



James B. Lewis
State Treasurer

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STATE TREASURER'S INVESTMENT COMMITTEE
Treasurer's Conference Room
Wednesday, July 11, 2012, 9:00 a.m.

MEETING AGENDA (10 Min)

Roll Call

Introduction of Guests and Presenters

1. Approval of July 11, 2012 Agenda
2. Approval of June 13, 2012 Minutes
3. Approval of June 18, 2012 Minutes

Action

Action

Action

INVESTMENT REPORTS (60 min)

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

Month Ended
May 31, 2012

Informational

Informational

Informational

Informational

Informational

Informational

Informational

Informational

CASH MANAGEMENT
& COLLATERAL REPORTS (15 Min)

Month Ended
May 31, 2012

12. State Agency Deposit Balances
13. Collateral Report on Agency Deposits & CD

Informational

Informational

COMMITTEE REPORTS (5 min)

14. LGIP Process Review FY 2012
15. Question Period
16. Next Meeting –Wednesday, September 12, 2012, 9:00 am
17. Adjournment

Informational

New Mexico State Treasurer's Office

STIC Committee Meeting

Meeting Minutes

Wednesday, June 13, 2012

ROLL CALL – QUORUM PRESENT:

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

Members present:

Mr. James B. Lewis, NM State Treasurer
Ms. Linda Roseborough, Chair
Ms. Stephanie Schardin Clarke, Board of Finance Director
Mr. Paul Boushelle, Public Member
Mr. Paul Cassidy, Public Member [by telephone]

Staff Present:

Mr. Mark Valdes, NM State Deputy Treasurer
Mr. Spencer Wright, Portfolio Manager (PM)
Ms. Vikki Hanges, Portfolio Manager (PM)
Mr. Sam Collins, State Cash Manager
Mr. Arsenio Garduno, Collateral Manager
Ms. Kirene Bargas Guardado, STIC Secretary
Ms. Amy Aguilar, STIC Secretary in training

Guests Present:

Mr. Luke Schneider, Davidson Fixed Income Management [by telephone]

1. Approval of Agenda:

Mr. Boushelle moved approval of the June 13, 2012 agenda as submitted. Treasurer Lewis seconded the motion, which passed unanimously by voice vote.

2. Approval of Minutes: May 9, 2012

Ms. Roseborough recommended two minor changes be made on page 2 agenda item 18 regarding budget cuts, and the hiring of internal auditors. Mr. Boushelle moved approval of the May 9, 2012 minutes based on recommended changes. Mr. Cassidy seconded the motion, which passed unanimously by voice vote.

Ms. Clarke thanked Ms. Roseborough and the staff for the exceptional quality of the minutes.

3. Benchmark Memo:

Ms. Roseborough provided insight from the benchmark review meetings with Dr. Clifford, Ms. Clarke, Mr. Abbey, and Mr. Scott Smith as key stakeholders who provided a general consensus of good comments and approval of the recommended benchmarks. Ms. Roseborough noted that there was a request for additional analytical reporting.

Ms. Roseborough thanked the Portfolio Managers and Ms. Woodring for their work with the benchmark recommendations.

Treasurer Lewis mentioned with the request for additional analysis from Dr. Clifford and Mr. Abbey, STO is not opposed to providing, but is not currently in the position to provide with limited tools and budget. Treasurer Lewis stated that if STO could acquire additional budget to acquire additional analytical tools, then STO could provide the additional information requested.

Ms. Roseborough presented the benchmarks for approval, Ms. Clarke moved to approve, Mr. Boushelle seconded the motion, which passed unanimously by voice vote.

4. Broker Dealer List:

Ms. Roseborough discussed the updated Broker Dealer List and noted two changes. An additional minor change was noted by Ms. Guardado, where the table on the first page, the list of firms under the 2012-2013 column; under New Firms Submitted Applications for Approval, should be 8 rather than 7. Other changes at the end of the second and third pages included Arbor Research which was previously disqualified for not meeting the application requirements; it was established that they did meet the requirements and was added to the list. BBT was previously disqualified as well, but it was also established that they did meet the qualifications, and was added to the list.

Treasurer Lewis discussed the Broker Dealer List and proposed to review the Broker Dealer List process in the future.

Ms. Roseborough presented the Broker Dealer List with the minor changes for approval. Mr. Cassidy moved to approve, Mr. Boushelle seconded the motion, which passed unanimously by voice vote.

Treasurer Lewis thanked Mr. Boushelle, Mr. Cassidy, Ms. Roseborough, and the Portfolio Managers for reviewing and evaluating the Broker Dealer List. He also thanked Ms. Guardado for her work in overseeing the Broker Dealer List process.

Mr. Cassidy commented on the Broker Dealer List process as thoughtful, meaningful, and transparent.

5. Executive Summary, Mr. Wright:

The executive summary report content was presented in its entirety.

6. Investment Policy Compliance Report, Mr. Wright:

The investment policy compliance report content was presented in its entirety.

7. General Fund, Mr. Wright:

The general fund and cash projection report content was presented in its entirety.

8. LGIP, Ms. Hanges:

The STIC binder LGIP report content was presented in its entirety.

Ms. Roseborough asked Mr. Wright to provide an update regarding his visit to Truth or Consequences City Commission regarding their potential interest in investing in the LGIP Fund. He conveyed that their intent was to invest \$2 million in the fund.

Ms. Roseborough asked Ms. Hanges and Mr. Garduno to update the committee regarding their meeting with BBVA Compass representatives, and the decision to liquidate the BBVA Compass balance. Their meeting addressed the following points:

- The down grading of the bank from AA+ to BBB because of the relationship with their parent Spanish bank.
- The financials of the bank in the U.S. have not changed, and is believed that the risk is less than perceived.
- Liquidated balances due to headline risk even though we had Letters of Credit from the FHLB as collateral, and at some point we would like to re-establish that relationship.
- Bank of the West's parent bank is BNP in France, 25 percent of the fund was with them and we decided it was prudent to cut back to 10 percent earning roughly 20 basis points.
- Holding a large amount of REPO, close to \$200 million with four REPO counterparties.

Treasurer Lewis commented on the following issues regarding the LGIP fund:

- Intention to promote additional participants for the LGIP, noting that we should be out talking to cities, counties and municipalities, but due to the budget shortfalls and high gas prices, we did not do a lot of that, but our intent to meet with the All Indian Pueblo Council and other entities to let them know what the LGIP is here for.
- An additional undertaking will be the review of the Statute in regards to the LGIP which currently requires a AAA-AA rating by S&P, and the questions that are often asked, is if this rating provides a guarantee or insure deposits or does it collateralize the deposits; which it does not. My concern is and going forward is with the rating agencies now being regulated, we do not know what they will be promulgating as far as policies and procedures, and if the statute says that this is what you have to do, we may be locked in and we may not be able to optimize our investments and have the flexibility we need, I believe that should be in a Rule and not in statute. We are going to look at this to see what it means to us in this office. Roughly one-half the pools in the country are rated and we want to ensure we have the ability and flexibility to address issues regarding the uncertainty of the markets.

9. Tax-Exempt BPIP, Ms. Hanges:

The STIC binder Tax-Exempt BPIP report content was presented in its entirety.

Ms. Clark commented on the closing of a bond issuance regarding bond proceeds of \$69 million closing on Thursday, June 21, 2012, which will be added to the fund with closing call at 8:45 a.m. that morning.

10. Taxable BPIP, Ms. Hanges:

STIC binder Taxable BPIP report content was presented in its entirety.

Ms. Clarke commented that the sponge notes should be higher at roughly \$110 million on the 28th of June 2012.

11. Severance Tax Bonding Fund, Mr. Wright:

The STIC binder Severance Tax Bonding Fund report content was presented in its entirety.

12. Broker Dealer Activities:

STIC binder Broker Dealer list was submitted in STIC binder for review.

13. State Agency Deposit Balances, Mr. Collins:

The STIC binder report content was presented in its entirety.

14. Collateral Report on Agency Deposits & CD, Mr. Garduno:

The STIC binder collateral report content was presented in its entirety.

Treasurer Lewis commented on the CD program where there is increased regulation, which could lead to lower bank deposits in the community banks. He noted that we will continue to monitor the situation with our CD and LINKS program.

Mr. Valdes asked how new FDIC bank regulations requiring increased reserves effect New Mexico banks.

Mr. Boushelle stated that new regulations will make it difficult for small community banks to remain solvent due to higher costs. Dodd-Frank will be devastating for these small banks.

Ms. Roseborough asked if there is a service the New Mexico State Treasurer's office could provide in order to assist them.

Mr. Boushelle stated that in his opinion there is not anything the New Mexico State Treasurer's office could do. Mr. Boushelle commented on how these new regulations are not good for the economy.

Treasurer Lewis commended Mr. Boushelle for being recognized as a former President of the Bankers' Association, and commented on Mr. Boushelle's experience and expertise. Treasurer Lewis thanked Mr. Boushelle for his contributions to the State of New Mexico.

15. LGIP Process Review:

Ms. Roseborough updated the committee on the Process Review of the LGIP and Reserve Fund, and stated the auditors should be able to provide a report by the week ending June 22, 2012.

16. Question Period:

Mr. Boushelle asked if there would be a Stakeholders' meeting this year.

Ms. Roseborough stated that there would be a meeting on August 8, 2012, and information would be sent out. She listed distinguished guest speakers of the Stakeholders' meeting.

17. Next Meeting- Wednesday, July 11, 2012 at 9:00 a.m. at the State Treasurer's Office.

Ms. Roseborough noted the date and time of meeting.

18. Adjournment

Ms. Roseborough adjourned the meeting at 10:20 p.m.

Minutes were taken by Ms. Aguilar, on June 13, 2012.

Minutes approved by Ms. Roseborough on June 26, 2012.

New Mexico State Treasurer's Office

STIC Committee Special Meeting

Meeting Minutes

Monday, June 18, 2012

ROLL CALL – QUORUM PRESENT:

A Special Meeting of the New Mexico State Treasurer's Investment Committee (STIC) was called to order this date at 4:00 p.m. in the conference room of the State Treasurer's Office, 2055 South Pacheco Street, Santa Fe, New Mexico 87505.

Members present:

Mr. James B. Lewis, NM State Treasurer

Ms. Linda Roseborough, Chair

Ms. Sharon Romero, designee of Ms. Stephanie Schardin Clarke, Board of Finance Director [by telephone]

Mr. Paul Boushelle, Public Member [by telephone]

Mr. Paul Cassidy, Public Member [by telephone]

Staff Present:

Mr. Alfredo Santistevan, Special Assistant

Mr. Spencer Wright, Portfolio Manager (PM)

Ms. Vikki Hanges, Portfolio Manager (PM)

Ms. Amy Aguilar, STIC Interim Secretary

Guests Present:

Ms. Deanne Woodring, Davidson Fixed Income Management [by telephone]

1. Approval of Agenda:

Mr. Boushelle moved approval of the June 18, 2012 agenda as submitted. Mr. Cassidy seconded the motion, which passed unanimously by voice vote.

2. Revised Broker Dealer List:

Ms. Roseborough provided the rationale for the revision of the Broker Dealer List. She listed brokers that the LGIP Fund has Master Repurchase Agreements, which are South Street Securities, Goldman Sachs, BNP Paribas, and Deutsche Bank; and nine firms the General Fund has Master Repurchase Agreements with which are South Street Securities, Jefferies, Goldman Sachs, Nomura, Cantor Fitzgerald, Mitsubishi, Deutsche Bank, HSBC, and Morgan Stanley. Ms. Roseborough referred to the State Treasurer's Office Investment Policy, Section K, Competitive Selection of Investment Instruments, where there is a requirement of three bids or offers in all transactions. She stated there would be difficulty in adhering to the policy if there are only three approved Repurchase Agreement Broker Dealers in the LGIP Fund; especially if one of the dealers were not available to provide a bid. Therefore, she stated that the Treasurer's Office felt it was prudent and recommended that Goldman Sachs and Nomura be added to the broker list. Ms. Roseborough stated that there are executed Master Repurchase Agreements from both firms; completed STO broker/dealer applications and RLD information was verified, with all criteria being met. She noted that the representative from Goldman Sachs, Ryan Murray, will meet the required five years experience by July 1, 2012, in accordance with the application requirements. Therefore the intent is to have the list effective July 1, 2012.

Ms. Roseborough noted that during the Broker Dealer application process, both firms were included in the process, but either provided incomplete information, or no information was received at all; therefore, did not meet the original application requirements. Ms. Roseborough then stated that as of the current date, all required information has been received.

Mr. Cassidy moved for approval to discuss the Broker Dealer list. Mr. Boushelle seconded the motion, which passed unanimously by voice vote.

Mr. Cassidy stated that he understands the need for the change, which is to allow for a sufficient number of competitive firms to participate in the REPO process, but hopes that the broker/dealer application process will be reviewed going forward.

Treasurer Lewis stated that the entire process will be reviewed for the purpose of prohibiting the reoccurrence of having to call a Special Meeting in order to revise the list.

Mr. Boushelle asked Treasurer Lewis if he was comfortable with the fact that an exception to the process was being made.

Treasurer Lewis responded that the additions to the list were necessary due to having the ability to comply with the State Treasurer's Office Investment Policy, where there could be a minimum of three bids for Repurchase Agreements. He stated that the whole process will be reviewed in its entirety, and he is comfortable with the committee proceeding with recommendation.

Mr. Cassidy moved for final approval of the Broker Dealer list. Mr. Boushelle seconded the motion, which passed unanimously by voice vote.

Ms. Roseborough stated that the entire process will be reviewed for the purpose of prohibiting the reoccurrence of having to call a Special Meeting in order to revise the list.

Treasurer Lewis thanked all members and meeting attendees for their time and assistance and stated his appreciation.

Treasurer Lewis motioned to adjourn, Mr. Boushelle seconded the motion, which passed unanimously by voice vote.

3. Question Period

No questions or comments.

4. Next Meeting

Next meeting is scheduled for Wednesday, July 11, 2012, 9:00 a.m.

5. Adjournment

Ms. Roseborough adjourned the meeting at 4:15 p.m.

Minutes were taken by Ms. Aguilar, on June 18, 2012.

Minutes approved by Ms. Roseborough on June 19, 2012.

State of New Mexico
Office of the State Treasurer
James B. Lewis, Treasurer

July 11, 2012
State Treasurer's Investment Council
Monthly Investment Report for

May 2012

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Investment Reports

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- **Investment Policy Compliance Review**
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- **Portfolio Summary – Tax-Exempt Bond Proceeds Investment Pool**
- **Portfolio Summary – Taxable Bond Proceeds Investment Pool**
- **Portfolio Summary – Severance Tax Bond Fund**
- **Broker-Dealer Activities**

Cash Management and Collateral Reports

- **State Agency Deposit Balances**
- **Collateral Summary**

Executive Summary

- Major Stock Market Indexes performed horribly during the month of May, with most major indices falling approximately 6%.
- Continuing issues in the Eurozone, slowing growth in China and India, weak labor reports and other economic factors contributed to the sell-off in May.
- While the Greek result reduced some tail risk, the lack of a clear glide path to resolution in Europe will likely result in continued volatility.
- Details on the Spain bank rescue package remain sparse.
- The Financials sector has been in full rally mode as anticipation of the Greek elections with hopes of an accommodative statement coming from the FOMC meeting which have driven spreads tighter.
- Banks continue to wrestle with growing regulatory demands, strained profits and increasing asset quality issues, the ability of government action to substantially alter the outcome will be diminished.
- Concern about the upcoming "fiscal cliff" spread through the markets with expectations about significant turmoil at year-end given no clear mandate on electoral expectations.
- The Fed expressed continued concern about the outlook for the economy and extended "Operation Twist" through the end of the year.
- Operation Twist consists of the Fed purchasing longer-duration securities and selling shorter duration holdings, with the intention of decreasing longer rates and driving all linked rates lower.
- The domestic fixed income securities markets reached record lows during the month.
- Since May, rates have increased slightly over the STO market sectors, but still remain at historically low levels.

<u>Maturity</u>	<u>April 30th</u>	<u>May 31st</u>
3-Month	0.09%	0.07%
6-Month	0.14%	0.12%
2-Year	0.26%	0.26%
5-Year	0.81%	0.66%
10-Year	1.91%	1.56%
30-Year	3.11%	2.64%

Source: Bloomberg LP

Portfolio Mark to Market

As detailed more fully on the next page, the STO portfolios¹ all reported positive balances on a mark-to-market basis. With the backup in rates, we have seen a decrease in unrealized gains in the various STO portfolios included in this report.

For each of the portfolios:

<u>Fund</u>	<u>Unrealized Gains²</u>
General Fund	\$9.0 million
Bond Proceeds Funds	\$4.6 million
Local Government Investment Pool	flat
Severance Tax Bonding Fund	flat

¹ This report does not include balances or earnings on the Reserve Contingency Fund. The Reserve Contingency Fund was created as a vehicle to hold Reserve Primary Fund assets of various LGIP participants. The RCF was created in 2009 and is administered by the State Treasurer's Office on behalf of the fund participants.

² Calculated Unrealized Gains represent the market "value" of the portfolios as compared to their accounting book value. As such, they approximate the values if they were to be liquidated on the day that the calculation was performed. Market conditions change on a daily basis and the resulting calculations will also change with market movements. STO mark-to-market is performed using an outside pricing service that updates pricing on a weekly basis and may vary considerably from market conditions at the projected date.

Portfolio Yields

As of the end of May, the portfolios had the following purchase yields:

<u>Fund</u>	<u>Portfolio Yield³</u>
General Fund Liquidity	0.26%
General Fund CORE	1.10%
Bond Proceeds - Tax Exempt	1.02%
Bond Proceeds - Taxable	1.09%
Local Government Investment Pool	0.23%
Severance Tax Bonding Fund	0.15%

Investment Earnings

Investment Earnings for the month of May are summarized in the table below.

To date, STO Portfolio Managers have booked over \$1MM in gains for the general fund, while not impacting carrying yield.

For each of the portfolios:

<u>Fund</u>	<u>Monthly Earnings⁴</u>
General Funds	\$1,214,493
Bond Proceeds Funds	771,814
LGIP	155,269
Severance Tax Bonding Fund	52,983

Compensating Balances at Fiscal Agent Bank

During May, STO maintained Average Daily Collected Balances at the Fiscal Agent Bank of approximately \$134 million. This balance earned a "soft-dollar" credit against processing fees assessed by the bank.

Fiscal Agent Bank Summary:

Average Collected Balance	\$134,664,783
Earnings Credit Rate	0.50%
Estimated Monthly Earnings	\$56,110.33
Estimated Fiscal Year Earnings	\$496,015

³ Portfolio yields are calculated at a moment in time, specifically at month end. Each of these funds has considerable inflows and outflows during the month. As such, purchase yields during the month will vary with money flows and short-term investment rates. As noted in footnote 1 (above), actual portfolio yields are higher than the yields presented in this report.

⁴ 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.

Month-End Collected Balance at Wells Fargo was \$51,456,874.

Monthly Economic Summary and Investment Outlook

Continued Uneasiness about the Economy Plagues Policymakers

In June the Fed released new guidance concerning its monetary policy for the coming months. The Fed's concerns continued over the economy and the board released an extension of its "Operation Twist" policy through the end of the year.

Also in June, Moody's downgraded 13 global banks with capital markets operations.

The Fed and other market watchers have expressed concern regarding the prospective budget cuts and rescissions which will happen automatically at year-end. Given no clear consensus as to results of the November election, economists continue to view political paralysis as potentially damaging to the US Economy, should the cuts happen as scheduled.

