



STATE OF NEW MEXICO  
OFFICE OF THE TREASURER

THE HONORABLE TIM EICHENBERG  
State Treasurer

RICKY ANTHONY BEJARANO  
Deputy State Treasurer

STATE TREASURER'S  
INVESTMENT COMMITTEE

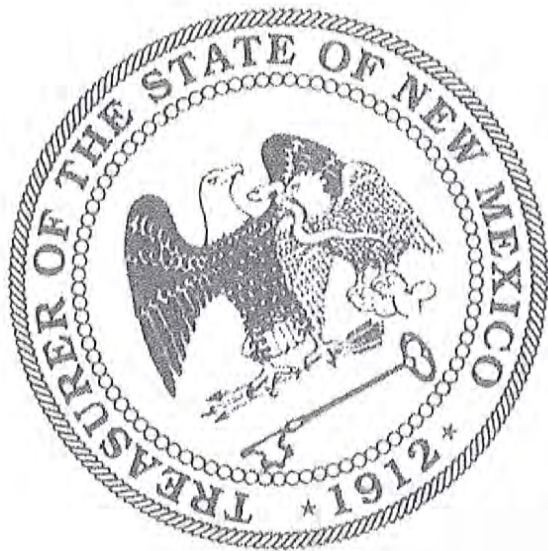
State Treasurer's conference room



White Sands, NM - New Mexico Tourism Department

Wednesday, July 8, 2015

9:00am



1. Approval of July 8, 2015 Agenda



STATE OF NEW MEXICO  
OFFICE OF THE TREASURER

Tim Eichenberg  
The Honorable State Treasurer

Ricky A. Bejarano  
Deputy State Treasurer

**STATE TREASURER'S INVESTMENT COMMITTEE**  
**Treasurer's Conference Room**

Wednesday, July 8, 2015, 9:00 a.m.

**MEETING AGENDA (5 Min)**

Roll Call

1. Approval of July 8, 2015 Agenda
2. Approval of June 10, 2015 Minutes
3. Public Comments

Action  
Action

**INVESTMENT REPORTS (45 min)**

4. Executive Summary (Vikki Hanges)
5. Investment Policy Compliance Report (Derek Dominguez)
6. Investment Accounting Report (Derek Dominguez)
7. Cash Projections (Edward Gallegos)
8. Portfolio Summary -- General Fund Investment Pool (Vikki Hanges)
9. Portfolio Summary -- Local Government Investment Pool (LGIP) (Vikki Hanges)
10. Portfolio Summary -- Tax-Exempt Bond Proceeds Investment Pool (Vikki Hanges)
11. Portfolio Summary -- Taxable Bond Proceeds Investment Pool (Vikki Hanges)
12. Portfolio Summary -- Severance Tax Bonding Fund (Vikki Hanges)
13. Broker Dealer Activities (Derek Dominguez)

**Month Ended**  
**May 31, 2015**

Informational  
Informational  
Informational  
Informational  
Informational  
Informational  
Informational  
Informational  
Informational

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

14. State Agency Deposit Balances (Edward Gallegos)
15. Collateral Report on Agency Deposits & CDs (Edward Gallegos)

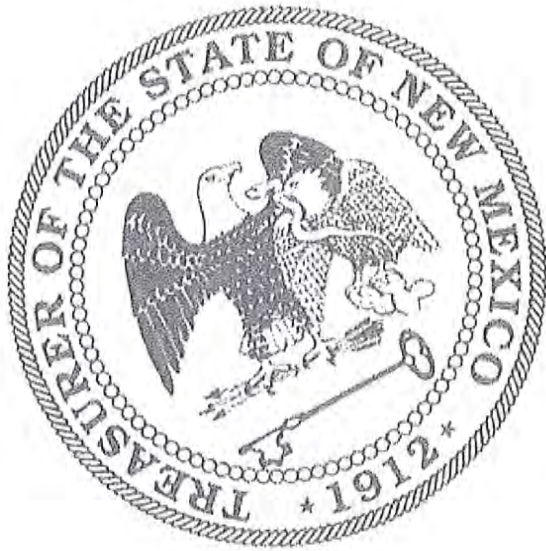
**Month Ended**  
**May 31, 2015**

Informational  
Informational

**COMMITTEE REPORTS (10 min)**

16. Annual Benchmark review & recommendation
17. Update on disclosures for LGIP (Deanne Woodring)
18. Next Meeting --Tuesday, August 18, 2015, 9:00 am
19. Adjournment

Action  
Informational



## 2. Approval of June 10, 2015 Minutes

*New Mexico State Treasurer's Office  
STIC Committee Meeting  
Meeting Minutes  
Wednesday, June 10, 2015*

**ROLL CALL- QUORUM PRESENT:**

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

**Members Present:**

Honorable Tim Eichenberg, State Treasurer,  
Ms. Charmaine Cook, Chief Investment Officer, Chairman  
Mr. Jeff Primm, Board of Finance, Acting Director  
Mr. Paul Cassidy, Public Member  
Mr. Mark Pike, Public Member

**Staff Present:**

Ms. Vikki Hanges, Portfolio Manager  
Mr. Jeremy Landrum, Portfolio Manager  
Mr. Arsenio Garduño, Collateral Manager  
Mr. Derek Dominguez, Investment Accountant  
Mr. Edward Gallegos, Cash Manager  
Ms. Victoria Hutchison, STIC Secretary

**Guests Present:**

Ms. Deanne Woodring, GPA Government Portfolio Advisors (via phone)  
Ms. Sheila Duffy, Public Trust Advisors  
Mr. Abraham Sanogo, Legislative Finance Committee

**1. Approval of June 10, 2015 Agenda:**

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

**2. Approval of May 13, 2015 Minutes:**

Treasurer Eichenberg moved approval of the Minutes with one change. He requested that he be removed as Members Present for the May 13, 2015 STIC meeting as he didn't arrive until 10:25. Motion was seconded by Member Primm and passed unanimously by voice vote.

**3. Public Comments**

There were no public comments

**4. Executive Summary**

Ms. Vikki Hanges presented highlights of the Executive Summary. Discussion was held regarding Mark to Market at fiscal year-end.

**5. Investment Policy Compliance Report**

Mr. Derek Dominguez presented highlights of the Investment Policy Compliance Report.

**6. Investment Accounting Report**

Mr. Derek Dominguez presented highlights of the Investment Accounting Report. Member Cook indicated that JP Morgan will sit down with the Investment Staff next week and the State Treasurer's Office will address ongoing issues with errors occurring at JP Morgan.

**7. Cash Projections**

Mr. Arsenio Garduño presented highlights of Cash Projections.

**8. Portfolio Summary- General Fund Investment Pool**

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

**9. Portfolio Summary – Local Government Investment Pool**

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

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

Mr. Jeremy Landrum presented highlights of the Tax-exempt Bond Proceeds Investment Pool Portfolio Summary. Discussion was held concerning the State Treasurer's Office's decision not to invest in corporate at this time.

**11. Portfolio Summary-Taxable Bond Proceeds Investment Pool**

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

**12. Portfolio Summary- Severance Tax Bonding Fund**

Mr. Jeremy Landrum presented highlights of the Severance Tax Bonding Fund Portfolio Summary.

**13. Broker Dealer Activities**

Mr. Jeremy Landrum presented the highlights of Broker Dealer Activities report. The Broker Dealer List was distributed for review. It will be voted on at the next STIC meeting and a recommendation given to the State Treasurer for approval.

