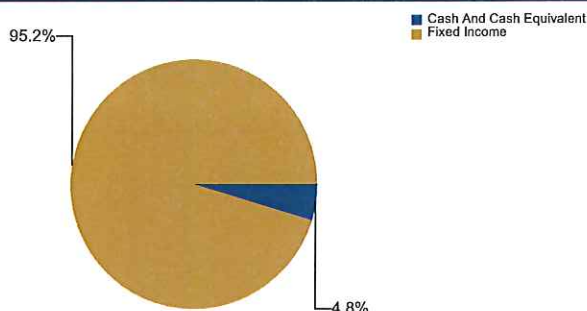
1,164.9
2.13
2.08
1.53
0.93
0.93
AA
97

Duration Mix



Asset Mix

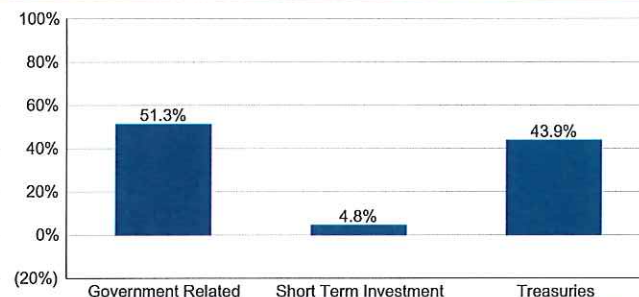
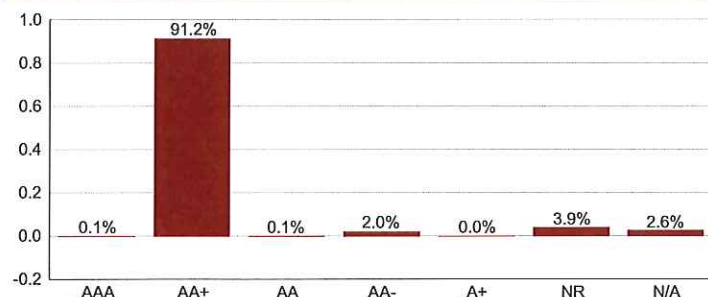
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
912828WC0	UNITED STATES OF AMERICA 1.750% 2020-10-31	3.63%	1.75	31/10/2020
3137EACH7	FEDERAL HOME LOAN MORTGAGE CORP 2% BDS 25/AUG/2016	3.46%	2.00	25/8/2016
3135G0GY3	FEDERAL NATIONAL MORTGAGE ASSOC 1.25% MTG BDS	3.46%	1.25	30/12/2017
3137EADC0	FEDERAL HOME LOAN MORTGAGE CORP 1% BDS 08/MAR/2017	3.45%	1.00	8/3/2017
3135G0CM3	FEDERAL NATIONAL MORTGAGE ASSOC 1.25% BDS	3.45%	1.25	28/9/2016
912828C65	UNITED STATES OF AMERICA 1.625% 2019-03-31	3.07%	1.62	31/3/2019
3130A7CV5	FEDERAL HOME LOAN BANKS BOND FIXED 1.375%	2.92%	1.38	18/2/2021
912828UV0	UNITED STATES OF AMERICA 1.125% 2020-03-31	2.90%	1.12	31/3/2020
3137EADS5	FEDERAL HOME LOAN MORTGAGE CORP 0.875% MTG BDS	2.59%	0.88	14/10/2016
912828VV9	UNITED STATES OF AMERICA 2.125% 2020-08-31	2.24%	2.12	31/8/2020

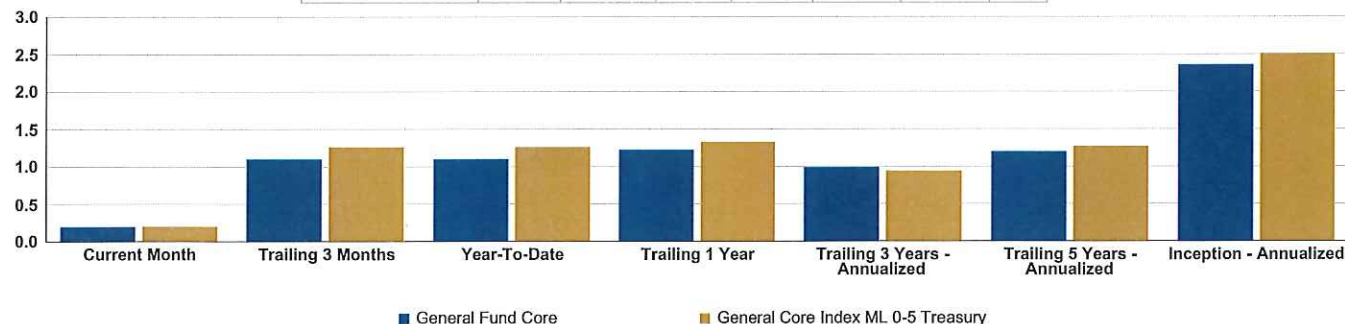
Quality/Rating Weightings

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	0.20	1.10	1.10	1.22	0.99	1.20	2.36
General Core Index ML 0-5 Treasury	0.20	1.26	1.26	1.33	0.94	1.27	2.51
Excess	(0.01)	(0.16)	(0.16)	(0.11)	0.05	(0.07)	(0.15)



STATE OF NEW MEXICO
GENERAL FUND (1000)
Portfolio Classification Summary
Positions Held as of 3/31/16 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.2839	.00270	275,499,496	275,499,496	275,499,496		64.639
CASH ACCOUNT	1			150,715,741	150,715,741	150,715,741		35.361
	2	.1835	.00270	426,215,237	426,215,237	426,215,237		100.000

STATE OF NEW MEXICO
GENERAL FUND CORE (1001)
Portfolio Classification Summary
Positions Held as of 3/31/16 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.2839	.00270	766,729	766,729	766,729		.066
CERTIFICATES OF DEPOSIT	11	.7294	.67457	52,750,000	52,750,000	52,750,000		4.541
US TREASURY NOTE ACT/ACT 2X	25	1.2979	2.79513	501,750,000	504,392,838	509,874,470	5,481,632	43.897
AGENCY US BOND 30/360 2X	5	1.4118	3.60274	59,500,000	59,288,432	59,750,025	461,593	5.144
AGENCY 30/360 2X	2	1.0005	.63438	41,000,000	40,997,817	41,118,150	120,333	3.540
AGENCY US BOND 30/360 ZERO CPN	1	2.2015	3.52330	22,941,000	21,006,781	21,795,785	789,004	1.876
AGENCY US NOTES 30/360 2X	20	1.1868	1.59758	405,500,000	407,963,749	411,304,040	3,340,291	35.411
FED NATL MORTGAGE ASSN DEBS	2	1.0679	.88272	50,000,000	50,072,466	50,234,500	162,034	4.325
MUNI US 30/360 2X	29	.7509	.46542	11,710,000	11,793,571	11,792,536	-1,035	1.015
MUNICIPAL BOND REVENUE	2	.6179	.35694	2,135,000	2,135,140	2,135,127	-13	.184
	98	1.2267	2.14050	1,148,052,729	1,151,167,523	1,161,521,362	10,353,839	100.000

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 3/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 3/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
150,715,741	BANK OF THE WEST	CASHCASH				1.00000	150,715,741.00	150,715,741.00	
150,715,741							150,715,741.00	150,715,741.00	
====> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> NO-MEANINGFUL-DATE <====									
275,499,496	OVERNIGHT REPO	0401RP	.280	4/01/16	.280	1.00000	275,499,496.37	275,499,496.37	
275,499,496							275,499,496.37	275,499,496.37	
====> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2016 <====									
426,215,237							426,215,237.37	426,215,237.37	
====> 0002 ITEMS IN SUBTOTAL FOR ==> FUND NAME..... ==> GENERAL FUND <====									

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 3/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 3/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
580,000	NEW MEXICO ST UNIV REVS	647429V7	1.000	4/01/16	1.000	100.00000	580,000.00	580,000.00	
720,000	LOS LUNAS NM GROSS RECPTS TAX RE	545559CU	2.000	4/01/16	.530	100.00000	720,000.00	720,000.00	
766,729	OVERNIGHT REPO	0401RP	.280	4/01/16	.280	1.00000	766,729.05	766,729.05	
1,000,000	FARMERS AND STOCKMENS BANK	8521545	.450	4/29/16	.450	1.00000	1,000,000.00	1,000,000.00	
1,000,000	FARMERS AND STOCKMENS BANK	8521680	.500	4/29/16	.500	1.00000	1,000,000.00	1,000,000.00	
135,000	VILLAGE OF CORRALES NM	22026TAC	2.000	5/01/16	.750	100.10357	135,139.82	135,126.90	- 12.92
100,000	NEW MEXICO MILITARY INST AT ROSW	647183BV	1.182	6/01/16	1.182	100.00000	100,000.00	100,024.00	24.00
160,000	LOS ALAMOS CNTY N MEX INC GROSS	54423TAM	5.750	6/01/16	.535	100.86664	161,386.63	161,307.20	- 79.43
205,000	LAS VEGAS N MEX GROSS RECPTS TAX	51778TBN	2.000	6/01/16	.550	100.24080	205,493.64	205,459.20	- 34.44
100,000	SANTA FE N MEX GROSS RCPTS TAXRE	802072MS	5.000	6/01/16	.500	100.74797	100,747.97	100,658.00	- 89.97
125,000	NEW MEXICO FIN AUTH REV	64711NPZ	2.500	6/01/16	.680	100.30199	125,377.49	125,352.50	- 24.99
1,045,000	LAS CRUCES N MEX JT UTIL REV	517496EK	2.000	6/01/16	.501	100.24909	1,047,602.97	1,047,340.80	- 262.17
10,000,000	SOUTHWEST CAPITAL BANK	1623575	.780	6/13/16	.780	1.00000	10,000,000.00	10,000,000.00	
100,000	NEW MEXICO FIN AUTH REV	64711NTV	1.250	6/15/16	1.250	100.00000	100,000.00	100,110.00	110.00
325,000	NEW MEXICO FIN AUTH REV	64711NVG	3.000	6/15/16	.480	100.51656	326,678.83	326,693.25	14.42
3,000,000	CENTURY BANK SANTA FE	17099254	.500	6/16/16	.500	1.00000	3,000,000.00	3,000,000.00	
180,000	NEW MEXICO ST SEVERANCE TAX	647310Q4	5.000	7/01/16	.699	101.07111	181,928.00	181,908.00	- 20.00
1,000,000	ALBUQUERQUE BERNALILLO CNTY WT J	013493ES	5.000	7/01/16	.830	101.03768	1,010,376.75	1,010,330.00	- 46.75
500,000	ALBUQUERQUE BERNALILLO CNTY WT J	013493DW	4.000	7/01/16	.830	100.78872	503,943.61	504,375.00	431.39
200,000	RUIDOSO N MEX WASTEWATER REV REF	781324AC	2.000	7/01/16	.800	100.29836	200,596.72	200,580.00	- 16.72
200,000	CITY OF ALBUQUERQUE NM	01354MEK	3.000	7/01/16	.560	100.60806	201,216.11	201,224.00	7.89
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MS6	5.375	7/15/16	1.126	101.21980	20,243,959.87	20,290,800.00	46,840.13
16,000,000	FARMER MAC	31315PR8	.770	8/01/16	.810	99.98636	15,997,817.17	16,026,400.00	28,582.83
500,000	BELEN N MEX CONS SCH DIST NO 2 G	077581NV	2.000	8/01/16	.770	100.40809	502,040.45	502,475.00	434.55
125,000	TRUTH OR CONSEQUENCES N MEX MU G	898439EF	2.000	8/01/16	1.000	100.33106	125,413.82	125,557.50	143.68
225,000	SANDOVAL CNTY N MEX	80004PDP	2.000	8/01/16	.710	100.42817	225,963.39	226,041.75	78.36
2,000,000	SANTA FE PUBLIC SCHOOLS ETN 2014	5FP52016	.750	8/01/16	.750	100.00000	2,000,000.00	2,000,000.00	
370,000	SANDOVAL CNTY NM	80004PDZ	2.000	8/01/16	.501	100.49842	371,844.17	371,650.20	- 193.97
2,000,000	GADSDEN INDEPENDENT SCHOOL	G1SD15TX	.600	8/15/16	.600	100.00000	2,000,000.00	2,000,000.00	
40,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	.832	100.46502	40,186,006.39	40,237,200.00	51,193.61
19,000,000	UNITED STATES TREASURY NOTES	912828RF	1.000	8/31/16	.929	100.02868	19,005,449.90	19,046,740.00	41,290.10
2,000,000	Bank 34	03010047	.600	8/31/16	.600	1.00000	2,000,000.00	2,000,000.00	
40,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0CM	1.250	9/28/16	.918	100.16253	40,065,013.54	40,142,400.00	77,386.46
170,000	GRANTS / CIBOLA CNTY N MEX SCHDI	388240GW	2.000	10/01/16	.650	100.67270	171,143.59	171,105.00	- 38.59
15,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	3132X0CG	.440	10/05/16	.457	99.99136	14,998,704.54	15,012,750.00	14,045.46
10,000,000	FIRST NATIONAL SANTA FE	84000530	.600	10/10/16	.600	1.00000	10,000,000.00	10,000,000.00	
30,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADS	.875	10/14/16	.862	100.00711	30,002,131.85	30,072,600.00	70,468.15
218,831,729							219,362,706.27	219,692,937.35	330,231.08

====> 0037 ITEMS IN SUBTOTAL FOR =====> FINAL-MATURITY.. =====> 2016 <=====

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 3/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 3/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
25,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PH8	1.100	1/26/17	1.100	100.00000	25,000,000.00	25,091,750.00	91,750.00
40,000,000	FED NATL MORTGAGE ASSN DBS	3135G0GY	1.250	1/30/17	1.054	100.16105	40,064,419.65	40,187,600.00	123,180.35
40,000,000	FED HOME LOAN MORTGAGE CORP DBS	3137EADC	1.000	3/08/17	1.019	99.98246	39,992,985.57	40,122,400.00	129,414.43
250,000	GUADALUPE CREDIT UNION	35605000	1.000	3/26/17	1.000	1.00000	250,000.00	250,000.00	
9,000,000	FARMER MAC	31315PS2	.980	4/10/17	1.015	99.96434	8,996,791.00	9,026,280.00	29,489.00
20,000,000	FIRST NATIONAL SANTA FE	84000531	.850	4/10/17	.850	1.00000	20,000,000.00	20,000,000.00	
3,000,000	FARMERS AND STOCKMENS	8521625	.700	4/21/17	.700	1.00000	3,000,000.00	3,000,000.00	
10,000,000	FED NATL MORTGAGE ASSN DBS	3135G0JA	1.125	4/27/17	1.049	100.08047	10,008,047.47	10,046,900.00	38,852.53
2,000,000	FARMERS & STOCKMENS BANK	8521016	.650	4/28/17	.650	1.00000	2,000,000.00	2,000,000.00	
8,000,000	FARMER MAC	31315PY8	.930	5/01/17	.970	99.95684	7,996,547.50	8,023,760.00	27,212.50
20,000,000	UNITED STATES TREASURY NOTES	912828SY	.625	5/31/17	1.009	99.55685	19,911,370.88	19,988,200.00	76,829.12
1,080,000	LAS CRUCES N MEX JT UTIL REV	517496EL	2.000	6/01/17	.750	101.44861	1,095,645.04	1,096,426.80	781.76
500,000	WESTERN BANK CLOVIS	15981000	.750	6/02/17	.750	1.00000	500,000.00	500,000.00	
20,000,000	UNITED STATES TREASURY NOTES	912828TB	.750	6/30/17	1.028	99.65564	19,931,127.02	20,018,800.00	87,672.98
9,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PDT	3.020	7/14/17	1.056	102.50132	9,225,119.19	9,267,660.00	42,540.81
9,000,000	UNITED STATES TREASURY NOTES	912828WT	.875	7/15/17	.966	99.88400	8,989,560.18	9,021,780.00	32,219.82
20,000,000	UNITED STATES TREASURY NOTES	912828NR	2.375	7/31/17	1.122	101.65228	20,330,456.51	20,443,800.00	113,343.49
300,000	SAN JUAN CNTY N MEX CENT CONS IN	798359KS	1.000	8/01/17	.751	100.33015	300,990.46	299,979.00	-1,011.46
20,000,000	UNITED STATES TREASURY NOTES	912828HA	4.750	8/15/17	1.027	105.06374	21,012,748.33	21,098,400.00	85,651.67
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EAAY	5.500	8/23/17	1.072	106.11179	10,611,178.63	10,663,700.00	52,521.37
10,000,000	UNITED STATES TREASURY NOTES	912828D9	1.000	9/15/17	1.058	99.91667	9,991,667.24	10,043,000.00	51,332.76
4,500,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315P3K	1.150	9/18/17	1.170	99.97035	4,498,665.77	4,529,880.00	31,214.23
15,000,000	FNMA	3135G0ZL	1.000	9/27/17	1.118	99.82637	14,973,955.81	15,056,550.00	82,594.19
25,000,000	FEDERAL NATIONAL MORTGAGE ASSOCE	3135G0PQ	.875	10/26/17	1.164	99.55191	24,887,977.66	25,047,000.00	159,022.34
20,000,000	UNITED STATES TREASURY NOTES	912828HH	4.250	11/15/17	1.085	105.07039	21,014,077.72	21,128,200.00	114,122.28
20,000,000	UNITED STATES TREASURY NOTES	912828UA	.625	11/30/17	1.075	99.25922	19,851,844.10	19,968,000.00	116,155.90
255,000	SILVER CITY N MEX JT UTIL SYS RE	82750RAP	2.000	12/01/17	1.000	101.64745	259,200.99	258,789.30	-411.69
361,885.000							364,694,376.72	366,178,855.10	1,484,478.38

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

5,000,000	UNITED STATES TREASURY NOTES	912828UJ	.875	1/31/18	1.309	99.21612	4,960,806.07	5,012,900.00	52,093.93
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADP	.875	3/07/18	1.454	98.90013	14,835,019.62	15,022,350.00	187,330.38
25,000,000	UNITED STATES TREASURY NOTES	912828UZ	.625	4/30/18	1.188	98.84759	24,711,898.33	24,925,750.00	213,851.67
25,000,000	UNITED STATES TREASURY NOTES	912828VE	1.000	5/31/18	1.228	99.51440	24,878,599.30	25,117,250.00	238,650.70
150,000	LAS CRUCES N MEX HOLD HARMLESSGR	51748QAY	4.000	6/01/18	1.500	105.30828	157,962.42	158,250.00	287.58
225,000	SAN JUAN CNTY N MEX CENT CONS IN	798359KT	1.000	8/01/18	1.000	99.99911	224,997.99	224,289.00	-708.99
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCE	3135G0YM	1.875	9/18/18	1.438	101.05384	20,210,767.76	20,487,200.00	276,432.24

STATE OF NEW MEXICO TREASURERS OFFICE

Position holdings as of 3/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 3/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
20,000,000	UNITED STATES TREASURY NOTES	912828WD	1.250	10/31/18	.944	100.77711	20,155,421.12	20,217,200.00	61,778.88
15,000,000	FEDERAL NATIONAL MORTGAGE ASSO	3135G0YT	1.625	11/27/18	1.747	99.68393	14,952,590.16	15,297,450.00	344,859.84
20,000,000	UNITED STATES TREASURY NOTES	912828RT	1.375	11/30/18	1.404	99.92468	19,984,935.89	20,290,600.00	305,664.11
500,000	FEDERAL HOME LOAN BANKS	313382F7	1.100	12/27/18	1.100	99.99922	499,996.12	502,145.00	2,148.88
145,875,000							145,572,994.78	147,255,384.00	1,682,389.22