Unemployment results for May showed that the economy continues to stumble and added further calls for additional Federal Reserve moves to stimulate the economy.

Unfortunately, there is not much that the Federal Reserve can do in order to try and stimulate the economy.

Investment Outlook

We continue to expect slow growth throughout the election and into 2013. Unfortunately, as fixed income investors, this will continue to keep pressure on STO Portfolio returns.

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

New Mexico State Treasurer
Monthly Fund Summary Report
(Unaudited)

As of May 31, 2012

General Fund	Holdings			Performance				Earnings	
	Cost Basis	Market Value	Unrealized Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Monthly Earnings	YTD Earnings
Account									
Liquidity	\$ 655,564,594	\$ 655,570,101	\$ 5,507	0.04%	S&P LGIP	0.06%	-0.02%	\$ 105,352	\$ 816,244
CORE	1,206,478,115	1,215,477,836	8,999,721	1.39%	CORE Index	1.63%	-0.24%	1,109,141	\$ 11,803,599
TRAN	-	-	-	0.00%	All-In Tran TIC	0.00%	0.00%	-	-
Totals	\$ 1,862,042,709	\$ 1,871,047,937	\$ 9,005,228	0.92%	Blended	1.08%	-0.16%	\$ 1,214,493	\$ 12,619,843
Bond Proceeds Investment Pool (BPIP)									
Account	Cost Basis	Market Value	Unrealized Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Monthly Earnings	YTD Earnings
Tax-Exempt	\$ 321,830,116	\$ 323,088,796	\$ 1,258,680	0.63%	BPIP Tax Ex	1.04%	-0.41%	\$ 277,187	\$ 4,083,153
Taxable	545,070,779	548,426,083	3,355,304	0.91%	BPIP Taxable	1.04%	-0.13%	494,627	\$ 6,272,223
Totals	\$ 866,900,895	\$ 871,514,879	\$ 4,613,984	0.81%	Blended	1.04%	-0.23%	\$ 771,814	\$ 10,355,376
Local Government Investment Pool (New MexiGrow LGIP)									
LGIP	Cost Basis	Market Value	Unrealized Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Monthly Earnings	YTD Earnings
	\$ 800,039,555	\$ 799,990,375	\$ (49,180)	0.25%	S&P LGIP	0.06%	0.19%	\$ 155,269	\$ 1,987,149
Severance Tax Bonding Fund									
STBF	Cost Basis	Market Value	Unrealized Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Monthly Earnings	YTD Earnings
	\$ 323,744,070	\$ 323,744,070	\$ -	0.25%	S&P LGIP	0.06%	0.19%	\$ 52,983	346,950

Notes:

- (1) These figures are generated using a combination of accrued earnings and unrealized gains. They are unaudited and may be subject to revision.
- (2) Account balances fluctuate during the month. Yield is calculated on combined balances and also includes fund flows during the month.
- (3) Source: STO Records, QED Financial Systems, JPMorgan Custody Reporting

Investment Policy Compliance Review

Primary and Secondary Bond Purchases and Sales

During the month of May, the following were the ratio of primary and secondary bond purchases in the portfolios:

Primary Bond Volume	\$ 2,700,000	3%
Secondary Bond Volume	<u>106,277,000</u>	<u>97%</u>
Total	\$108,977,000	100%

The primary market purchases were in NM Municipal bonds.

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

As of month end, total holdings of Variable Rate Notes were \$242,700,000.

General Fund Liquidity	\$ 20,000,000
BPIP Tax-Exempt	30,000,000
LGIP	<u>146,700,000</u>
Total Holdings	\$196,700,000

The Variable Rate positions are in TLGP paper, backed by the FDIC, and US Government Agency securities.

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

Transaction Variances and Inter-Portfolio Transactions

During May, there were no transaction variances which posed compliance issues.

All trade information was entered correctly in our internal systems and in the systems used by our custody bank.

All transactions for the month settled successfully. There were no price discrepancies.

There were no interfund transactions during the month of May.

During the past months, several changes with regard to internal accounting have been implemented. Specifically, the internal QED system will better account for cash balances and transfers within the various STO and Fiduciary funds.

As part of these changes, several issues with receivable balances were identified from previous fiscal years. These receivables will be adjusted over the next several months. The receivable balances have not affected investment earnings over the periods in question and have not impacted audited financial results or earnings as reported into the Statewide SHARE system.

Investment Accounting continues to work to reconcile Bond Proceeds balances to the statewide SHARE system and DFA Records as well as with actual spending by several state agencies. That reconciliation is ongoing and it is estimated that when completed, the reconciliation will decrease Bond Proceed Account Balances over planned capital spending. While the aggregate amount of the adjustments is not known at this time, as accounts are reconciled, the updated balances will be included in this report.

Portfolio Summary – General Fund

Summary

- The General Fund (Liquidity and Core Portfolios) closed the month of May at \$1.8 Billion.
- Average Collected Balance at our Fiscal Agent bank was \$134 Million for the month.

Portfolio Mix

- 100% of the General Fund Core portfolio is invested in fixed income securities; 35% in Treasury securities; 65% in Agency Securities; 2% in TLGP Securities backed by the FDIC; 7% in Municipal Bonds; 1% in Corporate Bonds, and the balance in Cash.
- 22% of the portfolio is invested in securities that mature in one year; 29% in securities that mature from 1-2 years; 25% in 2-4 years and 21% invested in securities that mature within 5 years.
- The General Fund held positions in 108 securities.
- The Weighted Average Life of the CORE portion of the general fund is 2.6 years. The Weighted Average duration is 2.26 years.
- The benchmark duration for the portfolio is 1.8 years. We have exceeded the duration based on an expectation that rates will remain stable for the next several quarters.
- Recently adopted Benchmarks are slightly longer for the CORE portion of the portfolio, more consistent with our current holdings.
- We will also invest any deposits into the CORE portfolio in shorter duration securities.
- The maximum security term for the CORE portfolio is 5 years.

Market Value and Investment Earnings

- Unrealized gains in the Core Portfolio were \$9.0 million as of May 31st, increased from April 30th.
- Monthly Earnings on the General Fund Portfolios were \$1.2 million.

- Year to date, the General Fund has earned \$11.8 million.
- Earnings on the General Fund are used to offset General Fund Spending.

Investment Highlights

- Final maturity emphasis is on from 2015-2017 to maintain laddered structure of portfolio.
- Maturing assets will decrease portfolio yield.

Compensating Balances at Fiscal Agent Bank

During May, STO maintained Average Daily Collected Balances at the Fiscal Agent Bank of approximately \$134 million. This balance earned a "soft-dollar" credit against processing fees assessed by the bank.

Fiscal Agent Bank Summary:

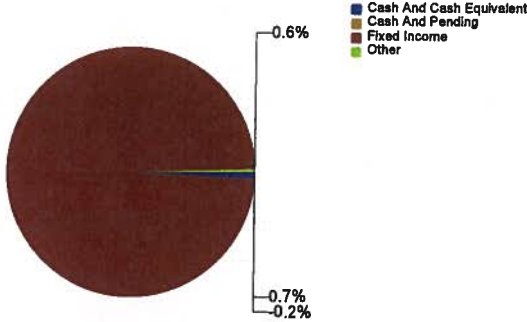
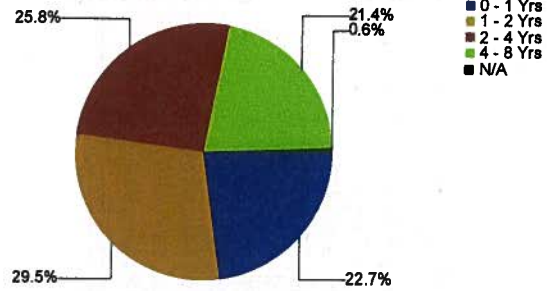
<i>Average Collected Balance</i>	\$134,664,783
<i>Earnings Credit Rate</i>	0.50%
<i>Estimated Monthly Earnings</i>	\$56110.33
<i>Estimated Fiscal Year Earnings</i>	\$496,015

Month-end collected balance at Wells was \$51,456,874.

Portfolio Characteristics

Duration Mix

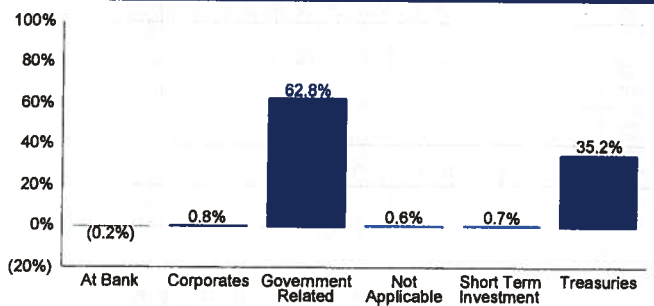
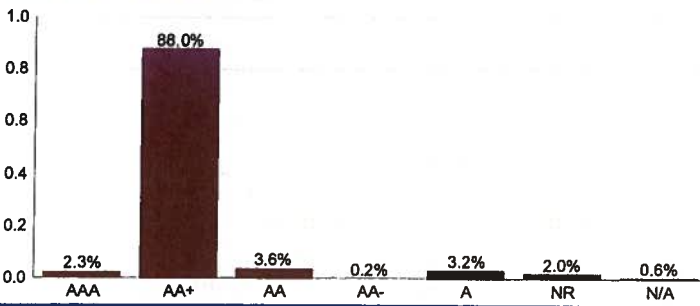
Total Net Assets (Millions) 1,213.7
Weighted Average Life (Years) 2.62
Weighted Avg. Effective Duration (Years) 2.26
Weighted Average Coupon (%) 1.90
Weighted Average Current Yield (%) 0.45
Weighted Average Yield to Maturity (%) 0.51
Weighted Average Rating AA
Number of Holdings 108



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
3135G0GY3	FEDERAL NATIONAL MORTGAGE ASSOC 1.25% MTG BDS	5.06%	1.25	30/1/2017
912828KF6	US 1.87500 '14	3.42%	1.88	28/2/2014
912828SJ0	US 0.87500 '17	3.35%	0.88	28/2/2017
912828RX0	US 0.87500 '16	2.10%	0.88	31/12/2016
31315P873	FEDERAL AGRIC MTG CORP MTNS B FR 0.9%08/JUN/2016	2.09%	0.90	9/6/2016
912828MB3	UNITED STATES TREAS NTS 1.125% 15/DEC/2012	2.09%	1.12	15/12/2012
912828KX7	UNITED STATES TREAS NTS 1.875% 15/JUN/2012	2.09%	1.88	15/6/2012
17313YAL5	CITIGROUP FUNDING INC 1.875% 22/OCT/2012	2.09%	1.88	22/10/2012
912828LM0	USA TREASURY NTS 1.3750% NT 15/SEP/2012 USD1000	2.08%	1.38	15/9/2012
31358MS81	FEDERAL NATIONAL MORTGAGE ASSOC 5.375% BDS	2.00%	5.38	15/7/2016

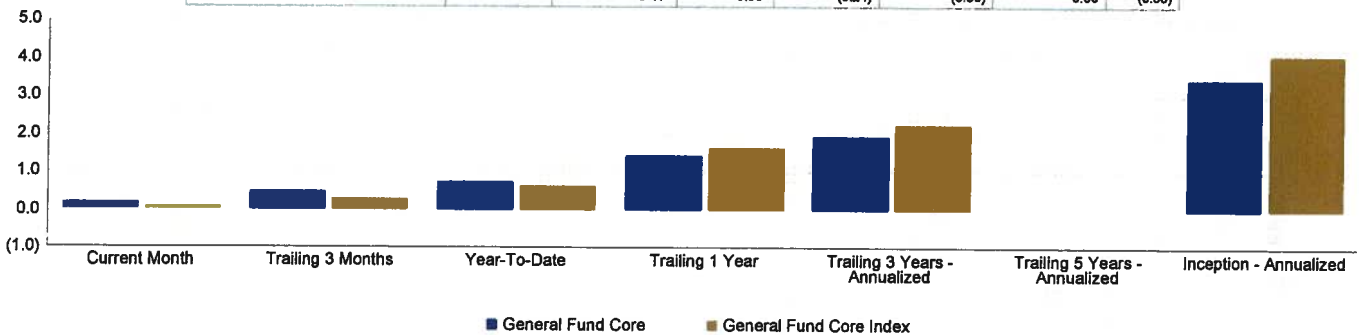
Quality/Rating Weightings

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 Core	0.14	0.43	0.89	1.39	1.92		3.44
General Fund Core Index	0.05	0.27	0.60	1.63	2.22		4.10
Excess	0.09	0.17	0.09	(0.24)	(0.30)	0.00	(0.66)



STATE OF NEW MEXICO

GENERAL FUND (1000)

Portfolio Classification Summary

Positions Held as of 5/31/12

TXN BASIS: TRADE
 MKT-SOURCE: IDC-PREFERED+
 AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.2535	.00270	554,825,823	554,825,823	554,825,823		84.633
CERTIFICATES OF DEPOSIT	7	.5739	.41931	33,250,000	33,250,000	33,250,000		5.072
LINKED-CERTIFICATE OF DEPOSIT	1	.4000	.87950	2,000,000	2,000,000	2,000,000		.305
FED HOME LOAN BANKS	1	.4565	.29860	20,000,000	20,039,368	20,045,800	6,432	3.058
FNMA VAR RT NOTE 4X	1	.1777	.55620	20,000,000	20,028,210	20,027,400	-810	3.055
MONEY MARKET	1		.00274	2,870,674	2,870,674	2,870,674		.438
UNITS - INVESTMENT POOL 1	1			10,026,495	10,026,495	10,026,495		1.529
CASH ACCOUNT	2	.0004		12,523,916	12,523,916	12,523,916		1.910
	<u>15</u>	<u>.2642</u>	<u>.05420</u>	<u>655,496,908</u>	<u>655,564,486</u>	<u>655,570,108</u>	<u>5,622</u>	<u>100.000</u>

STATE OF NEW MEXICO

GENERAL FUND CORE (1001)

Portfolio Classification Summary

Positions Held as of 5/31/12

TKN BASIS: TRADE
MKT-SOURCE: IDC-PREFERED+
AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.2535	.00270	8,669,137	8,669,137	8,669,137		
U.S. TREASURY NOTES	20	.9733	2.24478	420,000,000	422,078,483	426,380,400	4,301,917	35.079
CORPORATE BONDS	1	5.2297	.50140	10,000,000	9,999,572	10,225,700	226,128	.841
FED FARM CR BKS CONS LONG TERM	1	3.5425	.38080	5,000,000	5,018,396	5,082,100	63,704	.418
FED FARM CR BKS CALLABLE	2	1.2685	.49175	40,000,000	39,964,788	40,120,200	155,412	3.301
FED HOME LOAN BANKS	7	2.4845	1.53233	90,380,000	90,595,216	91,529,657	934,441	7.530
FED AGRIC MTG CORP	1	.9125	4.02470	25,000,000	25,000,000	25,242,000	242,000	2.077
FED HOME LOAN MORTGAGE CORP BDS	9	1.0780	3.01553	151,660,000	155,994,660	157,461,798	1,467,138	12.955
FED HOME LOAN MORTGAGE CALL 4X	1	1.0000	.51510	20,000,000	20,000,000	20,037,800	37,800	1.649
FED NATL MORTGAGE ASSN DEBS	14	.9352	2.77063	301,500,000	310,631,238	311,970,792	1,339,554	25.667
FED NATL MORTGAGE ASSN MEDTRM NT	1	3.6592	.17260	1,000,000	1,002,242	1,008,070	5,828	.083
TLGP SECURITIES - FDIC	1	.7890	.39450	25,000,000	25,106,915	25,167,000	60,085	2.071
MONEY MARKET	1		.00274	1,456,436	1,456,436	1,456,436		.120
MUNICIPAL BOND	38	.5812	.96583	64,545,000	65,297,277	65,389,709	92,432	5.380
MUNICIPAL BOND REVENUE	10	.5749	1.59640	24,395,000	25,662,457	25,735,739	73,282	2.117
UNITS - INVESTMENT POOL 1	1			1,298	1,298	1,298		
	<u>109</u>	<u>1.1078</u>	<u>2.20665</u>	<u>1,188,606,871</u>	<u>1,206,478,115</u>	<u>1,215,477,836</u>	<u>8,999,721</u>	<u>100.000</u>

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: HANGES
 RUN: 6/25/12 @ 15:34:45
 BASIS: TRADE (SIC FROM QMARKET-LIBRARY)
 AS-OF: 5/31/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 5/31/12

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
2,870,674	THE RESERVE GF MMKT	GFRESERV	5.090			1.000000000	2,870,674.23	2,870,674.00
18,916	COMPASS BANK DEPOSIT	COMPASBA	.250			1.000000000	18,915.92	18,916.00
12,505,000	CASH KEY	CASHCASH				1.000000000	12,505,000.00	12,505,000.00
10,026,495	UNITS - INVESTMENT POOL 1	UNITS001				.999999994	10,026,494.94	10,026,495.00
25,421,085					.663		25,421,085.09	25,421,085.00

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

554,825,823	OVERNIGHT REPO	0601RP	.250	6/01/12	.253	99.999999969	554,825,822.83	554,825,822.83
8,000,000	CENTURY BAN SANTA FE	17099247	.590	6/28/12	.590	100.000000000	8,000,000.00	8,000,000.00
3,000,000	BANK OF LAS VEGAS	16225130	1.000	6/29/12	1.000	100.000000000	3,000,000.00	3,000,000.00
1,000,000	FARMERS & STOCKMENS	85212970	1.000	7/20/12	1.000	100.000000000	1,000,000.00	1,000,000.00
5,000,000	BANK OF LAS VEGAS	16225630	.755	9/21/12	.755	100.000000000	5,000,000.00	5,000,000.00
20,000,000	FED NATIONAL MTG ASSN Float	31398A7F	.311	12/20/12	.177	100.140462500	20,028,092.50	20,027,400.00
8,000,000	CENTURY BANK	01709924	.400	12/27/12	.400	100.000000000	8,000,000.00	8,000,000.00
599,825,823					.028		599,853,915.33	599,853,222.83

====> 0007 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2012 <====

250,000	GUADALUPE CREDIT UNION	735605	.750	3/26/13	.750	100.000000000	250,000.00	250,000.00
8,000,000	CENTURY BANK SANTA FE	17099245	.400	3/28/13	.400	100.000000000	8,000,000.00	8,000,000.00

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
2,000,000	MY BANK BELEN	63000023	.400	4/17/13	.400	100.000000000	2,000,000.00	2,000,000.00
10,250,000					1.644		10,250,000.00	10,250,000.00
====> 0003 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2013 <===								
20,000,000	FED HOME LOAN BANK	313374CD	1.125	9/17/14	.456	100.198181000	20,039,636.20	20,045,800.00
20,000,000					.841		20,039,636.20	20,045,800.00
====> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2014 <===								
655,496,908					.026		655,564,636.62	655,570,107.83
====> 0015 ITEMS IN SUBTOTAL FOR ==> FUND-NAME..... ==> GENERAL FUND <===								

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
1,456,436	GF CORE MONEY MKT	RESCORE	5.030			1.000000000	1,456,435.81	1,456,436.00
- 6,851,708	(TD)-CASH KEY	CASHCASH				1.000000000	- 6,851,707.67	- 6,851,708.00
	1,298 UNITS - INVESTMENT POOL 1	UNITS001				.999915254	1,297.89	1,298.00
- 5,393,974					-3.124		- 5,393,973.97	- 5,393,974.00