**14. State Agency Deposit Balances**

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

**15. Collateral Report on Agency Deposits & CDs**

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

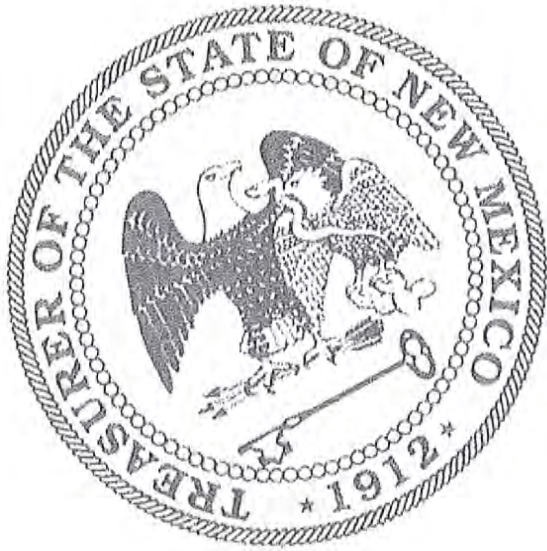
Chairman Cook reviewed the results of a project to shorten the preparation time for the information contained in the STIC binder. The goal was to determine if the STIC binder could be created in time to present the STIC Committee and Board of Finance with statistics and activities for the most recent month. While the timelines were condensed and turnaround times improved, the critical mass of information cannot be reconciled, charted, audited for compliance and summarized following month-end in time to meet the STIC and Board of Finance reporting deadlines. The Investment Division will continue to look for alternatives for presenting key data about the month just ended at the STIC meetings to make the information more timely and relevant.

**16. Next Meeting- Wednesday, July 8, 2015, 9:00am**

**17. Adjournment**

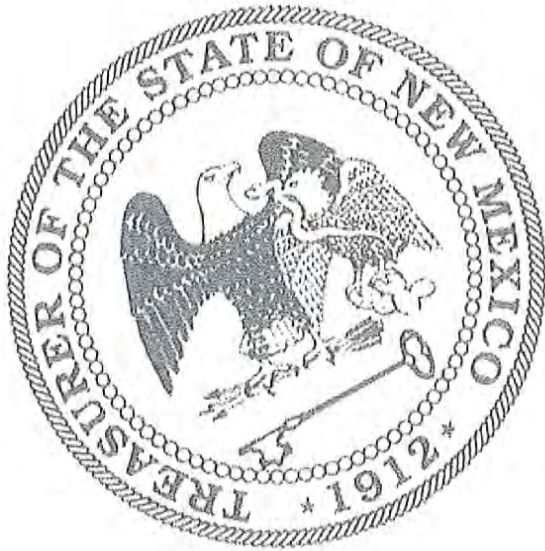
Meeting adjourned at 10:29 pm

Minutes were taken by Ms. Victoria Hutchison.



### 3. Public Comments





## 4. Executive Summary

## Executive Summary

- At the end of May, the State Treasurer managed \$4.3 billion in assets.
- During the month, the office earned approximately \$2.1 million on its investment positions.
- US equity markets rose in May 2015, up 1% for the month.
- US Treasury prices were flat to slightly higher for maturities less than five years. The remaining longer term maturities were lower in price/higher in yield, steepening the yield curve. The three year Treasury posted the highest return for the month.
- Nonfarm payroll employment returned to 200K+ from a revised 119,000 jobs added in April, while the unemployment rate declined to 5.4%, initially pushing interest rates higher in the early part of May.
- Oil prices steadied in May above \$60, up 1%.
- The US dollar strengthened by more than 2% vs. the euro as the Greek saga continued.
- The June FOMC meeting has passed with no action on short term interest rates and lower projections for future Fed Funds rate trajectory.

**Table 1 – Comparative Interest Rates**

<i>US Treasury Yields</i>			
<i>Maturity</i>	<i>April 30</i>	<i>May 31</i>	<i>Change</i>
<i>3-Month</i>	0.00%	0.00%	0.00%
<i>6-Month</i>	0.04%	0.06%	0.02%
<i>2-Year</i>	0.57%	0.61%	0.04%
<i>3-Year</i>	0.90%	0.93%	0.03%
<i>5-Year</i>	1.43%	1.49%	0.06%
<i>10-Year</i>	2.03%	2.12%	0.09%
<i>30-Year</i>	2.74%	2.88%	0.14%

*Source: Bloomberg LP*

*Portfolio Mark-to-Market and Monthly Change*

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With the increase in market yields, the STO portfolios all had slightly negative results on a mark-to-market basis for the month of May.

**Table 2 - Unrealized Gains and Losses**

<u>Fund</u>	<u>Unrealized Gain/Loss<sup>1</sup></u>	<u>Monthly Change in Unrealized Gain/Loss<sup>2</sup></u>
<i>General Funds</i>	\$8.7 million	Decreased \$0.4 million
<i>Bond Proceeds Funds</i>	\$2.8 million	Decreased \$0.1 million
<i>Local Government Investment Pool</i>	Not Material	Not Material
<i>Severance Tax Bonding Fund</i>	Not Material	Not Material

Source: QED

*Portfolio Purchase Yields and Durations*

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

**Table 3 - Portfolio Purchase Yields and Durations**

<u>Fund</u>	<u>Purchase Yield<sup>4</sup></u>	<u>Effective Duration<sup>3</sup></u>		
		<u>Portfolio</u>	<u>Benchmark</u>	<u>Percentage</u>
<i>General Fund Liquidity</i>	0.14%	0.01 Years		
<i>General Fund CORE</i>	1.02%	1.99 Years	2.16 Years	92%
<i>Bond Proceeds – Tax Exempt</i>	0.62%	1.23 Years	1.37 Years	90%
<i>Bond Proceeds – Taxable</i>	0.63%	1.13 Years	1.37 Years	82%
<i>Local Government Investment Pool</i>	0.17%	0.16 Years		
<i>Severance Tax Bonding Fund</i>	0.11%	0.03 Years		

Source: QED, JPMorgan

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

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

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

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

## Benchmark Performance Comparisons

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

Table 4 - Relative Performance of STO Funds

<i>Fund</i>	<i>Performance<sup>5</sup></i>	
	<i>3 Months</i>	<i>12 Months</i>
<b>General Fund Liquidity</b>	0.04%	0.15%
S&P Government Bond Index (Gross)	<u>0.03%</u>	<u>0.11%</u>
Relative Performance (BPs)	0.01%	0.04%
<b>General Fund CORE</b>	0.36%	1.04%
BAML 0-5 US Treasury	<u>0.44%</u>	<u>1.11%</u>
Relative Performance (BPs)	(0.08)%	(0.07)%
<b>Bond Proceeds - Tax Exempt</b>	0.19%	0.52%
BAML 0-3 US Treasury	<u>0.26%</u>	<u>0.60%</u>
Relative Performance (BPs)	(0.07)%	(0.08)%
<b>Bond Proceeds - Taxable</b>	0.19%	0.54%
BAML 0-3 US Treasury	<u>0.26%</u>	<u>0.60%</u>
Relative Performance (BPs)	(0.07)%	(0.06)%
<b>Local Government Investment Pool</b>	0.05%	0.16%
S&P Government Bond Index (Gross)	<u>0.03%</u>	<u>0.11%</u>
Relative Performance (BPs)	0.02%	0.05%
<b>Severance Tax Bonding Fund</b>	0.03%	0.13%
S&P Government Bond Index (Gross)	<u>0.03%</u>	<u>0.11%</u>
Relative Performance (BPs)	0.00%	0.02%

Source: JPMorgan, STO Calculations

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

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<sup>5</sup> Relative performance is periodic total return compared to the return of the portfolio benchmarks.