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

20,000,000	UNITED STATES TREASURY NOTES	912828SD	1.250	1/31/19	1.267	99.95274	19,990,547.59	20,222,600.00	232,052.41
20,000,000	FEDERAL NATIONAL MORTGAGE ASSO	3135G0ZA	1.875	2/19/19	1.678	100.55182	20,110,363.93	20,541,600.00	431,236.07
20,000,000	FEDERAL NATIONAL MORTGAGE ASSO	3135G0J5	1.000	2/26/19	.986	100.03946	20,007,891.73	20,044,200.00	36,308.27
20,000,000	FEDERAL HOME LOAN MORTGAGE CORP	3137EACA	3.750	3/27/19	1.762	105.76320	21,152,640.25	21,641,200.00	488,559.75
35,000,000	UNITED STATES TREASURY NOTES	912828C6	1.625	3/31/19	1.744	99.65300	34,878,550.41	35,757,400.00	878,849.59
20,000,000	FREDDIE MAC	3137EADZ	1.125	4/15/19	1.136	99.96718	19,993,436.50	20,078,600.00	85,163.50
16,000,000	UNITED STATES TREASURY NOTES	912828TH	.875	7/31/19	1.507	97.95222	15,672,354.65	15,961,920.00	289,565.35
13,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315P3R	1.900	9/18/19	1.920	99.93297	12,991,286.17	13,423,280.00	431,993.83
22,941,000	FEDERAL NATIONAL MORTGAGE ASSO	313586RC		10/09/19	2.171	91.56872	21,006,780.93	21,795,785.28	789,004.35
24,500,000	UNITED STATES TREASURY NOTES	912828F6	1.500	10/31/19	1.561	99.78831	24,448,136.37	24,922,135.00	473,998.63
8,000,000	FEDERAL FARM CREDIT BANKS	3133EE8N	1.800	11/12/19	1.755	100.15547	8,012,437.48	8,184,240.00	171,802.52
14,000,000	FEDERAL NATIONAL MORTGAGE ASSO	3135G0ZY	1.750	11/26/19	1.701	100.17181	14,024,053.75	14,325,220.00	301,166.25
175,000	KNOX CNTY KY	499422DH	5.800	12/01/19	.780	103.33025	180,827.93	180,811.75	16.18
233,616,000							232,469,307.69	237,078,992.03	4,609,684.34

====> 0013 ITEMS IN SUBTOTAL FOR =====> FINAL-MATURITY.. ==> 2019 <=====

33,750,000	UNITED STATES TREASURY NOTES	912828UV	1.125	3/31/20	1.387	98.98501	33,407,439.28	33,809,400.00	401,960.72
13,500,000	UNITED STATES TREASURY NOTES	912828K5	1.375	4/30/20	1.501	99.50287	13,432,887.46	13,639,725.00	206,837.54
21,000,000	UNITED STATES TREASURY NOTES	912828VV	2.125	8/31/20	1.341	103.34930	21,703,352.01	21,861,420.00	158,067.99
4,000,000	UNITED STATES TREASURY NOTES	912828VU	2.125	8/31/20	1.654	101.99405	4,079,761.94	4,164,080.00	84,318.06
41,000,000	UNITED STATES TREASURY NOTES	912828WC	1.750	10/31/20	1.462	101.27075	41,521,007.43	42,007,370.00	486,362.57
20,000,000	US TREASURY N/B	912828A4	2.000	11/30/20	1.783	100.96590	20,193,180.06	20,718,000.00	524,819.94
20,000,000	UNITED STATES TREASURY NOTES	912828N4	1.750	12/31/20	1.383	101.67823	20,335,646.30	20,489,800.00	154,153.70
153,250,000							154,673,274.48	156,689,795.00	2,016,520.52

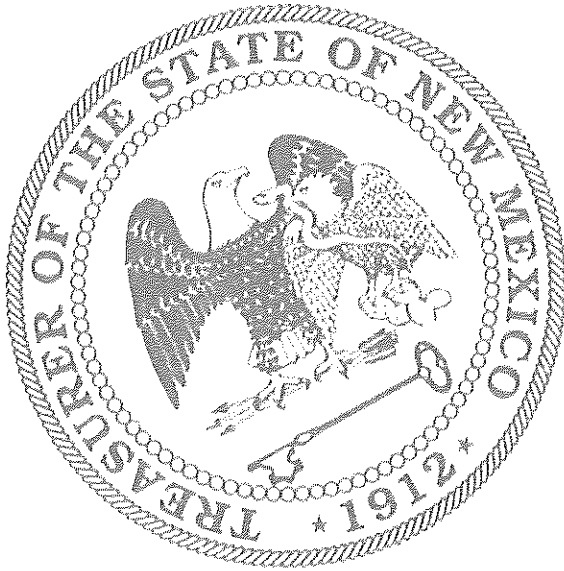
====> 0007 ITEMS IN SUBTOTAL FOR =====> FINAL-MATURITY.. ==> 2020 <=====

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 3/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 3/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
34,000,000	FEDERAL HOME LOAN BANKS	3130A7CV	1.375	2/18/21	1.511	99.36078	33,782,666.44	34,013,600.00	230,933.56
34,000,000							33,782,666.44	34,013,600.00	230,933.56
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==> 2021 <====									
255,000	CHOCTAW CNTY MISS HOSP REV	170323AR	7.500	8/01/28	.770	102.23432	260,697.52	260,339.70	- 357.82
255,000							260,697.52	260,339.70	- 357.82
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==> 2028 <====									
340,000	KNOX CNTY KY	499422DL	5.875	12/01/36	.780	103.37999	351,491.95	351,458.00	- 33.95
340,000							351,491.95	351,458.00	- 33.95
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==> 2036 <====									
1,148,052,729							1151167515.85	1161521361.18	10,353,845.33
====> 0098 ITEMS IN SUBTOTAL FOR ===== FUND NAME,,,,,, ==> GENERAL FUND CORE <====									



11. Portfolio Summary- Local Government Investment Pool

Portfolio Summary – Local Government Investment Pool (LGIP)

Summary

- Ending March market value for the LGIP was \$621.6mil representing a reduction relative to February's reported closing value of \$634mil.
- The LGIP maintains an AAAM rating by Standard & Poor's.
- At the end of March the STO LGIP participant balance was \$61.5mil or 10% of the Pool.
- At the end of March the Judicial District Court LGIP participant balance was \$4.7mil or 0.8% of the Pool.

Portfolio Mix

- At the end of March 2016 the portfolio was invested as follows: 2% in US Treasuries, 47% in US government agencies, 6% in collateralized demand deposit accounts with qualified banking institutions, 23% in floating rate securities, and 22% in overnight repurchase agreements.
- At month-end, the LGIP held positions in 60 securities.

Investment Earnings

- In March the fund earned \$219,779.
- For FY2016, the fund has earned \$1,367,941.
- Earnings in the LGIP are retained by participants after a management fee of 0.05% is paid to the General Fund.

Performance

- Gross yield on the LGIP was 0.416% at the end of March.
- Net yield to participants was 0.366%.

Investment Highlights

- For the LGIP, the WAM(R) of 60 days, and WAM (F) of 90 days, were within their maximums of 60 and 120 days respectively.
- Maturities for March totaled \$116mil.
- The LGIP purchased \$232.5mil US Treasury and agency securities maturing from 1-12 months at yields between 0.35% and 0.77%.
- During the same period the Pool sold \$132.3mil in agency securities. All securities were sold at gains.
- The LGIP engaged in 15 repo trades during the month, consisting of 11 overnight and 4 term trades. Trade amounts varied in size from \$10mil to \$50mil at rates spanning 0.28% to 0.35%.

Investment Strategy

- LGIP WAMs are currently 56 and 86.4 days for WAM(R) and WAM (F) respectively.
- The LGIP experienced net subscriptions in April of \$(5.6)mil.
- Maturities totaled \$81mil in April.
- It is expected that the LGIP WAMs will remain close to the allowable maximums.
- LGIP will continue to focus on maximizing safety of principal and providing adequate liquidity through the use of conservative investments.

Net Asset Value/Share

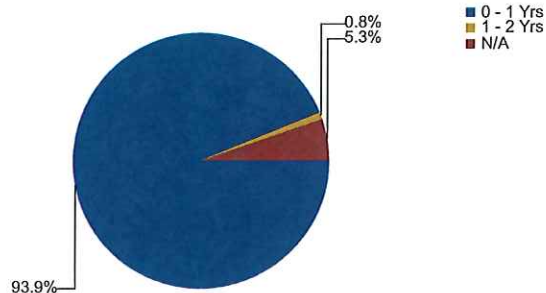
At month-end, the Net Asset Value per Share of the Local Government Investment Pool was \$0.9999.

Portfolio Characteristics

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

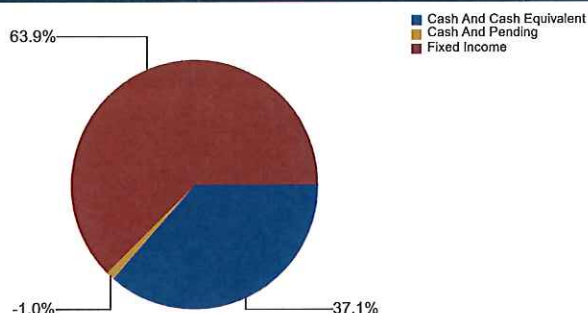
621.6
0.24
0.16
0.74
0.37
AA
60

Duration Mix



Asset Mix

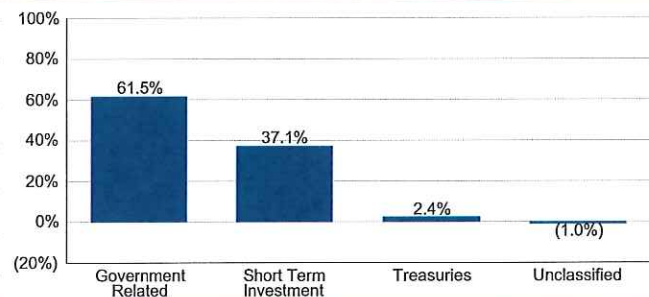
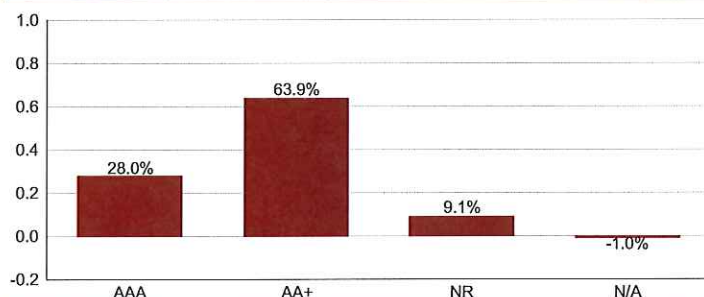
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
99G880221	REPO JPMORGAN CHASE BK (HSBCS) LGIPREPO032816_1	7.96%	0.35	1/4/2016
99G910027	REPO JPMORGAN CHASE BK (HSBCS) LGIPREPO033116	5.58%	0.35	1/4/2016
3135G0840	FEDERAL NATIONAL MORTGAGE ASSOC 2.375% NTS	4.64%	2.38	11/4/2016
3130A76J9	FEDERAL HOME LOAN BANK'S BOND FIXED .44%	4.56%	0.44	30/8/2016
3130A3E67	FEDERAL HOME LOAN BANK'S BOND FIXED .32%	3.81%	0.32	11/5/2016
894993C02	Wells Fargo Checking	3.40%	0.37	1/4/2016
3133ECKS8	FEDERAL FARM CREDIT BANK BOND VARIABLE 20/JUL/2016	3.19%	0.53	20/7/2016
3133EFKG1	FEDERAL FARM CREDIT BANK BOND VARIABLE 20/OCT/2016	3.19%	0.53	20/10/2016
313396G98	FEDERAL HOME LOAN MORTGAGE CORP DISCOUNT NOTES	3.18%	0.00	23/9/2016
99G880220	REPO RBC CAPITAL MARKETS LLC LGIPREPO032816_2	7.91%	0.28	1/4/2016

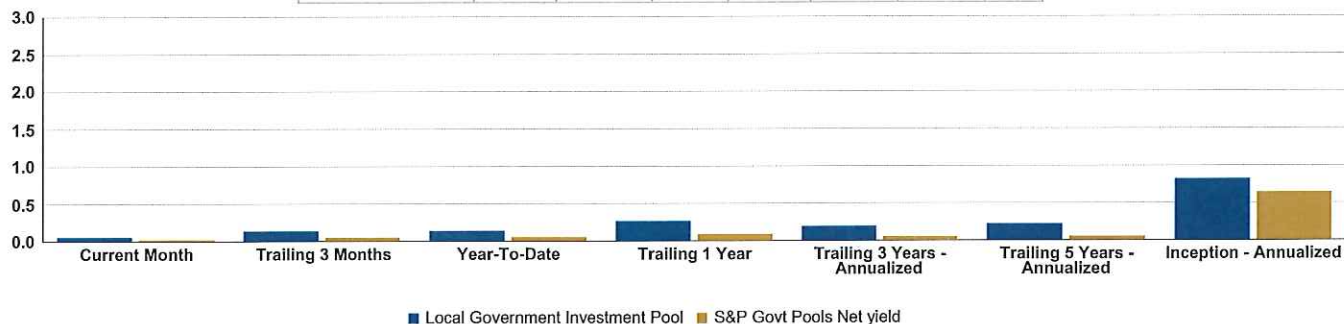
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Local Government Investment Pool	0.05	0.13	0.13	0.26	0.19	0.22	0.82
S&P Govt Pools Net yield	0.02	0.05	0.05	0.09	0.05	0.05	0.64
Excess	0.04	0.09	0.09	0.18	0.14	0.17	0.18



STATE OF NEW MEXICO
LGIP FUND (4101)
Portfolio Classification Summary
Positions Held as of 3/31/16 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.3549	.00270	35,000,000	35,000,000	35,000,000		5.640
REPURCHASE AGREEMENTS (TERM)	2	.3194	.01100	100,000,000	100,000,000	100,000,000		16.113
US TREASURY NOTE ACT/ACT 2X	1	.4519	.41920	15,000,000	15,033,873	15,036,900	3,027	2.423
AGENCY US FLOAT ACT/360 12X	8	.4646	.50017	54,875,000	54,869,914	54,867,096	-2,818	8.841
AGENCY US BOND 30/360 2X	11	.5312	.25903	100,485,000	100,587,950	100,609,919	21,969	16.211
AGENCY US DISC ACT/360 360 DAY	8	.4940	.36565	56,500,000	56,387,841	56,414,550	26,709	9.090
FED HOME LOAN BANKS	3	.4427	.28700	43,610,000	43,612,326	43,627,322	14,996	7.030
AGENCY US BOND 30/360 ZERO CPN	1	.3724	.12330	2,500,000	2,490,850	2,498,725	7,875	.403
AGENCY US NOTES 30/360 2X	11	.4548	.32420	90,560,000	91,015,951	91,036,377	20,426	14.669
FED NATL MORTGAGE ASSN DERS	1	.5032	.26300	3,225,000	3,223,976	3,224,162	186	.520
AGENCY US VARIABLE ACT/360 4X	7	.5044	.33488	85,150,000	85,149,673	85,152,012	2,339	13.721
CASH ACCOUNT	4			33,147,282	33,147,282	33,147,282		5.341
	58	.4257	.26097	620,052,282	620,519,636	620,614,345	94,709	100.000

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 3/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 3/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	NATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
15,179,756	(TD)-WELLS FARGO CASH ACCOUNT	CASHCASH	.100			1.00000	15,179,755.57	15,179,756.00	.43
2,366,485	WELLS FARGO SAVINGS	CASHCASH	.100			1.00000	2,366,485.14	2,366,485.00	.14
12,418,553	BANK OF THE WEST	CASHCASH	.250			1.00000	12,418,552.74	12,418,553.00	.26
3,182,488	US BANK	CASHCASH	.200			1.00000	3,182,488.06	3,182,488.00	.06
33,147,282							33,147,281.51	33,147,282.00	.49

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

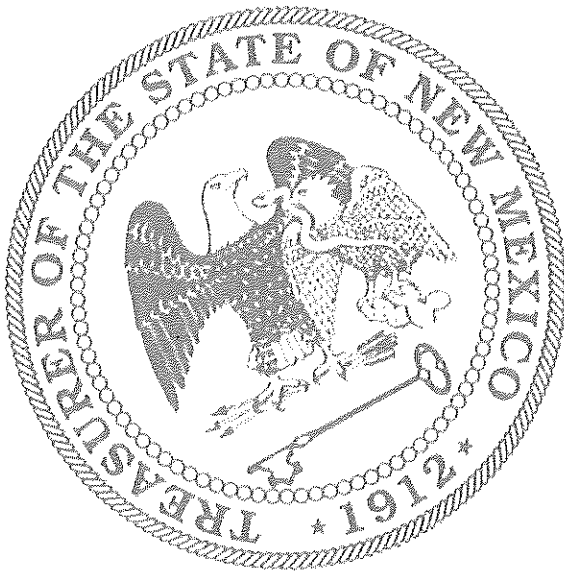
35,000,000	REPURCHASE AGREEMENT OVERNIGHT	04010NRP	.350	4/01/16	.350	1.00000	35,000,000.00	35,000,000.00	
50,000,000	REPURCHASE AGREEMENT TERM REPO	0404TMRP	.280	4/04/16	.280	1.00000	50,000,000.00	50,000,000.00	
50,000,000	REPURCHASE AGREEMENT TERM REPO	0404TMRP	.350	4/04/16	.350	1.00000	50,000,000.00	50,000,000.00	
28,778,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0BA	2.375	4/11/16	.337	100.05650	28,794,258.16	28,795,554.58	1,296.42
16,500,000	FEDERAL FARM CREDIT BANKS	3133ED4L	.260	4/11/16	.479	100.00000	16,500,000.00	16,500,165.00	165.00
600,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EAAD	5.250	4/18/16	.411	100.22801	601,368.07	601,374.00	5.93
13,015,000	FEDERAL HOME LOAN BANKS	3130A3C9	.430	4/20/16	.430	99.99993	13,014,991.42	13,016,041.20	1,049.78
10,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313588WC		4/27/16	.330	99.97617	9,997,616.67	9,998,500.00	883.33
12,295,000	FEDERAL HOME LOAN BANKS	3130A57H	.250	4/27/16	.430	99.98699	12,293,400.74	12,294,754.10	1,353.36
23,865,000	FEDERAL HOME LOAN BANKS	3130A3E6	.320	5/11/16	.427	99.98811	23,862,161.32	23,864,045.40	1,884.08
2,000,000	FEDERAL HOME LOAN BANKS	3130A72P	.407	5/12/16	.418	100.00000	2,000,000.00	1,999,980.00	20.00
4,582,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADQ	.500	5/13/16	.305	100.02266	4,583,038.32	4,582,778.94	259.38
2,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31358C7K		5/15/16	.367	99.63400	2,490,850.00	2,498,725.00	7,875.00
8,000,000	FEDERAL HOME LOAN BANKS	3133XFJF	5.375	5/18/16	.523	100.63168	8,050,534.64	8,052,400.00	1,865.36
5,000,000	FEDERAL HOME LOAN BANKS	3130A5E4	.300	5/26/16	.630	99.94960	4,997,480.24	5,000,500.00	3,019.76
5,925,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G5RF	.400	5/27/16	.250	100.02327	5,926,378.75	5,925,592.50	786.25
10,000,000	FEDERAL HOME LOAN BANKS	3130A6EK	.399	6/01/16	.406	99.99886	9,999,885.53	9,999,400.00	485.53
5,000,000	FEDERAL FARM CREDIT BANKS	313312XW		6/08/16	.341	99.93578	4,996,788.89	4,997,050.00	261.11
8,000,000	FEDERAL FARM CREDIT BANKS	3133ED4M	.280	6/09/16	.538	99.99552	7,999,641.64	8,000,320.00	678.36
15,000,000	FEDERAL FARM CREDIT BANKS	3133EDA7	.270	6/20/16	.538	99.99318	14,998,976.33	15,000,300.00	1,323.67
10,000,000	FEDERAL HOME LOAN BANKS	3130A75A	.405	6/22/16	.417	99.99681	9,999,680.98	9,999,500.00	180.98
5,000,000	FEDERAL HOME LOAN BANKS	3130A1BK	.500	6/24/16	.520	99.99538	4,999,769.18	5,002,350.00	2,580.82
5,000,000	FEDERAL HOME LOAN BANK	3130A72E	.500	6/30/16	.520	99.99490	4,999,745.07	5,002,550.00	2,804.93
28,610,000	FEDERAL HOME LOAN BANKS	3130A76J	.440	6/30/16	.395	100.01100	28,613,147.10	28,620,871.80	7,724.70
3,225,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0XP	.375	7/05/16	.496	99.96826	3,223,976.23	3,224,161.50	185.27
6,835,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EAAG	5.500	7/18/16	.434	101.50240	6,937,688.83	6,940,600.75	2,911.92
5,000,000	FEDERAL HOME LOAN BANKS	313384ZP		7/19/16	.582	99.82439	4,991,219.44	4,994,550.00	3,330.56
20,000,000	FEDERAL FARM CREDIT BANKS	3133ECKS	.530	7/20/16	.425	100.03039	20,006,077.92	20,005,000.00	1,077.92
5,000,000	FEDERAL HOME LOAN BANKS	313384Z2		7/29/16	.521	99.82811	4,991,405.56	4,994,050.00	2,644.44
1,500,000	FEDERAL HOME LOAN BANKS	3130A76N	.451	8/01/16	.475	99.99624	1,499,943.60	1,500,060.00	116.40