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

2,890,000	NMFA SENIOR LIEN	64711NNU	2.000	6/01/12	.507	100.000000000	2,890,000.00	2,890,000.00
790,000	NMFA REVENUE	64711NPV	2.000	6/01/12	.507	100.000000000	790,000.00	790,000.00
730,000	UNIVERSITY OF NM-REFUNDING	914692M9	2.000	6/01/12	.205	100.000000000	730,000.00	730,000.00
8,669,137	OVERNIGHT REPO	0601RP	.250	6/01/12	.253	99.999999769	8,669,136.98	8,669,136.98
10,000,000	FEDERAL HOME LOAN BANK	3133XKSK	4.875	6/08/12	3.545	100.025204200	10,002,520.42	10,008,400.00
25,000,000	US TREASURY NOTE	912828KX	1.875	6/15/12	1.084	100.029885440	25,007,471.36	25,015,750.00
1,570,000	NEW MEXICO STB REF A-1	647310N2	2.000	7/01/12	.213	100.148994905	1,572,339.22	1,572,041.00
4,000,000	ALBUQUERQUE NM 2012D	ABQ2012D	.290	7/02/12	.294	100.000000000	4,000,000.00	4,000,000.00
5,800,000	SANTA FE NM PSD G02011	802088JT	3.000	8/01/12	.527	100.412109483	5,823,902.35	5,825,694.00
1,100,000	LOS ALAMOS NM PSD	54422NCN	2.000	8/01/12	.406	100.266044546	1,102,926.49	1,102,772.00
2,675,000	RIO RANCHO NM PSD	767171LG	2.000	8/01/12	.355	100.274450841	2,682,341.56	2,681,741.00
23,500,000	FEDERAL NATL MTG ASSN DEBS	31359MNU	5.250	8/01/12	.308	100.823029660	23,693,411.97	23,688,000.00
1,000,000	FANNIE MAE	3136F7GV	5.000	8/02/12	3.659	100.224219000	1,002,242.19	1,008,070.00
2,385,000	GADSDEN NM ISD	362550KS	2.000	8/15/12	.305	100.348658700	2,393,315.51	2,392,488.90
570,000	ESPANOLA NM PSD	29662RAJ	2.000	9/01/12	.386	100.403889474	572,302.17	572,200.20
2,500,000	FARMINGTON MSD #5 NM	311441KF	2.000	9/01/12	.257	100.436158000	2,510,903.95	2,509,650.00
20,380,000	FEDERAL HOME LOAN BANK	3133XLX7	5.000	9/14/12	3.639	100.388729490	20,459,223.07	20,656,556.60

SOURCE: VisualQED
 MODEL: INVENTORY
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STATE OF NEW MEXICO
 T R E A S U R E R ' S O F F I C E

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
25,000,000	US TREASURY NOTE	912828LM	1.375	9/15/12	1.231	100.040301960	25,010,075.49	25,090,750.00
525,000	LOVINGTON NM PSD	547473DA	2.000	10/01/12	.508	100.498278095	527,615.96	527,756.25
5,000,000	FEDERAL FARM CREDIT BANK	31331X3S	4.500	10/17/12	3.543	100.367928200	5,018,396.41	5,082,100.00
25,000,000	CITIGROUP FUNDING INC	17313YAL	1.875	10/22/12	.789	100.427736000	25,106,934.00	25,167,000.00
10,000,000	ABBOTT LABORATORIES	002819AA	5.150	11/30/12	5.230	99.995764000	9,999,576.40	10,225,700.00
15,000,000	FEDERAL HOME LOAN BANK	3133XDTE	4.875	12/14/12	3.661	100.663732933	15,099,559.94	15,371,100.00
25,000,000	US TREASURY NOTE	912828MB	1.125	12/15/12	1.327	99.891885640	24,972,971.41	25,129,750.00

219,084,137					.077		219,637,166.85	220,706,656.93

====> 0024 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2012 <==

10,000,000	US TREASURY NOTES	912828PR	.625	1/31/13	.450	100.115964400	10,011,596.44	10,029,700.00
550,000	BERNALILLO COUNTY	085275B5	4.000	2/01/13	.507	102.325990909	562,792.95	563,244.00
10,000,000	US TREASURY NOTES	912828QK	.625	2/28/13	.478	100.109430800	10,010,943.08	10,032,800.00
5,000,000	FEDERAL HOME LOAN BANK	3133XPNZ	3.500	3/08/13	3.882	99.748747000	4,987,437.35	5,125,900.00
5,000,000	STATE OF CONNECTICUT-GO BONDS	20772JBS	1.720	5/15/13	1.003	100.693344000	5,034,667.20	5,062,600.00
200,000	SANTA ROSA CSD #8 NM	802751DK	1.000	5/15/13	.356	100.618540000	201,237.08	200,846.00
2,000,000	NMFA SENIOR LIEN	64711NNV	2.000	6/01/13	1.014	100.992549500	2,019,850.99	2,021,620.00
3,605,000	NMFA REVENUE	64711NPA	2.000	6/01/13	.356	101.644669071	3,664,290.32	3,665,491.90
760,000	NMFA REVENUE	64711NPW	2.000	6/01/13	.660	101.342442105	770,202.56	769,872.40
1,285,000	UNIVERSITY OF NM-REFUNDING	914692N2	2.000	6/01/13	.305	101.695171985	1,306,782.96	1,303,362.65
500,000	NMFA SERIES B1	64711NLW	2.000	6/01/13	.305	101.695172000	508,475.86	508,585.00
10,000,000	FEDERAL HOME LOAN BANK	3133XXYX	1.875	6/21/13	.851	101.086266400	10,108,626.64	10,172,600.00
3,225,000	NEW MEXICO STB REF A-1	647310N3	4.000	7/01/13	.437	103.852964341	3,349,258.10	3,352,290.75

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
7,525,000	ALBUQUERQUE NM 2012C	ABQ2012C	.290	7/01/13	.294	100.000000000	7,525,000.00	7,525,000.00
2,000,000	LOS ALAMOS NM UTILITY	54423EBV	5.000	7/01/13	.448	104.920000000	2,098,400.00	2,097,440.00
475,000	LOS ALAMOS NM PSD	54422NCP	2.000	8/01/13	.558	101.683637895	482,997.28	483,678.25
500,000	RIO RANCHO NM PSD	767171LH	2.000	8/01/13	.558	101.683638000	508,418.19	509,015.00
785,000	LOS ALAMOS PSD NM	54422NDB	2.000	8/01/13	.406	101.860240764	799,602.89	799,341.95
350,000	ALAMOGORDO NM MSD 1	011464GN	1.500	8/01/13	.406	101.224000000	354,284.00	354,378.50
20,000,000	FANNIE MAE	3135G0BR	.500	8/09/13	.588	99.905267650	19,981,053.53	20,054,800.00
2,245,000	GADSDEN NM ISD	362550KT	2.000	8/15/13	.608	101.678817372	2,282,689.45	2,286,757.00
1,100,000	ESPANOLA NM PSD	29662RAK	2.000	9/01/13	.710	101.614661818	1,117,761.28	1,119,096.00
1,000,000	FARMINGTON MSD #5 NM	311441KG	3.000	9/01/13	.407	103.237010000	1,032,370.10	1,031,580.00
10,000,000	US TREASURY NOTE	912828NY	.750	9/15/13	.541	100.267780700	10,026,778.07	10,065,200.00
900,000	LOVINGTON NM PSD	547473DB	2.000	10/01/13	.710	101.721883333	915,496.95	918,630.00
10,000,000	FEDERAL HOME LOAN BANK	313371UC	.875	12/27/13	1.110	99.657851100	9,965,785.11	10,088,700.00
-----					-----			
109,005,000					.154		109,626,798.38	110,142,529.40

====> 0026 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2013 <====

13,000,000	FEDERAL NATL MTG ASSN DEBS	31359MTP	5.125	1/02/14	.828	106.774400308	13,880,672.04	13,943,800.00
20,000,000	US TREASURY NOTE	912828JZ	1.750	1/31/14	.666	101.791426650	20,358,285.33	20,492,200.00
570,000	BERNALILLO COUNTY	085275B6	3.000	2/01/14	.710	103.803861404	591,682.01	594,099.60
20,000,000	US TREASURY NOTE	912828QH	1.250	2/15/14	1.413	99.725661250	19,945,132.25	20,331,200.00
40,000,000	US TREASURY NOTES	912828KF	1.875	2/28/14	1.048	101.427536250	40,571,014.50	41,114,000.00
15,000,000	US TREASURY NOTE	912828KJ	1.750	3/31/14	.729	101.852918133	15,277,937.72	15,404,250.00
20,000,000	US TREASURY NOTE	912828SL	.250	3/31/14	.262	99.978081350	19,995,616.27	19,993,800.00

SOURCE: VisualQED
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 RUN: 6/25/12 @ 15:34:45
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STATE OF NEW MEXICO
 T R E A S U R E R ' S O F F I C E

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
20,000,000	US TREASURY NOTES	912828KN	1.875	4/30/14	1.476	100.749408850	20,149,881.77	20,606,200.00
200,000	SANTA ROSA CSD #8 NM	802751DL	1.000	5/15/14	.507	100.971755000	201,943.51	201,244.00
20,000,000	US TREASURY NOTES	912828KV	2.250	5/31/14	1.509	101.452481850	20,290,496.37	20,781,200.00
3,060,000	NMFA SENIOR LIEN	64711NNW	3.000	6/01/14	1.490	103.004588562	3,151,940.41	3,178,391.40
3,615,000	NMFA REVENUE	64711NPB	2.000	6/01/14	.456	103.082640664	3,726,437.46	3,727,318.05
770,000	NMFA REVENUE	64711NPX	2.000	6/01/14	1.014	101.975248052	785,209.41	788,657.10
165,000	UNIVERSITY OF NM-REFUNDING	914692Q6	3.000	6/01/14	.487	105.009903030	173,266.34	172,550.40
330,000	UNIVERSITY OF NM-REFUNDING	914692N3	2.000	6/01/14	.487	103.021848485	339,972.10	338,593.20
20,000,000	US TREASURY NOTE	912828QS	.750	6/15/14	.771	99.957561300	19,991,512.26	20,187,600.00
4,780,000	NEW MEXICO STB REF A-1	647310N4	4.000	7/01/14	.710	106.812797490	5,105,651.72	5,120,718.40
9,810,000	NEW MEXICO STB REF A-1	647310P4	4.000	7/01/14	.710	106.812797554	10,478,335.44	10,540,158.30
15,000,000	US TREASURY NOTE	912828LC	2.625	7/31/14	1.513	102.358437400	15,353,765.61	15,751,200.00
325,000	LOS ALAMOS NM PSD	54422NCQ	2.000	8/01/14	.811	102.572055385	333,359.18	335,127.00
140,000	CATRON & CIBOLA COUNTY ISD 2	149321CH	2.000	8/01/14	.507	103.228171429	144,519.44	143,906.00
350,000	ALAMOGORDO NM MSD 1	011464GP	1.500	8/01/14	.507	102.102000000	357,357.00	357,161.00
2,005,000	GADSDEN NM ISD	362550KU	2.000	8/15/14	.862	102.506973566	2,055,264.82	2,060,899.40
20,000,000	FED NATL MORTGAGE ASSN DEBS	3135GOBY	.875	8/28/14	.457	100.944495900	20,188,899.18	20,188,899.18
1,120,000	ESPANOLA NM PSD	29662RAL	2.000	9/01/14	.963	102.331362500	1,146,111.26	1,151,752.00
1,000,000	FARMINGTON MSD #5 NM	311441KH	3.000	9/01/14	.558	105.470544000	1,054,705.44	1,053,960.00
935,000	LOVINGTON NM PSD	547473DC	2.000	10/01/14	1.014	102.300087701	956,505.82	967,154.65
10,000,000	FREDDIE MAC	3137EACY	.750	11/25/14	.772	99.972967800	9,997,296.78	10,057,500.00
20,000,000	FED HOME LN MTG CALL 4X	3134G3BL	1.000	12/05/14	1.000	100.000000000	20,000,000.00	20,037,800.00

282,175,000					.059		286,602,771.44	289,621,339.68

====> 0029 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2014 <====

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: HANGES
 RUN: 6/25/12 @ 15:34:45
 BASIS: TRADE (SIC FROM QMARKET-LIBRARY)
 AS-OF: 5/31/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 5/31/12

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
20,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0HG	.375	3/16/15	.541	99.559939150	19,911,987.83	19,921,800.00
20,000,000	US TREASURY NOTE	912828SP	.375	4/15/15	.387	99.965730100	19,993,146.02	20,014,000.00
225,000	SANTA ROSA CSD #8 NM	802751DM	1.000	5/15/15	.659	101.022862222	227,301.44	226,586.25
20,000,000	FREDDIE MAC	3134A4VC	4.375	7/17/15	.965	110.522909900	22,104,581.98	22,343,800.00
20,000,000	FANNIE MAE	3136FR3F	.950	9/08/15	.963	100.000000000	20,000,000.00	20,045,200.00
20,000,000	FREDDIE MAC	3137EACM	1.750	9/10/15	1.015	102.406741500	20,481,348.30	20,730,800.00
20,000,000	FEDERAL FARM CR BANKS CALLABLE	31331KS9	1.120	11/16/15	1.188	99.824141550	19,964,828.31	20,052,600.00
20,000,000	FEDERAL FARM CR BANKS CALLABLE	31331KZ2	1.330	12/07/15	1.348	100.000000000	20,000,000.00	20,067,600.00
11,660,000	FEDERAL HOME LOAN MTG CORP	3134G3EG	1.150	12/30/15	1.166	100.000000000	11,660,000.00	11,750,598.20
10,000,000	FEDERAL HOME LOAN MTG CORP	3134G3FA	1.100	12/30/15	1.115	100.000000000	10,000,000.00	10,058,300.00
161,885,000					.103		164,343,193.88	165,211,284.45

==> 0010 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2015 <==

20,000,000	FANNIE MAE	31359MH8	5.000	3/15/16	1.026	114.785861450	22,957,172.29	22,921,600.00
20,000,000	FANNIE MAE	3135G0BA	2.375	4/11/16	1.057	105.027361950	21,005,472.39	21,005,472.39
20,000,000	FREDDIE MAC	3137EACT	2.500	5/27/16	1.095	105.529278250	21,105,855.65	21,358,000.00
25,000,000	FEDERAL AGRICULTURAL MORTG CORP	31315PB7	.900	6/09/16	.913	100.000000000	25,000,000.00	25,242,000.00
20,000,000	FANNIE MAE	31359MS6	5.375	7/15/16	1.142	117.066751250	23,413,350.25	23,722,200.00
20,000,000	FEDERAL HOME LOAN MTG CORP	3137EACW	2.000	8/25/16	1.168	103.493212600	20,698,642.52	20,974,400.00
20,000,000	US TREASURY NOTE	912828RF	1.000	8/31/16	.929	100.294724400	20,058,944.88	20,361,000.00
20,000,000	FANNIE MAE	3135G0CM	1.250	9/28/16	1.218	100.205487800	20,041,097.56	20,308,600.00
20,000,000	FED NATIONAL MTG ASSN DEBS	3136FTQJ	1.625	11/21/16	1.650	99.991234350	19,998,246.87	20,094,600.00
20,000,000	FED HOME LOAN MORTGAGE CORP BDS	3134G3CB	1.625	12/05/16	1.196	100.226043650	20,045,208.73	20,099,600.00

SOURCE: VisualQED
 MODEL: INVENTORY
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 RUN: 6/25/12 @ 15:34:45
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STATE OF NEW MEXICO
 T R E A S U R E R ' S O F F I C E

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
25,000,000	US TREASURY NOTES	912828RX	.875	12/31/16	1.105	100.000000000	25,000,000.00	25,291,000.00
230,000,000					.070		239,323,991.14	241,378,472.39

====> 0011 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2016 <====

15,000,000	FED NATL MORTGAGE ASSN DEBS	3136FTYG	1.000	1/30/17	1.026	99.945190067	14,991,778.51	15,064,350.00
60,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0GY	1.250	1/30/17	1.069	100.889370650	60,533,622.39	60,946,800.00
20,000,000	US TREASURY NOTES	912828SC	.875	1/31/17	.846	100.132167200	20,026,433.44	20,229,600.00
20,000,000	FEDERAL HOME LOAN BANK	3133786Q	1.000	2/13/17	1.044	99.862395000	19,972,479.00	20,106,400.00
40,000,000	US TREASURY NOTES	912828SJ	.875	2/28/17	.861	100.064750150	40,025,900.06	40,459,200.00
20,000,000	FED HOME LOAN MORTGAGE CORP DBS	3137EADC	1.000	3/08/17	1.121	99.508520400	19,901,704.08	20,088,800.00
10,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0JA	1.125	4/27/17	1.064	100.362241300	10,036,224.13	10,065,200.00
185,000,000					.091		185,488,141.61	186,960,350.00

====> 0007 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2017 <====

1181755163					.014		1199628089.33	1208626658.85
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====> 0110 ITEMS IN SUBTOTAL FOR ====> FUND-NAME..... ====> GENERAL FUND CORE <====

Portfolio Summary – Local Government Investment Pool (LGIP)

Summary

- Ending May Market Value for the LGIP was \$800mil, materially unchanged from April.
- The LGIP maintains an AAAM rating by Standard & Poor's.
- Weighted Average Maturity of the LGIP was 58 days, below the rule 2(a)-7 requirements of 60 days for short-term funds.

Portfolio Mix

- 40% of the portfolio was invested in fixed income securities, 21% in floating rate notes, 11% in demand deposit accounts with qualified banking institutions, 5% in commercial paper and 23% in a repurchase agreement.
- The LGIP held positions in 33 securities.

Investment Earnings

- In May, the fund earned \$155,269 for its participants.
- For the current fiscal year the fund has earned \$2.0 mil.
- 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 0.237% at month-end.
- Net yield to participants was 0.187%.

Investment Highlights

- For the LGIP, the WAM(R), 58 days, and WAM (F), 98 days, are within their maximums of 60 and 120 days respectively.
- LGIP continued to invest in TLGP fixed rate issues maturing in November and December of 2012 at yields averaging 0.19%.
- LGIP acquired an additional \$12.15mil in secondary positions of FDIC SSGNs as they have

dribbled into the secondary marketplace at a 10 bp pickup to TLGP paper.

- LGIP purchased a 13-month final maturity FHLB with a quarterly call provision at 0.30%.
- STO made the decision to liquidate all BBVA Compass Bank deposits bringing the LGIP balance close to zero.
- STO made the decision to liquidate a 15% position of Bank of the West deposits bringing the LGIP balance to less than 10% of the total assets of the fund.
- LGIP utilized US Treasury and Agency Repo to reinvest the proceeds of the liquidated bank deposits.