## Investment Earnings

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

**Table 5 - Investment Earnings - Periods ended May, 2015**

<i>Fund</i>	<i>Investment Net Earnings<sup>6</sup></i>		
	<i>May FY'15</i>	<i>FY'15 YTD</i>	<i>FY'14 YTD</i>
<i>General Funds</i>	\$1,409,594	\$14,315,614	\$11,048,596
<i>Bond Proceeds Funds</i>	\$599,481	\$ 5,823,413	\$4,849,754
<i>Local Government Investment Pool<sup>7</sup></i>	\$90,821	\$939,817	\$850,644
<i>Severance Tax Bonding Fund</i>	\$ 24,544	\$156,100	\$116,990

*Source: QED*

As cash projections for the General Funds have improved, the percentage allocation to the General Fund Core has been more actively managed, increasing the overall portfolio yield and hence, increasing earnings vs. fiscal year 2014. Bond Proceeds funds have been managed with a focus on utilizing the yield curve vs. maintaining high repo balances, whenever possible, to increase earnings while maintaining liquidity for capital projects. The LGIP has maintained longer WAMs in order to capture additional yield in an extremely low interest rate environment. The STBF has utilized the LGIP, NM fully collateralized deposits and short NM munis to enhance yield.

## Compensating Balances at Fiscal Agent Bank

During May, STO maintained Average Daily Collected Balances at the Fiscal Agent Bank of approximately \$30 million. This balance earned a credit against processing fees assessed by the bank.

**Table 6 - Compensating Balances at Fiscal Agent Bank**

<i>Average Collected Balance</i>	\$34,930,082
<i>Earnings Credit Rate</i>	0.50%
<i>Estimated Monthly Earnings</i>	\$14,554
<i>Estimated Fiscal YTD Earnings</i>	\$173,402

*Source: Wells, Fargo & Co.*

## Monthly Investment Outlook

The fixed income markets were unchanged to slightly higher in price for maturities less than five years and much lower in price for longer maturities. The lower than expected payroll numbers reported in April appeared to indeed be an aberration as May employment returned to recent averages, above 200,000 per month. Initially the Treasury market had reacted quite negatively to this May report, but as we worked through the month, interest rates declined in the short-intermediate segment of the yield curve. Oil, the US dollar and equity prices were much less volatile lending some stability to the outlook for interest rates.

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

<sup>7</sup> Gross Earnings, Participant Earnings reflect 0.05% reduction for management fees.

The three year Treasury was the star performer in May, returning 0.08%, with coupon income outpacing price depreciation. With portfolio underweights in three and five year maturities vs. the benchmarks and an overweight in two years, the portfolios underperformed for the month as the yield give up to keep portfolio durations shorter worked against this structure during May.

*Implications for the Foreseeable Future*

The last FOMC meeting revealed a decline in the pace of member expectations for Federal Funds rate hikes over the remainder of 2015 and out to 2017. With the June meeting behind us and no Fed activity, the focus moves to September 2015. The key factors weighing on the Fed continue to be the weakness in the overall global economy, the strength of the dollar and its effect on projected inflation, and the potential for a Greek debt default continues to drag on.

As a result of continued uncertainty, the portfolios will be at or shorter than the duration of the benchmarks as we lean toward the preservation of principal when/if the Fed pulls the trigger on interest rates. Underperformance in an up market would be preferable to underperformance in a down market. We continue to try and add value where and when it becomes available, through selective credit additions as well as active duration management relative to established benchmarks.

*Vikki Hanges*  
*Portfolio Manager*

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

As of May 31, 2015

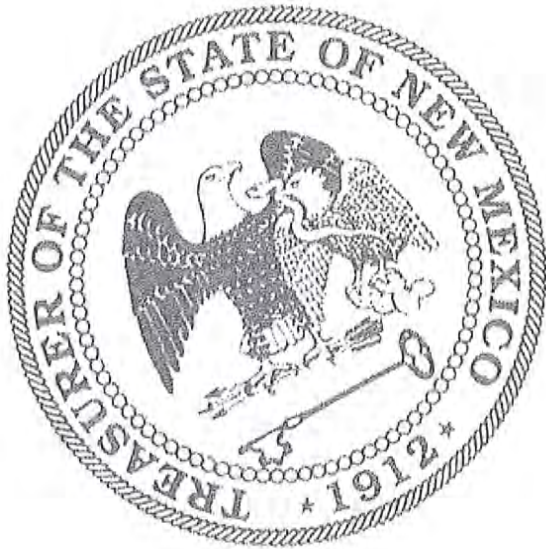
General Fund	Holdings			Performance				Gross Earnings	
	Cost Basis	Market Value	Unrealized Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Monthly Earnings	YTD Earnings
Cash Balances	\$ 34,930,082	\$ 34,930,082	\$ -	0.15%	S&P LGIP Gross	0.11%	0.04%	\$ 62,977	\$ 625,673
Liquidity	624,462,888	624,462,888	-	1.04%	ML Treasury 0-5	1.11%	-0.07%	1,346,617	13,689,941
CORE	1,578,114,776	1,586,843,289	8,728,513	0.00%	All-In Tran TIC	0.00%	0.00%	-	-
TRAN	-	-	-	0.83%	Blended	0.81%	0.02%	-	-
<b>Totals</b>	<b>\$ 2,237,507,746</b>	<b>\$ 2,246,236,259</b>	<b>\$ 8,728,513</b>					<b>\$ 1,409,594</b>	<b>\$ 14,315,614</b>
<b>Bond Proceeds Investment Pool (BPPIP)</b>									
	<b>Cost Basis</b>	<b>Market Value</b>	<b>Unrealized Gain/Loss</b>	<b>12-Month Total Return</b>	<b>Benchmark</b>	<b>Index Return</b>	<b>Relative Performance</b>	<b>Monthly Earnings</b>	<b>YTD Earnings</b>
Account									
Tax-Exempt	\$ 514,553,762	\$ 515,554,769	\$ 1,001,007	0.52%	ML Treasury 0-3	0.60%	-0.08%	\$ 259,668	\$ 2,271,881
Taxable	632,669,867	634,467,991	1,798,124	0.54%	ML Treasury 0-3	0.50%	-0.05%	339,813	3,551,532
<b>Totals</b>	<b>\$ 1,147,223,629</b>	<b>\$ 1,150,022,760</b>	<b>\$ 2,799,131</b>	<b>0.53%</b>	<b>Blended</b>	<b>0.60%</b>	<b>-0.07%</b>	<b>\$ 599,481</b>	<b>\$ 5,823,413</b>
<b>Local Government Investment Pool (LGIP)</b>									
	<b>Cost Basis</b>	<b>Market Value</b>	<b>Unrealized Gain/Loss</b>	<b>12-Month Total Return</b>	<b>Benchmark</b>	<b>Index Return</b>	<b>Relative Performance</b>	<b>Monthly Earnings</b>	<b>YTD Earnings</b>
Account									
LGIP	\$ 617,990,573	\$ 617,992,426	\$ 1,853	0.16%	S&P LGIP Gross	0.11%	0.05%	\$ 90,821	\$ 939,817
<b>Severance Tax Bonding Fund</b>									
	<b>Cost Basis</b>	<b>Market Value</b>	<b>Unrealized Gain/Loss</b>	<b>12-Month Total Return</b>	<b>Benchmark</b>	<b>Index Return</b>	<b>Relative Performance</b>	<b>Monthly Earnings</b>	<b>YTD Earnings</b>
Account									
STBF	\$ 300,384,270	\$ 300,388,734	\$ 4,464	0.13%	S&P LGIP Gross	0.11%	0.02%	\$ 24,544	\$ 156,100
<b>Estimated Totals (all funds)</b>	<b>\$ 4,314,640,179</b>	<b>\$ 4,314,640,179</b>	<b>\$ 11,533,951</b>					<b>\$ 2,124,440</b>	<b>\$ 21,234,944</b>

**Notes:**

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

6/24/2015

8:51:00 AM



## 5. Investment Policy Compliance Report



## Investment Compliance Review

### Primary and Secondary Bond Purchases/ Sales

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

Table 7 - Primary/Secondary Market Volume - May 2015

Primary Bond Volume	\$ 4,860,000	5%
Secondary Bond Volume	<u>88,593,000</u>	<u>95%</u>
Total	\$93,453,000	100%

Source: QED

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

### Commissions Paid

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

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

### Variable Rate and Structured Note Holdings

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At the end of May, total holdings of Variable Rate Notes were \$131,700,000.