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 3/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 3/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
10,000,000	FEDERAL HOME LOAN BANKS	3130A77E	.450	8/02/16	.466	100.00000	10,000,000.00	10,000,400.00	400.00
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	313396A8		8/05/16	.481	99.83200	4,991,600.00	4,993,000.00	1,400.00
11,805,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	.521	100.59006	11,874,656.87	11,875,003.65	346.78
10,000,000	FEDERAL HOME LOAN BANK	3130A7FF	.500	8/29/16	.514	99.99434	9,999,433.90	10,003,900.00	4,466.10
15,000,000	UNITED STATES TREASURY NOTES	912828RF	1.000	8/31/16	.452	100.22582	15,033,872.75	15,036,900.00	3,027.25
5,000,000	FEDERAL HOME LOAN BANKS	3130A6BD	.510	9/09/16	.510	100.00000	5,000,000.00	5,000,350.00	350.00
10,000,000	FEDERAL HOME LOAN BANKS	313370TW	2.000	9/09/16	.711	100.56378	10,056,378.46	10,068,500.00	12,121.54
1,375,000	FEDERAL FARM CREDIT BANKS	3133EDH2	.451	9/14/16	.483	99.98726	1,374,824.76	1,374,656.25	-168.51
4,250,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MW4	5.250	9/15/16	.573	102.12469	4,340,299.16	4,342,692.50	2,393.34
500,000	FEDERAL HOME LOAN BANKS	313384G2		9/16/16	.575	99.73260	498,663.00	499,020.00	357.00
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	313396G9		9/23/16	.486	99.76424	19,952,847.22	19,959,200.00	6,352.78
3,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134C5JE	.650	9/29/16	.442	100.10253	3,003,075.93	3,002,250.00	-825.93
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADS	.875	10/14/16	.541	100.17864	15,026,796.11	15,036,300.00	9,503.89
20,000,000	FEDERAL FARM CREDIT BANK	3133EFKG		10/20/16	.537	99.99479	19,998,957.10	20,000,200.00	1,242.90
8,000,000	FEDERAL HOME LOAN BANKS	313381B5	.580	11/14/16	.593	99.99172	7,999,337.60	7,994,080.00	-5,257.60
9,000,000	FEDERAL HOME LOAN BANKS	3130A34L	.750	11/18/16	.681	100.04329	9,003,896.07	9,006,480.00	2,583.93
6,000,000	FEDERAL HOME LOAN BANKS	313384S9		12/12/16	.766	99.46167	5,967,700.00	5,979,180.00	11,480.00
4,785,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359M2D	4.875	12/15/16	.671	102.95300	4,926,300.83	4,932,378.00	6,077.17
554,945,000							555,418,664.39	555,515,665.17	97,000.78
====> 0048 ITEMS IN SUBTOTAL FOR ===== FINAL-MATURITY.. ===== 2016 <=====									
10,000,000	FEDERAL FARM CREDIT BANKS	31331K6S	.479	1/17/17	.491	100.00000	10,000,000.00	9,999,500.00	-500.00
1,310,000	FEDERAL HOME LOAN BANK	3130A7L9	.850	4/17/17	.850	100.00000	1,310,000.00	1,310,419.20	419.20
5,400,000	FEDERAL FARM CREDIT BANKS	3133EFKH	.440	4/20/17	.505	99.93082	5,396,264.02	5,396,274.00	9.98
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0ZB	.750	4/20/17	.710	100.04183	5,002,091.35	5,001,850.00	-241.35
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G75N	.479	4/27/17	.513	99.95589	9,995,588.64	9,993,600.00	-1,988.64
250,000	FEDERAL FARM CREDIT BANKS	3133EEER	.495	4/27/17	.550	99.90296	249,757.40	249,752.50	-4.90
31,960,000							31,953,701.41	31,951,395.70	-2,305.71
====> 0006 ITEMS IN SUBTOTAL FOR ===== FINAL-MATURITY.. ===== 2017 <=====									
620,052,282							620,519,647.31	620,614,342.87	94,695.56
====> 0058 ITEMS IN SUBTOTAL FOR ===== FUND NAME..... ===== LGIP FUND <=====									



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 March at \$612mil vs. \$691mil at the end of February.
- The Pool received \$16.3mil in draw requests for capital spending during the month and paid out \$13.7mil for capital projects.

Portfolio Mix

- 100% of the Tax-Exempt BPIP portfolio was invested in fixed income securities: 34% in US Treasuries, 58% in agency securities, 4% in NM municipal securities and the balance, approximately 4%, was held in cash equivalents and collateralized NM bank CDs.
- 41% of the portfolio was invested in securities that mature in one year, 45% in securities that mature from 1-2 years, 13% in securities that mature from 2-4 years and 1% in securities out to 5 years.
- The Tax-Exempt BPIP held positions in 93 securities.
- Weighted Average Life of the Tax Exempt BPIP was 1.43 years. The Weighted Average duration was 1.25 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 \$1,169,351 on March 31st.
- Monthly net earnings on the portfolio for March were \$450,016.
- Net earnings for FY2016 were \$3,479,545.
- 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 March was 1.25 yrs. vs. the Benchmark at 1.41 yrs.
- The Pool duration lengthened slightly during the month.
- The Pool purchased \$35mil of 2-3 year agency securities and a \$0.665mil 4 month local municipal. The Pool also sold \$38.4mil of US Treasury and agency securities. All securities were sold at a gain.

Performance

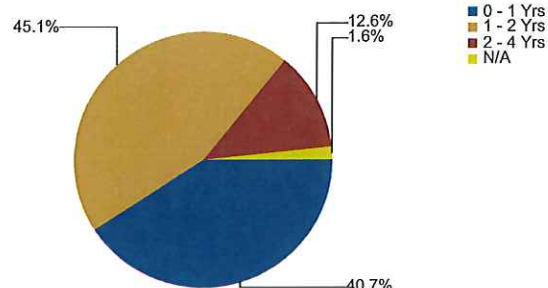
- The purchase yield was 0.86% at the end of March vs. 0.75% reported for the previous month.
- The Tax-Exempt BPIP returned 0.16% for the month of March and 0.63% for the three months ended March 31, 2016, vs. Index returns of 0.15% and 0.67% respectively. For the trailing 12 mos. the Pool returned 0.71% vs. 0.72% for the benchmark.
- The Tax-Exempt BPIP had a duration shorter than the benchmark for the month of March but nonetheless was able to outperform the index.
- Cash flows (debt service payments, capital project withdrawals, bond sale proceeds) will continue to be the key driver of the portfolio's structure and cash position going forward.

Investment Strategy

- The option-adjusted duration of the Tax-Exempt BPIP portfolio is currently 1.16 yrs. vs. 1.41 yrs. for the benchmark.
- Capital project withdrawal requests totaled \$18.9mil for April.
- The Tax-Exempt BPIP has maintained duration shorter than that of the benchmark in order to provide adequate liquidity for project withdrawals while minimizing overnight cash positions.
- Project withdrawals will have the effect of lengthening duration and as they have had a high degree of variability month-to-month, cash flow management will dominate portfolio decisions.

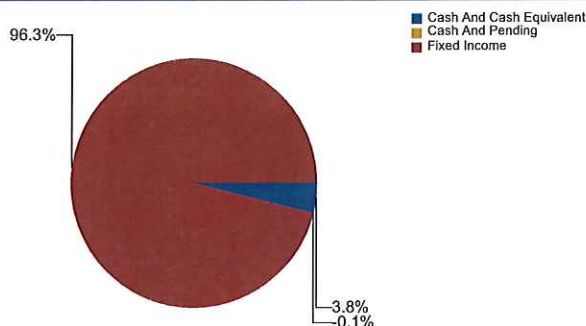
Portfolio Characteristics

Total Net Assets (Millions)	611.7
Weighted Average Life (Years)	1.43
Weighted Avg. Effective Duration (Years)	1.25
Weighted Average Coupon (%)	1.45
Weighted Average Current Yield (%)	0.68
Weighted Average Rating	0.72
Number of Holdings	AA+
	93



Asset Mix

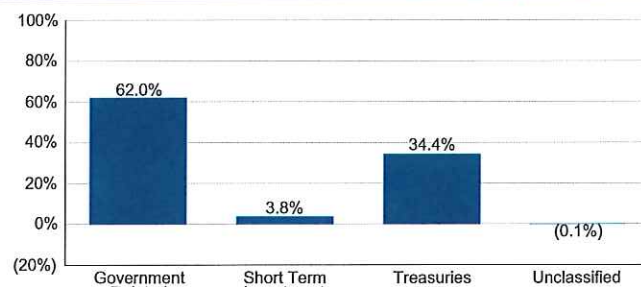
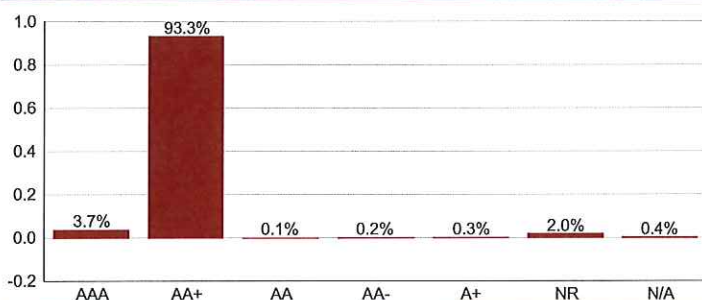
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
880591EC2	TENNESSEE VALLEY 4.5% BDS 01/APR/2018 USD1000	5.37%	4.50	1/4/2018
912826J68	TWEE RR UNITED STATES 2X OLD 3 YEAR POINT 1.000% 2016-03-15	4.10%	1.00	15/3/2016
3137EADV8	FEDERAL HOME LOAN MORTGAGE CORP NOTES FIXED .75%	3.93%	0.75	14/7/2017
3137EADN6	FEDERAL HOME LOAN MORTGAGE CORP 0.75% BDS	3.92%	0.75	12/1/2018
3135G0V42	FNMA 0.750000 C'17 USD	3.92%	0.75	14/3/2017
912826RY8	UNITED STATES OF AMERICA 1.375% 2016-12-31	3.33%	1.38	31/12/2016
3137EACW7	FEDERAL HOME LOAN MORTGAGE CORP 2% BDS 25/AUG/2016	3.29%	2.00	25/8/2016
3137EADP1	FEDERAL HOME LOAN MORTGAGE CORP 0.875% BDS	3.27%	0.88	7/3/2018
31359M7X5	FEDERAL NATIONAL MORTGAGE ASSOC 5% BDS 11/MAY/2017	2.61%	5.00	11/5/2017
912826WD8	UNITED STATES OF AMERICA 1.250% 2016-10-31	2.49%	1.25	31/10/2016

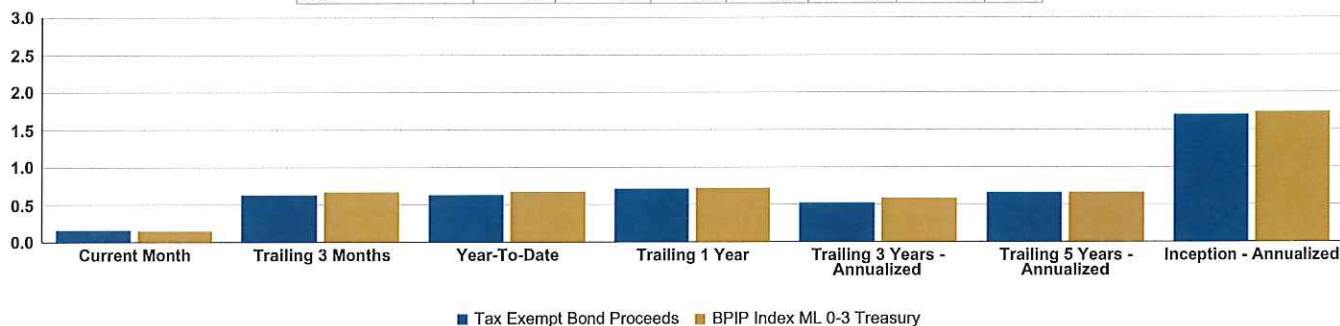
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Tax Exempt Bond Proceeds	0.16	0.63	0.63	0.71	0.52	0.66	1.70
BPIP Index ML 0-3 Treasury	0.15	0.67	0.67	0.72	0.58	0.66	1.74
Excess	0.01	(0.04)	(0.04)	(0.01)	(0.07)	(0.01)	(0.04)



STATE OF NEW MEXICO
BOND PROCEEDS INV POOL 1 TAX EX (4000)
Portfolio Classification Summary
Positions Held as of 3/31/16 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.2839	.00270	13,078,466	13,078,466	13,078,466		2.146
CERTIFICATES OF DEPOSIT	2	.7250	.76305	3,000,000	3,000,000	3,000,000		.492
US TREASURY NOTE ACT/ACT 2X	15	.7847	1.19405	209,000,000	209,199,850	209,778,840	578,990	34.421
AGENCY US BOND 30/360 2X	16	.9985	1.67951	116,470,000	119,404,563	119,662,635	258,072	19.635
FHLB INDEX BOND 12X	1	1.8250	.12880	5,000,000	5,000,000	4,960,500	-39,500	.814
AGENCY US BOND 30/360 ZERO CPN	1	.6516	1.16710	6,089,000	6,025,005	6,036,756	11,751	.991
AGENCY US NOTES 30/360 2X	20	.8995	1.15000	217,600,000	218,355,984	218,695,392	339,408	35.884
FED NATL MORTGAGE ASSN DEBS	1	1.2267	.62740	5,000,000	5,005,084	5,026,400	21,316	.825
MUNI US 30/360 2X	24	.6796	.68767	16,765,000	16,992,382	16,991,261	-1,121	2.788
MUNICIPAL BOND REVENUE	9	.6889	.77045	5,765,000	5,838,139	5,838,574	435	.958
UNITS - INVESTMENT POOL 1	1			7,060,270	7,060,270	7,060,270		1.158
CASH ACCOUNT	1			-681,515	-681,515	-681,515		-.112
	92	.8556	1.21216	604,146,221	608,278,228	609,447,579	1,169,351	100.000

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 3/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 3/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
-	681,515 (TD)-CASH KEY	CASHCASH				1.00000	- 681,515.28	- 681,515.00	.28
	7,060,270 UNITS - INVESTMENT POOL 1	UNITSS001				1.00000	7,060,269.74	7,060,270.00	.26
	6,378,755						6,378,754.46	6,378,755.00	.54

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

13,078,466	OVERNIGHT REPO	0401RP	.280	4/01/16	.280	1.00000	13,078,466.23	13,078,466.23	
400,000	TORRANCE ETC CNTYS N MEX MUN S	891400NC	1.000	5/15/16	.552	100.05448	400,217.93	400,272.00	54.07
1,220,000	RIO RANCHO N MEX WTR & WASTEWT	767175GF	3.000	5/15/16	.550	100.29847	1,223,641.32	1,223,672.20	30.88
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACT	2.500	5/27/16	.479	100.31354	10,031,353.60	10,034,000.00	2,646.40
10,000,000	UNITED STATES TREASURY NOTES	912828QP	1.750	5/31/16	.522	100.20066	10,020,066.40	10,023,700.00	3,633.60
1,225,000	SANTA FE N MEX GROSS RCPTS TAX	802072RG	2.000	6/01/16	.630	100.22736	1,227,785.21	1,228,001.25	216.04
1,500,000	ARTESIA N MEX GROSS RCPTS TAX RE	043053BT	2.000	6/01/16	.490	100.25091	1,503,763.71	1,503,330.00	433.71
130,000	RUIDOSO N MEX GROSS RCPTS TAX RE	781336AX	2.000	6/01/16	.500	100.24922	130,323.99	130,288.60	35.39
75,000	UNIVERSITY N MEX UNIV REVS	914692ZE	.720	6/01/16	.719	100.00000	75,000.00	75,012.75	12.75
750,000	SAN JUAN CNTY N MEX GROSS RCPTS	79835HGJ	3.000	6/15/16	.461	100.52066	753,904.92	753,427.50	477.42
15,000,000	UNITED STATES TREASURY NOTES	912828QR	1.500	6/30/16	.510	100.24394	15,036,590.62	15,044,250.00	7,659.38
1,120,000	ALBUQUERQUE NM GROSS RCPTS TAX	01354PPQ	.550	7/01/16	.550	100.00000	1,120,000.00	1,120,078.40	78.40
450,000	ALB NM GROSS RCPT LODGERS TAX RE	01354MFT	3.000	7/01/16	.801	100.54713	452,462.09	452,358.00	104.09
665,000	ABQ BERN COUNTY WATER UTIL AUTH	013493BY	5.250	7/01/16	.552	101.17100	672,787.15	672,268.45	518.70
1,500,000	FARMERS & STOCKMENS BANK	852162O	.500	7/06/16	.500	1.00000	1,500,000.00	1,500,000.00	
15,000,000	UNITED STATES TREASURY NOTES	912828VL	.625	7/15/16	.531	100.02681	15,004,021.38	15,011,700.00	7,678.62
45,000	ALAMOGORDO N MEX	011446HA	4.000	8/01/16	1.050	100.97744	45,439.85	45,495.90	56.05
620,000	UNIVERSITY N MEX VALENCIA CNTYBR	914696DJ	2.000	8/01/16	.551	100.48153	622,985.46	622,765.20	220.26
1,000,000	BELEN N MEX CONS SCH DIST NO 2	077581PV	2.000	8/01/16	.451	100.51525	1,005,152.49	1,004,460.00	692.49
475,000	GAUSDEN N MEX INDPT SCH DIST NO	362550MJ	2.000	8/15/16	.650	100.50064	477,378.04	477,356.00	22.04
2,225,000	SAN JUAN CNTY N MEX JR COLLEGE	798360FC	2.000	8/15/16	.440	100.57926	2,237,888.46	2,236,036.00	1,852.46
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	1.144	100.33984	20,067,968.40	20,118,600.00	50,631.60
315,000	GRANT CNTY N MEX	387766BY	2.000	9/01/16	.600	100.58128	316,831.04	316,735.65	95.39
200,000	TORRANCE ETC CNTYS N MEX MUN SCH	891400NX	1.500	9/01/16	.500	100.41551	200,831.01	200,818.00	13.01
390,000	HOBBS N MEX MUN SCH DIST NO 16	433866FT	3.000	9/15/16	.530	101.12216	394,376.44	394,321.20	55.24
14,000,000	UNITED STATES TREASURY NOTES	912828RJ	1.000	9/30/16	.631	100.18267	14,025,573.30	14,039,340.00	13,766.70
10,000,000	UNITED STATES TREASURY NOTES	912828RN	1.000	10/31/16	.428	100.33065	10,033,064.57	10,030,100.00	2,964.57
5,000,000	FEDERAL NATL MTG ASSN DEBS	3135G0ES	1.375	11/15/16	1.210	100.10168	5,005,083.82	5,026,400.00	21,316.18
15,000,000	UNITED STATES TREASURY NOTES	912828WF	.625	11/15/16	.693	99.95804	14,993,706.05	15,011,700.00	17,993.95
15,000,000	UNITED STATES TREASURY NOTES	912828AS	.625	12/15/16	.727	99.92814	14,989,221.40	15,007,650.00	18,428.60
156,383,466							156,645,884.88	156,782,603.33	136,718.45