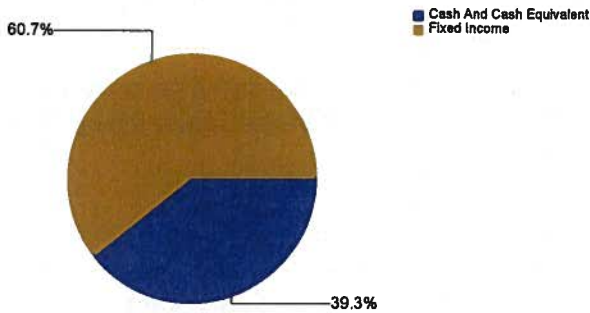
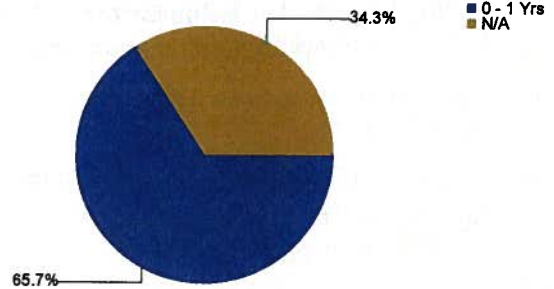
Investment Strategy

- LGIP WAMs continue to be and will most likely remain close to their maximum allowable terms of 60 and 120 days, for the WAM(R) and WAM (F) respectively.
- LGIP will maintain a longer WAM (R) as the curve remains positive between 3 and 13 month maturities. There continues to be little to no yield pickup between overnight and 3 month investments.
- LGIP has been experiencing a large amount of withdrawals going into quarter/ fiscal year end June 2012.
- All FRNs held in the LGIP are resetting their coupons in June. As they are all quarterly libor floaters, their maturities to next reset are lengthening to approximately 90 days.
- STO GF Liquidity, both BPIPs and the STB fund have been or will be contributing cash to the LGIP in June.
- At the end of June/beginning of July the LGIP is currently slated to experience net withdrawals of over \$115mil.
- LGIP will continue to focus on diversification while maximizing safety of principal through investments in US Government and Agency securities, FDIC guaranteed and quasi-sovereign issues.

Portfolio Characteristics

Duration Mix

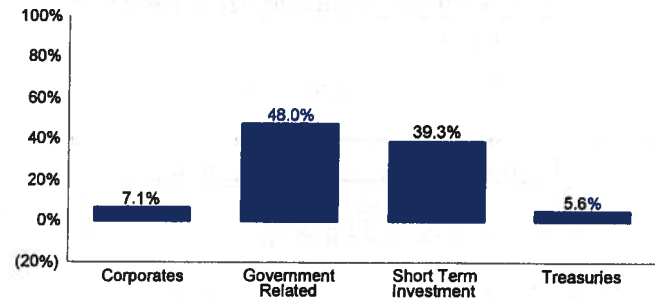
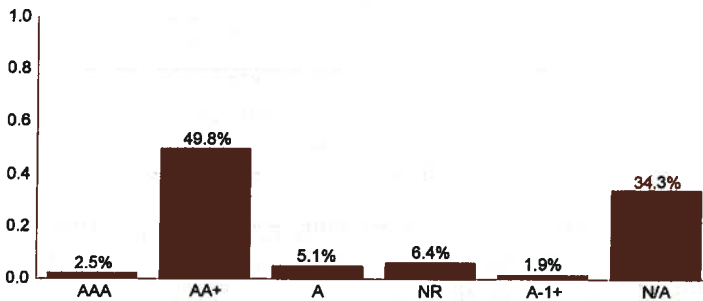
Total Net Assets (Millions)	802.1
Weighted Average Life (Years)	0.27
Weighted Avg. Effective Duration (Years)	0.15
Weighted Average Coupon (%)	0.87
Weighted Average Current Yield (%)	(2.34)
Weighted Average Yield to Maturity (%)	(2.34)
Weighted Average Rating	BB+
Number of Holdings	35



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
89499LC10	BANK OF THE WEST	9.26%		
31331KF62	FEDERAL FARM CR BKS CONS BD FLT 13 12/JUN/2013	6.23%	0.34	12/8/2013
99CF20052	REPO DEUTSCHE BANK SECURITIES INC. 31/MAY/2012DB	6.10%		
99CF20053	REPO DEUTSCHE BANK SECURITIES INC. 31/MAY/2012DBB	6.10%		
99CF20065	REPO BNP PARIBAS SECURITIES CORP. 31/MAY/2012BNP	6.10%		
31359MNU3	FANNIE MAE 5.25% 01/AUG/2012	5.11%	5.25	1/8/2012
95808AAB8	WESTERN CORP FEDERAL CREDIT UNION SUBORD 1.75%	4.85%	1.75	2/11/2012
99CF20066	REPO BNP PARIBAS SECURITIES CORP. 31/MAY/2012BNPB	4.24%		
36186CBF9	ALLY FINANCIAL INC 2.2% NTS 19/DEC/2012 USD1000	4.11%	2.20	19/12/2012
61757UAJ9	MORGAN STANLEY VAR 20/JUN/2012	3.75%	0.82	20/6/2012

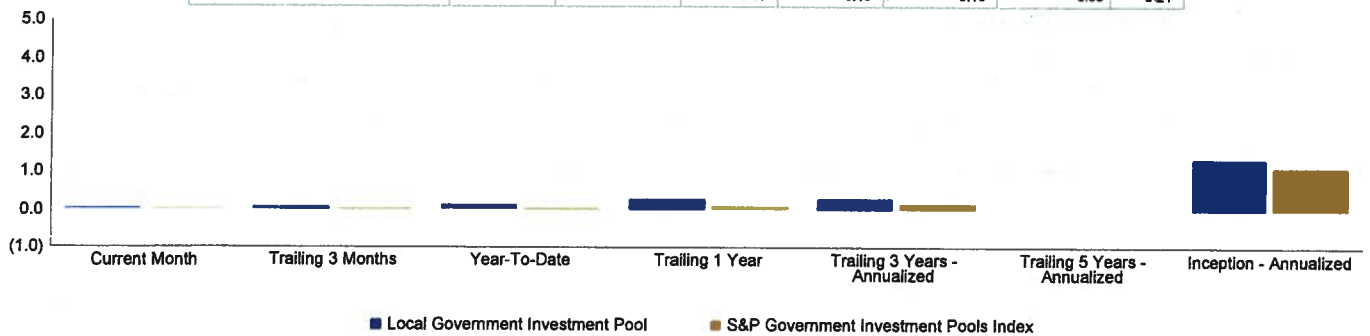
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-to-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Local Government Investment Pool	0.02	0.05	0.09	0.25	0.26		1.31
S&P Government Investment Pools Index	0.00	0.02	0.02	0.06	0.13		1.10
Excess	0.02	0.04	0.07	0.19	0.13	0.00	0.21



STATE OF NEW MEXICO

LGIP FUND (4101)

Portfolio Classification Summary

Positions Held as of 5/31/12

TKN BASIS: TRADE
 MKT-SOURCE: IDC-PREFERED+
 AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	2	.1972	.00270	183,000,000	183,000,000	183,000,000		
COMMERCIAL PAPER-DISCOUNT BASED	2	.1826	.05754	39,996,000	39,991,999	39,991,999		22.875
U.S. TREASURY NOTES	3	.2196	.19422	45,000,000	45,029,826	45,035,550	5,724	4.999
CORPORATE BONDS	1	.3042	.96990	20,000,000	20,000,000	19,984,800	-15,200	5.630
TEMP CORP CU STABILIZATION FND	2	.1999	.42081	42,937,000	43,215,647	43,210,754	-4,893	2.498
FED FARM CR BANKS - FLOAT	1	.3230	1.03010	50,000,000	50,011,891	49,968,500	-43,391	5.401
FED HOME LOAN BANKS	2	.2430	.22841	40,000,000	40,037,725	40,041,050	3,325	6.246
FED NATL MORTGAGE ASSN DEBS	1	.3379	.16990	40,000,000	40,327,214	40,320,000	-7,214	5.005
FNMA VAR RT NOTE 4X	1	.1777	.55620	21,000,000	21,029,470	21,028,770	-700	5.040
TLGP SECURITIES - FDIC	5	.1742	.29417	101,762,000	102,336,156	102,309,956	-26,200	2.629
TLGP SECURITIES-FDIC VAR RT NT4X	6	.3505	.35699	96,700,000	96,806,423	96,846,756	40,333	12.789
ABS FDIC GUARANTEED	2	.3131	.47937	26,450,000	26,410,663	26,409,699	-964	12.106
CASH ACCOUNT	5	.1809		91,842,541	91,842,541	91,842,541		3.301
	33	.2348	.29038	798,687,541	800,039,555	799,990,375	-49,180	11.480
								100.000

SOURCE: VisualQED
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 RUN: 6/25/12 @ 15:34:45
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STATE OF NEW MEXICO
 T R E A S U R E R ' S O F F I C E

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
10,104,072	WELLS FARGO CASH ACCOUNT	CASHCASH	.100			1.000000000	10,104,071.85	10,104,072.00
2,357,431	WELLS FARGO SAVINGS	CASHCASH	.100			1.000000000	2,357,431.01	2,357,431.00
74,284,852	BANK OF THE WEST	CASHCASH	.250			1.000000000	74,284,852.17	74,284,852.00
10,854	COMPASS BANK	CASHCASH	.250			1.000000000	10,854.15	10,854.00
5,085,332	US BANK	CASHCASH	.200			1.000000000	5,085,331.69	5,085,332.00
91,842,541					.183		91,842,540.87	91,842,541.00

====> 0005 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> NO-MEANINGFUL-DATE <====

100,000,000	DEUTSCHE BANK US GOVT REPO	0531DBRP	.190	6/01/12	.193	100.000000000	100,000,000.00	100,000,000.00
83,000,000	BNP US GOVT REPO	531BNPRP	.200	6/01/12	.203	100.000000000	83,000,000.00	83,000,000.00
15,000,000	STRAIGHT- A	86257YCT	.180	6/11/12	.183	99.995000000	14,999,250.00	14,999,250.00
10,604,000	GOLDMAN SACHS GROUP INC.	38146FAA	3.250	6/15/12	.138	100.121014334	10,616,832.36	10,612,801.32
15,000,000	BANK OF AMERICA	06050BAA	3.125	6/15/12	.144	100.115919600	15,017,387.94	15,011,850.00
30,000,000	MORGAN STANLEY	61757UAJ	.701	6/20/12	.346	100.020863533	30,006,259.06	30,009,300.00
22,948,000	BANK OF AMERICA CORP	06050BAJ	2.375	6/22/12	.140	100.130396723	22,977,923.44	22,972,095.40
24,996,000	STRAIGHT-A CP	86257YDK	.180	6/27/12	.183	99.987000000	24,992,750.52	24,992,750.52
10,000,000	BANK OF NY MELLO BK FLOAT	06405TAA	.406	6/29/12	.378	100.016498500	10,001,649.85	10,003,400.00
25,000,000	US TREASURY NOTE 2nd	912828NS	.625	6/30/12	.225	100.031815320	25,007,953.83	25,009,750.00
10,000,000	US TREASURY NOTE 2ND	912828NQ	.625	7/31/12	.238	100.063684000	10,006,368.40	10,008,600.00
40,000,000	FEDERAL NATL MTG ASSN DEBS	31359MNU	5.250	8/01/12	.338	100.818074725	40,327,229.89	40,320,000.00
25,000,000	FHLB	3133XYWB	.875	8/22/12	.207	100.150795320	25,037,698.83	25,040,750.00
4,348,000	US CENTRAL FED CREDIT UNION	90345AAC	1.900	10/19/12	.197	100.651803358	4,376,340.41	4,374,783.68
16,450,000	FDIC SSGN	22087WAB		10/25/12	.296	99.883336292	16,430,808.82	16,432,398.50

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

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POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
38,589,000	WESTERN CORP FED CREDIT UNION	95806AAB	1.750	11/02/12	.200	100.648647205	38,839,306.47	38,835,969.60
20,910,000	CITIGROUP FUNDING TLGP	17313YAN	1.875	11/15/12	.212	100.758154376	21,068,530.08	21,058,879.20
10,000,000	US TREASURY NOTE	912828PV	.500	11/30/12	.188	100.155001400	10,015,500.14	10,017,200.00
2,700,000	ALLY FINANCIAL INC FLOAT	36186CBG	.350	12/19/12	.228	100.133997778	2,703,617.94	2,704,320.00
32,300,000	ALLY FINANCIAL INC	36186CBF	2.200	12/19/12	.200	101.100463034	32,655,449.56	32,654,331.00
21,000,000	FED NATIONAL MTG ASSN Float	31398A7F	.311	12/20/12	.177	100.140462476	21,029,497.12	21,028,770.00
17,250,000	GEN ELEC CAP CRP GE FLOAT	36967HAU	.247	12/21/12	.312	100.089274493	17,265,399.85	17,276,047.50
7,000,000	GEN ELEC CAP CRP GE FLOAT	36967HAU	.247	12/21/12	.354	100.066512429	7,004,655.87	7,010,570.00
29,750,000	JPMORGAN CHASE FLOAT	481247AN	.497	12/26/12	.378	100.251689681	29,824,877.68	29,843,117.50
611,845,000					.027		613,205,288.06	613,216,934.22
====> 0024 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ==> 2012 <====								
10,000,000	FDIC SSGN	625475AB		1/07/13	.341	99.798771900	9,979,877.19	9,977,300.00
20,000,000	INTERNATIONAL FINANCE CORP	45950VBT	.300	5/20/13	.304	100.000000000	20,000,000.00	19,984,800.00
50,000,000	FEDERAL FARM CR BK FLOATER	31331KF6	.184	6/12/13	.323	100.023336260	50,011,668.13	49,968,500.00
15,000,000	FEDERAL HOME LOAN BANK	313379K8	.300	6/14/13	.304	100.000000000	15,000,000.00	15,000,300.00
95,000,000					.177		94,991,545.32	94,930,900.00
====> 0004 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ==> 2013 <====								
798,687,541					.021		800,039,374.25	799,990,375.22

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
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====> 0033 ITEMS IN SUBTOTAL FOR ==> FUND-NAME..... ==> LGIP FUND <===

Portfolio Summary – Tax Exempt Bond Proceeds Investment Pool

Summary

- The Tax Exempt Bond Proceeds Investment Pool closed the month of May at \$323mil, lower than \$346mil reported for the end of April.
- The Pool continued to experience withdrawals in April to meet debt service and capital project payments.

Portfolio Mix

- 91% of the Tax-Exempt BPIP portfolio is invested in fixed income securities and 9% in floating rate; 56% in TLGP Securities which are backed by the FDIC, 42% in Treasury and Agency Securities, and the balance, approximately 2%, held in cash equivalents.
- 75% of the portfolio is invested in securities that mature in one year, 8% in securities that mature from 1-2 years, 7% in securities that mature from 2-4 years and 10% in securities out to 5 years.
- The Tax-Exempt BPIP held positions in 21 securities.
- Weighted Average Life of the Tax Exempt BPIP was 1.30 years. The Weighted Average duration was 1.03 years.
- The maximum security term for the BPIP portfolio is 5 years.

Investment Earnings

- Unrealized gains in the Tax-Exempt BPIP Portfolio were \$1.3mil as of May 31st
- Monthly Earnings on the portfolio were \$277,187.
- For the current fiscal year the fund has earned approximately \$4.1mil.
- Earnings on the Bond Proceeds Investment Pool are used to offset capital and debt service spending.

Investment Highlights

- The Tax-Exempt BPIP experienced approximately \$23mil in withdrawals for capital projects during the month of May.
- There were no securities purchased or sold this month.

Performance

- The purchase yield was 1.03% vs. 0.97% at the end of April. The yield-to-worst was 0.24%.
- The average term of the fund was relatively unchanged.
- The Tax-Exempt BPIP returned 0.01% for the month of May and 0.19% for the three months ended May 31, 2012, vs. Index returns of 0.02% and 0.17% respectively.

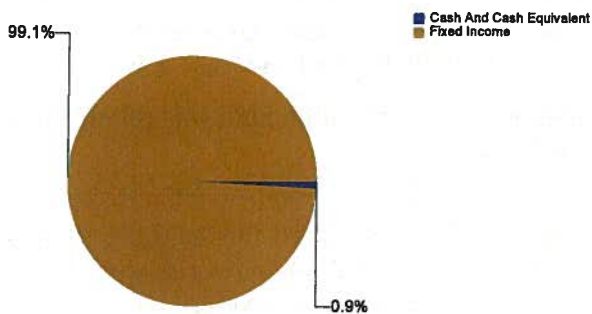
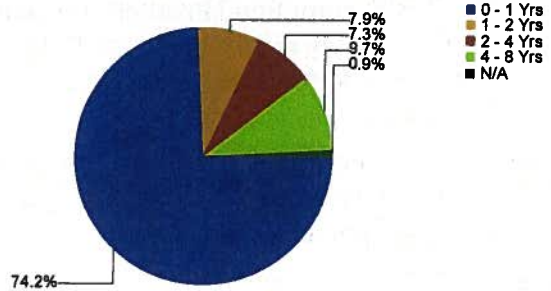
Investment Strategy

- On June 20, The BPIP Tax Exempt fund received approximately \$128mil from the STB Fund for debt service payable on July 2, 2012.
- On June 21, The BPIP Tax Exempt fund received approximately \$69mil in proceeds from The State of New Mexico Severance Tax Bond issuance.
- The new performance benchmark for the BPIP TE fund will be 100% BofA/ML 0-3 Treasury Index.
- Due to the above mentioned deposits in June, the option adjusted duration of the BPIP TE fund decreased to 0.61 yrs vs. 1.40 yrs. for the new and improved benchmark.
- Following the debt service payment of \$133mil on July 2, the duration of the fund will lengthen to 0.84 yrs.
- The BPIP TE fund can potentially invest \$100mil in one to three year US Treasury and Agency securities with the focus on lengthening the overall fund duration closer to the new benchmark.