Table 8 - Variable Rate Note Holdings - May 2015

General Fund	-
Taxable BPIP	-
Tax Exempt BPIP	-
LGIP	<u>\$131,700,000</u>
Total Holdings	\$131,700,000

Source: QED

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

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

### Transaction Variances and Inter-Portfolio Transactions

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

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

There were 0 inter-portfolio trades during the month.

### Unrealized Gains and Losses

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

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

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

### **Realized Gains and Losses**

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

Table 9 - Realized Gains and Losses on Securities Sold – May 2015

Trade Date	Account	Par Amount	Security	Realized G/L
5/28/2015	BPIP TX	15,000,000	FHLB .500 6/12/15	1,122.03
5/14/2015	BPIP TX	21,000,000	FNMA .500 5/27/2015	573.93
5/12/2015	GF Core	2,500,000	FNMA .500 7/02/2015	1,367.00
<b>Total Realized gain (loss)</b>				<b>3,062.96</b>

### **Trade Documentation**

#### **Purchase/Sales Activity<sup>8</sup>**

There were a total of 19 security trades tracked during the month of May by the Trade Compliance Officer in the Investment Division.

Table 10 – Securities Trades – May 2015

	Quantity	Par-Value	Cost/Proceeds	Realized Gain/Loss
Purchases	16	54,953,000	56,460,075	0
Sales	3	38,500,000	38,506,840	3,063
<b>Totals:</b>	<b>19</b>	<b>93,453,000</b>	<b>94,966,915</b>	<b>3,063</b>

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

#### **Trade documentation and Investment Processing Compliance**

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

During the month of May, there was a noted and resolved maturity violation of a security. Per investment policy, Section VIII B, maturity restrictions state that Municipal bonds have a maximum 3 year maturity by settlement date. A municipal bond was purchased in BPIP Taxable on 5/29/15 with a settlement date of 6/3/15 and had a maturity date of 7/01/18. The purchase security was short of meeting the investment policy guidelines. Once trade compliance officer noticed breach, CIO and portfolio manager(s) were notified and trade was sold from inventory to resolve breach.

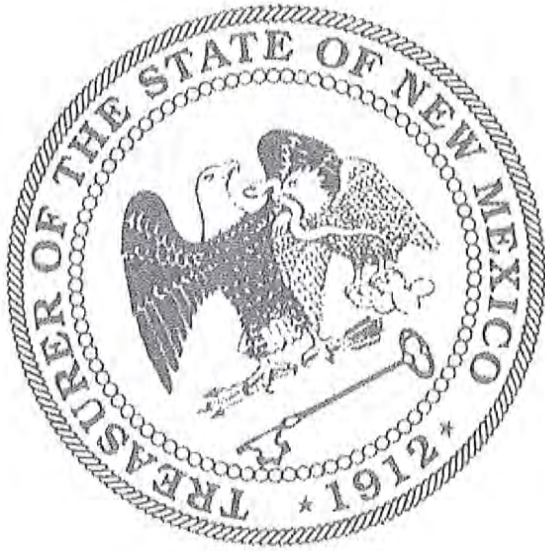
<sup>8</sup> Excludes daily repurchase agreement transactions.

**STATE OF NEW MEXICO**  
**Summary of Fixed-Income Purchases and Sales**  
**TRADES During The Period 5/01/16 Through 6/31/16**

TXN-DATE	CUSIP#	ASSET-TYPE	INVS#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUID	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	HXT-CALL
<b>PURCHASE TRANSACTIONS</b>													
5/25/15	3123ECAT	AGENCY US BOND	23469	FEDERAL FARM CREDIT BAN	.200	12/07/15	.2009	DEUTSCHE BANK S	4101	2,500,000.00	2,499,987.50		
5/27/15	880591CU	AGENCY US BOND	23528	TEHESSEE VALLEY AUTHOR	6.250	12/15/17	1.0211	WEDBUSH SECURIT	4000	6,005,000.00	6,792,555.75		
5/24/15	31358C7K	AGENCY US BOND	23462	FEDERAL NATIONAL MORTGA		5/15/16	.3673	STIFFEL HIGLOAU	4101	2,500,000.00	2,490,850.00		
5/19/15	3128XGQB	AGENCY US BOND	23553	FEDERAL HOME LOAN MORTG		8/31/15	.1112	DBAT CAPITAL HA	4101	5,000,000.00	4,996,610.00		
5/05/15	3135G0AL	AGENCY US NOTES	23413	FEDERAL NATIONAL MORTGA	2.250	1/15/16	.2843	PIERPOINT SECURI	4101	5,000,000.00	5,084,200.00		
5/12/15	3134G1J7	AGENCY US NOTES	23436	FEDERAL HOME LOAN MORTG	.450	9/04/15	.1129	WELLS FARGO SEC	4101	5,000,000.00	5,005,240.00		
5/19/15	3136FPET	AGENCY US NOTES	23466	FEDERAL NATIONAL MORTGA	2.000	3/10/16	.2751	KEYBANC CAPITAL	4101	5,000,000.00	5,069,350.00		
5/26/15	3136FPET	AGENCY US NOTES	23466	FEDERAL NATIONAL MORTGA	2.000	3/10/16	.2850	KEYBANC CAPITAL	4101	3,838,000.00	3,889,621.10		
5/21/15	31359MHM	AGENCY US NOTES	23527	FEDERAL NATIONAL MORTGA	5.000	3/15/16	.2806	WEDBUSH SECURIT	4101	5,000,000.00	5,187,780.00		
5/08/15	313984M	FED NATL MORTGA	23351	FEDERAL NATIONAL MORTGA	3.025	10/26/15	.3425	BMO CAPITAL MAR	4101	10,000,000.00	10,067,000.00		
5/04/15	433866FT	MUNI US 30/360	23404	HOBBS N MEX MUN SCH DIS	3.000	0/15/16	.5301	FIRST SOUTHWEST	4000	390,000.00	402,487.80		
5/05/15	778550JQ	MUNI US 30/360	23411	KOSWELL N MEX INDPT SCH	2.000	8/01/17	.0002	FIRST SOUTHWEST	4000	250,000.00	255,975.00		
5/06/15	802088LN	MUNI US 30/360	23423	T TO 05/01/1976	5.000	8/01/17	.0001	FIRST SOUTHWEST	4000	2,500,000.00	2,716,900.00		
5/08/15	01354PFQ	MUNI US 30/360	23414	ALBUQUERQUE NM GROSS RE	.550	7/01/16	.5499	ROBERT W BAIRD	4000	1,120,000.00	1,120,000.00		
5/08/15	01354PFR	MUNI US 30/360	23415	ALBUQUERQUE NM GROSS RE	1.050	7/01/17	1.0499	ROBERT W BAIRD	4000	600,000.00	600,000.00		
5/29/15	013493FH	MUNI US 30/360	23552	S REV	5.000	7/01/16	1.2002	FIRST SOUTHWEST	4002	250,000.00	278,617.50		
<b>16 PURCHASES DURING PERIOD TOTAL.....</b>										<b>54,953,000.00</b>	<b>56,460,074.65</b>		
<b>SALE TRANSACTIONS</b>													
5/28/15	313179ER	AGENCY US BOND	20722	FEDERAL HOME LOAN BANKS	.500	6/12/15		WELLS FARGO SEC	4002	15,000,000.00	15,002,445.00	1,122.03	
5/14/15	3135G0KM	AGENCY US NOTES	22012	FEDERAL NATIONAL MORTGA	.500	5/27/15	.0648	BARCLAYS	4002	21,000,000.00	21,003,045.00	573.93	
5/12/15	3135G0LN	FED NATL MORTGA	16807	FED NATL MORTGAGE ASSN	.500	7/02/15		BMO CAPITAL MAR	1001	2,500,000.00	2,501,350.00	1,367.00	
<b>3 SALES DURING PERIOD TOTAL.....</b>										<b>38,500,000.00</b>	<b>38,506,840.00</b>	<b>3,062.96</b>	
<b>GRAND-TOTAL ***</b>										<b>93,453,000.00</b>	<b>94,966,914.65</b>	<b>3,062.96</b>	
*** END-OF-REPORT ***													