====> 0030 ITEMS IN SUBTOTAL FOR =====> FINAL-MATURITY.. =====> 2016 <=====

STATE OF NEW MEXICO TREASURERS OFFICE

Position holdings as of 3/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 3/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
15,000,000	UNITED STATES TREASURY NOTES	912828SC	.875	1/31/17	.710	100.13667	15,020,500.44	15,033,450.00	12,949.56
15,000,000	UNITED STATES TREASURY NOTES	912828SJ	.875	2/28/17	.788	100.07870	15,011,804.89	15,032,250.00	20,445.11
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADC	1.000	3/08/17	.756	100.22720	10,022,720.00	10,030,600.00	7,880.00
24,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0VN	.750	3/14/17	.625	100.11831	24,028,395.52	24,012,480.00	15,915.52
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359M7X	5.000	5/11/17	.736	104.70907	15,706,359.82	15,715,200.00	8,840.18
1,495,000	ARTESIA N MEX GROSS RCPTS TAX RE	043053BU	2.000	6/01/17	.750	101.44830	1,516,652.02	1,516,528.00	124.02
6,089,000	FANNIE MAE	31359MEL		6/01/17	.643	98.94900	6,025,004.61	6,036,756.38	11,751.77
55,000	UNIVERSITY N MEX UNIV REVS	914692ZF	.970	6/01/17	.970	100.00000	55,000.00	55,065.45	65.45
2,000,000	FEDERAL HOME LOAN BANKS	313383PD	1.250	6/09/17	.701	100.64809	2,012,961.71	2,014,700.00	1,738.29
700,000	SAN JUAN CO NM GROSS RCPTS TAX	79835HGK	4.000	6/15/17	.870	103.74405	726,208.33	726,229.00	20.67
1,000,000	FEDERAL FARM CREDIT BANKS	3133EDEB	1.100	6/28/17	.700	100.49326	1,004,932.64	1,004,450.00	482.64
5,000,000	UNITED STATES TREASURY NOTES	912828TB	.750	6/30/17	1.006	99.68265	4,984,132.46	5,004,700.00	20,567.54
600,000	ALBUQUERQUE NM GROSS RCPTS TAX	01354PFR	1.050	7/01/17	1.050	100.00000	600,000.00	601,314.00	1,314.00
1,500,000	FARMERS & STOCKMENS BANK	8521621	.950	7/05/17	.950	1.00000	1,500,000.00	1,500,000.00	
5,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PZT	.650	7/10/17	.862	99.73179	4,986,589.68	5,002,550.00	15,960.32
24,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADV	.750	7/14/17	.740	100.01224	24,002,936.94	24,008,640.00	5,703.06
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADJ	1.000	7/28/17	.791	100.27473	5,013,736.57	5,018,050.00	4,313.43
5,000,000	UNITED STATES TREASURY NOTES	912828TG	.500	7/31/17	.906	99.46358	4,973,179.05	4,987,700.00	14,520.95
375,000	SANDOVAL CNTY N MEX	80004PEA	3.000	8/01/17	.820	102.88379	385,814.21	385,548.75	265.46
300,000	ALBUQUERQUE N MEX MET ARROYO FLO	013572KE	2.000	8/01/17	.750	101.65448	304,963.45	305,502.00	538.55
250,000	ROSWELL N MEX INDPT SCH DIST	778550JQ	2.000	8/01/17	.900	101.45395	253,634.87	253,755.00	120.13
2,500,000	T TO 05/01/1976	802088LN	5.000	8/01/17	.900	105.42046	2,635,511.42	2,635,925.00	413.58
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0PP	1.000	9/20/17	.830	100.24793	5,012,396.49	5,015,550.00	3,153.51
15,000,000	FEDERAL FARM CREDIT BANKS	3133EEQX	1.000	9/25/17	.860	100.20585	15,030,877.24	15,050,400.00	19,522.76
5,000,000	FNMA	3135G0ZL	1.000	9/27/17	1.118	99.82637	4,991,318.60	5,018,850.00	27,531.40
3,800,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G0C3	1.020	9/27/17	1.017	100.00000	3,800,000.00	3,797,720.00	2,280.00
2,000,000	FEDERAL HOME LOAN BANKS	3133792L	1.230	10/20/17	.786	100.68316	2,013,663.29	2,015,180.00	1,516.71
5,000,000	FEDERAL HOME LOAN BANKS	3130A6LZ	.625	10/26/17	.733	99.83239	4,991,619.25	4,990,200.00	1,419.25
1,000,000	FEDERAL HOME LOAN BANKS	3130A4B2	1.000	10/27/17	.787	100.33267	1,003,326.72	1,003,070.00	256.72
15,000,000	UNITED STATES TREASURY NOTES	912828UA	.625	11/30/17	.814	99.68870	14,953,305.62	14,976,000.00	22,694.38
6,005,000	TENNESSEE VALLEY AUTHORITY	880591CU	6.250	12/15/17	1.021	108.81666	6,534,440.50	6,543,708.55	9,268.05
197,669,000							199,101,986.34	199,292,072.13	190,085.79

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

24,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADN	.750	1/12/18	.904	99.72863	23,934,870.94	23,991,600.00	56,729.06
7,480,000	FEDERAL HOME LOAN BANKS	3130A5ZS	1.100	2/12/18	.959	100.05061	7,483,785.76	7,496,381.20	12,595.44
185,000	ABQ NM GROSS RCPT LODGERS TAX RE	01354MVF	3.000	3/01/18	.918	103.94582	192,299.76	192,708.95	409.19

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 3/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 3/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADP	.875	3/07/18	.928	99.89877	19,979,753.08	20,029,800.00	50,046.92
13,585,000	FEDERAL HOME LOAN BANKS	313378A4	1.375	3/09/18	.966	100.78300	13,691,370.48	13,734,163.30	42,792.82
25,000,000	UNITED STATES TREASURY NOTES	912828J6	1.000	3/15/18	.899	100.19595	25,048,986.65	25,122,000.00	73,013.35
30,000,000	TENNESSEE VALLEY AUTHORITY	880591EC	4.500	4/01/18	.935	107.04808	32,114,423.59	32,203,200.00	88,776.41
1,000,000	FEDERAL HOME LOAN BANKS	3130A4UC	1.125	4/27/18	.602	100.03756	1,000,375.58	1,000,010.00	- 365.58
1,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G43L	1.100	5/07/18	1.097	100.00000	1,000,000.00	1,000,120.00	120.00
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCT	3135G0WJ	.875	5/21/18	1.114	99.49512	14,924,268.05	15,018,450.00	94,181.95
100,000	SANDOVAL CNTY N MEX INCENTIVE PA	800051AW	1.952	6/01/18	1.460	101.04411	101,044.11	101,439.00	394.89
155,000	RUIDOSO N MEX GROSS RCPTS TAX RE	7813368B	2.000	6/01/18	1.100	101.92097	157,977.50	158,544.85	567.35
260,000	ARTESIA N MEX GROSS RCPTS TAX RE	043053BV	2.000	6/01/18	1.000	102.13712	265,556.51	266,507.80	951.29
250,000	UNIVERSITY N MEX UNIV REVS	9146922G	1.220	6/01/18	1.220	100.00000	250,000.00	250,000.00	
1,000,000	UNIVERSITY N MEX UNIV REVS	914692W6	1.438	6/20/18	1.060	100.82604	1,008,260.39	1,007,810.00	- 450.39
10,000,000	FEDERAL FARM CREDIT BANKS	3133EFD8	.875	6/25/18	.928	99.88293	9,988,292.69	9,994,600.00	6,307.31
1,300,000	FEDERAL NATIONAL MORTGAGE ASSOCT	3136G0QW	1.350	7/11/18	.865	101.09099	1,314,182.90	1,313,247.00	- 935.90
1,000,000	FEDERAL FARM CREDIT BANKS	3133EAZX	1.060	7/24/18	.875	100.42248	1,004,224.76	1,003,120.00	- 1,104.76
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCT	3136G2LK	1.750	8/24/18	.590	100.45924	5,022,962.09	5,022,450.00	- 512.09
10,000,000	FEDERAL NATIONAL MORTGAGE ASSOCT	3136G0T3	1.220	10/25/18	1.215	100.00000	10,000,000.00	10,000,900.00	900.00
15,000,000	UNITED STATES TREASURY NOTES	912828ND	1.250	10/31/18	.944	100.77711	15,116,565.84	15,162,900.00	46,334.16
20,000,000	UNITED STATES TREASURY NOTES	912828RY	1.375	12/31/18	1.395	99.94565	19,989,130.36	20,291,400.00	302,269.64
201,315,000							203,588,331.04	204,361,352.10	773,021.06
====> 0022 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==> 2018 <==									
10,000,000	FEDERAL HOME LOAN BANKS	3133782M	1.500	3/08/19	1.127	101.07467	10,107,467.00	10,165,600.00	58,133.00
12,500,000	FREDDIE MAC	3134G8RW	1.240	3/29/19	1.240	100.00000	12,500,000.00	12,519,125.00	19,125.00
2,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3YF	1.500	7/18/19	1.249	100.80831	2,016,166.15	2,027,460.00	11,293.85
10,000,000	FEDERAL FARM CREDIT BANKS	3133EE4S	1.650	7/29/19	1.650	100.00000	10,000,000.00	10,020,500.00	20,500.00
1,400,000	UNITED STATES DEPARTMENT OF HOUS	911759JA	5.450	8/01/19	.550	101.62859	1,422,800.25	1,423,352.00	551.75
35,900,000							36,046,433.40	36,156,037.00	109,603.60
====> 0005 ITEMS IN SUBTOTAL FOR ===== FINAL-MATURITY.. ==> 2019 <=====									
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G8LQ	1.800	2/17/21	1.800	100.00000	5,000,000.00	4,960,500.00	- 39,500.00
5,000,000							5,000,000.00	4,960,500.00	- 39,500.00
====> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2021 <=====									

STATE OF NEW MEXICO

TREASURERS OFFICE

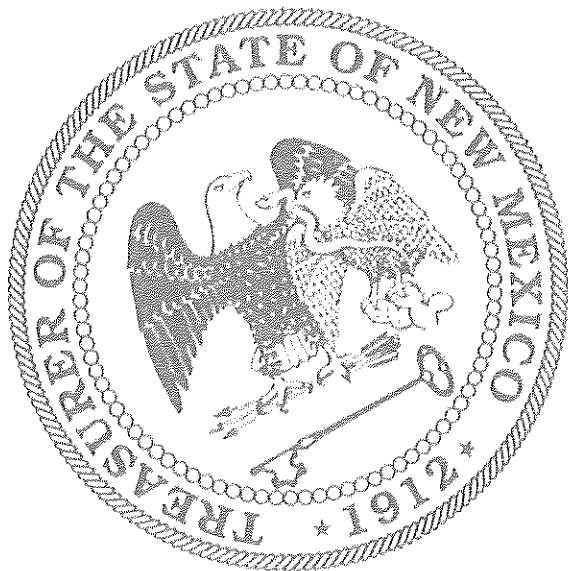
Position holdings as of 3/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 3/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
1,500,000	S REV	013493BR	5.000	7/01/26	.500	101.12194	1,516,829.13	1,516,260.00	- 569.13
1,500,000							1,516,829.13	1,516,260.00	- 569.13

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

604,146,221	608,278,219.25	609,447,579.56	1,169,360.31
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====> 0092 ITEMS IN SUBTOTAL FOR ==== FUND NAME..... =====> BOND PROCEEDS INV POOL1 TAX EX <



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 March at \$604mil vs. \$635mil at the end of February.
- The Pool received \$44.8mil in draw requests for capital spending during the month and paid out \$34.4mil for capital projects.

Portfolio Mix

- 100% of the Taxable BPIP portfolio was invested in fixed income securities: 52% in US Treasuries, 40% in Agency securities, 1% in NM municipal securities and the balance, approximately 7%, was held in cash equivalents and collateralized NM bank CDs.
- 50% of the portfolio was invested in securities that mature in one year, 31% in securities that mature from 1-2 years, 18% in securities that mature from 2-4 years and 2% in securities out to 5 years.
- The Taxable BPIP held positions in 64 securities.
- Weighted Average Life of the Taxable BPIP was 1.36 years. The Weighted Average duration was 1.18 years.
- The maximum security term for the Taxable BPIP portfolio is 5 years.

Investment Earnings

- The unrealized gains in the Taxable BPIP were \$2,199,548 as of March 31st.
- Monthly net earnings on the portfolio for March were \$462,686.
- FY2016 net earnings were roughly \$3,882,157.
- Earnings on the Bond Proceeds Investment Pool are used to offset capital and debt service spending.

Investment Highlights

- The duration of the Taxable BPIP at the end of March was 1.18 years vs. the Benchmark at 1.41 years.
- The Pool purchased \$47mil of 1.5-3 year US Treasury and agency securities and \$2.25mil of 3-5 month local municipals. The Pool also sold \$63.7mil in US Treasury and agency securities during the period. All securities were sold at a gain.

Performance

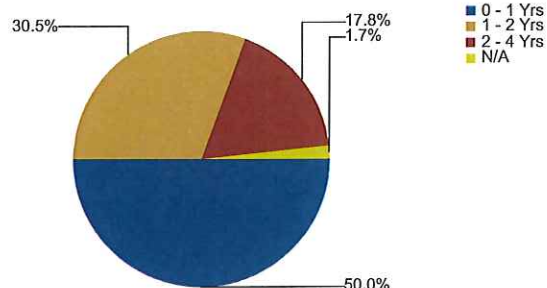
- Purchase Yield at the end of March was 0.89% relative to 0.85% at the end of the prior month.
- The Taxable BPIP returned 0.16% for the month of March and 0.59% for the three months ended March 31, 2016, vs. Index returns of 0.15% and 0.67% respectively. For the trailing 12 mos. the Pool returned 0.77% vs. 0.72% for the benchmark.
- The Taxable BPIP had a duration shorter than the benchmark for the month of March but nonetheless was able to outperform the index.
- Cash flows (debt service payments, capital project withdrawals, bond sale proceeds) will continue to be the key driver of the portfolio's structure and cash position going forward.

Investment Strategy

- The option adjusted duration of the portfolio is currently 1.20 yrs. vs. 1.41 yrs. for the benchmark.
- Capital project withdrawals totaled \$12.3mil in April.
- The Taxable BPIP has maintained duration shorter than the benchmark in order to provide adequate liquidity for project withdrawals while minimizing overnight cash positions.
- Project withdrawals will have the effect of lengthening duration and as they have had a high degree of variability month-to-month, cash flow management will dominate portfolio decisions.

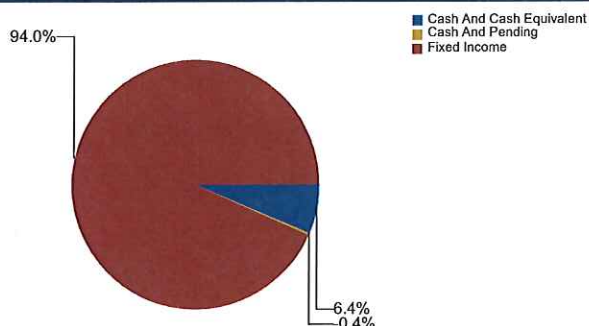
Portfolio Characteristics

Total Net Assets (Millions)	604.0
Weighted Average Life (Years)	1.36
Weighted Avg. Effective Duration (Years)	1.18
Weighted Average Coupon (%)	1.36
Weighted Average Current Yield (%)	0.64
Weighted Average Rating	0.70
Number of Holdings	AA+
	64



Asset Mix

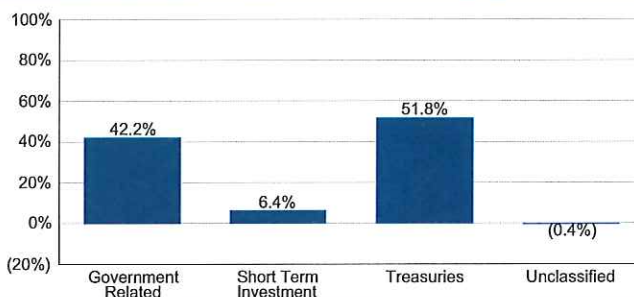
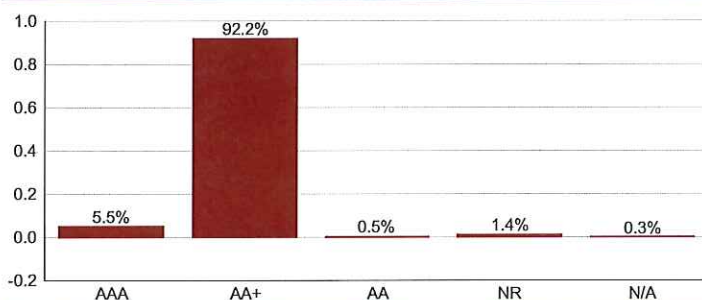
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
912828OR4	UNITED STATES 1.5% 06/16	4.98%	1.50	30/6/2016
3137EACW7	FEDERAL HOME LOAN MORTGAGE CORP 2% BOS 25/AUG/2016	4.16%	2.00	25/8/2016
912828SY7	UNITED STATES OF AMERICA 0.625% 2017-05-31	4.13%	0.62	31/5/2017
912828PH4	UNITED STATES OF AMERICA 2.750% 2017-12-31	3.44%	2.75	31/12/2017
313500ZY2	FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES FIXED	3.40%	1.75	26/11/2019
912828LJ2	US 3.12500 '16	3.39%	3.12	31/10/2016
313500ZG1	FWMA 1.750 '19 USD	3.38%	1.75	12/2/2019
912828RUS	UNITED STATES OF AMERICA 0.875% 2016-11-30	3.32%	0.88	30/11/2016
912828UJ7	UNITED STATES OF AMERICA 0.875% 2018-01-31	3.31%	0.88	31/1/2018
313375K48	FHLB 2.000 '18 USD	4.24%	2.00	14/9/2018

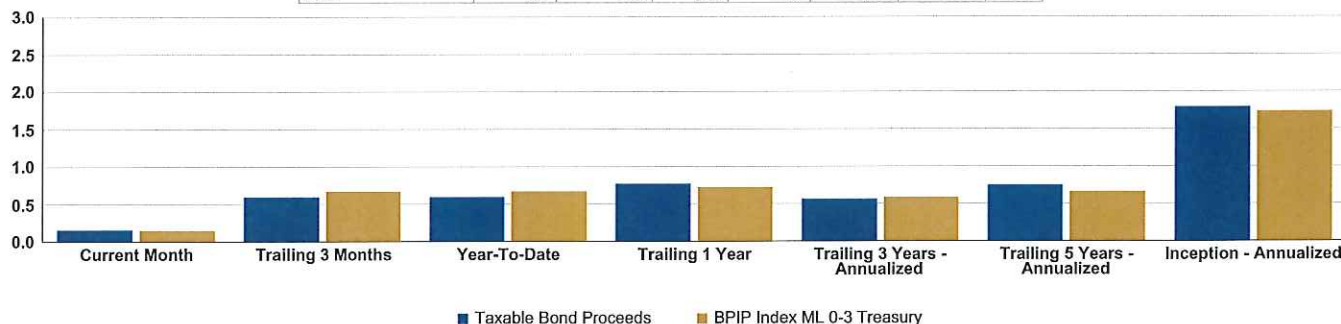
Quality/Rating Weightings

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
Taxable Bond Proceeds	0.16	0.59	0.59	0.77	0.56	0.75	1.79
BPIP Index ML 0-3 Treasury	0.15	0.67	0.67	0.72	0.58	0.66	1.74
Excess	0.01	(0.08)	(0.08)	0.05	(0.02)	0.09	0.06



STATE OF NEW MEXICO
BOND PROCEEDS INV POOL2 TAXABL (4002)
Portfolio Classification Summary
Positions Held as of 3/31/16 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.2839	.00270	19,955,551	19,955,551	19,955,551		3.314
CERTIFICATES OF DEPOSIT	3	.5645	.37750	6,200,000	6,200,000	6,200,000		1.030
LINKED-CERTIFICATE OF DEPOSIT	2	.7500	.78900	4,000,000	4,000,000	4,000,000		.664
US TREASURY NOTE ACT/ACT 2X	21	.8080	1.02512	310,050,000	310,806,968	311,653,906	846,938	51.758
AGENCY US BOND 30/360 2X	3	.9558	1.63342	50,000,000	50,641,710	50,740,300	98,590	8.427
FHLB INDEX BOND 12X	1	1.8250	.12880	5,000,000	5,000,000	4,960,500	-39,500	.824
AGENCY 30/360 2X	1	1.6808	3.44930	20,000,000	20,061,476	20,496,200	434,724	3.404
AGENCY US NOTES 30/360 2X	16	1.0572	1.28440	166,000,000	166,518,933	167,377,040	858,107	27.797
MUNI US 30/360 2X	12	.5757	.42600	6,545,000	6,595,114	6,595,320	206	1.095
MUNICIPAL BOND REVENUE	2	.5028	.33700	2,075,000	2,091,585	2,092,068	483	.347
UNITS - INVESTMENT POOL 1	1			10,334,006	10,334,006	10,334,006		1.716
CASH ACCOUNT	1			-2,271,071	-2,271,071	-2,271,071		-.377
	64	.8925	1.17219	597,888,486	599,934,272	602,133,820	2,199,548	100.000