Portfolio Characteristics

Duration Mix

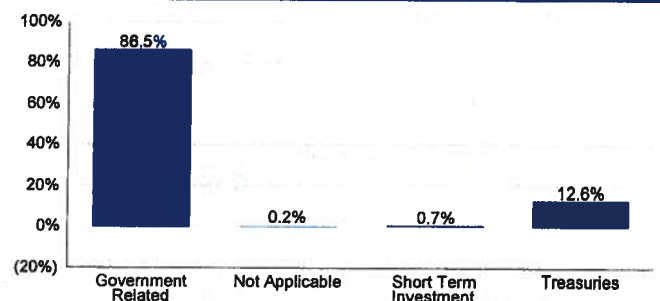
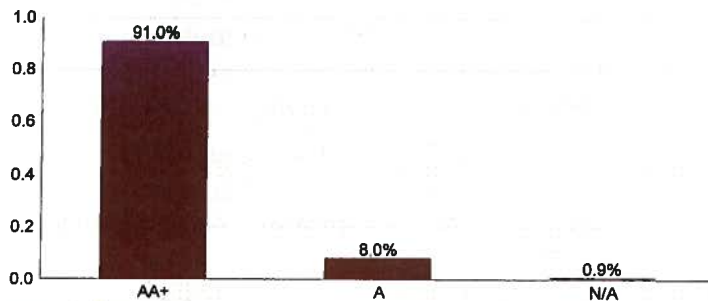
Total Net Assets (Millions)	324.1
Weighted Average Life (Years)	1.30
Weighted Avg. Effective Duration (Years)	1.03
Weighted Average Coupon (%)	2.14
Weighted Average Current Yield (%)	(4.84)
Weighted Average Yield to Maturity (%)	(4.79)
Weighted Average Rating	AA
Number of Holdings	19



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
38987HAY3	GENERAL ELECTRIC CAPITAL CORP 2.825% BDS	15.80%	2.82	28/12/2012
17313YAJ0	CITIGROUP FUNDING INC 2.25% BDS 10/DEC/2012	15.75%	2.25	10/12/2012
81757UAJ9	MORGAN STANLEY VAR 20/JUN/2012	9.27%	0.82	20/6/2012
31359MRK1	FED NATL MORT ASSC 4.825% NOTES 01/MAY/2013	8.05%	4.82	1/5/2013
08050BAA8	BANK OF AMERICA CORP 3.125% BDS 15/JUN/2012	7.83%	3.12	15/6/2012
849744AC0	WELLS FARGO & CO 2.125% BDS 15/JUN/2012 USD1000	7.79%	2.12	15/6/2012
3137EACW7	FED HOME LOAN MTG 2% BDS 25/AUG/2016 USD1000	6.50%	2.00	25/8/2016
912828KF6	US 1.87500 '14	4.79%	1.88	28/2/2014
912828MX5	UNITED STATES TREAS NTS 1.75% 15/APR/2013	4.70%	1.75	15/4/2013
3138FTUZ0	FEDERAL NATL MTG ASSN CALL 1.4%30/DEC/2016	4.23%	1.40	30/12/2016

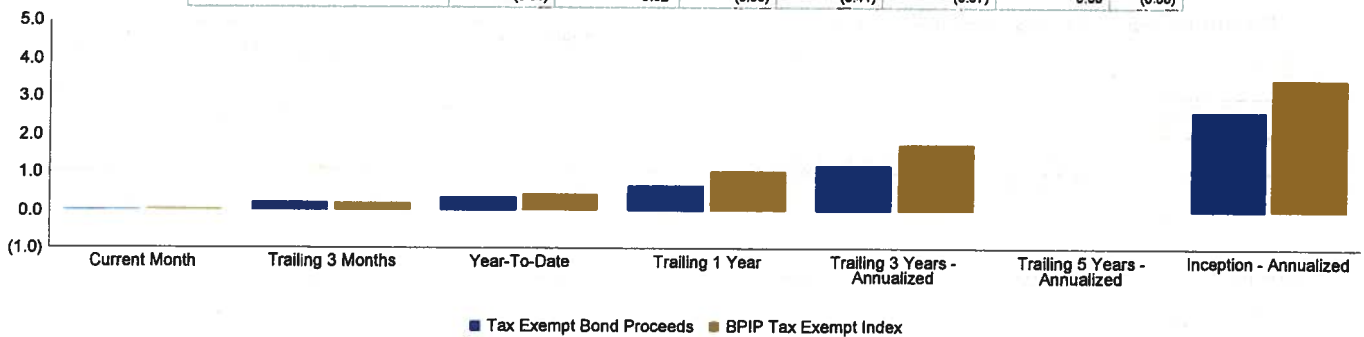
Quality/Rating Weightings

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	0.01	0.19	0.32	0.63	1.17		2.81
BPIP Tax Exempt Index	0.02	0.17	0.41	1.04	1.75		3.49
Excess	(0.01)	0.02	(0.09)	(0.41)	(0.57)	0.00	(0.88)



STATE OF NEW MEXICO
BOND PROCEEDS INV POOL1 TAX EX (4000)

Portfolio Classification Summary

Positions Held as of 5/31/12

TXN BASIS: TRADE
MKT-SOURCE: IDC-PREFERED+
AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.2535	.00270	2,330,172	2,330,172	2,330,172		
U.S. TREASURY NOTES	3	.7334	1.15101	40,000,000	40,381,438	40,649,050	267,612	12.581
FED FARM CR BKS CALLABLE	1	1.1863	.53970	10,000,000	10,000,000	10,020,000	20,000	3.101
FED HOME LOAN MORTGAGE CORP BDS	2	1.1455	3.35067	30,000,000	30,705,183	31,032,700	327,517	9.605
FED NATL MORTGAGE ASSN DEBS	5	.9376	1.67308	54,605,000	55,610,746	55,953,610	342,864	17.318
TLGP SECURITIES - FDIC	4	1.1705	.38267	150,000,000	150,941,613	151,233,000	291,387	46.808
TLGP SECURITIES-FDIC VAR RT NT4X	1	.8169	.05480	30,000,000	30,000,000	30,009,300	9,300	9.288
MONEY MARKET	1		.00274	1,217,093	1,217,093	1,217,093		.377
UNITS - INVESTMENT POOL 1	1			637,651	637,651	637,651		.197
CASH ACCOUNT	2	.0287		6,220	6,220	6,220		.002
	<u>21</u>	<u>1.0272</u>	<u>.95039</u>	<u>318,796,136</u>	<u>321,830,116</u>	<u>323,088,796</u>	<u>1,258,680</u>	<u>100.000</u>

SOURCE: VisualQED
 MODEL: INVENTORY
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STATE OF NEW MEXICO
 T R E A S U R E R ' S O F F I C E

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
1,217,093	THE RESERVE	BPIPXX02	5.340			1.000000000	1,217,093.13	1,217,093.00
	715 COMPASS BANK DEPOSIT	COMPASBA	.250			1.000000000	715.08	715.00
5,505	CASH KEY	CASHCASH				1.000000000	5,504.61	5,505.00
637,651	UNITS - INVESTMENT POOL 1	UNITS001				1.000000471	637,651.30	637,651.00
1,860,964					9.054		1,860,964.12	1,860,964.00

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

2,330,172	OVERNIGHT REPO	0601RP	.250	6/01/12	.253	99.999993134	2,330,171.84	2,330,171.84
25,000,000	BANK OF AMERICA	06050BAA	3.125	6/15/12	2.004	100.043503120	25,010,875.78	25,019,750.00
25,000,000	WELLS FARGO & COMPANY	949744AC	2.125	6/15/12	1.995	100.005351520	25,001,337.88	25,013,250.00
30,000,000	MORGAN STANLEY	61757UAJ	1.573	6/20/12	.817	100.000000000	30,000,000.00	30,009,300.00
50,000,000	CITIGROUP INC	17313YAJ	2.250	12/10/12	.759	100.784911620	50,392,455.81	50,529,000.00
50,000,000	GENERAL ELECTRIC CAP CORP.	36967HAY	2.625	12/28/12	.759	101.074061400	50,537,030.70	50,671,000.00
182,330,172					.092		183,271,872.01	183,572,471.84

====> 0006 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2012 <====

10,000,000	US TREASURY NOTES	912828PR	.625	1/31/13	.377	100.164452800	10,016,445.28	10,029,700.00
15,000,000	US TREASURY NOTES	912828MX	1.750	4/15/13	.715	100.897388600	15,134,608.29	15,201,600.00
25,000,000	FEDERAL NATL MTG ASSN DEBS	31359MRK	4.625	5/01/13	.550	103.727996080	25,931,999.02	25,987,500.00
50,000,000					.330		51,083,052.59	51,218,800.00

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
====> 0003 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ====> 2013 <====								
15,000,000	US TREASURY NOTES	912828KF	1.875	2/28/14	.986	101.535702600	15,230,355.39	15,417,750.00
15,000,000					1.106		15,230,355.39	15,417,750.00
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ====> 2014 <====								
6,110,000	FED NATL MORTGAGE ASSN DEBS	3136FTDU	1.125	10/26/15	1.045	100.037252210	6,112,276.11	6,126,497.00
10,000,000	FED FARM CR BKS CALLABLE	31331K2S	1.170	12/14/15	1.186	100.000000000	10,000,000.00	10,020,000.00
10,000,000	FEDERAL HOME LOAN MTG CORP	3134G3FA	1.100	12/30/15	1.115	100.000000000	10,000,000.00	10,058,300.00
26,110,000					.645		26,112,276.11	26,204,797.00
====> 0003 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ====> 2015 <====								
20,000,000	FEDERAL HOME LOAN MTG CORP	3137EACW	2.000	8/25/16	1.160	103.526838400	20,705,367.68	20,974,400.00
10,000,000	FEDERAL NATL MTG ASSN DEBS	3135G0ES	1.375	11/15/16	1.227	100.713434200	10,071,343.42	10,204,400.00
10,000,000	FED NATL MORTGAGE ASSN DEBS	3136FTUZ	1.400	12/30/16	1.419	100.000000000	10,000,000.00	10,103,900.00
3,495,000	FED NATL MORTGAGE ASSN DEBS	3136FTUZ	1.400	12/30/16	1.419	100.000000000	3,495,000.00	3,531,313.05
43,495,000					.381		44,271,711.10	44,814,013.05

SOURCE: VisualQED

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STATE OF NEW MEXICO
TREASURER'S OFFICE

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
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====> 0004 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2016 <====

318,796,136

.052

321,830,231.32 323,088,795.89

====> 0021 ITEMS IN SUBTOTAL FOR ====> FUND-NAME..... ====> BOND PROCEEDS INV POOL1 TAX EX <

Portfolio Summary – Taxable Bond Proceeds Investment Pool

Summary

- The Taxable Bond Proceeds Investment Pool closed the month of May at \$548mil vs. \$556mil on April 30th.
- The Pool experienced some withdrawals during the month.

Portfolio Mix

- 100% of the Taxable BPIP portfolio is invested in fixed income securities; 76% in US Treasury and Agency securities, 17% in securities that are backed by the FDIC, 3% in corporates, and the balance, approximately 4%, is held in cash equivalents such as the Repo and NM CDs.
- 35% of the portfolio is invested in securities that mature in one year, 46% in securities that mature from 1-2 years, 14% in securities that mature from 2-4 years and 5% out to 5 years.
- The Taxable BPIP held positions in 50 securities.
- Weighted Average Life of the Taxable BPIP is 2.09 years. The Weighted Average duration is 1.45 years.
- The maximum security term for the BPIP portfolio is 5 years.

Investment Earnings

- The unrealized gains in the Taxable BPIP Portfolio were \$3.4mil as of May 31st
- Monthly earnings on the portfolio were \$494,627.
- For the fiscal year the fund has earned \$6.3mil.
- Earnings on the Bond Proceeds Investment Pool are used to offset capital and debt service spending.

Investment Highlights

- The Pool experienced approximately \$8mil in withdrawals for capital projects.
- The Pool was able to meet all liquidity requirements without selling securities.

Performance

- Purchase Yield increased slightly to 1.09% from 1.08%.
- Average Term of the fund shortened slightly from 2.14 to 2.09 years.
- The Taxable BPIP returned 0.08% for the month of May and 0.28% for the three months ended May 31, 2012, vs. Index returns of 0.02% and 0.17% respectively.
- The five year segment of the Treasury yield curve outperformed shorter maturities in May helping the Fund to outperform the index as the index does not include maturities longer than three years.

Investment Strategy

- The BPIP Taxable fund has been able to meet its liquidity obligations without the sale of securities.
- The current cash position in the Pool is less than \$2mil.
- The new performance benchmark for the BPIP Taxable fund will be 100% BofA/ML 0-3 Treasury Index.
- The option adjusted duration of the fund is currently 1.38 yrs. vs. 1.40 yrs for the new and improved benchmark.
- The BPIP Taxable fund is expecting to receive close to \$110mil on June 28 from sponge notes and will shorten the fund duration to 1.15 yrs.
- Approximately \$75mil could be invested in one to three year maturity US Treasury and Agency securities with a focus on lengthening duration closer to the new benchmark.

STATE OF NEW MEXICO

BOND PROCEEDS INV POOL2 TAXABL (4002)

Portfolio Classification Summary

Positions Held as of 5/31/12

TXN BASIS: TRADE

MKT-SOURCE: IDC-PREFERED+

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.2535	.00270	9,656,874	9,656,874	9,656,874		
CERTIFICATES OF DEPOSIT	6	.7299	.16345	7,700,000	7,700,000	7,700,000		1.761
LINKED-CERTIFICATE OF DEPOSIT	2	.5500	.15620	4,000,000	4,000,000	4,000,000		1.404
U.S. TREASURY NOTES	13	.7816	1.70274	180,000,000	181,567,573	182,993,900	1,426,327	.729
CORPORATE BONDS	2	5.3744	.25390	15,000,000	15,011,422	15,147,750	136,328	33.367
TEMP CORP CU STABILIZATION FND	2	1.9051	.39910	30,000,000	29,996,609	30,187,200	190,591	2.762
FED FARM CR BKS CALLABLE	1	1.1928	.53970	4,365,000	4,364,027	4,373,730	9,703	5.504
FED HOME LOAN MORTGAGE CORP BDS	4	1.3492	1.90008	72,300,000	73,078,316	73,751,759	673,443	.798
FED NATL MORTGAGE ASSN DEBS	12	.9974	1.41931	150,110,000	152,483,943	153,214,215	730,272	13.448
TLGP SECURITIES - FDIC	3	.7587	.55555	65,155,000	65,618,339	65,806,979	188,640	27.937
MONEY MARKET	1		.00274	1,788,233	1,788,233	1,788,233		11.999
UNITS - INVESTMENT POOL 1	1			292,519	292,519	292,519		.326
CASH ACCOUNT	2	-.0004		-487,076	-487,076	-487,076		.053
	50	1.0928	1.32050	539,880,550	545,070,779	548,426,083	3,355,304	-0.089
								100.000

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
1,788,233	THE RESERVE	BPIP2RES	5.430			1.000000000	1,788,233.27	1,788,233.00
	858 COMPASS BANK DEPOSIT	COMPASBA	.250			1.000000000	857.60	858.00
- 487,934	CASH KEY	CASHCASH				1.000000000	- 487,934.19	- 487,934.00
292,519	UNITS - INVESTMENT POOL 1	UNITS001				1.000000991	292,519.29	292,519.00
1,593,676					10.572		1,593,675.97	1,593,676.00

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

9,656,874	OVERNIGHT REPO	0601RP	.250	6/01/12	.253	100.000000311	9,656,874.03	9,656,874.03
2,000,000	WESTERN COMMERCE BANK	2012462	.700	6/15/12	.700	100.000000000	2,000,000.00	2,000,000.00
2,000,000	WESTERN BANK CLOVIS	15866000	.750	7/05/12	.750	100.000000000	2,000,000.00	2,000,000.00
1,000,000	WESTERN BANK ALAMOGORDO	81186340	.750	7/13/12	.750	100.000000000	1,000,000.00	1,000,000.00
600,000	WESTERN BANK CLOVIS	15894000	.750	7/19/12	.750	100.000000000	600,000.00	600,000.00
1,000,000	WESTERN BANK ALAMOGORDO	10000000	.750	7/26/12	.750	100.000000000	1,000,000.00	1,000,000.00
2,000,000	WESTERN COMMERCE BANK	20124770	.550	7/27/12	.550	100.000000000	2,000,000.00	2,000,000.00
2,000,000	WESTERN COMMERCE BANK	20124780	.550	7/27/12	.550	100.000000000	2,000,000.00	2,000,000.00
5,000,000	FEDERAL NATL MTG ASSN DEBS	31359MNU	5.250	8/01/12	.367	100.813120200	5,040,656.01	5,040,000.00
5,000,000	MORGAN STANLEY	617446V8	5.750	8/31/12	5.364	100.071194200	5,003,559.71	5,044,450.00
10,000,000	GOLDMAN SACHS GROUP INC	38141GCC	5.700	9/01/12	5.380	100.078555300	10,007,855.53	10,103,300.00
20,000,000	US CENTRL FEDCU TEMP CU STBL FND	90345AAC	1.900	10/19/12	1.949	99.991824800	19,998,364.96	20,123,200.00
10,000,000	WESTERN CORP FED CREDIT UNION	95806AAB	1.750	11/02/12	1.818	99.982436100	9,998,243.61	10,064,000.00
20,000,000	CITIGROUP INC	17313YAJ	2.250	12/10/12	.757	100.785965900	20,157,193.18	20,211,600.00
25,155,000	GENERAL ELECTRIC CAP CORP	36967HAV	2.125	12/21/12	.758	100.761795667	25,346,629.70	25,419,379.05
1,100,000	WESTERN BANK ALAMOGORDO	08118544	.700	12/27/12	.700	100.000000000	1,100,000.00	1,100,000.00

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

PAGE: 5

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
20,000,000	CITIGROUP INC	17314JAT	1.750	12/28/12	.759	100.573058300	20,114,611.66	20,176,000.00
136,511,874					.123		137,023,988.39	137,538,803.08

====> 0017 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2012 <====

5,000,000	US TREASURY NOTES	912828QK	.625	2/28/13	.724	99.926210600	4,996,310.53	5,016,400.00
2,400,000	FEDERAL NATL MTG ASSN DEBS	3136F9DU	4.000	4/15/13	4.136	99.929140417	2,398,299.37	2,478,360.00
20,000,000	US TREASURY NOTES	912828QZ	.500	5/31/13	.454	100.045717350	20,009,143.47	20,060,200.00
20,000,000	US TREASURY NOTES	912828RA	.375	6/30/13	.474	99.893481750	19,978,696.35	20,033,600.00
10,000,000	US TREASURY NOTES	912828NN	1.000	7/15/13	.914	100.095477100	10,009,547.71	10,086,300.00
20,000,000	US TREASURY NOTES	912828NU	.750	8/15/13	.789	99.953100150	19,990,620.03	20,124,200.00
10,000,000	US TREASURY NOTES	912828NU	.750	8/15/13	.946	99.765295300	9,976,529.53	10,062,100.00
20,000,000	FEDERAL NATL MTG ASSN DEBS	31398A2S	1.000	9/23/13	.572	100.568572050	20,113,714.41	20,182,600.00
5,000,000	US TREASURY NOTES	912828PB	.500	10/15/13	.575	99.897613600	4,994,880.68	5,017,400.00
112,400,000					.150		112,467,742.08	113,061,160.00

====> 0009 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2013 <====

14,260,000	FEDERAL NATL MTG ASSN DEBS	31359MTP	5.125	1/02/14	.828	106.774400281	15,226,029.48	15,295,276.00
8,450,000	FEDERAL NATL MTG ASSN DEBS	31359MTP	5.125	1/02/14	.854	106.733313965	9,018,965.03	9,063,470.00
6,000,000	FEDERAL NATL MTG ASSN DEBS	3135GOAP	1.250	2/27/14	.725	100.922629500	6,055,357.77	6,055,357.77

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: HANGES
 RUN: 6/25/12 @ 15:34:45
 BASIS: TRADE (SIC FROM QMARKET-LIBRARY)
 AS-OF: 5/31/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 5/31/12

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
14,000,000	FEDERAL NATL MTG ASSN DEBS	3135GOAP	1.250	2/27/14	.725	100.922629429	14,129,168.12	14,129,168.12
40,000,000	US TREASURY NOTES	912828KF	1.875	2/28/14	1.007	101.499048875	40,599,619.55	41,114,000.00
10,000,000	US TREASURY NOTES	912828KN	1.875	4/30/14	1.298	101.086319600	10,108,631.96	10,303,100.00
10,000,000	US TREASURY NOTES	912828KV	2.250	5/31/14	1.346	101.775568000	10,177,556.80	10,390,600.00
10,000,000	US TREASURY NOTES	912828RV	.250	12/15/14	.330	99.797946600	9,979,794.66	9,981,300.00
112,710,000					.146		115,295,123.37	116,332,271.89

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

10,000,000	US TREASURY NOTES	912828NP	1.750	7/31/15	.453	104.070712300	10,407,071.23	10,421,900.00
20,000,000	FED NATL MORTGAGE ASSN DEBS	31398A4M	1.625	10/26/15	.870	102.566504950	20,513,300.99	20,656,000.00
4,365,000	FED FARM CR BKS CALLABLE	31331K2S	1.170	12/14/15	1.192	99.979163116	4,364,090.47	4,373,730.00
7,300,000	FEDERAL HOME LOAN MTG CORP	3134G3FA	1.100	12/30/15	1.115	100.000000000	7,300,000.00	7,342,559.00
41,665,000					.396		42,584,462.69	42,794,189.00

====> 0004 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2015 <====

10,000,000	US TREASURY NOTES	912828QR	1.500	6/30/16	.656	103.391924500	10,339,192.45	10,382,800.00
25,000,000	FEDERAL HOME LOAN MTG CORP	3137EACW	2.000	8/25/16	1.295	102.969429880	25,742,357.47	26,218,000.00
25,000,000	FEDERAL NATL MTG ASSN DEBS	3136FR3N	1.350	9/20/16	1.369	100.000000000	25,000,000.00	25,072,500.00
20,000,000	FEDERAL HOME LOAN MTG CORP	3134G3BT	1.625	11/23/16	1.658	99.956851000	19,991,370.20	20,091,600.00

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: HANGES
 RUN: 6/25/12 @ 15:34:45
 BASIS: TRADE (SIC FROM QMARKET-LIBRARY)
 AS-OF: 5/31/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 5/31/12

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

PAGE: 7

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
20,000,000	FED HOME LOAN MORTGAGE CORP BDS	3134G3CB	1.625	12/05/16	1.196	100.226043650	20,045,208.73	20,099,600.00
10,000,000	FED NATL MORTGAGE ASSN DEBS	3136FTUZ	1.400	12/30/16	1.419	100.000000000	10,000,000.00	10,103,900.00
5,000,000	FED NATL MORTGAGE ASSN DEBS	3136FTUZ	1.400	12/30/16	1.419	100.000000000	5,000,000.00	5,051,950.00

115,000,000					.145		116,118,128.85	117,020,350.00

====> 0007 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2016 <====

20,000,000	FED NATL MORTGAGE ASSN DEBS	3136FTYG	1.000	1/30/17	1.026	99.945190100	19,989,038.02	20,085,800.00

20,000,000					.843		19,989,038.02	20,085,800.00

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

539,880,550					.031		545,072,159.37	548,426,249.97

====> 0050 ITEMS IN SUBTOTAL FOR ====> FUND-NAME..... ====> BOND PROCEEDS INV POOL2 TAXABL <

Portfolio Summary – Severance Tax Bonding Fund

Summary

- The Severance Tax Bonding Fund closed the month of May at \$323 Million.