*\* Violation on Page 18*

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



## 6. Investment Accounting Report



STATE OF NEW MEXICO  
OFFICE OF THE TREASURER

THE HONORABLE TIM EICHENBERG  
State Treasurer

RICKY ANTHONY BEJARANO  
Deputy State Treasurer

Memorandum

Date: June 29, 2015  
To: Charmaine Cook, Chief Investment Officer & Investment Division Director  
From: Steve Vigil, Investment Accounting Bureau Chief SV  
CC: STO Investments Division, Leo Marquez II, STO Chief Financial Officer  
Subject: Weekly S&P Reconciliation and May 2015 Investment Reconciliation

**Weekly S&P Reconciliation**

All weekly S&P reconciliations were completed timely for May 2015. The reconciliations and accompanying data were submitted to S&P timely in order for the Office of the State Treasurer (STO) to maintain its rating affirmation.

**May 2015 Investments Reconciliation**

The Investment Accounting Bureau completed the May 2015 investment reconciliation that included the following:

1. Asset and liabilities proofs to verify accuracy of the net asset value for all investment accounts.
2. Trial balance proofs to validate the change in transaction activity between April 30<sup>th</sup> and May 31<sup>st</sup>.
3. Cash proofs to verify cash transaction activity.
4. Earned income proof to validate the income earned for May 2015.
5. Proof of change in cost to corroborate that the cost of investments rolled forward correctly.
6. Verification that multiple cash transactions of the same investment holdings have not been duplicated in error.
7. JP Morgan to QED inventory reconciliation.
8. JP Morgan to QED income reconciliation.

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

Earned interest materiality threshold is the total market value of a JP Morgan account times ½ basis point. The JPM-QED investment income reconciliation had one material difference in April 2015 that was corrected as of May 1<sup>st</sup>. The material difference resulted from an untimely payment of interest in the Local Government Investment Pool. Given this, JPM over accrued the income for underlying position in

the April 2015 accounting period, which created the material difference. Please refer to the JPM-QED income reconciliation.

JP Morgan to QED Inventory Reconciliations  
 For Accounting Period Ended May 31, 2015

W/P Ref  
 503

Market Value Reconciliation

JPM Account	Market Value	QED Fund #	Name	Market Value	Difference	BPS Dollar Threshold *
P 09336	624,462,887.82	1000	GF Liquidity	624,462,887.82	-	312,231.44
P 09337	1,586,450,011.01	1001	GF Core	1,586,440,983.43	9,027.58	793,225.01
P 09334	140,867,309.15	1101	ONREPO	140,870,612.04	(3,302.89)	70,433.65
P 89523	300,389,859.35	4001	STB	300,388,732.70	1,126.65	150,194.93
P 09335	518,008,266.21	4000	BPIP#1	517,988,569.86	19,696.35	259,004.13
P 09339	634,354,008.12	4002	BPIP#2	634,347,381.62	6,626.50	317,177.00
P 09333	622,990,916.43	4101	LGIP	622,991,037.28	(120.85)	311,495.46
<b>Total</b>	<b>4,427,523,258.09</b>			<b>4,427,490,204.75</b>	<b>33,053.34</b>	<b>2,213,761.63</b>

Cost Reconciliation

JPM Account	Cost	QED Fund #	Name	Cost	Difference	BPS Dollar Threshold *
P 09336	624,462,887.82	1000	GF Liquidity	624,462,887.82	-	312,231.44
P 09337	1,599,175,711.89	1001	GF Core	1,599,175,533.84	178.05	799,587.86
P 09334	140,867,309.15	1101	ONREPO	140,870,612.04	(3,302.89)	70,433.65
P 89523	300,443,212.40	4001	STB	300,443,212.40	-	150,221.61
P 09335	521,282,542.48	4000	BPIP#1	521,282,542.49	(0.01)	260,641.27
P 09339	638,703,448.61	4002	BPIP#2	638,703,448.61	-	319,351.72
P 09333	623,778,204.29	4101	LGIP	623,778,204.29	-	311,889.10
<b>Total</b>	<b>4,448,713,316.64</b>			<b>4,448,716,441.49</b>	<b>(3,124.85)</b>	<b>2,224,356.66</b>

Position Reconciliation

JPM Account	Position Size	QED Fund #	Name	Position Size	Difference	BPS Dollar Threshold *
P 09336	624,462,887.82	1000	GF Liquidity	624,462,887.82	-	312,231.44
P 09337	1,565,727,617.85	1001	GF Core	1,565,727,617.85	-	782,863.81
P 09334	140,867,309.15	1101	ONREPO	140,870,612.04	(3,302.89)	70,433.65
P 89523	300,372,216.50	4001	STB	300,372,216.50	-	150,186.11
P 09335	512,222,983.10	4000	BPIP#1	512,222,983.10	-	256,111.49
P 09339	630,005,869.76	4002	BPIP#2	630,005,869.76	-	315,002.93
P 09333	622,157,732.96	4101	LGIP	622,157,732.96	-	311,078.87
<b>Total</b>	<b>4,395,816,617.14</b>			<b>4,395,819,920.03</b>	<b>(3,302.89)</b>	<b>2,197,908.31</b>

\*Basis Point (BPS) Dollar Threshold

JPM Market Value x 5 BPS

JPM Cost x 5 BPS

JPM Position Size x 5 BPS

0.0005

JP Morgan to QED Income Reconciliation  
For Accounting Period Ended May 31, 2015

W/P Ref  
504

JPM Account	Earned Interest	QED Fund #	Name	Earned Interest	Difference	BPS Dollar Threshold *
P 09336	62,704.75	1000 GF Liquidity		62,977.29	(272.54)	31,223.14
P 09337	2,190,928.79	1001 GF Core		2,190,961.42	(32.63)	79,322.50
P 09334	5,643.66	1101 ONREPO		5,643.66	-	7,043.37
P 89523	42,944.94	4001 STB		38,005.16	4,939.78	15,019.49
P 09335	585,969.68	4000 BPIP#1		585,674.02	295.66	25,900.41
P 09339	633,816.94	4002 BPIP#2		633,699.28	117.66	31,717.70
P 09333	50,858.34	4101 LGIP		266,154.20	(215,295.86)	31,149.55
<b>Total</b>	<b>3,572,867.10</b>			<b>3,783,115.03</b>	<b>(210,247.93)</b>	<b>221,376.16</b>