STATE OF NEW MEXICO TREASURERS OFFICE

Position holdings as of 3/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 3/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
-	2,271,071 (TD)-CASH KEY	CASHCASH				1.00000	- 2,271,070.50	- 2,271,071.00	-.50
	10,334,006 UNITS - INVESTMENT POOL 1	UNIT5001				1.00000	10,334,005.73	10,334,006.00	.27
	8,062,935						8,062,935.23	8,062,935.00	-.23

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

19,955,551	OVERNIGHT REPO	0401RP	.280	4/01/16	.280	1.00000	19,955,550.57	19,955,550.57	
1,550,000	UNITED STATES TREASURY NOTES	912828UW	.250	4/15/16	.435	99.99291	1,549,890.17	1,550,015.50	125.33
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACT	2.500	5/27/16	.479	100.31354	10,031,353.60	10,034,000.00	2,646.40
10,000,000	UNITED STATES TREASURY NOTES	912828QP	1.750	5/31/16	.522	100.20066	10,020,066.40	10,023,700.00	3,633.60
1,000,000	NEW MEXICO FIN AUTH REV	64711NSK	4.000	6/01/16	.570	100.56982	1,005,698.20	1,005,620.00	- 78.20
1,115,000	CLOVIS N MEX GROSS RCPTS TAX REV	189387DK	2.000	6/01/16	.381	100.26924	1,118,002.00	1,117,653.70	- 348.30
400,000	LAS CRUCES N MEX ST SHARED GROSS	517538BX	3.000	6/01/16	.503	100.41500	401,660.00	401,392.00	- 268.00
30,000,000	UNITED STATES TREAS NTS	912828QR	1.500	6/30/16	.532	100.23856	30,071,569.26	30,088,500.00	16,930.74
1,000,000	ALBUQUERQUE N MEX ARPT REV	013538JD	5.000	7/01/16	.400	101.14756	1,011,475.56	1,010,270.00	- 1,205.56
2,600,000	WESTERN BANK CLOVIS	15985	.500	7/13/16	.500	1.00000	2,600,000.00	2,600,000.00	
15,000,000	UNITED STATES TREASURY NOTES	912828VL	.625	7/15/16	.531	100.02699	15,004,048.16	15,011,700.00	7,651.84
195,000	LOS LUNAS N MEX SCH DIST NO 1	545562RC	2.000	7/15/16	.451	100.44647	195,870.61	195,758.55	- 112.06
2,500,000	WESTERN BANK ALAMOGORDO	81187124	.550	7/22/16	.550	1.00000	2,500,000.00	2,500,000.00	
600,000	RIO RANCHO N MEX PUB SCH DIST NO	767171HF	2.000	8/01/16	.650	100.44831	602,689.84	602,970.00	280.16
475,000	LAS CRUCES N MEX SCH DIST NO 002	517534SD	3.000	8/01/16	.650	100.78052	478,707.46	478,648.00	- 59.46
250,000	GALLUP MC KINLEY CNTY N MEX SCH	364010QJ	2.000	8/01/16	.710	100.42812	251,070.29	251,115.00	44.71
400,000	SAN JUAN CNTY N MEX CENT CONS IN	798359KC	3.000	8/01/16	.650	100.78054	403,122.16	403,268.00	145.84
160,000	BERNALILLO N MEX MUN SCH DIST NO	085279RZ	3.000	8/01/16	.450	100.84786	161,356.57	161,228.80	- 127.77
225,000	COLFAX CNTY N MEX GROSS TAX RCPT	19407BAC	2.000	8/01/16	.430	100.52206	226,174.63	225,936.00	- 238.63
1,850,000	ALBUQUERQUE N MEX MET ARROYO FLO	013572KL	4.000	8/01/16	.504	100.83300	1,865,410.50	1,866,132.00	721.50
25,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	1.277	100.28661	25,071,652.92	25,148,250.00	76,597.08
15,000,000	UNITED STATES TREASURY NOTES	912828RJ	1.000	9/30/16	.677	100.15997	15,023,995.27	15,042,150.00	18,154.73
15,000,000	UNITED STATES TREASURY NOTES	912828RM	1.000	10/31/16	.632	100.21267	15,031,900.69	15,045,150.00	13,249.31
20,000,000	UNITED STATES TREASURY NOTES	912828LU	3.125	10/31/16	.584	101.46795	20,293,590.73	20,304,600.00	11,009.27
20,000,000	UNITED STATES TREASURY NOTES	912828RU	.875	11/30/16	.751	100.08150	20,016,299.69	20,047,600.00	31,300.31
20,000,000	UNITED STATES TREASURY NOTES	912828A5	.625	12/15/16	.665	99.97182	19,994,363.70	20,010,200.00	15,836.30
1,100,000	WESTERN BANK ALAMOGORDO	81186499	.750	12/30/16	.750	1.00000	1,100,000.00	1,100,000.00	
215,375,551							215,985,518.98	216,181,408.12	195,889.14

====> 0027 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2016 <====

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 3/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 3/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
2,000,000	WESTERN COMMERCE BANK	66012640	.750	1/13/17	.750	1.00000	2,000,000.00	2,000,000.00	
2,000,000	WESTERN COMMERCE BANK	66012641	.750	1/13/17	.750	1.00000	2,000,000.00	2,000,000.00	
15,000,000	UNITED STATES TREASURY NOTES	9128285C	.875	1/31/17	.700	100.14519	15,021,777.93	15,033,450.00	11,672.07
5,000,000	UNITED STATES TREASURY NOTES	9128285J	.875	2/28/17	.788	100.07870	5,003,934.96	5,010,750.00	6,815.04
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADC	1.000	3/08/17	.756	100.22720	10,022,720.00	10,030,600.00	7,880.00
20,000,000	UNITED STATES TREASURY NOTES	9128285M	1.000	3/31/17	.849	100.14980	20,029,960.02	20,073,400.00	43,439.98
10,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359M7X	5.000	5/11/17	.743	104.70095	10,470,095.15	10,476,800.00	6,704.85
25,000,000	UNITED STATES TREASURY NOTES	9128285Y	.625	5/31/17	.916	99.66322	24,915,804.04	24,985,250.00	69,445.96
675,000	CLOVIS N MEX GROSS RCPTS TAX REV	1893870L	2.000	6/01/17	.800	101.39000	684,382.48	684,720.00	337.52
15,000,000	FEDERAL HOME LOAN BANKS	313379FW	1.000	6/09/17	.825	100.20614	15,030,920.82	15,056,250.00	25,329.18
5,000,000	UNITED STATES TREASURY NOTES	912828TB	.750	6/30/17	1.006	99.68265	4,984,132.46	5,004,700.00	20,567.54
8,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PZT	.650	7/10/17	.862	99.73179	7,978,543.49	8,004,080.00	25,536.51
5,000,000	UNITED STATES TREASURY NOTES	912828TG	.500	7/31/17	.906	99.46358	4,973,179.05	4,987,700.00	14,520.95
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0M2	.875	8/28/17	1.020	99.79714	4,989,857.05	5,011,250.00	21,392.95
11,000,000	UNITED STATES TREASURY NOTES	912828TM	.625	8/31/17	.975	99.51000	10,946,099.93	10,986,690.00	40,590.07
7,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G2AU	1.750	11/24/17	.451	100.19070	7,514,302.76	7,518,675.00	4,372.24
2,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G1FU	1.000	12/19/17	.905	100.16090	2,003,218.06	2,006,660.00	3,441.94
10,000,000	FHLB	3130A5UG	1.000	12/29/17	1.000	100.00000	10,000,000.00	10,012,300.00	12,300.00
20,000,000	UNITED STATES TREASURY NOTES	912828PN	2.750	12/31/17	1.124	102.80441	20,560,881.65	20,693,800.00	132,918.35
178,175,000							179,129,809.85	179,577,075.00	447,265.15

====> 0019 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2017 <==

20,000,000	UNITED STATES TREASURY NOTES	912828UJ	.875	1/31/18	1.205	99.40409	19,880,817.97	20,051,600.00	170,782.03
15,000,000	UNITED STATES TREASURY NOTES	912828UR	.750	2/28/18	1.213	99.12637	14,868,956.01	15,003,450.00	134,493.99
7,500,000	UNITED STATES TREASURY NOTES	91282816	1.000	3/15/18	1.006	99.98843	7,499,131.99	7,536,600.00	37,468.01
10,000,000	FNMA	3135G0J6	.875	3/28/18	.973	99.80718	9,980,717.67	10,017,000.00	36,282.33
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0D6	1.625	4/27/18	.486	100.08200	5,004,099.81	5,003,950.00	- 149.81
6,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G8HQ	1.150	4/27/18	1.000	100.04747	6,002,848.35	6,001,200.00	- 1,648.35
10,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0WJ	.875	5/21/18	1.160	99.40011	9,940,010.69	10,012,300.00	72,289.31
10,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0E4	1.750	6/08/18	.650	100.20383	10,020,382.99	10,022,500.00	2,117.01
275,000	LOS LUNAS N MEX SCH DIST NO 1	545562RX	2.000	7/15/18	1.020	102.21015	281,077.90	282,675.25	1,597.35
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0E3	1.125	7/20/18	1.205	99.81856	14,972,784.11	15,106,050.00	133,265.89
25,000,000	FEDERAL HOME LOAN BANKS	313375K4	2.000	9/14/18	.989	102.44315	25,610,787.23	25,671,750.00	60,962.77
15,000,000	UNITED STATES TREASURY NOTES	912828WD	1.250	10/31/18	.944	100.77711	15,116,565.84	15,162,900.00	46,334.16
138,775,000							139,178,180.56	139,871,975.25	693,794.69

====> 0012 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2018 <==

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 3/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 3/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
12,500,000	FREDDIE MAC	3134G8RW	1.240	3/29/19	1.240	100.00000	12,500,000.00	12,519,125.00	19,125.00
20,000,000	FANNIE MAE	3135G0ZG	1.750	9/12/19	1.658	100.30738	20,061,475.88	20,496,200.00	434,724.12
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0ZY	1.750	11/26/19	1.727	100.08172	20,016,344.91	20,464,600.00	448,255.09
52,500,000							52,577,820.79	53,479,925.00	902,104.21

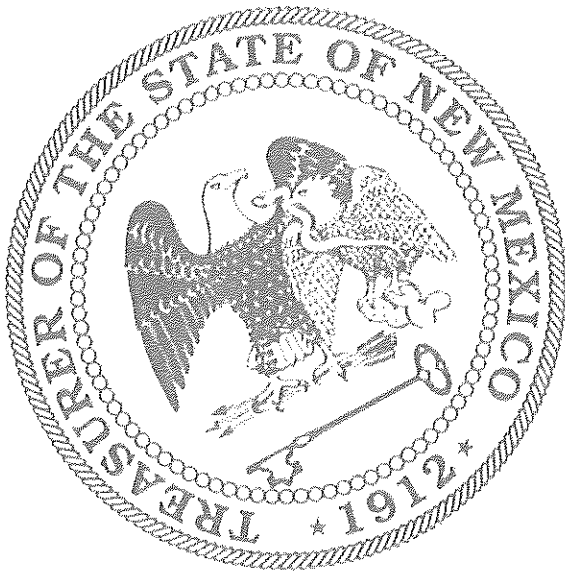
====> 0003 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2019 <====

5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G8LQ	1.800	2/17/21	1.800	100.00000	5,000,000.00	4,960,500.00	- 39,500.00
5,000,000							5,000,000.00	4,960,500.00	- 39,500.00

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

597,888,486							599,934,265.41	602,133,818.37	2,199,552.96
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====> 0064 ITEMS IN SUBTOTAL FOR ==> FUND NAME..... ==> BOND PROCEEDS INV POOL2 TAXABL <



14. Portfolio Summary- Severance Tax Bonding Fund

Portfolio Summary – Severance Tax Bonding Fund

Summary

- The Severance Tax Bonding Fund closed the month of March at \$214mil.
- The Severance Tax Bonding Fund net earnings were \$45,732 during March.

Portfolio Mix

- The Severance Tax Bonding Fund is primarily invested in the overnight repurchase agreement pool and short Agency securities.
- 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 \$15MM and \$25MM per month.
 - The STB Fund received \$20mil in March.

Investment Strategy

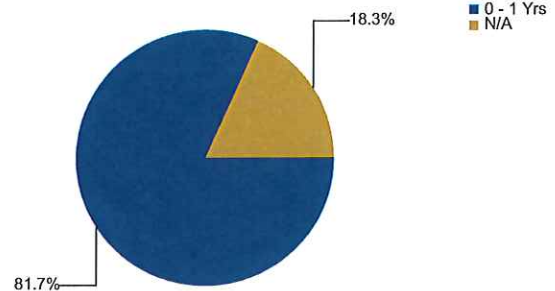
- Due to its short-term nature, investments of three to six month maturities are viable investments for the STBF pool.
- The STB Fund received \$17mil in April from Severance Taxes.

Portfolio Characteristics

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

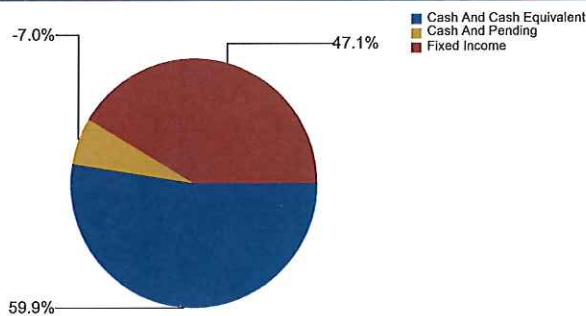
214.4
0.15
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13

Duration Mix



Asset Mix

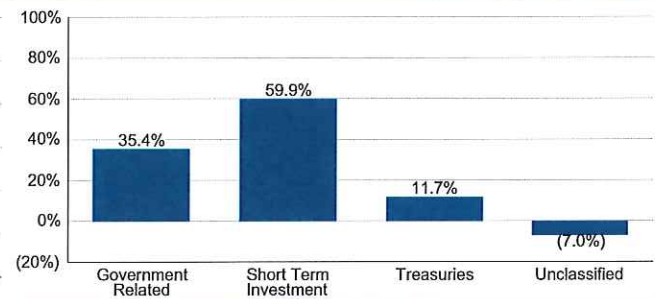
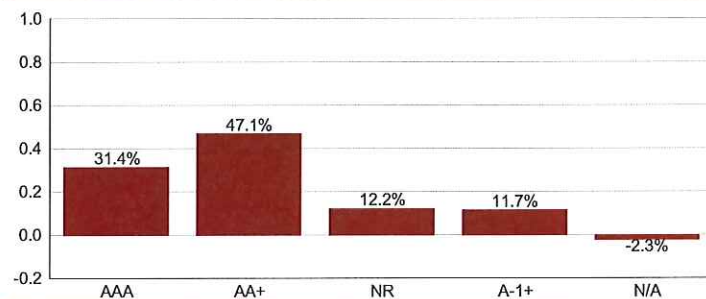
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
892998X00	LGP POOL PARTICIPANT	19.23%	0.37	
313384YT0	FEDERAL HOME LOAN BANKS DISCOUNT NOTES ZERO CPN	11.38%	0.00	28/6/2016
912828VQ9	UNITED STATES OF AMERICA NOTES FIXED 0.5%	10.92%	0.50	30/6/2016
313384YL7	FEDERAL HOME LOAN BANKS DISCOUNT NOTES ZERO CPN	10.89%	0.00	22/6/2016
990910045	REPO JPMORGAN CHASE BK (GREENWICH) 033116A	10.14%	0.28	1/4/2016
3135G0B00	FEDERAL NATIONAL MORTGAGE ASSOC 2.375% NTS	6.62%	2.38	11/4/2016
3130A76J9	FEDERAL HOME LOAN BANKS BOND FIXED .44%	6.54%	0.44	30/6/2016
89199J5Y4	FIRST NATIONAL	4.38%		
31315PB73	FEDERAL AGRICULTURAL MORTGAGE CORP MEDIUM TERM	4.38%	0.90	9/6/2016
3137EACT4	FEDERAL HOME LOAN MORTGAGE CORP 2.50% NTS	8.82%	2.50	27/6/2016

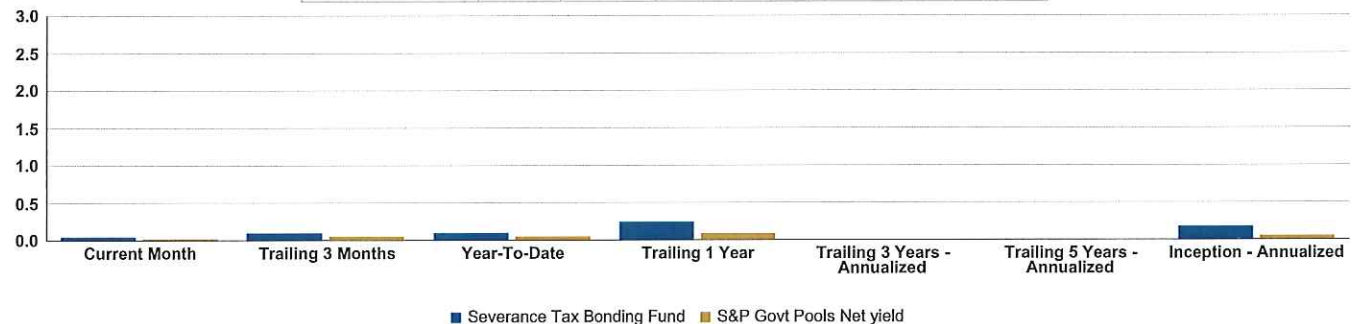
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Severance Tax Bonding Fund	0.04	0.10	0.10	0.24			0.18
S&P Govt Pools Net yield	0.02	0.05	0.05	0.09			0.05
Excess	0.03	0.05	0.05	0.16	0.00	0.00	0.12



STATE OF NEW MEXICO
STB FUND (4001)
Portfolio Classification Summary
Positions Held as of 3/31/16 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.2839	.00270	23,269,371	23,269,371	23,269,371		10.876
US TREASURY NOTE ACT/ACT 2X	1	.3415	.24930	25,000,000	25,009,764	25,011,750	1,986	11.690
AGENCY US BOND 30/360 2X	1	.4098	.21370	7,500,000	7,501,822	7,505,400	3,578	3.508
AGENCY US DISC ACT/360 360 DAY	2	.3730	.23721	51,127,000	51,082,316	51,089,132	6,816	23.878
FED HOME LOAN BANKS	1	.4007	.24930	15,000,000	15,001,650	15,005,700	4,050	7.013
AGENCY US NOTES 30/360 2X	4	.4494	.15180	52,800,000	52,919,953	52,931,986	12,033	24.739
UNITS - INVESTMENT POOL 1	1			44,101,650	44,101,650	44,101,650		20.612
CASH ACCOUNT	2			-4,953,869	-4,953,869	-4,953,869		-2.315
	13	.3135	.18192	213,844,152	213,932,657	213,961,120	28,463	100.000

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 3/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 3/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
- 15,013,383	(TD)-CASH KEY	CASHCASH				1.00000	-15,013,383.33	-15,013,383.00	.33
44,101,650	UNITS - INVESTMENT POOL 1	UNITS001				1.00000	44,101,650.01	44,101,650.00	.01
10,059,514	FNB MONEY MARKET DEMAND ACCOUNT	FNBCASH				1.00000	10,059,514.32	10,059,514.00	.32
39,147,781							39,147,781.00	39,147,781.00	

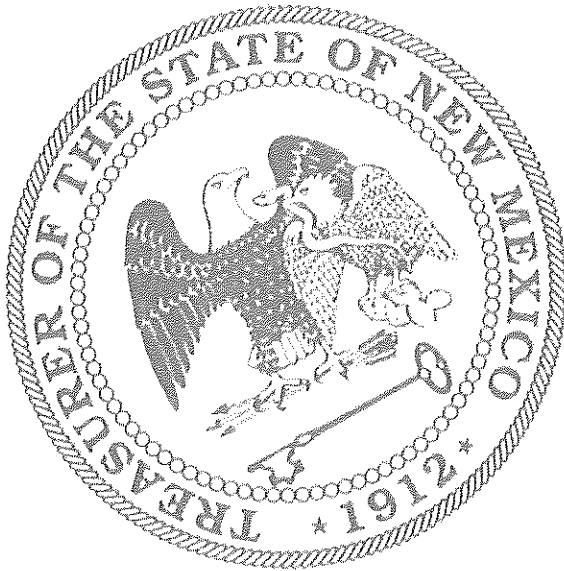
====> 0003 ITEMS IN SUBTOTAL FOR =====> FINAL-MATURITY.. =====> NO-MEANINGFUL-DATE <=====