Portfolio Mix

- Severance Tax Bonding Fund Proceeds are invested in the LGIP (40%) and the overnight repurchase agreement pool (60%).
- Severance Taxes are remitted to the Treasury on a monthly basis and are approximately \$35MM per month.
- 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.
- STBF balances will be decreased at the end of June to meet Debt Service Costs and also transferred to the State Investment Council.

Investment Strategy

- We continue to utilize the LGIP for STBF proceeds.
- As we are getting closer to planned withdrawals in June, we have shifted the asset allocation toward more liquid instruments.
- Due to its short-term nature, investments of three to six month maturities are viable investments for the STBF pool.

STATE OF NEW MEXICO

STB FUND (4001)

Portfolio Classification Summary

Positions Held as of 5/31/12

TXN BASIS: TRADE

MKT-SOURCE: IDC-PREFERED+

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	2	.2535	.00270	191,482,891	191,482,891	191,482,891		59.146
UNITS - INVESTMENT POOL 1	1			132,252,895	132,252,895	132,252,895		40.851
CASH ACCOUNT	1	.2500		8,284	8,284	8,284		.003
	4	.1499	.00270	323,744,070	323,744,070	323,744,070		100.000

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: HANGES
 RUN: 6/25/12 @ 15:34:45
 BASIS: TRADE (SIC FROM QMARKET-LIBRARY)
 AS-OF: 5/31/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 5/31/12

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
8,284	COMPASS BANK DEPOSIT	COMPASBA	.250			1.000000000	8,283.55	8,284.00
132,252,895	UNITS - INVESTMENT POOL 1	UNITS001				.999999997	132,252,894.63	132,252,895.00
132,261,179					.127		132,261,178.18	132,261,179.00

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

35,375,000	OVERNIGHT REPO	0601RP	.250	6/01/12	.253	100.000000000	35,375,000.00	35,375,000.00
156,107,891	OVERNIGHT REPO	0601RP	.250	6/01/12	.253	100.000000301	156,107,891.47	156,107,891.47
191,482,891					.088		191,482,891.47	191,482,891.47

====> 0002 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2012 <====

323,744,070					.052		323,744,069.65	323,744,070.47
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====> 0004 ITEMS IN SUBTOTAL FOR ====> FUND-NAME..... ====> STB FUND <====

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
Fiscal Year 2011-2012

Volume at Par (\$ in thousands)

Broker/Dealer:	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	YTD Total	YTD Percent
Bank of America/MLPFS	35,000	58,460	50,029	20,000	22,300	25,045	-	10,000	40,000	24,996	20,000	-	305,820	10.6%
Bank of Oklahoma (Bk ABQ)	-	-	2,790	-	-	-	-	7,010	-	4,500	-	-	14,300	0.5%
Barclays	20,000	-	56,750	50,000	2,700	148,000	-	20,000	4,750	14,300	26,277	-	342,777	11.9%
BB&T	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
BMO Capital Markets	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
BNP Paribas	70,000	-	20,000	-	20,000	20,000	40,000	-	-	20,000	15,000	-	205,000	7.1%
Cantor Fitzgerald	-	-	-	-	-	-	-	-	-	20,000	-	-	20,000	0.7%
Citigroup	20,000	27,260	51,635	50,000	20,000	45,000	-	45,000	16,555	-	-	-	275,450	9.5%
Credit Suisse Securities	110,000	-	-	20,000	-	4,365	10,000	20,000	35,000	-	-	-	199,365	6.9%
Deutsche Bank	10,000	24,950	10,000	-	-	-	-	-	-	-	10,000	-	54,950	1.9%
FTN Financial	25,000	-	11,120	-	20,000	-	-	-	-	20,000	700	2,000	78,820	2.7%
Gleacher Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Goldman Sachs	5,000	-	80,000	-	-	-	-	-	-	-	-	-	-	0.0%
Great Pacific Securities	-	-	-	-	-	-	-	-	-	50,000	15,000	20,000	170,000	5.9%
HSBC	-	-	-	55,000	-	-	-	-	-	-	-	-	-	0.0%
JP Morgan	55,000	20,000	-	-	19,385	-	-	40,950	-	14,620	-	-	110,570	3.8%
Jefferies	-	-	40,000	-	40,000	25,000	55,000	63,500	20,000	-	-	-	114,385	4.0%
MFR	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Miller, Tabak Roberts	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Mitsubishi UFJ (Repo)	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Morgan Keegan	1,900	9,540	-	2,360	-	-	-	765	500	625	-	-	15,690	0.5%
Morgan Stanley	-	25,000	-	-	50,000	-	10,000	58,552	31,700	-	-	-	175,252	6.1%
Muriel Siebert & Co.	-	-	-	10,000	-	-	-	-	-	-	-	-	10,000	0.3%
Nomura Securities	20,000	-	-	7,000	-	-	-	-	20,000	-	-	-	67,000	2.3%
Northern Trust	-	-	-	-	-	-	-	-	-	-	-	20,000	-	0.0%
Oppenheimer	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Piper Jaffray	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
RBS Greenwich Capital	20,000	-	-	-	-	-	-	-	-	-	-	-	20,000	0.7%
South Street (Repo Only)	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Stifel Financial	3,175	-	20,000	-	-	20,000	-	-	-	-	2,000	10,870	56,045	1.9%
Stone & Youngberg	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
UBS Financial	20,000	-	-	3,000	-	46,905	50,000	-	-	-	20,000	-	139,905	4.8%
Vining Sparks	-	-	-	-	20,000	11,660	-	-	-	785	-	-	32,446	1.1%
Williams Capital Group	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Direct Purchase	-	250	8,000	-	-	124,263	-	-	-	-	-	-	-	0.0%
Interfund	-	-	-	80,000	-	-	-	-	8,250	13,525	-	-	154,288	5.3%
Total	415,075	165,450	350,324	297,360	214,385	470,238	165,000	265,777	196,755	183,351	108,977	52,870	2,885,562	100.0%
Market type:														
Primary Market	5,075	9,790	63,574	47,360	79,385	348,763	35,000	52,775	23,250	64,431	2,700	10,870	742,973	25.7%
Secondary Market	410,000	155,660	286,750	250,000	135,000	121,475	130,000	213,002	173,505	118,920	106,277	42,000	2,142,589	74.3%
Total	415,075	165,450	350,324	297,360	214,385	470,238	165,000	265,777	196,755	183,351	108,977	52,870	2,885,562	100.0%
Security type:														
CD's	-	250	8,000	-	-	9,100	-	-	8,250	2,000	-	-	27,600	1.0%
Corporate Bonds	-	-	-	-	40,000	-	-	-	10,700	20,000	-	-	70,700	2.5%
TLGP	-	-	36,750	200,000	5,000	-	-	90,852	11,000	64,620	41,277	-	449,499	15.6%
Agencies	60,000	135,660	185,000	60,000	150,000	198,930	115,000	117,150	61,305	14,300	65,000	40,000	1,202,345	41.7%
Commercial Paper	-	-	25,029	35,000	-	147,045	-	20,000	15,000	24,996	-	-	267,070	9.3%
MBS	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Treasuries	350,000	20,000	85,000	-	-	-	-	-	-	-	-	-	-	0.0%
Municipal/Sponge	5,075	9,540	10,545	2,360	19,385	115,163	50,000	30,000	90,000	40,000	-	-	665,000	23.0%
ABS	-	-	-	-	-	-	-	7,775	500	17,435	2,700	12,870	203,348	7.0%
Money Markets	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Total	415,075	165,450	350,324	297,360	214,385	470,238	165,000	265,777	196,755	183,351	108,977	52,870	2,885,562	100.0%

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

Fiscal Year 2011-2012

Volume at Par

(\$ in thousands)

<u>Broker/Dealer:</u>	<u>Jul-11</u>	<u>Aug-11</u>	<u>Sep-11</u>	<u>Oct-11</u>	<u>Nov-11</u>	<u>Dec-11</u>	<u>Jan-12</u>	<u>Feb-12</u>	<u>Mar-12</u>	<u>Apr-12</u>	<u>May-12</u>	<u>Jun-12</u>	<u>YTD Total</u>	<u>YTD Percent</u>
Bank of America/MLPFS	35,000	58,450	50,029	20,000	22,300	25,045	-	10,000	40,000	24,998	20,000	-	306,820	10.6%
Bank of Oklahoma (Bk ABQ)	-	-	2,790	-	-	-	-	7,010	-	4,500	-	-	14,300	0.5%
Barclays	20,000	-	58,750	50,000	2,700	148,000	-	20,000	4,750	14,300	26,277	-	342,777	11.9%
BB&T	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
BMO Capital Markets	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
BNP Paribas	70,000	-	20,000	-	20,000	20,000	40,000	-	-	20,000	15,000	-	205,000	7.1%
Cantor Fitzgerald	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Citigroup	20,000	27,260	51,635	50,000	20,000	45,000	-	45,000	16,555	-	-	-	275,450	9.5%
Credit Suisse Securities	110,000	-	-	20,000	-	4,365	10,000	20,000	35,000	-	-	-	189,365	6.8%
Deutsche Bank	10,000	24,950	10,000	-	-	-	-	-	-	-	-	-	54,950	1.9%
FTN Financial	25,000	-	11,120	-	20,000	-	-	-	-	20,000	700	2,000	78,820	2.7%
Gleacher Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Goldman Sachs	5,000	-	80,000	-	-	-	-	-	-	-	-	-	-	0.0%
Great Pacific Securities	-	-	-	-	-	-	-	-	-	50,000	15,000	20,000	170,000	5.9%
HSBC	-	-	-	55,000	-	-	-	-	-	-	-	-	-	0.0%
JP Morgan	55,000	20,000	-	-	-	-	-	40,950	-	14,620	-	-	110,570	3.8%
Jefferies	-	-	40,000	-	19,385	-	-	-	20,000	-	-	-	114,385	4.0%
MFR	-	-	-	-	40,000	25,000	55,000	63,500	20,000	-	-	-	243,500	8.4%
Müller, Tabak Roberts	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Mitsubishi UFJ (Repo)	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Morgan Keegan	1,900	9,540	-	2,360	-	-	-	-	-	-	-	-	-	0.0%
Morgan Stanley	-	25,000	-	-	50,000	-	10,000	765	500	625	-	-	16,690	0.6%
Muriel Siebert & Co.	-	-	-	10,000	-	-	-	58,552	31,700	-	-	-	175,252	6.1%
Nomura Securities	20,000	-	-	7,000	-	-	-	-	-	-	-	-	10,000	0.3%
Northern Trust	-	-	-	-	-	-	-	-	20,000	-	-	20,000	67,000	2.3%
Oppenheimer	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Piper Jaffrey	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
RBS Greenwich Capital	20,000	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
South Street (Repo Only)	-	-	-	-	-	-	-	-	-	-	-	-	20,000	0.7%
Stifel Financial	3,175	-	20,000	-	-	20,000	-	-	-	-	-	-	-	0.0%
Stone & Youngberg	-	-	-	-	-	-	-	-	-	-	2,000	10,870	56,045	1.9%
UBS Financial	20,000	-	-	3,000	-	46,905	50,000	-	-	-	-	-	-	0.0%
Vining Sparks	-	-	-	-	20,000	11,660	-	-	-	785	-	-	139,905	4.8%
Williams Capital Group	-	-	-	-	-	-	-	-	-	-	-	-	32,446	1.1%
Direct Purchase	-	250	8,000	-	-	124,263	-	-	-	-	-	-	-	0.0%
Interfund	-	-	-	80,000	-	-	-	-	8,250	13,525	-	-	154,288	5.3%
Total	415,075	165,450	350,324	297,360	214,385	470,238	165,000	265,777	196,755	183,351	108,977	52,870	2,885,562	100.0%
Market type:														
Primary Market	5,075	9,790	63,574	47,360	79,385	348,763	35,000	52,775	23,250	64,431	2,700	10,870	742,973	25.7%
Secondary Market	410,000	155,660	286,750	250,000	135,000	121,475	130,000	213,002	173,505	118,920	106,277	42,000	2,142,589	74.3%
Total	415,075	165,450	350,324	297,360	214,385	470,238	165,000	265,777	196,755	183,351	108,977	52,870	2,885,562	100.0%
Security type:														
CD's	-	250	8,000	-	-	9,100	-	-	8,250	2,000	-	-	27,600	1.0%
Corporate Bonds	-	-	-	-	40,000	-	-	-	10,700	20,000	-	-	70,700	2.5%
TLGP	-	-	36,750	200,000	5,000	-	-	90,852	11,000	64,620	41,277	-	449,499	15.6%
Agencies	60,000	135,660	185,000	60,000	150,000	198,930	115,000	117,150	61,305	14,300	65,000	40,000	1,202,345	41.7%
Commercial Paper	-	-	25,029	35,000	-	147,045	-	20,000	15,000	24,996	-	-	267,070	9.3%
MBS	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Treasuries	350,000	20,000	85,000	-	-	-	50,000	30,000	90,000	40,000	-	-	665,000	23.0%
Municipal/Sponge	5,075	9,540	10,545	2,360	19,385	115,163	-	7,775	500	17,435	2,700	12,870	203,348	7.0%
ABS	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Money Markets	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Total	415,075	165,450	350,324	297,360	214,385	470,238	165,000	265,777	196,755	183,351	108,977	52,870	2,885,562	100.0%

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

Fiscal Year 2011-2012

Volume at Par

(\$ in thousands)

Broker/Dealer:	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	YTD Total	YTD Percent
Bank of America/MLPFS	35,000	58,450	50,029	20,000	22,300	25,045	-	10,000	40,000	24,996	20,000	-	305,820	10.6%
Bank of Oklahoma (Bk ABC)	-	-	2,790	-	-	-	-	7,010	-	4,500	-	-	14,300	0.5%
Barclays	20,000	-	56,750	50,000	2,700	148,000	-	20,000	4,750	14,300	26,277	-	342,777	11.9%
BB&T	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
BMO Capital Markets	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
BNP Paribas	70,000	-	20,000	-	20,000	20,000	40,000	-	-	20,000	15,000	-	205,000	7.1%
Cantor Fitzgerald	-	-	-	-	-	-	-	-	-	20,000	-	-	20,000	0.7%
Citigroup	20,000	27,260	51,635	50,000	20,000	45,000	-	45,000	16,555	-	-	-	275,450	9.5%
Credit Suisse Securities	110,000	-	-	20,000	-	4,385	10,000	20,000	35,000	-	-	-	199,385	6.9%
Deutsche Bank	10,000	24,950	10,000	-	-	-	-	-	-	-	10,000	-	54,950	1.9%
FTN Financial	25,000	-	11,120	-	20,000	-	-	-	-	20,000	700	2,000	78,820	2.7%
Gleacher Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Goldman Sachs	5,000	-	80,000	-	-	-	-	-	-	-	-	-	-	0.0%
Great Pacific Securities	-	-	-	-	-	-	-	-	-	50,000	15,000	20,000	170,000	5.9%
HSBC	-	-	-	55,000	-	-	-	40,950	-	14,620	-	-	110,570	3.8%
JP Morgan	55,000	20,000	-	-	19,385	-	-	-	-	-	-	-	114,385	4.0%
Jefferies	-	-	40,000	-	40,000	25,000	55,000	63,500	20,000	-	-	-	243,500	8.4%
MFR	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Miller, Tabak Roberts	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Mitsubishi UFJ (Repo)	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Morgan Keegan	1,900	9,540	-	2,360	-	-	-	765	500	625	-	-	15,690	0.5%
Morgan Stanley	-	25,000	-	-	50,000	-	10,000	58,552	31,700	-	-	-	175,252	6.1%
Muriel Siebert & Co.	-	-	-	10,000	-	-	-	-	-	-	-	-	10,000	0.3%
Nomura Securities	20,000	-	-	7,000	-	-	-	-	20,000	-	-	20,000	67,000	2.3%
Northern Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Oppenheimer	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Piper Jaffrey	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
RBS Greenwich Capital	20,000	-	-	-	-	-	-	-	-	-	-	-	20,000	0.7%
South Street (Repo Only)	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Stifel Financial	3,175	-	20,000	-	-	20,000	-	-	-	-	2,000	10,870	56,045	1.9%
Stone & Youngberg	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
UBS Financial	20,000	-	-	3,000	-	46,905	50,000	-	-	-	20,000	-	139,905	4.8%
Vining Sparks	-	-	-	-	20,000	11,660	-	-	-	785	-	-	32,445	1.1%
Williams Capital Group	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Direct Purchase	-	250	8,000	-	-	-	-	-	-	-	-	-	-	0.0%
Interfund	-	-	-	80,000	-	124,263	-	-	8,250	13,525	-	-	154,288	5.3%
Total	415,075	165,450	350,324	297,360	214,385	470,238	165,000	265,777	196,755	183,351	108,977	52,870	2,885,562	100.0%
Market type:														
Primary Market	5,075	9,790	63,574	47,360	79,385	348,763	35,000	52,775	23,250	64,431	2,700	10,870	742,973	25.7%
Secondary Market	410,000	155,660	286,750	250,000	135,000	121,475	130,000	213,002	173,505	118,920	106,277	42,000	2,142,589	74.3%
Total	415,075	165,450	350,324	297,360	214,385	470,238	165,000	265,777	196,755	183,351	108,977	52,870	2,885,562	100.0%
Security type:														
CD's	-	250	8,000	-	-	9,100	-	-	8,250	2,000	-	-	27,600	1.0%
Corporate Bonds	-	-	-	-	40,000	-	-	-	10,700	20,000	-	-	70,700	2.5%
TLGP	-	-	36,750	200,000	5,000	-	-	-	-	-	-	-	-	-
Agencies	60,000	135,660	185,000	60,000	150,000	198,930	115,000	90,852	11,000	64,620	41,277	-	449,499	15.6%
Commercial Paper	-	-	25,029	35,000	-	147,045	-	117,150	61,305	14,300	65,000	40,000	1,202,345	41.7%
MBS	-	-	-	-	-	-	-	20,000	15,000	24,996	-	-	267,070	9.3%
Treasuries	350,000	20,000	85,000	-	-	-	-	-	-	-	-	-	-	0.0%
Municipal/Sponge	5,075	9,540	10,545	2,360	19,385	115,163	50,000	30,000	90,000	40,000	-	-	665,000	23.0%
ABS	-	-	-	-	-	-	-	7,775	500	17,435	2,700	12,870	203,348	7.0%
Money Markets	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Total	415,075	165,450	350,324	297,360	214,385	470,238	165,000	265,777	196,755	183,351	108,977	52,870	2,885,562	100.0%