JP Morgan to QED Amortization/Accretion Reconciliation

JPM Account	Amortization/Accretion	QED Fund #	Name	Amortization/Accretion	Difference
P 09336	-	1000 GF Liquidity		-	-
P 09337	(854,217.60)	1001 GF Core		(845,711.25)	(8,506.35)
P 09334	-	1101 ONREPO		-	-
P 89523	(14,696.80)	4001 STB		(13,460.27)	(1,236.53)
P 09335	(328,184.41)	4000 BPIP#1		(326,005.83)	(2,178.58)
P 09339	(298,026.12)	4002 BPIP#2		(295,581.91)	(2,444.21)
P 09333	(174,569.24)	4101 LGIP		(175,332.77)	763.53
<b>Total</b>	<b>(1,669,694.17)</b>			<b>(1,656,092.03)</b>	<b>(13,602.14)</b>

\* BPS Dollar Threshold

JPM Market Value x .5 Basis Points (BPS)

0.005%

Note: QED uses multiple methods (referenced below) to compute amortization/accretion where the configuration is matched with an asset type. JP Morgan uses, but is not limited to, the pro rata, straight line, and level yield methods for amortization/accretion. Therefore, the -13,602.14 difference stems from the accounting method JP Morgan uses to compute amortization/accretion vs. QED.

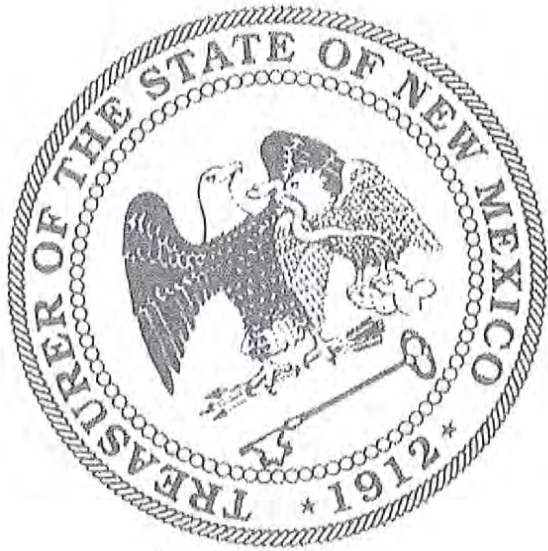
- 0 No Amortization (System Config Table Default)
- 1 Straight Line
- 2 Scientific, Simple Approximation
- 3 Constant Yield, Iterative with PSI effect
- 4 Level Yield, Smoothed
- 5 Cash Basis, Premium Offset by interest-rcvd
- 6 Sum of Years Digits
- 7 Straight Line Prem, Disc=Interest
- 8 Mod'd Cash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



**STATE OF NEW MEXICO**  
**Summary of Fixed-Income Purchases and Sales**  
**TRADES During The Period 5/01/15 Through 5/31/15**

TXM-DATE	CUSTP#	ASSET-TYPE	ISSUE-NAME	INVT#	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
<b>PURCHASE TRANSACTIONS</b>													
5/15/15	3133EEAT	AGENCY US BOND	FEDERAL FARM CREDIT BAN	23469	.200	12/07/15	.2009	DEUTSCHE BANK S	4101	2,500,000.00	2,499,987.50		
5/27/15	880591CU	AGENCY US BOND	TENNESSEE VALLEY AUTHOR	23528	6.250	12/15/17	1.0211	WEDBUSH SECURIT	4000	6,005,000.00	6,792,555.75		
5/14/15	31338C7K	AGENCY US BOND	FEDERAL NATIONAL MORTGA	23462		5/15/16	.3673	STIFFEL NICOLAU	4101	2,500,000.00	2,490,850.00		
5/29/15	3128X608	AGENCY US BOND	FEDERAL HOME LOAN MORTG	23553		8/31/15	.1112	BB&T CAPITAL MA	4101	5,000,000.00	4,998,610.00		
5/05/15	3133C0AL	AGENCY US NOTES	FEDERAL NATIONAL MORTGA	23413	2.250	3/15/16	.2843	PIERPONT SECURI	4101	5,000,000.00	5,084,200.00		
5/11/15	3134C337	AGENCY US NOTES	FEDERAL HOME LOAN MORTG	23436	.450	9/04/15	.1129	WELLS FARGO SEC	4101	5,000,000.00	5,005,240.00		
5/19/15	3136FPET	AGENCY US NOTES	FEDERAL NATIONAL MORTGA	23486	2.000	3/10/16	.2751	KEYBANC CAPITAL	4101	5,000,000.00	5,069,350.00		
5/26/15	3136FPET	AGENCY US NOTES	FEDERAL NATIONAL MORTGA	23486	2.000	3/10/16	.2859	KEYBANC CAPITAL	4101	5,000,000.00	3,889,621.10		
5/27/15	31359MH8	AGENCY US NOTES	FEDERAL NATIONAL MORTGA	23527	5.000	3/15/16	.2806	WEDBUSH SECURIT	4101	5,000,000.00	5,187,780.00		
5/06/15	31338A4M	FED NATL MORTGA	FEDERAL NATIONAL MORTGA	23391	1.625	10/26/15	.1425	BMO CAPTIAL MAR	4101	10,067,900.00	10,067,900.00		
5/04/15	433866FT	MUNI US 30/360	FEDERAL NATIONAL MORTGA	23404	3.000	9/15/16	.5301	FIRST SOUTHWEST	4000	390,000.00	402,487.80		
5/05/15	778550JQ	MUNI US 30/360	HOBBS N MEX MUN SCH DIS	23411	2.000	8/01/17	.9002	FIRST SOUTHWEST	4000	250,000.00	255,975.00		
5/06/15	802088LN	MUNI US 30/360	ROSWELL N MEX INDPT SCH	23421	5.000	8/01/17	.9001	FIRST SOUTHWEST	4000	2,500,000.00	2,716,900.00		
5/08/15	01354PFC	MUNI US 30/360	T TO 05/01/1976	23434	.550	7/01/16	.5499	ROBERT W BAIRD	4000	1,120,000.00	1,120,000.00		
5/08/15	01354PFR	MUNI US 30/360	ALBUQUERQUE NM GROSS RE	23435	1.050	7/01/17	1.0499	ROBERT W BAIRD	4000	600,000.00	600,000.00		
5/29/15	013493FM	MUNI US 30/360	ALBUQUERQUE NM GROSS RE	23552	5.000	7/01/18	1.2002	FIRST SOUTHWEST	4002	250,000.00	278,617.50		
<b>16 PURCHASES DURING PERIOD TOTAL.....</b>										<b>54,953,000.00</b>	<b>56,460,074.65</b>		
<b>SALE TRANSACTIONS</b>													
5/28/15	313379ER	AGENCY US BOND	FEDERAL HOME LOAN BANKS	20722	.500	6/12/15		WELLS FARGO SEC	4002	15,000,000.00	15,002,445.00	1,122.03	
5/14/15	3133C0KN	AGENCY US NOTES	FEDERAL NATIONAL MORTGA	22012	.500	5/27/15	.0648	BARCLAYS	4002	21,000,000.00	21,003,045.00	573.93	
5/12/15	3133C0LN	FED NATL MORTGAGE ASSN	FED NATL MORTGAGE ASSN	16807	.500	7/02/15		BMO CAPTIAL MAR	1001	2,500,000.00	2,501,350.00	1,367.00	
<b>3 SALES DURING PERIOD TOTAL.....</b>										<b>38,500,000.00</b>	<b>38,506,840.00</b>	<b>3,062.96</b>	
<b>== GRAND-TOTAL ==&gt;</b>										<b>93,453,000.00</b>	<b>94,966,914.65</b>		