23,269,371	OVERNIGHT REPO	0401RP	.280	4/01/16	.280	1.00000	23,269,371.32	23,269,371.32	
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0BA	2.375	4/11/16	.448	100.05338	15,008,006.29	15,009,150.00	1,143.71
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACT	2.500	5/27/16	.454	100.31747	20,063,494.73	20,068,000.00	4,505.27
10,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PB7	.900	6/09/16	.436	100.08736	10,008,736.14	10,011,000.00	2,263.86
7,500,000	FEDERAL FARM CREDIT BANKS	3133EDDP	.520	6/17/16	.404	100.02430	7,501,822.56	7,505,400.00	3,577.44
25,000,000	FEDERAL HOME LOAN BANKS	313384YL		6/22/16	.365	99.91686	24,979,215.28	24,982,250.00	3,034.72
26,127,000	FEDERAL HOME LOAN BANKS	313384YT		6/29/16	.370	99.90853	26,103,101.05	26,106,882.21	3,781.16
25,000,000	UNITED STATES TREASURY NOTES	912828WQ	.500	6/30/16	.341	100.03906	25,009,763.84	25,011,750.00	1,986.16
15,000,000	FEDERAL HOME LOAN BANKS	3130A76J	.440	6/30/16	.395	100.01100	15,001,650.00	15,005,700.00	4,050.00
7,800,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PAZ	2.000	7/27/16	.416	100.50917	7,839,715.62	7,843,836.00	4,120.38
174,696,371							174,784,876.83	174,813,339.53	28,462.70

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

213,844,152							213,932,657.83	213,961,120.53	28,462.70
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====> 0013 ITEMS IN SUBTOTAL FOR =====> FUND NAME..... =====> STB FUND <=====



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

Broker-Dealer Activities

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

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

Volume at Par (\$ in thousands)

Broker/Dealer:	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	YTD Total	YTD Percent
Barclays	20,000	10,800	22,000	50,000			21,225		116,275				240,300	7.9%
BB and T (Scott & Stringfellow)	35,286		1,089	30,440	7,630	13,395		18,815	80,020				186,675	6.2%
BMO Capital Markets			2,000	15,000	10,677	8,000		15,000	34,000				84,677	2.8%
BNP Paribas		1,800											1,800	0.1%
BOSC, Inc		500	200				5,000	2,300	7,385				15,385	0.5%
Cantor Fitzgerald							2,000	3,000	10,000				15,000	0.5%
CastleOak Securities LP	23,000	5,000	62,000		18,000	11,000	9,000	18,000	20,000				166,000	5.5%
Daiwa Capital Markets America		8,100	5,000			18,000		7,500	65,000				103,600	3.4%
Deutsche Bank		21,152	150	36,000	5,000	1,027	21,000	33,500	43,000				160,829	5.3%
Drexel Hamilton LLC													-	0.0%
First Southwest			15,275	3,225									18,500	0.6%
FTN Financial						28,000			24,000				52,000	1.7%
George X Baum & Co								380					380	0.0%
Government Perspectives, Inc													-	0.0%
* Guggenheim Securities LLC	1,000	20,000											21,000	0.7%
HSBC						20,000			65,500				85,500	2.8%
Intl FCStone		14,780	3,000	20,000		5,000	10,000	57,500	165,199				275,479	9.1%
Jefferies		5,100	1,300			32,383		10,000	35,000				83,783	2.8%
JP Morgan & Co													-	0.0%
KeyBanc Capital Markets	1,700	63,985		13,101	10,380		15,770	20,000	17,947				142,883	4.7%
* Loop Capital Markets	5,000												5,000	0.2%
MBS (Multi-Bank Securities)													-	0.0%
MFR Securities													-	0.0%
Mizuho Securities USA	11,441	11,900	14,500	35,000				40,000	42,127				154,968	5.1%
Morgan Stanley		44,000	26,260		24,463								94,723	3.1%
Mutual Securities nInc.													-	0.0%
* Piper Jaffray		285											285	0.0%
Raymond, James & Associates													-	0.0%
RBS Securities		31,000				25,000			46,000				102,000	3.4%
Robert W. Baird & Co.	1,790	3,255			1,000		635						6,680	0.2%
* Samuel A Ramirez & Co.	19,000	15,000											34,000	1.1%
Societe General Americas			26,842	21,000									47,842	1.6%
Southwest Securities/Hilltop	6,250	3,100	1,250	525				3,142	2,915				17,182	0.6%
Stifel Nicklaus & Co			255										255	0.0%
TD Securities	10,000			20,000	46,000	27,630	48,682	25,500	63,877				241,689	8.0%
UBS Financial Services						10,000		5,000					15,000	0.5%
Vining Sparks													-	0.0%
Wedbush Securities	17,950	16,230						15,000					49,180	1.6%
Wells Fargo Securities	11,856	32,000	26,800	31,675	45,355	75,000	47,835	1,250	96,500				368,271	12.1%
Direct Purchase			4,800	2,000		41,818	4,000						52,618	1.7%
Interfund					41,000	30,000	40,000		80,600				191,600	6.3%
Total	164,273	307,987	212,721	277,966	209,505	346,253	225,147	275,887	1,015,345	-	-	-	3,035,084	100.0%

* Broker-Dealers not on Approved Broker-Dealer List as of October 1, 2015

Volume at Par

(\$ in thousands)

Broker/Dealer:	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	YTD Total	YTD Percent
Market type:														
-	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	YTD Total	YTD %
Primary Market	1,790	3,640	55,480	4,750	6,000	41,818	4,635	20,380	65,000	-	-	-	203,493	6.7%
Secondary Market	162,483	304,347	157,241	273,216	203,505	304,435	220,512	255,507	950,345	-	-	-	2,831,591	93.3%
Total	164,273	307,987	212,721	277,966	209,505	346,253	225,147	275,887	1,015,345	-	-	-	3,035,084	100.0%
Security type:														
- 2	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	YTD Total	YTD %
ABS	-	-	-	-	-	-	-	-	778,030	-	-	-	778,030	25.6%
Agencies	135,547	304,347	197,241	186,216	179,005	228,435	199,512	186,007	-	-	-	-	1,616,310	53.3%
Certificates of Deposit/Bank MMDA	-	-	-	2,000	-	10,000	4,000	-	-	-	-	-	16,000	0.5%
Commercial Paper	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Corporate Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
MBS	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Municipal/Sponge	1,790	3,640	5,480	3,750	1,000	31,818	635	1,380	2,915	-	-	-	52,408	1.7%
Treasuries	26,936	-	10,000	86,000	29,500	78,000	21,000	88,500	234,400	-	-	-	572,336	18.9%
Total	164,273	307,987	212,721	277,966	209,505	346,253	225,147	275,887	1,015,345	-	-	-	3,035,084	100.0%

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 3/01/16 Through 3/31/16

TXN-DATE	CUSIP#	ASSET-TYPE	INVS#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
PURCHASE TRANSACTIONS													
3/16/16	912828J6	US TREASURY NOT	25163	UNITED STATES TREASURY	1.000	3/15/18	1.0059	DEUTSCHE BANK S	4002	7,500,000.00	7,499,121.09		
3/17/16	912828N4	US TREASURY NOT	25180	UNITED STATES TREASURY	1.750	12/31/20	1.3834	BARCLAYS	1001	20,000,000.00	20,338,281.25		
3/18/16	912828RF	US TREASURY NOT	25193	UNITED STATES TREASURY	1.000	8/31/16	.4519	BMO CAPITAL MAR	4101	15,000,000.00	15,036,328.13		
3/22/16	912828WQ	US TREASURY NOT	25208	UNITED STATES TREASURY	.500	6/30/16	.3415	DAIWA CAPITAL M	4001	25,000,000.00	25,010,742.19		
3/07/16	3130A6EK	AGENCY US FLOAT	25102	FEDERAL HOME LOAN BANKS	.399	6/01/16	.4059	INTL FCSTONE PA	4101	10,000,000.00	9,999,826.20		
3/11/16	3133EDH2	AGENCY US FLOAT	25142	FEDERAL FARM CREDIT BAN	.451	9/14/16	.4759	BARCLAYS	4101	1,375,000.00	1,374,822.17		
3/15/16	31331K65	AGENCY US FLOAT	25161	FEDERAL FARM CREDIT BAN	.479	1/17/17	.4793	WELLS FARGO SEC	4101	10,000,000.00	10,000,000.00		
3/15/16	3134G75N	AGENCY US FLOAT	25153	FEDERAL HOME LOAN MORTG	.479	4/27/17	.5178	CANTOR FITZGERA	4101	10,000,000.00	9,995,600.00		
3/01/16	3133782M	AGENCY US BOND	25075	FEDERAL HOME LOAN BANKS	1.500	3/08/19	1.1268	HSBC	4000	10,000,000.00	10,110,400.00		
3/02/16	313375K4	AGENCY US BOND	25067	FEDERAL HOME LOAN BANKS	2.000	9/14/18	.9892	INTL FCSTONE PA	4002	15,000,000.00	15,378,000.00		
3/04/16	3130A3E6	AGENCY US BOND	25100	FEDERAL HOME LOAN BANKS	.320	5/11/16	.4266	BB&T CAPITAL MA	4101	23,865,000.00	23,860,463.26		
3/04/16	3130A7CV	AGENCY US BOND	25052	FEDERAL HOME LOAN BANKS	1.375	2/18/21	1.5647	RBS	1001	20,000,000.00	19,820,000.00		
3/10/16	3130A57M	AGENCY US BOND	25132	FEDERAL HOME LOAN BANKS	.250	4/27/16	.4297	BB&T CAPITAL MA	4101	12,295,000.00	12,292,172.15		
3/16/16	3130A7L9	AGENCY US BOND	25170	FEDERAL HOME LOAN BANK	.850	4/17/17	.8500	INTL FCSTONE PA	4101	1,310,000.00	1,310,000.00		
3/18/16	3133EDDP	AGENCY US BOND	25181	FEDERAL FARM CREDIT BAN	.520	6/17/16	.4042	BROKER DIRECT	4001	7,500,000.00	7,502,063.18		
3/24/16	313382F7	AGENCY US BOND	25217	FEDERAL HOME LOAN BANKS	1.100	12/27/18	1.1001	BANK OF OKLAHOM	1001	500,000.00	499,998.00		
3/30/16	3130A4UC	AGENCY US BOND	25250	FEDERAL HOME LOAN BANKS	1.125	4/27/18	.6018	BANK OF OKLAHOM	4000	1,000,000.00	1,000,358.78		4/27/16
3/02/16	313384G2	AGENCY US DISC	25083	FEDERAL HOME LOAN BANKS		9/16/16	.5748	BOSC, INC	4101	500,000.00	498,432.21		
3/21/16	313312U5	AGENCY US DISC	25194	FEDERAL FARM CREDIT BAN		3/24/16	.2800	FTN FINANCIAL S	4101	24,000,000.00	23,999,626.67		
3/22/16	313384YL	AGENCY US DISC	25209	FEDERAL HOME LOAN BANKS		6/22/16	.3653	WELLS FARGO SEC	4001	25,000,000.00	24,976,934.03		
3/24/16	313384YT	AGENCY US DISC	25216	FEDERAL HOME LOAN BANKS		6/29/16	.3704	MIZUHO SECURITI	4001	26,127,000.00	26,102,026.94		
3/29/16	313396G9	AGENCY US DISC	25240	FEDERAL HOME LOAN MORTG		9/23/16	.4862	JEFFRIES & CO	4101	20,000,000.00	19,952,308.33		
3/31/16	3130A76J	FED HOME LOAN B	25261	FEDERAL HOME LOAN BANKS	.440	6/30/16	.3952	BB&T CAPITAL MA	4001	15,000,000.00	15,001,650.00		
3/31/16	3130A76J	FED HOME LOAN B	25260	FEDERAL HOME LOAN BANKS	.440	6/30/16	.3952	BB&T CAPITAL MA	4101	28,610,000.00	28,613,147.10		
3/01/16	3137EACW	AGENCY US NOTES	25074	FEDERAL HOME LOAN MORTG	2.000	8/25/16	.5207	KEYBANC CAPITAL	4101	11,805,000.00	11,888,697.45		
3/02/16	3135G016	AGENCY US NOTES	25084	FNMA	.875	3/28/18	.9730	TD SECURITIES	4002	10,000,000.00	9,980,000.00		
3/02/16	3136G0T3	AGENCY US NOTES	25085	FEDERAL NATIONAL MORTGA	1.220	10/25/18	1.2146	INTL FCSTONE PA	4000	10,000,000.00	10,000,000.00		4/25/16
3/04/16	3134G3YF	AGENCY US NOTES	25101	FEDERAL HOME LOAN MORTG	1.500	7/18/19	1.2488	BOSC, INC	4000	2,000,000.00	2,016,500.00		
3/04/16	31359MM4	AGENCY US NOTES	25093	FEDERAL NATIONAL MORTGA	5.250	9/15/16	.6129	BB&T CAPITAL MA	4101	250,000.00	256,131.25		
3/07/16	31359MH8	AGENCY US NOTES	23527	FEDERAL NATIONAL MORTGA	5.000	3/15/16	.3273	DEUTSCHE BANK S	4101	3,500,000.00	3,503,174.50		
3/07/16	3135GOAL	AGENCY US NOTES	23413	FEDERAL NATIONAL MORTGA	2.250	3/15/16	.3077	RBS GREENWICH C	4101	5,000,000.00	5,001,885.00		
3/10/16	3131SPA2	AGENCY US NOTES	25131	FEDERAL AGRICULTURAL MO	2.000	7/27/16	.4162	ISSUER DIRECT	4001	7,800,000.00	7,846,566.00		
3/10/16	3134G8RW	AGENCY US NOTES	25133	FREDDIE MAC	1.240	3/29/19	1.2400	INTL FCSTONE PA	4000	12,500,000.00	12,500,000.00		9/29/16
3/10/16	3134G8RW	AGENCY US NOTES	25134	FREDDIE MAC	1.240	3/29/19	1.2400	INTL FCSTONE PA	4002	12,500,000.00	12,500,000.00		9/29/16
3/10/16	3137EAAAD	AGENCY US NOTES	25130	FEDERAL HOME LOAN MORTG	5.250	4/18/16	.4108	BOSC, INC	4101	600,000.00	602,977.63		
3/11/16	31359M2D	AGENCY US NOTES	25144	FEDERAL NATIONAL MORTGA	4.875	12/15/16	.7054	BOSC, INC	4101	785,000.00	809,531.25		
3/16/16	31359M2D	AGENCY US NOTES	25144	FEDERAL NATIONAL MORTGA	4.875	12/15/16	.6713	BMO CAPITAL MAR	4101	4,000,000.00	4,124,656.00		
3/16/16	31359MM4	AGENCY US NOTES	25093	FEDERAL NATIONAL MORTGA	5.250	9/15/16	.5700	WELLS FARGO SEC	4101	4,000,000.00	4,092,296.00		

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 3/01/16 Through 3/31/16

TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
3/17/16	3132X0CG	AGENCY US NOTES	25178	FEDERAL AGRICULTURAL NO	.440	10/05/16	.4569	BROKER DIRECT	1001	15,000,000.00	14,998,614.00		
3/18/16	31315PB7	AGENCY US NOTES	25182	FEDERAL AGRICULTURAL NO	.900	6/09/16	.4359	BROKER DIRECT	4001	10,000,000.00	10,010,022.01		
3/18/16	3136G1FU	AGENCY US NOTES	25187	FEDERAL NATIONAL MORTGA	1.000	12/19/17	.9052	BANK OF OKLAHOM	4002	2,000,000.00	2,003,275.42		
3/18/16	3137EADZ	AGENCY US NOTES	25183	FREDDIE MAC	1.125	4/15/19	1.1360	CASTLEOAK SECUR	1001	20,000,000.00	19,993,400.00		
3/21/16	3137EAD5	AGENCY US NOTES	25201	FEDERAL HOME LOAN MORTG	.875	10/14/16	.5408	BARCLAYS	4101	15,000,000.00	15,028,050.00		
3/30/16	3135G0Z8	AGENCY US NOTES	25249	FEDERAL NATIONAL MORTGA	.750	4/20/17	.7100	INTL FCSTONE PA	4101	5,000,000.00	5,002,100.00		
3/15/16	3133EERF	AGENCY US VARIA	25160	FEDERAL FARM CREDIT BAN	.495	4/27/17	.5846	TD SECURITIES	4101	250,000.00	249,747.50		
3/18/16	3133ECKS	AGENCY US VARIA	25192	FEDERAL FARM CREDIT BAN	.530	7/20/16	.4246	INTL FCSTONE PA	4101	20,000,000.00	20,006,720.00		
3/18/16	3133EFKH	AGENCY US VARIA	25184	FEDERAL FARM CREDIT BAN	.440	4/20/17	.5048	INTL FCSTONE PA	4101	5,400,000.00	5,396,157.61		
3/29/16	013493BY	MUNI US 30/360	25241	ABQ BERN COUNTY WATER U	5.250	7/01/16	.5523	SOUTHWEST	4000	665,000.00	672,787.15		
3/31/16	517538BX	MUNI US 30/360	25252	LAS CRUCES N MEX ST SHA	3.000	6/01/16	.5029	SOUTHWEST	4002	400,000.00	401,660.00		
3/31/16	013572KL	MUNICIPAL BOND	25259	ALBUQUERQUE N MEX MET A	4.000	8/01/16	.5039	SOUTHWEST	4002	1,850,000.00	1,865,410.50		
50 PURCHASES DURING PERIOD TOTAL.....										509,887,000.00	510,922,660.95		