STATE OF NEW MEXICO

Summary of Fixed-Income Purchases and Sales

TRADES During The Period 5/01/12 Through 5/31/12

TKN-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>													
5/30/12	95806AAB	TEMP CORP CU ST	16096	WESTERN CORP FED CREDIT	1.750	11/02/12	.1836	BARCLAYS	4101	14,127,000.00	14,219,658.99		
5/14/12	313379K8	FED HOME LOAN B	16619	FEDERAL HOME LOAN BANK	.300	6/14/13	.3000	BNP PARIBAS	4101	15,000,000.00	15,000,000.00		
5/22/12	3135G0BY	FED NATL MORTGA	16838	FED NATL MORTGAGE ASSN	.875	8/28/14	.4514	UBS	1001	20,000,000.00	20,190,600.00		8/23/12
5/22/12	3135G0HG	FED NATL MORTGA	16670	FED NATL MORTGAGE ASSN	.375	3/16/15	.5338	BANK OF AMERICA	1001	20,000,000.00	19,911,400.00		
5/22/12	3135G0JA	FED NATL MORTGA	16671	FED NATL MORTGAGE ASSN	1.125	4/27/17	1.0492	DEUTSCHE BANK S	1001	10,000,000.00	10,036,340.00		
5/15/12	36186CBF	TLGP SECURITIES	16095	ALLY FINANCIAL INC	2.200	12/19/12	.2001	GOLDMAN SACHS	4101	15,000,000.00	15,177,300.00		
5/17/12	011464GN	MUNICIPAL BOND	16635	ALAMOGORDO NM MSD 1	1.500	8/01/13	.4002	FIRST TENNESSEE	1001	350,000.00	354,284.00		
5/18/12	011464GP	MUNICIPAL BOND	16636	ALAMOGORDO NM MSD 1	1.500	8/01/14	.5003	FIRST TENNESSEE	1001	350,000.00	357,357.00		
5/29/12	54423EBV	MUNICIPAL BOND	16700	LOS ALAMOS NM UTILITY	5.000	7/01/13	.4422	STIFFEL NICOLAU	1001	2,000,000.00	2,098,400.00		
5/03/12	22087WAB	ABS FDIC GUARAN	16376	FDIC SSGN		10/25/12	.3057	BARCLAYS	4101	1,000,000.00	998,550.00		
5/21/12	22087WAB	ABS FDIC GUARAN	16376	FDIC SSGN		10/25/12	.3059	BARCLAYS	4101	11,150,000.00	11,135,806.05		
11 PURCHASES DURING PERIOD TOTAL.....										108,977,000.00	109,479,696.04		
=== GRAND-TOTAL ==>										108,977,000.00	109,479,696.04		

*** END-OF-REPORT ***




James B. Lewis
State Treasurer

STATE OF NEW MEXICO
OFFICE OF THE TREASURER

Mark F. Valdes
Deputy State Treasurer

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

Date: June 26, 2012
To: James B. Lewis, State Treasurer
For: Governor Martinez and Members of the State Board of Finance
From: Samuel K. Collins, Jr., State Cash Manager 
Subject: State Fund Deposit Activity for the month ending May 31, 2012

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 the month ending May 31, 2012.

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. The agencies are advised not to make any new deposits to those accounts 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 May 31, 2012.

(Attachments)

State Fund Balances by Financial Institution

May - 2012

Bank 34/Alamogordo	0
Century Bank/Santa Fe	0
First National Bank/Alamogordo	204,759
Bank of America/Albuquerque	2,903,988
Wells Fargo Bank/Albuquerque	21,351,388
Compass Bank/Albuquerque	2,200,988
Bank of the West/Albuquerque	585
First American Bank/Artesia	42,337
My Bank/Belen	5,895
Carlsbad National Bank/Carlsbad	2,240
Western Commerce Bank/Carlsbad	92,709
Farmers/Stockmens Bank/Clayton	27,030
First National Bank/Clayton	1,210,995
Bank of Clovis/Clovis	0
Citizens Bank/Clovis	38,831
NM Bank & Trust/Albuquerque	275,222
Community Bank/Santa Fe	2,209
Valley National Bank/Espanola	206
Pinnacle Bank/Gallup	1,860
Grants State Bank/Grants	100
Lea County State Bank/Hobbs	140,896
Citizens Bank/Las Cruces	0
Southwest Capitol/Las Vegas	167,945
Community 1st Bank/Las Vegas	611,735
Western Bank/Lordsburg	108,798
Los Alamos National Bank/Los Alamos	18,949
James Polk Stone National Bank/Portales	57,090
International Bank/Raton	97,302
Valley Bank of Commerce/Roswell	69,280
First National Bank of Santa Fe/Santa Fe	0
First State Bank/Socorro	25,264
Centinel Bank/Taos	119,985
US Bank/Albuquerque	180,195
Bank of the Southwest/Roswell	505,608
People's Bank	28,470
AmBank	27,180
Total:	\$30,520,039

Depository Account Summary by Agency

May 2012

STATE FUNDS

NON-STATE FUNDS

AGENCY	# OF ACCTS.	BALANCE
AOC (fines, fees etc.)	50	\$3,676,517
BERN. CO. METRO COURT	2	\$371,539
1-13 DISTRICT ATTORNEY	6	\$55,998
EDUCATION RETIREMENT BOARD	1	\$21,236
TAXATION & REVENUE DEPT.	30	\$224,202
PUBLIC SCHOOL INS. AUTHORITY	6	\$14,747,490
PUBLIC DEFENDER	3	\$440
SECRETARY OF STATE	1	\$0
STATE TREASURER (JDC)	28	\$176,968
STATE TREASURER (OTHER INVEST)	4	\$28,773
NM RACING COMMISSION	7	\$298,271
SPACEPORT AUTHORITY	1	\$1,576,032
DEPT. OF GAME & FISH	2	\$79,711
SOUTHWEST REGION ED.	1	\$1,924,809
ENERGY & MINERALS	4	\$589,316
COMMISSION PUBLIC LAND	2	\$32,435
STATE ENGINEER'S OFFICE	3	\$75,072
IRRG WKS CONST	1	\$252,211
COMMISSION FOR THE BLIND	3	\$63,714
HUMAN SERVICES DEPT.	6	\$22,789
WORKFORCE SOLUTIONS	6	\$3,199,387
DIVISION OF VOCATIONAL REHAB	1	\$96,861
MINER'S HOSPITAL	1	\$1,195,404
DEPARTMENT OF HEALTH	73	\$1,141,873
ENVIRONMENT DEPARTMENT	1	\$0
CORRECTIONS DEPARTMENT	5	\$1,473
DEPT. OF PUBLIC SAFETY	2	\$57,071
HIGHWAY & TRANSPORTATION	5	\$1,705
CENTRAL REGIONAL CO-OP	1	\$608,742

AGENCY	# OF ACCTS.	BALANCE
AOC (Bonds)	55	\$0
1ST JUDICIAL DIST. COURT	3	\$1,106,606
2ND JUDICIAL DIST. COURT	2	\$847,224
3RD JUDICIAL DIST. COURT	2	\$1,329,887
4TH JUDICIAL DIST. COURT	4	\$182,127
5TH JUDICIAL DIST. COURT	3	\$1,482,385
6TH JUDICIAL DIST. COURT	3	\$171,556
7TH JUDICIAL DIST. COURT	4	\$140,572
8TH JUDICIAL DIST. COURT	4	\$718,847
9TH JUDICIAL DIST. COURT	4	\$536,135
10TH JUDICIAL DIST. COURT	2	\$98,189
11TH JUDICIAL DIST. COURT	10	\$1,197,431
12TH JUDICIAL DIST. COURT	8	\$873,399
13TH JUDICIAL DIST. COURT	63	\$5,749,175
BERNALILLO CO. METRO COURT	2	\$846,228
6TH DISTRICT ATTORNEY	3	\$35,536
7TH DISTRICT ATTORNEY	1	\$1,717
10TH DISTRICT ATTORNEY	1	\$663
11TH JUDICIAL DIST. ATTORNEY	1	\$10,918
ATTORNEY GENERAL	1	\$9,804
LGIP	5	\$91,842,541
PUBLIC REG. COMMISSION	3	\$839,427
NM STATE FAIR	5	\$1,448,104
SOUTHWEST REGION ED.	1	\$15
COMM STATUS OF WOMEN	0	\$0
COMM FOR THE BLIND	1	\$40,725
WORKFORCE SOLUTIONS	0	\$0
MINER'S HOSPITAL	1	\$1,736
DEPARTMENT OF HEALTH	11	\$914,792
CHILDREN, YOUTH & FAMILIES	6	\$97,682
CORRECTIONS DEPARTMENT	11	\$2,110,172
DEPT. OF PUBLIC SAFETY	2	\$28,485
CENTRAL REGION CO-OP	1	\$509,214

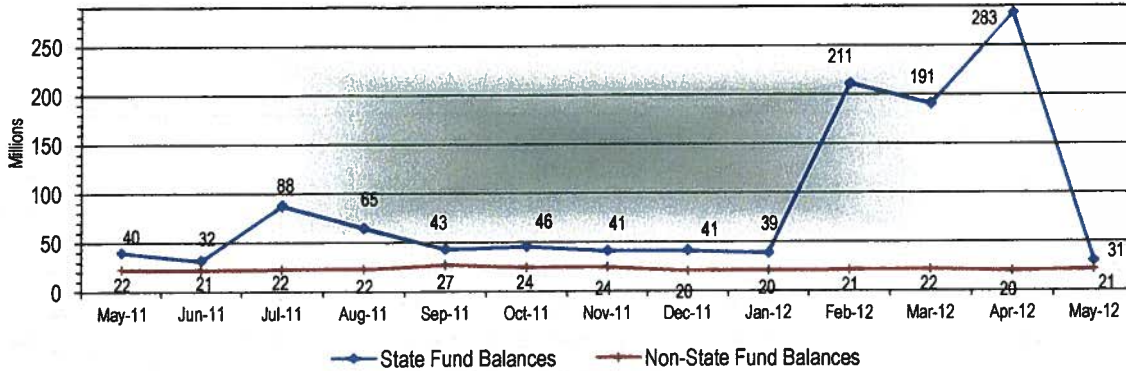
Total: 256 \$30,520,039

Total: 163 \$113,171,292

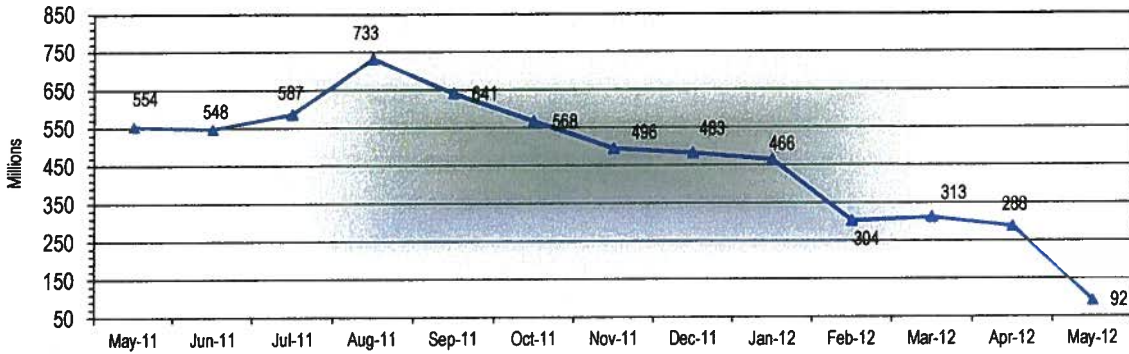
Total Depository Balances: \$143,691,331
Total Depository Accounts: 419

Depository Account Summary - May 2012

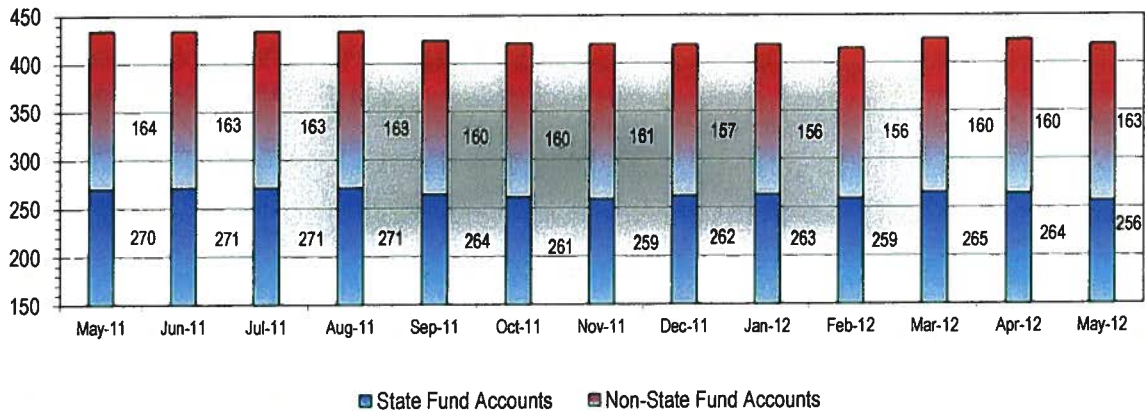
Depository Balances Y-T-D



LGIP Balances Y-T-D



Number of Authorized Depository Accounts



Depository accounts authorized in May 2012 pursuant to Section 6-1-13 NMSA : 2 13th Judicial District Courts
 1 Attorney General

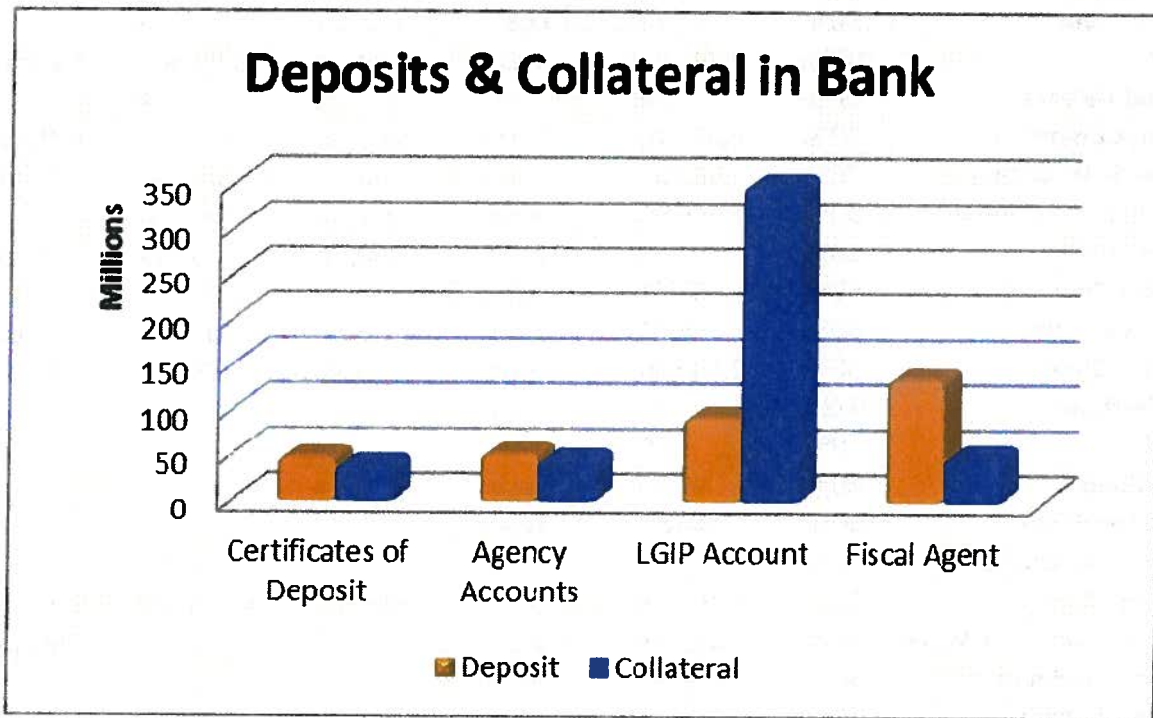
Depository accounts closed in March 2012: 3 13th Judicial District Courts
 8 Public Defender
 2 Commission for the Blind

Office of the Treasurer

Collateral Summary Review

May 31, 2012

All depository institutions holding public funds for the month ending May 2012 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.