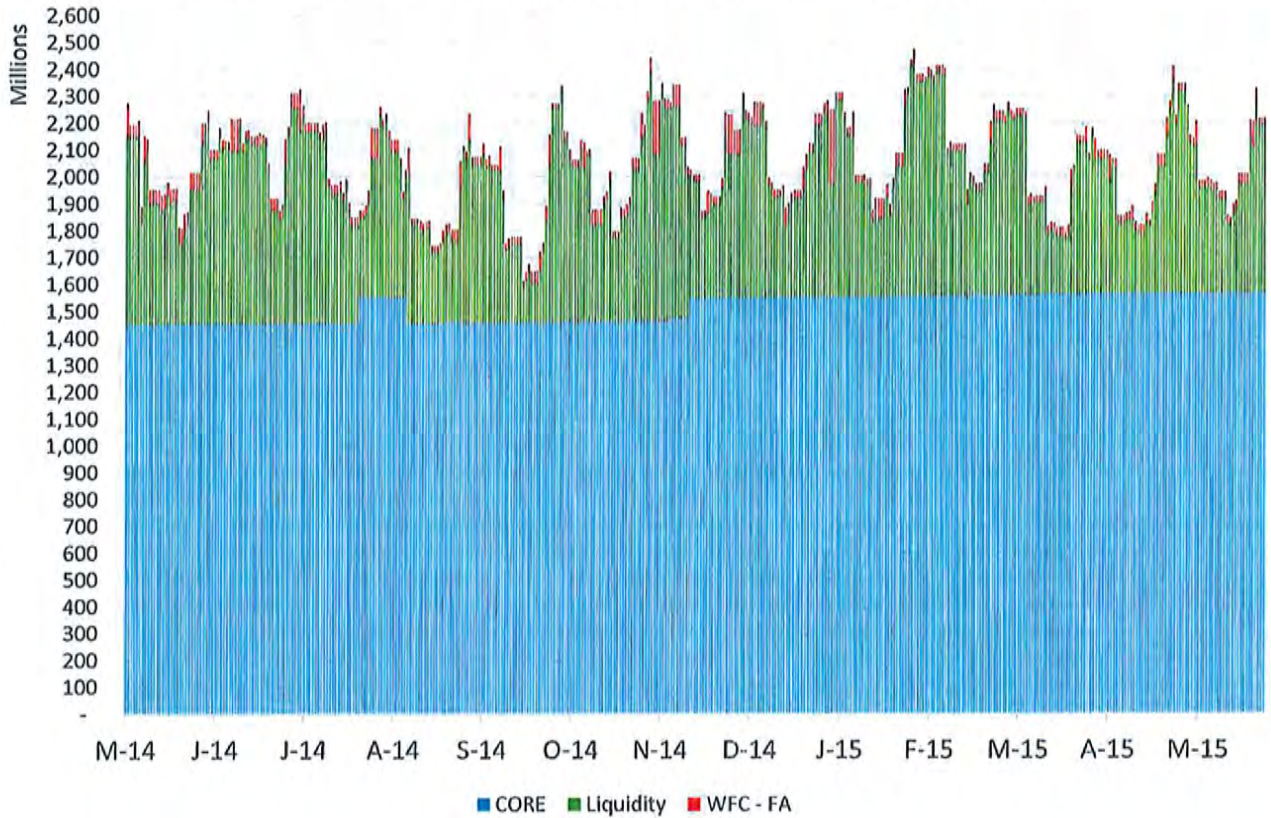
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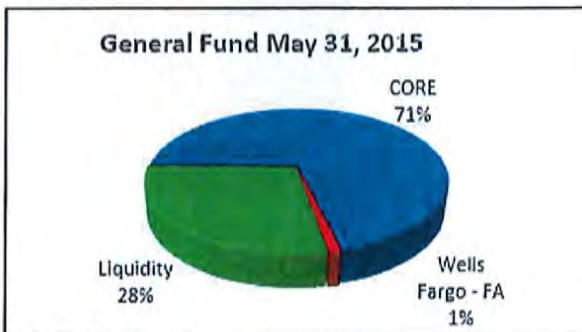
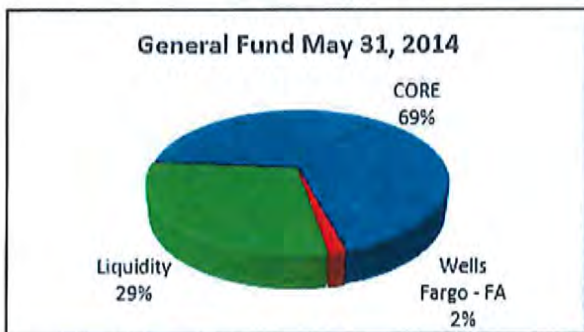
## 7. Cash Projections