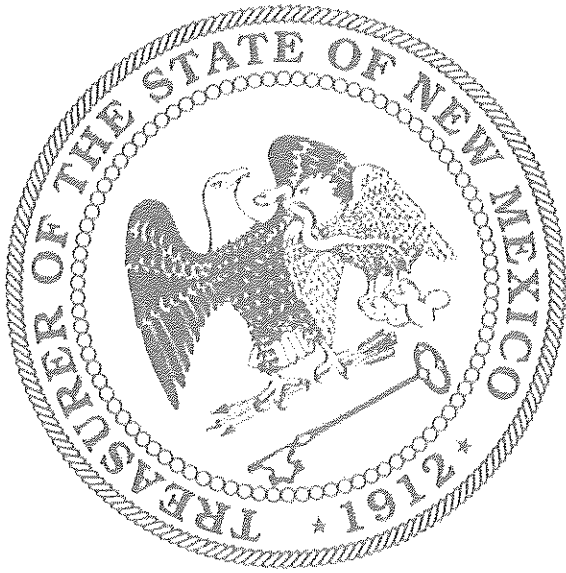
SALE TRANSACTIONS

3/09/16	912828WV	US TREASURY NOT	23289	UNITED STATES TREASURY	1.625	7/31/19		BARCLAYS	1001	14,000,000.00	14,219,296.88	23,741.79	
3/10/16	912828G9	US TREASURY NOT	23168	UNITED STATES TREASURY	1.625	12/31/19		BARCLAYS	1001	25,900,000.00	26,206,550.78	12,109.93	
3/10/16	912828MS	US TREASURY NOT	20698	UNITED STATES TREASURY	3.000	2/28/17	.7248	TD SECURITIES	1001	20,000,000.00	20,439,062.50	27,117.67	
3/10/16	912828RX	US TREASURY NOT	15905	UNITED STATES TREAS NTS	.875	12/31/16		HSBC	1001	25,000,000.00	25,042,968.75	23,171.54	
3/11/16	912828WT	US TREASURY NOT	21831	UNITED STATES TREASURY	.875	7/15/17		RBS GREENWICH C	1001	21,000,000.00	21,001,640.63	26,921.52	
3/16/16	912828UW	US TREASURY NOT	20671	UNITED STATES TREASURY	.250	4/15/16	.2990	BARCLAYS	4000	15,000,000.00	14,999,414.06	2,285.54	
3/16/16	912828UW	US TREASURY NOT	20670	UNITED STATES TREASURY	.250	4/15/16	.2990	BARCLAYS	4002	15,000,000.00	14,999,414.06	1,614.79	
3/17/16	912828SM	US TREASURY NOT	21274	UNITED STATES TREASURY	1.000	3/31/17	.7003	DEUTSCHE BANK S	1001	20,000,000.00	20,061,718.75	42,278.50	
3/18/16	912828RF	US TREASURY NOT	15510	UNITED STATES TREASURY	1.000	8/31/16		MIZUHO SECURITI	1001	1,000,000.00	1,002,421.88	2,113.14	
3/28/16	912828QP	US TREASURY NOT	20790	UNITED STATES TREASURY	1.750	5/31/16		BARCLAYS	4000	5,000,000.00	5,012,695.31	2,160.26	
3/28/16	912828QP	US TREASURY NOT	20789	UNITED STATES TREASURY	1.750	5/31/16	.2727	BARCLAYS	4002	5,000,000.00	5,012,695.31	2,160.26	
3/04/16	3137EADT	AGENCY US BOND	20762	FREDDIE MAC	.875	2/22/17	.7538	DAIWA CAPITAL M	1001	20,000,000.00	20,023,100.00	33,212.57	
3/08/16	3133786Q	AGENCY US BOND	16067	FEDERAL HOME LOAN BANK	1.000	2/13/17	.7595	WELLS FARGO SEC	1001	20,000,000.00	20,044,380.96	50,022.54	
3/08/16	313379FW	AGENCY US BOND	21561	FEDERAL HOME LOAN BANKS	1.000	6/09/17		WELLS FARGO SEC	1001	5,000,000.00	5,009,168.20	4,688.48	
3/16/16	3135G0VA	AGENCY US BOND	18525	FANNIE MAE	.500	3/30/16		WELLS FARGO SEC	4002	15,000,000.00	15,001,140.00	1,346.23	
3/18/16	31331VZU	AGENCY US BOND	21984	FEDERAL FARM CREDIT BAN	5.125	8/25/16		TD SECURITIES	1001	1,127,000.00	1,149,145.55	349.01	
3/18/16	3133EDDP	AGENCY US BOND	20713	FEDERAL FARM CREDIT BAN	.520	6/17/16	.4042	BROKER DIRECT	1001	7,500,000.00	7,502,063.18	2,063.18	
3/29/16	313378J7	AGENCY US BOND	25014	FEDERAL HOME LOAN BANKS	1.875	3/13/20		WELLS FARGO SEC	4000	5,000,000.00	5,117,075.00	4,133.47	
3/29/16	313378J7	AGENCY US BOND	25013	FEDERAL HOME LOAN BANKS	1.875	3/13/20	1.2659	WELLS FARGO SEC	4002	5,000,000.00	5,117,075.00	4,133.47	
3/29/16	3133EE4S	AGENCY US BOND	23990	FEDERAL FARM CREDIT BAN	1.650	7/29/19	1.1004	INTL FCSTONE PA	4000	4,780,000.00	4,788,604.00	8,604.00	7/29/16
3/17/16	313384WC	AGENCY US DISC	24625	FEDL HOME LOAN BK CONS		4/27/16	.2651	TD SECURITIES	4101	10,000,000.00	9,997,055.56	2,722.23	
3/17/16	313384ZQ	AGENCY US DISC	24833	FEDL HOME LOAN BK CONS		7/20/16		BMO CAPITAL MAR	4101	15,000,000.00	14,980,108.33	6,974.99	
3/18/16	313384XE	AGENCY US DISC	24721	FEDERAL HOME LOAN BANKS		5/23/16		DEUTSCHE BANK S	4101	12,000,000.00	11,993,595.00	4,515.00	
3/31/16	313384VV	AGENCY US DISC	24405	FEDERAL HOME LOAN BANKS		4/20/16		TD SECURITIES	4101	15,000,000.00	14,998,416.67	356.25	

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 3/01/16 Through 3/31/16

TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
3/31/16	313396C6	AGENCY US DISC	25021	FEDERAL HOME LOAN MORTG		8/19/16		WELLS FARGO SEC	4101	7,500,000.00	7,490,083.33	4,316.67	
3/17/16	31315PB7	AGENCY 30/360 2	16016	FEDERAL AGRICULTURAL MO	.900	6/09/16	.4096	MIZUHO SECURITI	1001	15,000,000.00	15,016,500.00	16,500.00	
3/18/16	31315PB7	AGENCY 30/360 2	16016	FEDERAL AGRICULTURAL MO	.900	6/09/16		BROKER DIRECT	1001	10,000,000.00	10,010,022.01	10,022.01	
3/01/16	31359MH8	AGENCY US NOTES	20039	FEDERAL NATIONAL MORTGA	5.000	3/15/16	.3014	TD SECURITIES	4000	7,500,000.00	7,512,705.00	670.31	
3/02/16	3135G0AL	AGENCY US NOTES	21688	FEDERAL NATIONAL MORTGA	2.250	3/15/16		INTL FCSTONE PA	4002	8,709,000.00	8,714,486.67	120.45	
3/09/16	3137EADJ	AGENCY US NOTES	17209	FEDERAL HOME LOAN MORTG	1.000	7/28/17	.8826	HSBC	1001	25,500,000.00	25,541,055.00	12,681.10	
3/10/16	31315PA2	AGENCY US NOTES	23825	FEDERAL AGRICULTURAL MO	2.000	7/27/16	.4162	ISSUER DIRECT	4101	7,800,000.00	7,846,566.00	13.84	
3/10/16	3137EADL	AGENCY US NOTES	17682	FEDERAL HOME LOAN MORTG	1.000	9/29/17	.9492	HSBC	1001	5,000,000.00	5,003,900.00	8,461.68	
3/11/16	3135G0E3	AGENCY US NOTES	23577	FEDERAL NATIONAL MORTGA	1.125	7/20/18	1.0627	DAIWA CAPITAL M	1001	20,000,000.00	20,028,860.00	56,648.14	
3/17/16	3132X0CG	AGENCY US NOTES	24275	FEDERAL AGRICULTURAL MO	.440	10/05/16		BROKER DIRECT	4101	15,000,000.00	14,998,614.00	.23	
3/28/16	3134G8GW	AGENCY US NOTES	24790	FEDERAL HOME LOAN MORTG	2.000	1/20/21	1.4723	KEYBANC CAPITAL	4002	5,000,000.00	5,001,500.00	1,500.00	4/20/16
3/29/16	3136G1G0	AGENCY US NOTES	24942	FEDERAL NATIONAL MORTGA	1.100	3/27/18		INTL FCSTONE PA	4002	10,000,000.00	10,000,000.00		6/27/16
3/10/16	3136G1EN	FED NATL MORTGA	18502	FED NATL MORTGAGE ASSN	1.100	3/13/18	1.0167	JEFFRIES & CO	1001	15,000,000.00	15,024,750.00	24,750.00	
3/02/16	3132X0BY	AGENCY US VARIA	24155	FEDERAL AGRICULTURAL MO	.160	9/16/16		INTL FCSTONE PA	4101	15,000,000.00	14,999,550.00	10.12	
3/02/16	3132X0BY	AGENCY US VARIA	24155	FEDERAL AGRICULTURAL MO	.160	9/16/16	.4235	INTL FCSTONE PA	4101	10,000,000.00	9,999,700.00	6.74	
3/10/16	3132X0CE	AGENCY US VAR 3	24234	FARMER MAC	.250	4/05/17	.4728	INTL FCSTONE PA	4101	25,000,000.00	24,999,250.00	147.40	
3/29/16	742651DN	CORP US NOTE 30	24907	PRIVATE EXPORT FUNDING	1.375	2/15/17	.7970	KEYBANC CAPITAL	4000	1,142,000.00	1,147,744.26	1,031.35	
41 SALES DURING PERIOD TOTAL.....										505,458,000.00	507,054,092.63	425,676.40	
== GRAND-TOTAL ==>										1015345000.00	1017976753.58	425,676.40	

*** END-OF-REPORT ***



16. Credit Investing

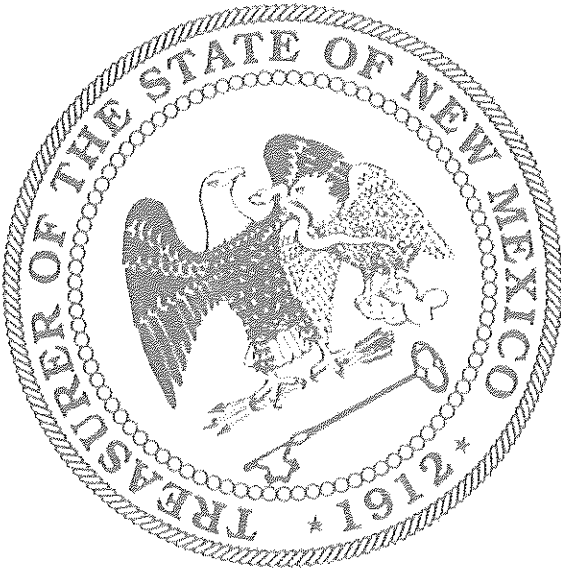
APPROVED MEDIUM TERM NOTE/CORPORATE BOND ISSUERS

April 2016

	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-	STABLE	NR	NR	4/8/16 - Moody's Downgrade to Aa2 from Aa1				
COCA-COLA CO	\$181.26	Aa3	STABLE	AA-	STABLE	A+	NEG					
COLGATE-PALM CO	\$59.47	Aa3	STABLE	AA-	STABLE	AA-	STABLE					
EXXON MOBIL CORP	\$330.64	Aaa	NEG	AA+	NR	NR	NR	4/26/16 - S&P Downgrade to AA+ from AAA				
GEN ELECTRIC CO	\$283.71	A1	STABLE	AA+	NEG	NR	NR					
IBM CORP	\$146.48	Aa3	NEG	AA-	NEG	A+	STABLE	4/27/16 - S&P Outlook to Neg from Stable				
INTEL CORP	\$153.17	A1	STABLE	A+	STABLE	A+	STABLE					
JOHN DEERE CAP	\$25.39	A2	STABLE	A	STABLE	NR	NR					
JOHNSON & JOHNSON	\$265.03	Aaa	STABLE	AAA	STABLE	AAA	STABLE					
MICROSOFT CORP	\$375.95	Aaa	STABLE	AAA	STABLE	AA+	STABLE					
PEPSICO INC	\$143.72	A1	STABLE	A	POS	A	STABLE	4/21/16 - S&P Outlook to Pos from Stable				
PFIZER INC	\$206.44	A1	STABLE	AA	STABLE	A+	STABLE					
PROCTER & GAMBLE	\$200.58	Aa3	STABLE	AA-	STABLE	NR	NR					
TOYOTA MTR CRED	\$207.58	Aa3	STABLE	AA-	STABLE	A	STABLE					
US BANCORP	\$73.03	A1	STABLE	A+	STABLE	AA	STABLE					
US BANK NA	\$73.03	Aa1	STABLE	AA-	STABLE	AA	STABLE					
WAL-MART STORES	\$214.22	Aa2	STABLE	AA	STABLE	AA	STABLE					
WALT DISNEY CO	\$180.65	A2	STABLE	A	STABLE	A	STABLE					
WELLS FARGO CO	\$267.53	A2	STABLE	A	STABLE	AA-	STABLE					
WELLS FARGO BANK	\$267.53	Aa2	STABLE	AA-	STABLE	AA	STABLE					

APPROVED COMMERCIAL PAPER ISSUERS
April 2016

	Rating/Credit Outlook						Comments:				
Issuer	Moody's		S&P		Fitch						
BANK OF NY CO INC.	P-1	STABLE	A-1	STABLE	F1+	STABLE					
CATERPILLAR FIN SERV CRP	P-1	NEG	A-1	STABLE	F1	STABLE	4/20/16 - Moody's Outlook to Neg from Stable				
CHEVRON FUNDING CORP	P-1	STABLE	A-1+	STABLE	NR	NR					
DEERE & COMPANY	P-1	STABLE	A-1	STABLE	NR	NR					
ELI LILLY & CO	P-1	STABLE	A-1+	STABLE	F1	STABLE					
EXXON MOBIL CORP	P-1	NEG	A-1+	STABLE	NR	NR					
HSBC USA INC	P-1	NEG	A-1	STABLE	F1+	STABLE	3/17/16 - Moody's outlook Negative from Stable				
							Deteriorating operating conditions in Hong Kong, a key market				
IBM CORP	P-1	NEG	A-1+	NEG	F1	STABLE					
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	STABLE	F1+	STABLE					



17. State Agency Deposit Balances




Tim Eichenberg
State Treasurer

STATE OF NEW MEXICO
OFFICE OF THE TREASURER

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

Samuel Collins
Deputy State Treasurer

Date: April 25, 2016
To: Tim Eichenberg, State Treasurer
For: Governor Martinez and Members of the State Board of Finance
From: Edward Gallegos, State Cash Manager 
Subject: State Fund Deposit Activity for the month ending March 31, 2016

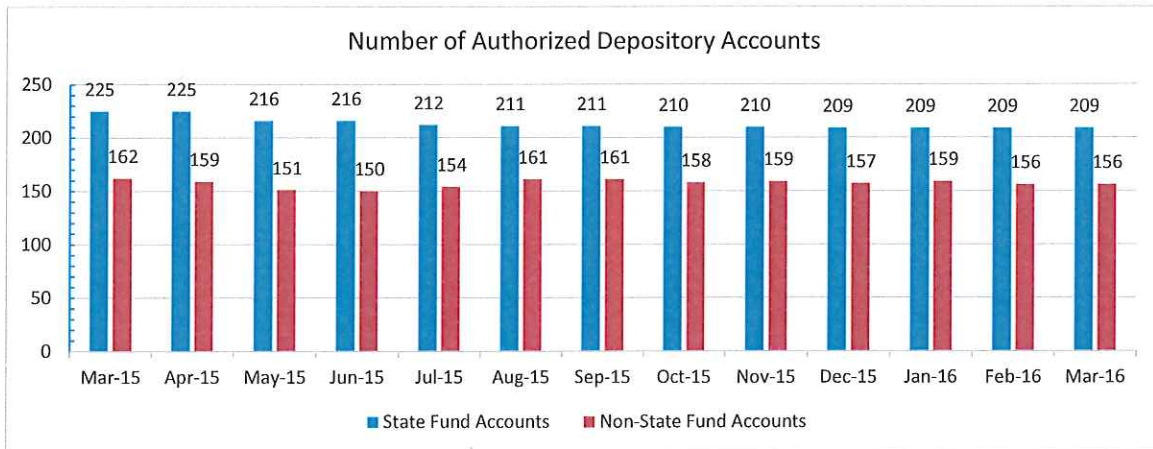
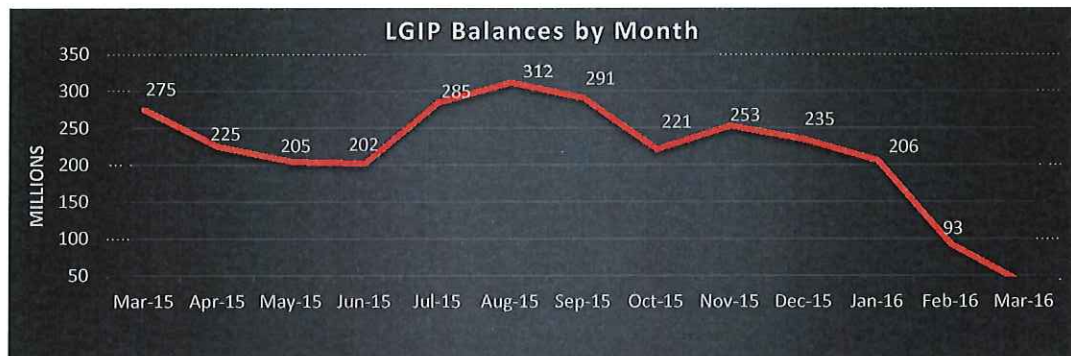
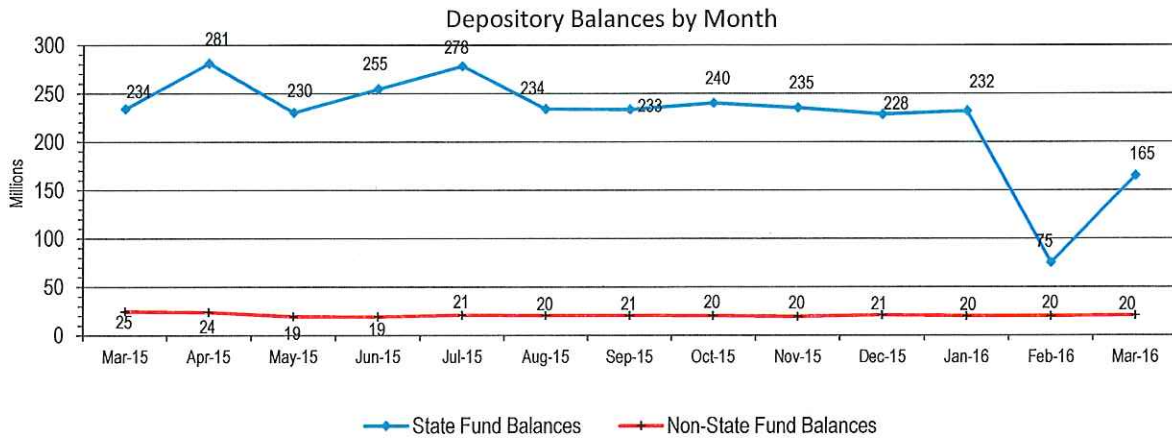
Pursuant to section 8-6-3.1 NMSA 1978, the State Cash Manager shall submit to the State Board of Finance a report showing state fund balances in each Financial Institution. Attached for your review is a summary of State fund balances in each institution through March 31, 2016.

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 March 31, 2016

(Attachments 3)

Depository Account Summary for March 2016



Depository accounts authorized in March 2016 pursuant to Section 6-1-13 NMSA :

Depository accounts opened in March 2016 0

Depository accounts closed in March 2016 0

Depository Account Summary by Agency

March 2016

STATE FUNDS

AGENCY	# OF ACCTS.	BALANCE
AOC (fines, fees etc.)	49	\$3,008,522
BERN. CO. METRO COURT	2	\$650,731
1-13 DISTRICT ATTORNEY	5	\$31,765
EDUCATION RETIREMENT BOARD	1	\$148,405
TAXATION & REVENUE DEPT.	28	\$62,982
PUBLIC SCHOOL INS. AUTHORITY	6	\$4,689,721
NMRHCA	1	\$0
PUBLIC DEFENDER	1	\$585
SECRETARY OF STATE	1	\$0
STATE TREASURER (JDC)	33	\$150,737,163
STATE TREASURER (Liq. Reserve)	1	\$0
NM RACING COMMISSION	6	\$355,827
DEPT. OF GAME & FISH	2	\$116,914
SOUTHWEST REGION ED.	1	\$2,380,701
ENERGY & MINERALS	4	\$70,123
STATE ENGINEER'S OFFICE	4	\$98,180
IRRG WKS CONST	1	\$252,565
HUMAN SERVICES DEPT.	6	\$11,643
WORKFORCE SOLUTIONS	5	\$260,210
MINER'S HOSPITAL	1	\$1,284,508
DEPARTMENT OF HEALTH	37	\$291,584
ENVIRONMENT DEPARTMENT	1	\$0
CHILDREN YOUTH AND FAMILIES	1	\$0
CORRECTIONS DEPARTMENT	5	\$732
DEPT. OF PUBLIC SAFETY	2	\$86,682
HIGHWAY & TRANSPORTATION	4	\$1,435
CENTRAL REGIONAL CO-OP	1	\$485,488

sub-total: 209 \$165,026,466

Total Depository Balance: \$224,735,216
Total Depository Accounts: 365

NON-STATE FUNDS

AGENCY	# OF ACCTS.	BALANCE
AOC	49	\$1,543,080
AOC	1	\$48,444
1ST JUDICIAL DIST. COURT	3	\$2,019,590
2ND JUDICIAL DIST. COURT	2	\$607,409
3RD JUDICIAL DIST. COURT	2	\$1,155,170
4TH JUDICIAL DIST. COURT	3	\$279,572
5TH JUDICIAL DIST. COURT	3	\$1,894,966
6TH JUDICIAL DIST. COURT	2	\$237,895
7TH JUDICIAL DIST. COURT	4	\$192,294
8TH JUDICIAL DIST. COURT	4	\$276,000
9TH JUDICIAL DIST. COURT	2	\$519,913
10TH JUDICIAL DIST. COURT	2	\$1,293,939
11TH JUDICIAL DIST. COURT	11	\$1,210,776
12TH JUDICIAL DIST. COURT	2	\$686,264
13TH JUDICIAL DIST. COURT	63	\$3,092,457
7TH DISTRICT ATTORNEY	1	\$1,674
10TH DISTRICT ATTORNEY	1	\$438
ATTORNEY GENERAL	1	\$1,731
LGIP	4	\$39,294,308
SUPERINTENDENT OF INSURANCE	7	\$1,607,562
NM STATE FAIR	5	\$1,796,934
SOUTHWEST REGION ED.	1	\$15
MINER'S HOSPITAL	1	\$8,453
DEPARTMENT OF HEALTH	9	\$948,405
CHILDREN, YOUTH & FAMILIES	7	\$93,066
CORRECTIONS DEPARTMENT	12	\$2,105,320
DEPT. OF PUBLIC SAFETY	2	\$54,418
CENTRAL REGION CO-OP	1	\$281,737