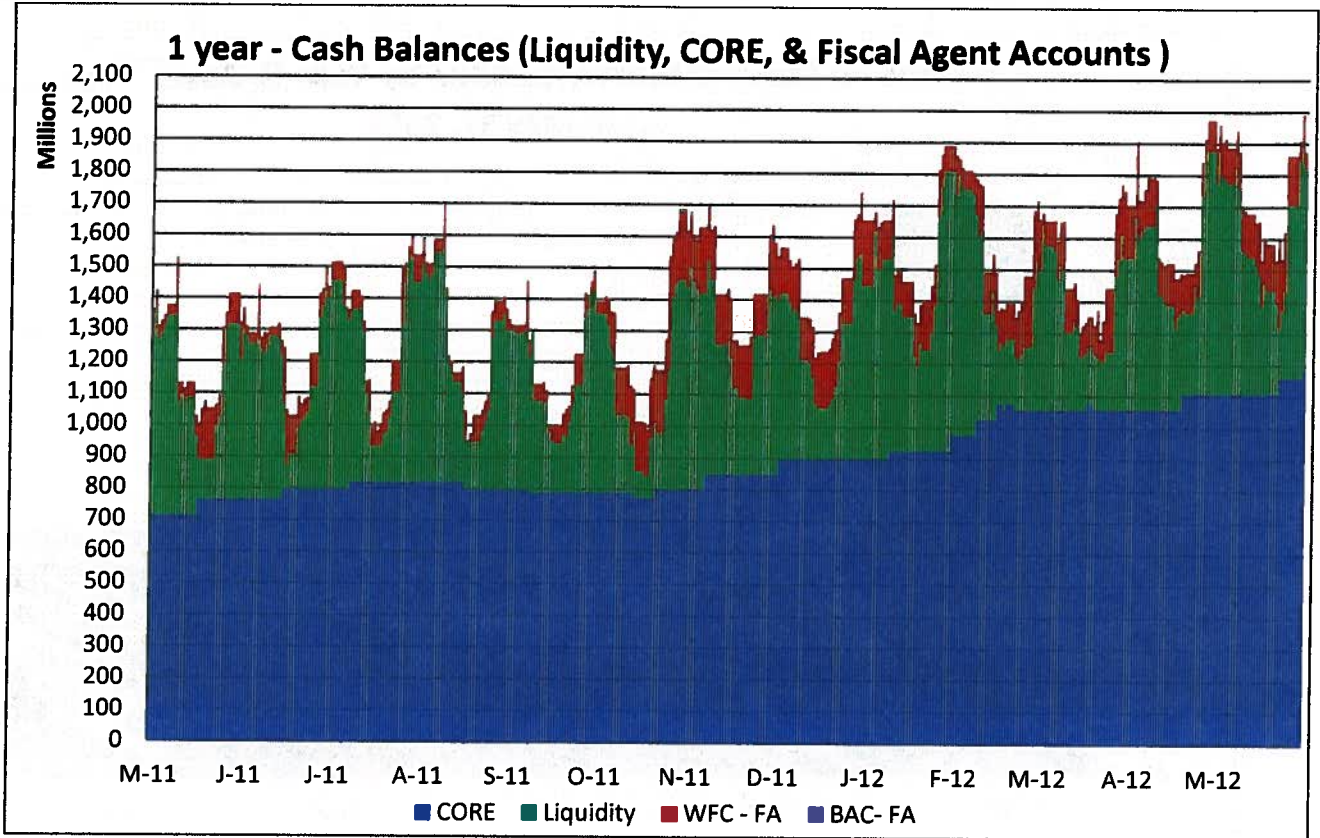
Balances

	<u>Deposit</u>	<u>Collateral</u>	<u>Percentage</u>
Certificate of Deposit	\$ 47.0 Million	\$ 38.0 Million	80.1%
Agency Deposit	51.0 Million	44.1 Million	86.5%
LGIP Deposits	91.8 Million	349.1 Million	380.1%
Fiscal Agent	134.7 Million	48.8 Million	36.3%
Totals →	324.5 Million	480.0 Million	147.9%

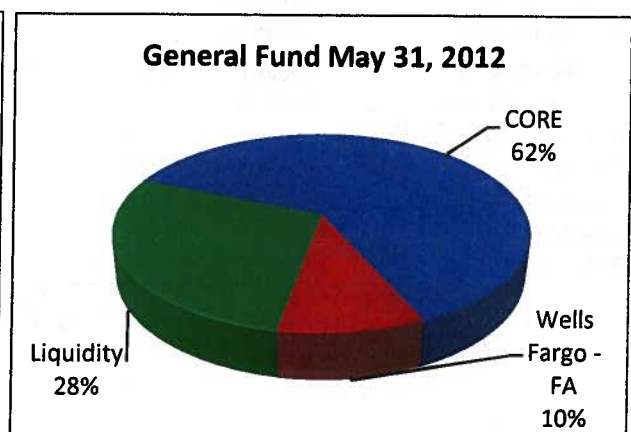
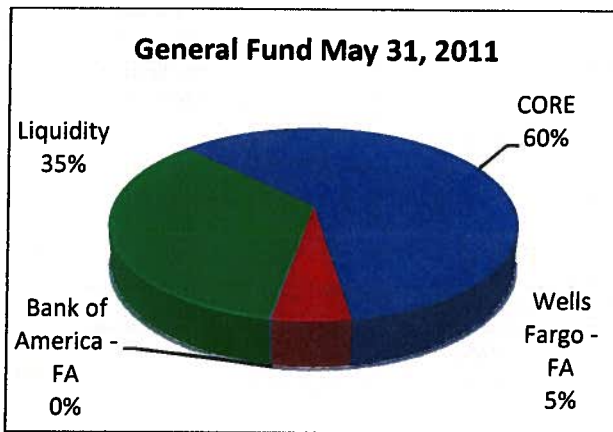


Office of the Treasurer
Collateral Review
 Accumulated Total by Institution
May 31, 2012

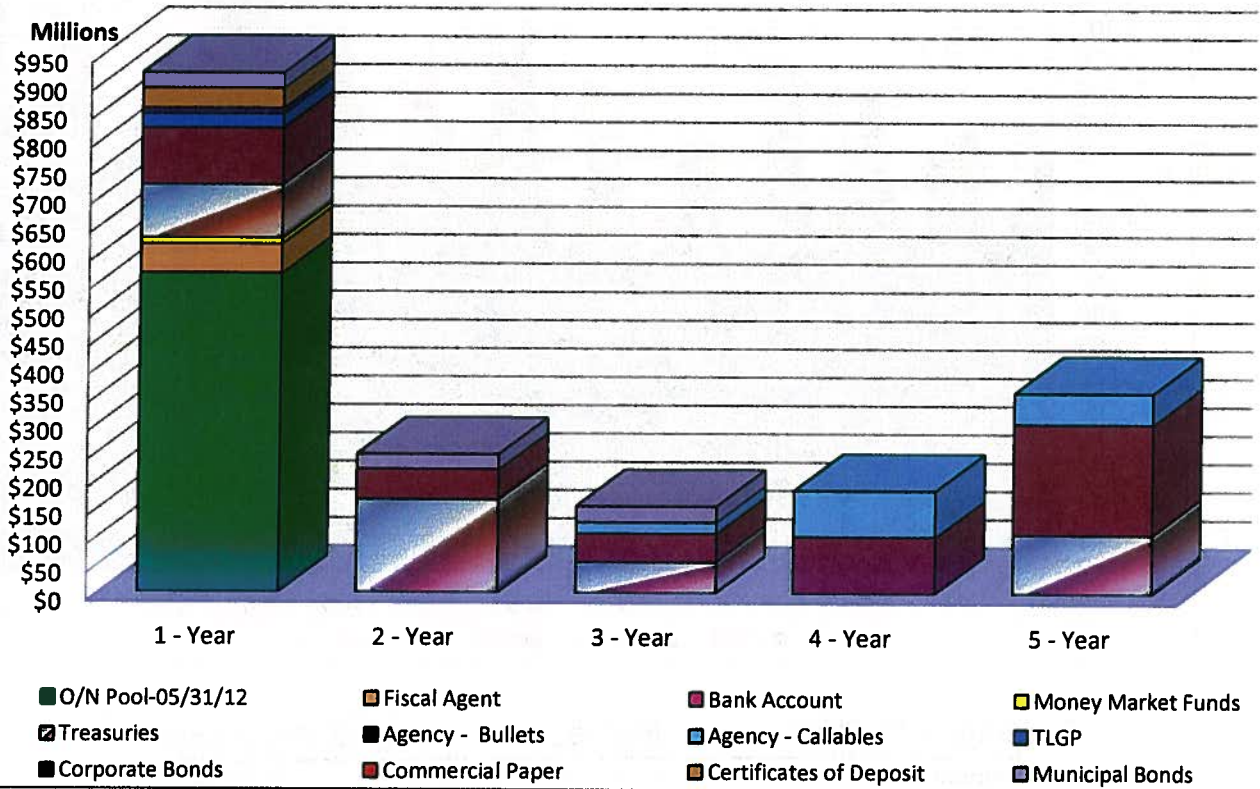
FINANCIAL INSTITUTION	%	TOTAL DEPOSITS	FDIC / NCUA INSURANCE	LESS INSURANCE COVERAGE	SUBJECT TO BE COLLATERALIZED	COLLATERAL PLEDGED	EXCESS (UNDER)
First National - Alamogordo	50%	646,085	250,000	396,085	198,042	512,449	314,407
Western - Alamogordo	75%	3,100,000	250,000	2,850,000	2,137,500	3,045,281	907,781
Bank of America	50%	3,550,132	1,290,909	2,259,222	1,129,611	7,024,978	5,895,366
Bank of the West	50%	75,611,737	250,585	75,361,153	37,680,576	204,007,074	166,326,497
BBVA Compass	102%	2,211,857	2,174,824	37,033	37,773	5,293,710	5,255,937
US Bank	50%	6,589,304	378,104	6,211,200	3,105,600	5,285,627	2,180,027
Wells Fargo	50%	47,442,774	12,877,198	34,565,576	17,282,788	165,592,340	148,309,552
First American	50%	42,338	42,338	0	0	0	0
My Bank	102%	2,441,135	255,895	2,185,239	2,228,944	2,230,000	1,056
Carlsbad National	50%	2,240	2,240	0	0	0	0
Western Commerce	50%	6,092,709	290,178	5,802,531	2,901,266	3,153,215	251,949
Farmers & Stockmen	75%	1,368,635	266,971	1,101,664	826,248	2,014,143	1,187,895
First National - Clayton	50%	1,210,994	250,000	960,994	480,497	2,318,919	1,838,422
Bank of Clovis	50%	393,051	250,000	143,051	71,526	393,051	321,526
Citizens - Clovis	50%	38,831	38,831	0	0	0	0
NM Bank & Trust	50%	275,222	250,000	25,222	12,611	250,000	237,389
Western - Clovis	50%	2,600,000	250,000	2,350,000	1,175,000	1,807,874	632,874
Valley National	102%	206	206	0	0	0	0
Pinnacle	50%	1,860	1,860	0	0	0	0
Grants State	50%	89,444	89,444	0	0	0	0
Lea County State	50%	140,896	140,896	0	0	0	0
Citizens - Las Cruces	50%	3,587	3,587	0	0	0	0
Southwest Capital	50%	8,768,939	278,923	8,490,017	4,245,008	4,774,670	529,662
Community 1st - Las Vegas	50%	611,735	611,735	0	0	1,000,000	1,000,000
Western - Lordsburg	50%	126,094	126,094	0	0	0	0
Los Alamos National	75%	18,949	18,949	0	0	0	0
James Polk Stone Communi	50%	566,304	566,304	0	0	0	0
International	50%	180,268	180,268	0	0	450,000	450,000
Bank of the Southwest	50%	758,936	255,718	503,218	251,609	279,474	27,865
Valley Commerce	50%	69,280	69,280	0	0	0	0
Century	75%	24,628,164	250,000	24,378,164	18,283,623	21,590,000	3,306,377
Community	102%	204,161	204,161	0	0	0	0
First National - Santa Fe	50%	211,263	211,263	0	0	0	0
First State	50%	60,569	60,569	0	0	0	0
AM	50%	27,181	27,181	0	0	0	0
Centinel	50%	119,985	119,985	0	0	0	0
Peoples	75%	28,470	28,470	0	0	0	0
BANK'34	102%	158,004	158,004	0	0	0	0
Union Savings	50%	0	0	0	0	0	0
Guadalupe Credit	50%	250,000	250,000	0	0	0	0
		190,641,338	23,020,969	167,620,369	92,048,223	431,022,805	338,974



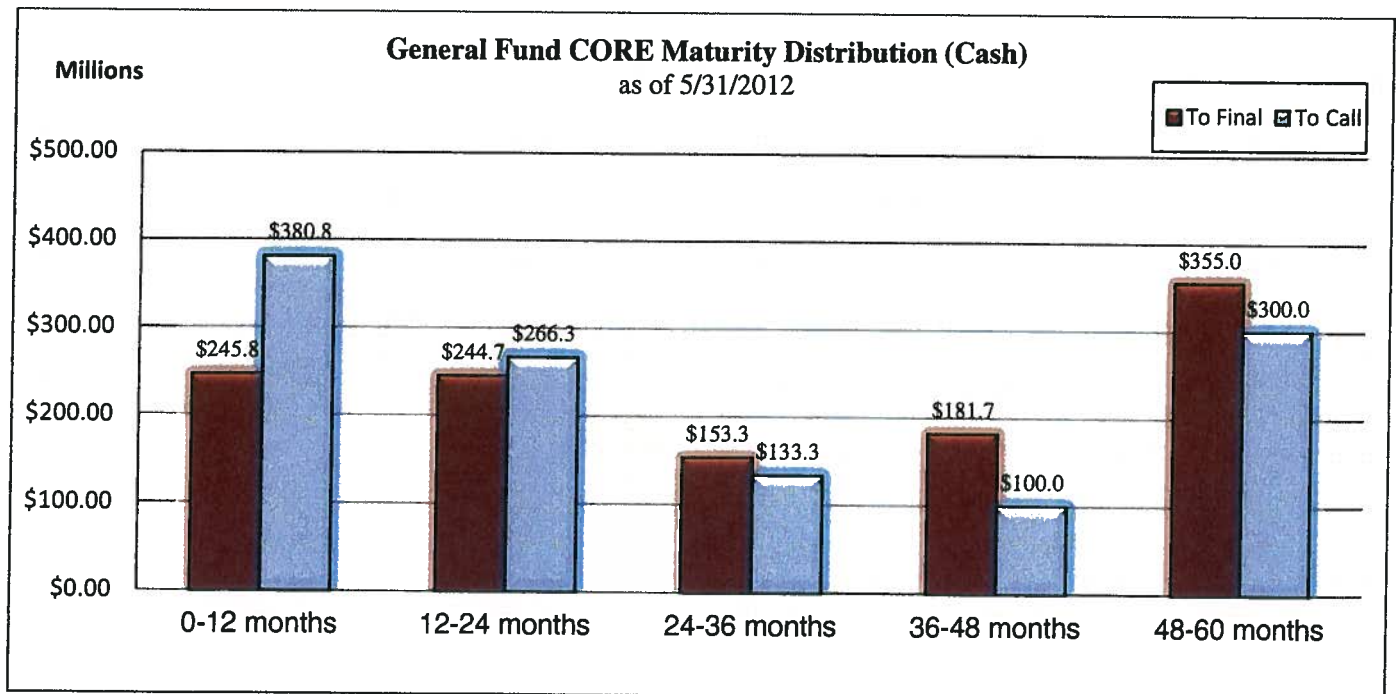
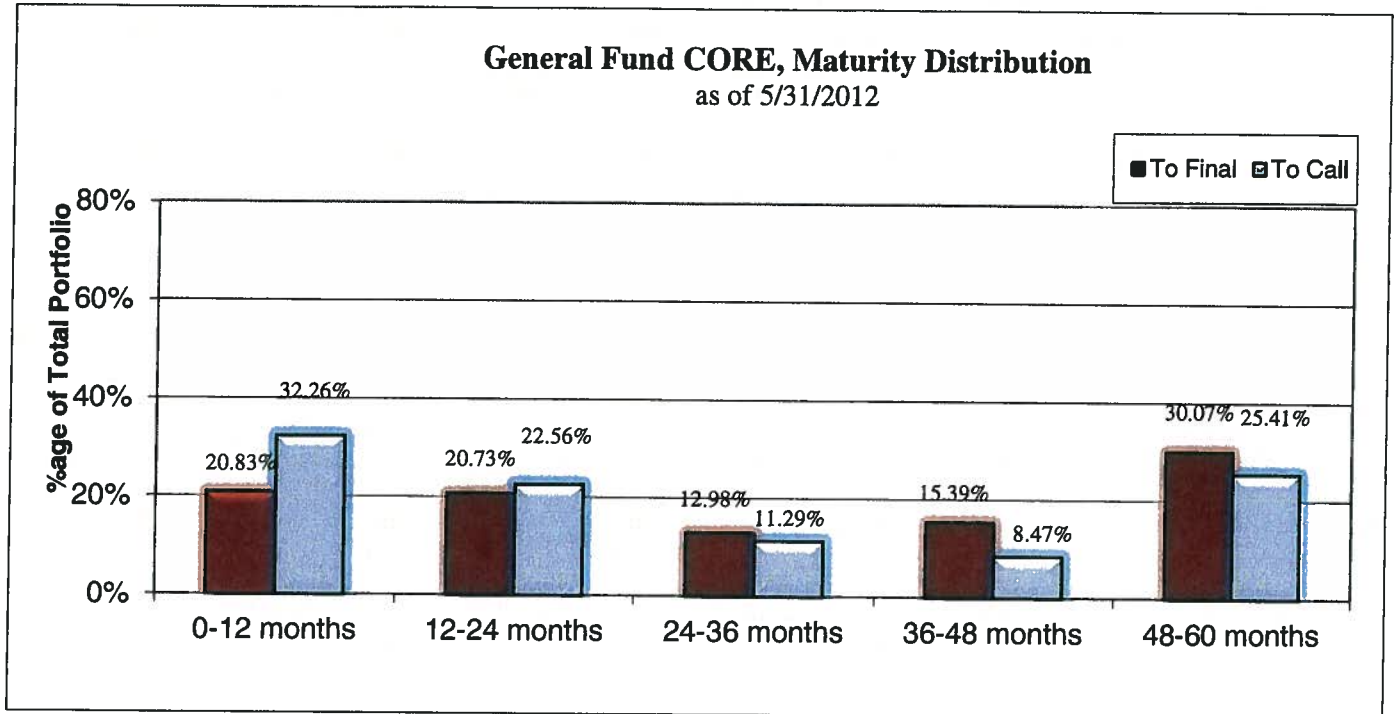
GENERAL FUND	May-11	May-12	Difference
Liquidity	436,357,785	640,102,318	203,744,533
CORE	764,415,653	1,180,450,435	416,034,782
Wells Fargo - FA	119,996,673	51,456,874	(68,539,799)
Bank of America - FA	59,060		(59,060)
Total	1,320,829,171	1,872,009,626	551,180,456



General Fund Maturity Ladder by Year & Asset Type as of May 31, 2012



Asset Allocation	1 - Year	2 - Year	3 - Year	4 - Year	5 - Year	Total	%
Agency - Bullets	99,880,000	53,000,000	50,000,000	100,000,000	195,000,000	497,880,000	27%
Agency - Callables			20,000,000	81,660,000	55,000,000	156,660,000	8%
TLGP	25,000,000					25,000,000	1%
Corporate Bonds	10,000,000					10,000,000	1%
Money Market Funds	10,027,793					10,027,793	1%
Municipal Bonds	27,285,000	26,675,000	28,280,000			82,240,000	4%
Certificates of Deposit	35,250,000					35,250,000	2%
Commercial Paper						0	0%
Treasuries	95,000,000	165,000,000	55,000,000		105,000,000	420,000,000	23%
Bank Account	18,916					18,916	0%
Fiscal Agent	51,456,874					51,456,874	3%
O/N Pool-05/31/12	563,494,960					563,494,960	30%
Total:	917,413,543	244,675,000	153,280,000	181,660,000	355,000,000	1,852,028,543	100%
% of Total:	50%	13%	8%	10%	19%		





James B. Lewis
State Treasurer

STATE OF NEW MEXICO
OFFICE OF THE TREASURER

2055 South Pacheco Street
Building 100
Santa Fe, New Mexico 87505

Phone (505) 955-1120
FAX (505) 955-1195

Mark F. Valdes
Deputy State Treasurer

June 20, 2012

Ms. Stephanie Schardin Clarke, Director
State Board of Finance
180 Bataan Memorial Building
Santa Fe, NM 87501

Dear Board of Finance Members:

This letter is to approve the choice, by the State Board of Finance, of Paul Cassidy to sit on the State Treasurer's Investment Committee (STIC) as a public member for another two year team ending April 2014.

The State Treasurer's Investment Committee plays an important role in the oversight of the investment operations of the Treasurer's office. STIC meets once per month to thoroughly review the investment activities and performance of the portfolios managed by the State Treasurer's Office, and to discuss investment policy and procedures. Mr. Cassidy's continued service on the committee brings consistency and value to the oversight process, considering his long tenure in the financial community of the State of New Mexico.

Sincerely,

James B. Lewis
Treasurer
State of New Mexico

Cc: STIC Members
Paul Cassidy
Stephanie Schardin Clarke
Linda Roseborough