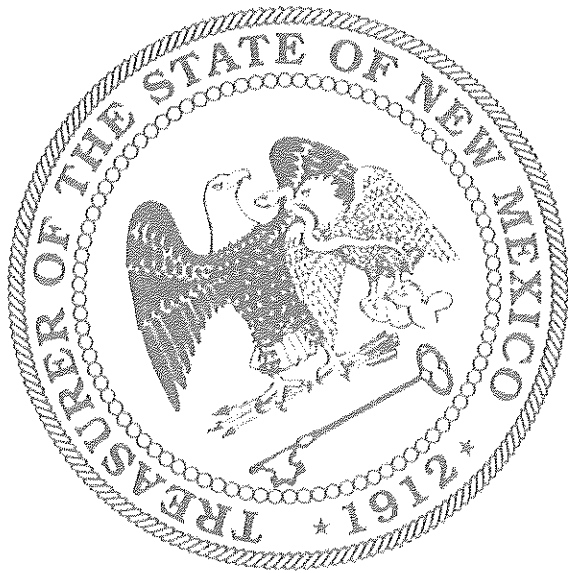
sub-total: 156 \$59,708,750

State Fund Balances by Financial Institution

March 2016

First National Bank/Alamogordo	\$	131,824
Century Bank/Santa Fe	\$	453
Bank of America/Albuquerque	\$	672,137
Wells Fargo Bank/Albuquerque	\$	8,431,201
Compass Bank/Albuquerque	\$	2,544,263
Bank of the West/Albuquerque	\$	150,721,246
First American Bank/Artesia	\$	97,237
Carlsbad National Bank/Carlsbad	\$	800
Western Commerce Bank/Carlsbad	\$	116,772
Farmers/Stockmens Bank/Clayton	\$	17,109
First National Bank/Clayton	\$	1,290,026
Citizens Bank/Clovis	\$	7,925
NM Bank & Trust/Albuquerque	\$	114,391
Community Bank/Santa Fe	\$	-
Lea County State Bank/Hobbs	\$	145,250
Southwest Capitol/Las Vegas	\$	196,211
Community 1st Bank/Las Vegas	\$	75,530
Western Bank/Lordsburg	\$	92,408
Los Alamos National Bank/Los Alamos	\$	17,704
International Bank/Raton	\$	21,750
Valley Bank of Commerce/Roswell	\$	123,339
First State Bank/Socorro	\$	4,168
Centinel Bank/Taos	\$	79,443
US Bank/Albuquerque	\$	14,009
Bank of the Southwest/Roswell	\$	101,979
Washington Federal	\$	9,291

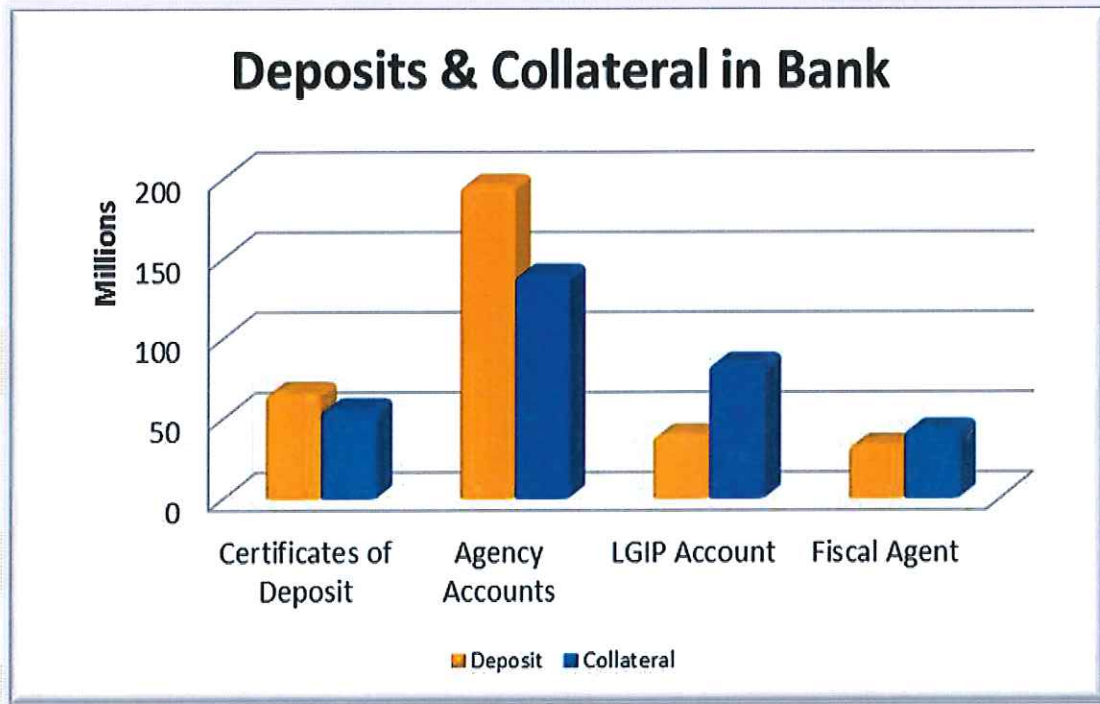
Total: \$ 165,026,466



18. Collateral Report on Agency Deposits & CD's

Office of the Treasurer Collateral Summary Review March 31, 2016

All depository institutions holding public funds for the month ending March 2016 met the minimum collateral requirements. The required ratio of collateral for each depository institution holding public funds is determined by a statutorily defined quarterly risk assessment and is not intended as an opinion as to the financial health of the subject institution.



Balances

	<u>Deposit</u>	<u>Collateral</u>	<u>Percentage</u>
Certificate of Deposit	\$ 66.0 Million	\$ 55.4 Million	84.1%
Agency Deposit	195.5 Million	139.3 Million	71.2%
LGIP Deposits	39.3 Million	83.7 Million	213.1%
Fiscal Agent	33.1 Million	42.4 Million	128.4%
Totals →	333.8 Million	320.9 Million	96.1%



Office of the Treasurer

Collateral Review

Accumulated Total by Institution

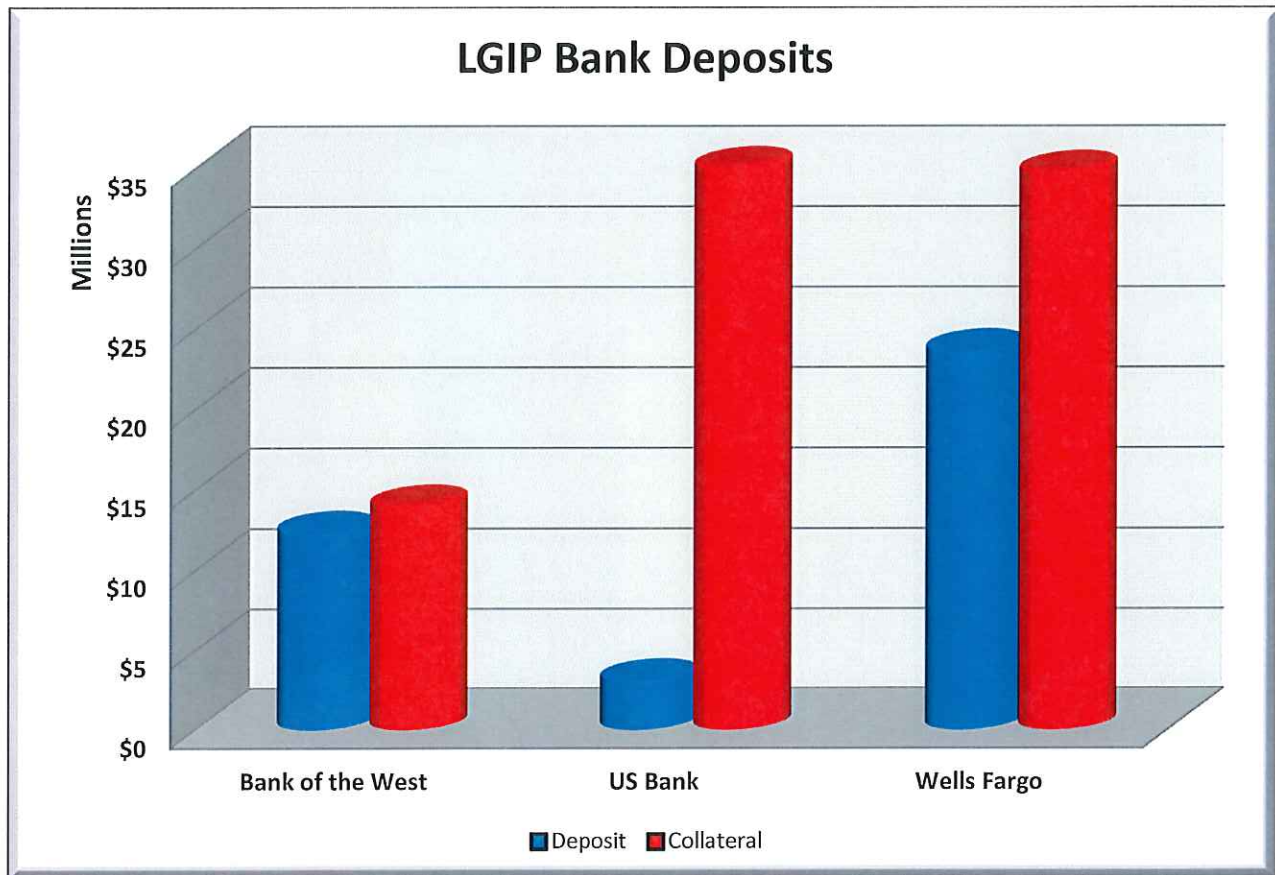
March 31, 2016

FINANCIAL INSTITUTION	%	TOTAL DEPOSITS	FDIC / NCUA INSURANCE	LESS INSURANCE COVERAGE	SUBJECT TO BE COLLATERALIZED	COLLATERAL PLEDGED	EXCESS (UNDER)
First National - Alamogordo	50%	131,824	131,824	0	0	1,270,774	1,270,774
Western - Alamogordo	75%	3,600,000	250,000	3,350,000	2,512,500	3,130,921	618,421
Bank of America	50%	776,449	250,000	526,449	263,224	649,090	385,866
Bank of the West	50%	164,291,364	250,000	164,041,364	82,020,682	93,204,573	11,183,891
BBVA Compass	50%	2,544,280	250,000	2,294,280	1,147,140	2,500,000	1,352,860
US Bank	50%	4,209,684	250,000	3,959,684	1,979,842	40,000,000	38,020,158
Wells Fargo	50%	46,202,285	250,000	45,952,285	22,976,143	68,222,794	45,246,652
First American	50%	97,237	97,237	0	0	0	0
My Bank	50%	350,253	250,000	100,253	50,127	250,000	199,873
Carlsbad National	50%	800	800	0	0	0	0
Western Commerce	50%	4,116,772	250,000	3,866,772	1,933,386	3,453,766	1,520,381
Farmers & Stockmen	50%	10,021,685	250,000	9,771,685	4,885,843	5,100,000	214,157
First National - Clayton	50%	1,290,026	1,290,026	0	0	1,433,541	1,433,541
Bank of Clovis	50%	519,913	250,000	269,913	134,956	821,864	686,907
Citizens - Clovis	50%	7,924	7,924	0	0	0	0
NM Bank & Trust	50%	273,359	273,359	0	0	273,108	273,108
Western - Clovis	50%	3,100,000	250,000	2,850,000	1,425,000	2,481,908	1,056,908
Lea County State	50%	145,250	145,250	0	0	0	0
Citizens - Las Cruces	50%	3,604	3,604	0	0	0	0
Southwest Capital	50%	10,672,072	250,000	10,422,072	5,211,036	5,833,423	622,387
Community 1st - Las Vegas	102%	75,530	75,530	0	0	577,491	577,491
Western - Lordsburg	50%	119,908	119,908	0	0	0	0
Los Alamos National	102%	17,704	17,704	0	0	0	0
James Polk Stone Communi	50%	281,739	250,000	31,739	15,869	151,064	135,194
International	50%	121,377	121,377	0	0	149,797	149,797
Bank of the Southwest	50%	575,413	250,000	325,413	162,707	448,634	285,928
Valley Commerce	50%	123,339	123,339	0	0	0	0
Century	50%	4,608,015	250,000	4,358,015	2,179,007	2,890,373	711,365
First National - Santa Fe	102%	40,059,514	250,000	39,809,514	40,605,705	43,549,943	2,944,238
First State	50%	68,666	68,666	0	0	0	0
Centinel	50%	79,443	79,443	0	0	0	0
BANK'34	102%	2,000,000	250,000	1,750,000	1,785,000	2,046,147	261,147
Guadalupe Credit	50%	250,000	250,000	0	0	0	0
Washington Federal	50%	29,305	29,305	0	0	0	0
		300,764,735	7,085,297	293,679,438	169,288,167	278,439,211	109,151,044

LGIP Bank Deposits

March 31, 2016

<u>Financial Insitution</u>	<u>Percentage</u>	<u>Deposit</u>	<u>Collateral</u>
Bank of the West	112.7%	12,418,553	13,995,189
US Bank	1099.8%	3,182,488	35,000,000
Wells Fargo	146.6%	23,693,267	34,740,985
Totals	213.1%	39,294,308	83,736,175



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

State Treasurer's Office Broker -Dealer List for FY17

PRIMARY BROKER-DEALERS

- 1 Jefferies LLC
- 2 Barclay's Capital
- 3 HSBC Securities USA Inc
- 4 TD Securities
- 5 Mizuho Securities USA Inc
- 6 Cantor Fitzgerald
- 7 RBC Capital Markets LLC
- 8 BMO Capital Markets Corp
- 9 Deutsche Bank Securities - DBSI
- 10 Citigroup Global Markers Inc
- 11 RBS Securities Inc
- 12 UBS Securities
- 13 Wells Fargo Securities LLC

SECONDARY BROKER-DEALERS

- 1 Academy Securities
- 2 BB&T Capital Markets
- 3 BOSCO, Inc
- 4 CastleOak Securities, LP
- 5 Daiwa Capital Markets America Inc
- 6 Drexel Hamilton LLC
- 7 FTN Financial
- 8 Guggenheim Securities LLC
- 9 Hilltop Securities
- 10 ICBC Financial Services
- 11 INTL FCStone Financial Inc
- 12 KeyBanc Capital Markets
- 13 Lawson Financial Corp
- 14 Loop Capital Markets
- 15 MFR Securities Inc
- 16 Mitsubishi UFJ Securities
- 17 Mutual Securities
- 18 Raymond James & Associates INC
- 19 Robert W. Baird & Co
- 20 Samuel A. Ramirez & Co, Inc.
- 21 Stifel
- 22 Vining Sparks IBG, LP.



STATE OF NEW MEXICO
OFFICE OF THE TREASURER

THE HONORABLE TIM EICHENBERG
State Treasurer

SAMUEL K. COLLINS
Deputy State Treasurer

Memorandum

Date: April 29, 2016
To: Treasurer Eichenberg
From: Charmaine Cook, Chief Investment Officer *C Cook*
CC: Sam Collins, Deputy Treasurer
Subject: Broker-Dealer Application and Selection Process for FY17

Background

Prior to 2015, all broker-dealers who submitted applications and met the basic criteria identified in the State Treasurer's Office (STO) Investment Policy were added to the authorized broker-dealer list for the following fiscal year. This methodology aimed to implement a simple and equitable process for selecting authorized broker-dealers. While successful in meeting this objective, the process also led to burdensomely large coverage with 64 broker-dealers and 140 representatives vying for attention and trade activity. Additionally, a review of STO's transaction history demonstrated a large portion of STO's coverage had low or no trade activity.

New Process for FY16

A new methodology for creating the annual approved Broker-Dealer List was employed for Fiscal Year 2016. In an effort to streamline the dealer list and minimize unnecessary coverage STO, in consultation with its investment advisor Government Portfolio Advisors, revised its broker-dealer application process for fiscal year 2016. The new process was developed with following objectives:

- 1) To create and maintain relationships with as many primary dealers as possible in order to maximize access to initial offerings and highly liquid bonds such as treasuries and agencies;
- 2) To create and maintain relationships with secondary dealers who are highly active in the market segments in which STO actively invests.

The new approach was intended to provide maximum usefulness to STO, and, at the same time, minimize the demands on the portfolio managers' time from a larger community of dealers and representatives. The resulting Broker-Dealer List for 2015 – 2016 contained 36 firms.

Strategy for FY17

In the third quarter of FY16, staff performed an internal review of the abbreviated broker-dealer list for FY16 and deemed the new approach to be productive and effective. We have followed the same guidelines for creating a broker-dealer list for FY17.

Selection Criteria

Step 1: Basic Criteria Review

Applications received have been vetted for the required qualifications set out in the STO Investment Policy dated May 20, 2014. Criteria:

- The broker-dealer must be a registered dealer pursuant to the New Mexico Uniform Securities Act
- The broker-dealer must be registered with the Financial Industry Regulatory Authority (FINRA)
- The broker-dealer must have a minimum of five years continuous employment history involving fixed income securities; and
- All assigned individuals who have direct contact with securities trading between the State Treasurer's office and the firm must have a FINRA Series 7 License or equivalent certification.

The FINRA Broker-Check website was used to verify that each dealer and their brokers met the criteria listed above. The FINRA reports also include disciplinary actions, criminal convictions, civil judgments and arbitration awards, as well as pending actions and allegations. Per discussions with the Securities Division at RLD last year, it was determined that additional background or criminal investigations on the broker-dealers would not be necessary.

Step 2: Primary Dealers

All primary dealers who submit applications and meet the basic criteria qualifications have been placed on the Proposed Broker-Dealer list.

Step 3: Specialized Secondary Dealers

Applications from secondary dealers meeting the basic criteria qualifications have been assessed according to the following questions:

- Do we currently have a Repurchase Agreement with the dealer?
- Has the dealer expressed an interest in establishing a repo contract with STO?
- For broker-dealers authorized for FY 15 and/or FY16, was there any trade activity? The s from the monthly STIC binders served as references.
- Is the secondary dealer active in the investment sectors utilized by STO?

- Are they actively making markets electronically on Bloomberg for treasuries, agencies and corporates? This would include Boom, FIT, and AllQ.
- Do they have sufficient balance sheet capacity to make bids and offers on securities they are willing to position or actually own?
- Or are they using other dealers' balance sheets to source product? And only able to make a secondary market if they have an actual buyer?
- Have they demonstrated the depth of coverage to offer compelling value for STO's buying and selling needs?
- Do they offer portfolio management resources such as market commentaries, third party research, and rating reports?

The following resources were used for quantitative measures:

- Summary of Broker Participation Report, STIC binders
- Bloomberg Global Fixed Income League Tables for 2015 and Q1-2016
 - US investment grade corporate bonds and US agency bonds
- Bloomberg Report for NM Municipal bonds for 2015 and Q1-2016.

The STO Portfolio Managers were interviewed by the CIO and each secondary dealer application was discussed.

Step 4: RLD Review

As a final vetting process, the Proposed Broker-Dealer List for FY17 will be sent to the Securities Division of RLD to see if there were any active inquiries or investigations in process. Because the content on the FINRA website is maintained on a daily basis, the RLD is an extra safeguard, and we do not anticipate that any new information will be obtained.

Recommendation, Approval and Consent for the FY17 List

The Proposed Broker-Dealer List FY17 was presented to the STIC Committee at the April 13th meeting for review and consideration. At the following STIC meeting on May 11th, the STIC Committee will be asked to vote to recommend approval of the list by Treasurer Eichenberg. If the List is approved by the Treasurer, it will then be presented to the Board of Finance at the May 17th meeting for advice and consent.

Broker-Dealer Notification

Broker-Dealers will be notified by email that they have either been approved or that they were not selected for the list this year. Notifications are planned for the week of May 23rd – 27th, and the list will become effective on July 1, 2016.