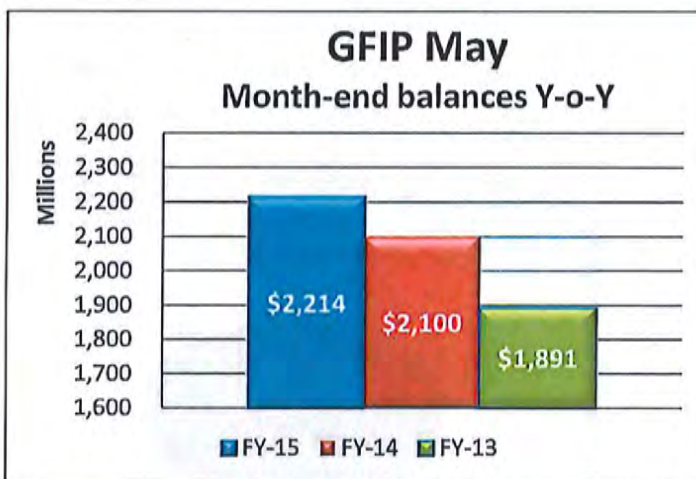
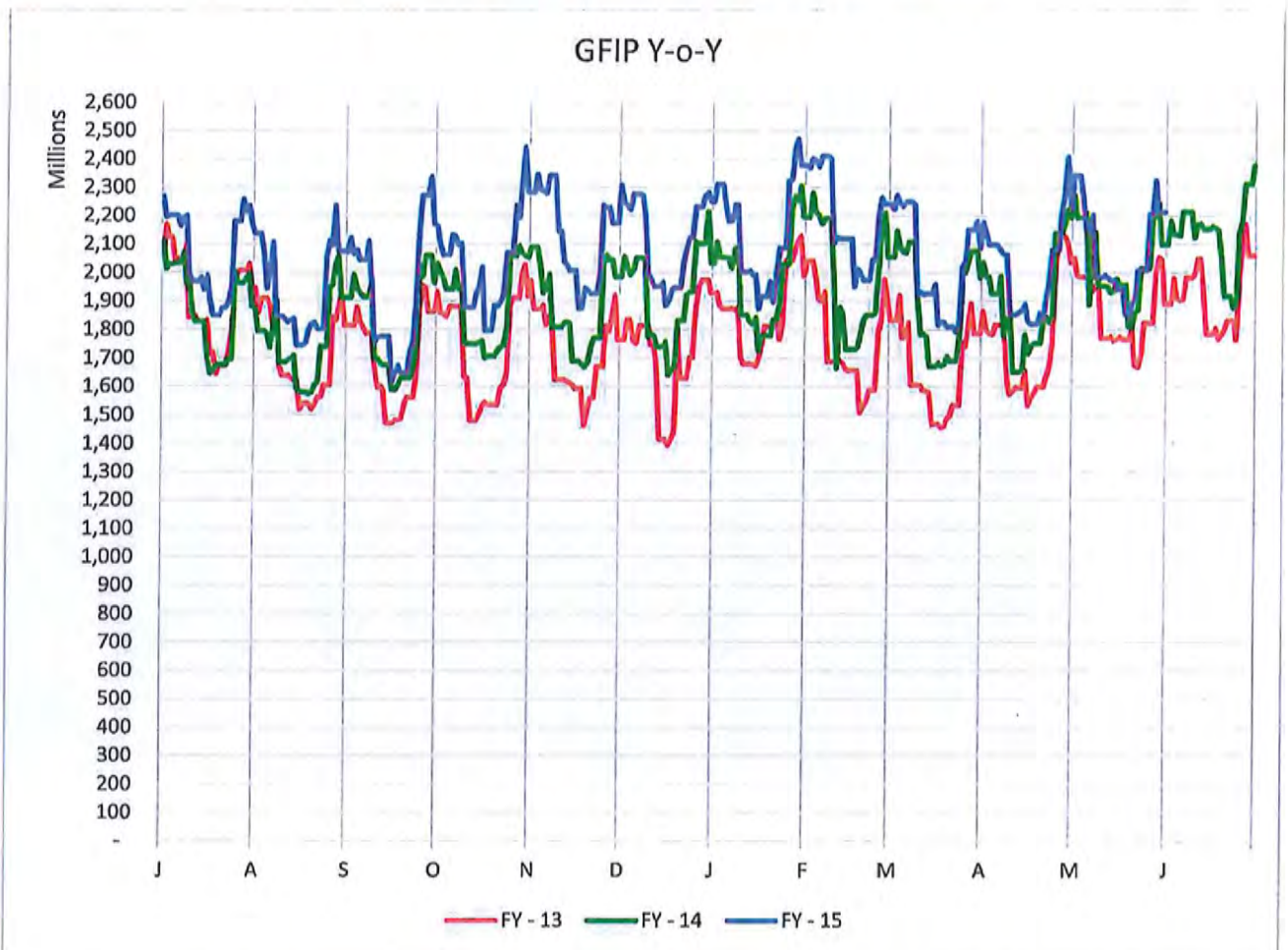


## 1 Year -Cash Balances (Liquidity, Core, & Fiscal Agent Accounts)



GENERAL FUND	May-14	Apr-15	May-15	Y-o-Y Change	M-o-M Change
Liquidity	615,110,296	627,836,367	624,468,532	9,358,236	(3,367,835)
CORE	1,452,576,924	1,564,741,075	1,565,727,618	113,150,694	986,542
Wells Fargo - FA	32,039,217	32,501,047	24,001,936	(8,037,281)	(8,499,111)
	<b>2,099,726,437</b>	<b>2,225,078,489</b>	<b>2,214,198,085</b>	<b>114,471,648</b>	<b>(10,880,404)</b>

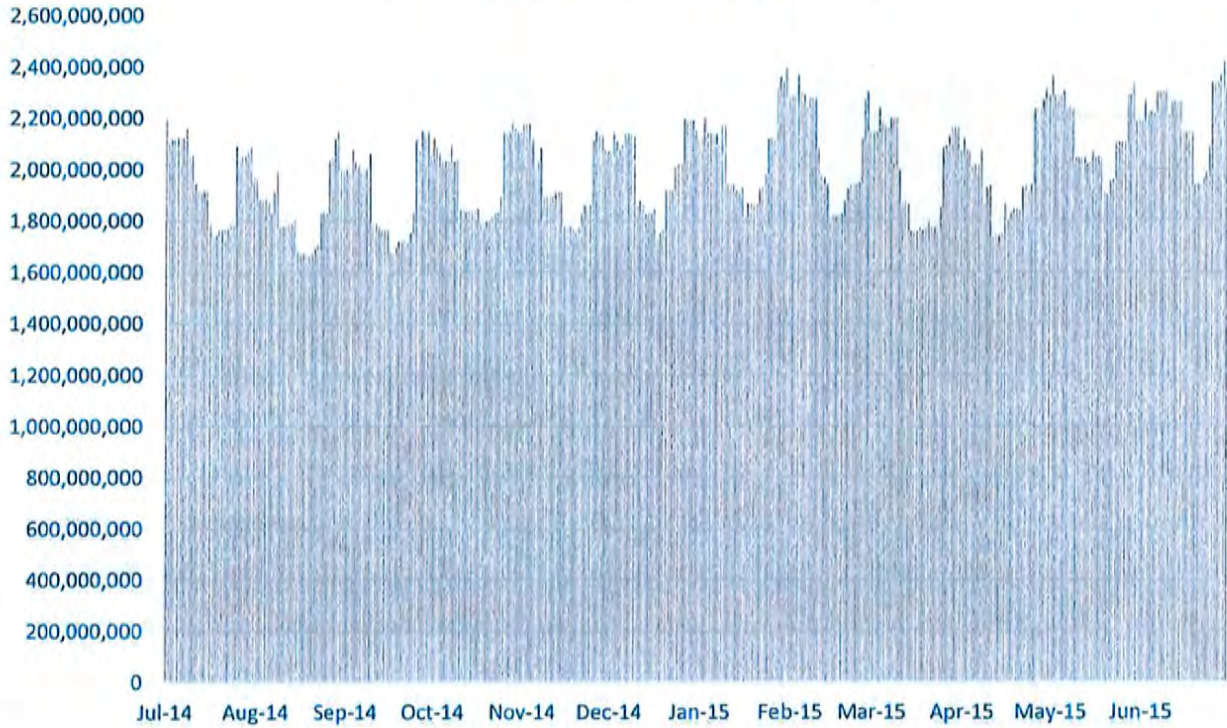




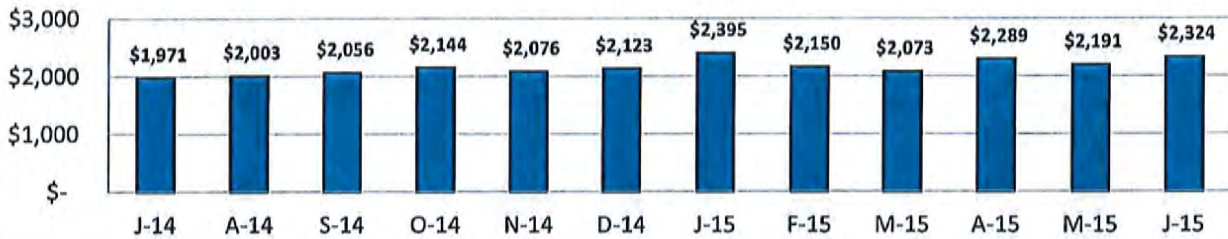
The balance as of May 31, 2015 of the General Fund Investments Pool (GFIP) Y-o-Y has increased 5.4% from May 31, 2014 and 17.1% increased from May 31, 2013 . M-o-M GFIP balance decreased to \$2.214 billion at May 31, 2015 from \$2.225 billion at April 30, 2015 a decrease of \$11 million or -.5%.



## FY - 15 GFIP Balance Projections



### GFIP Projected Month-Ending Balances FY-15 (in millions)

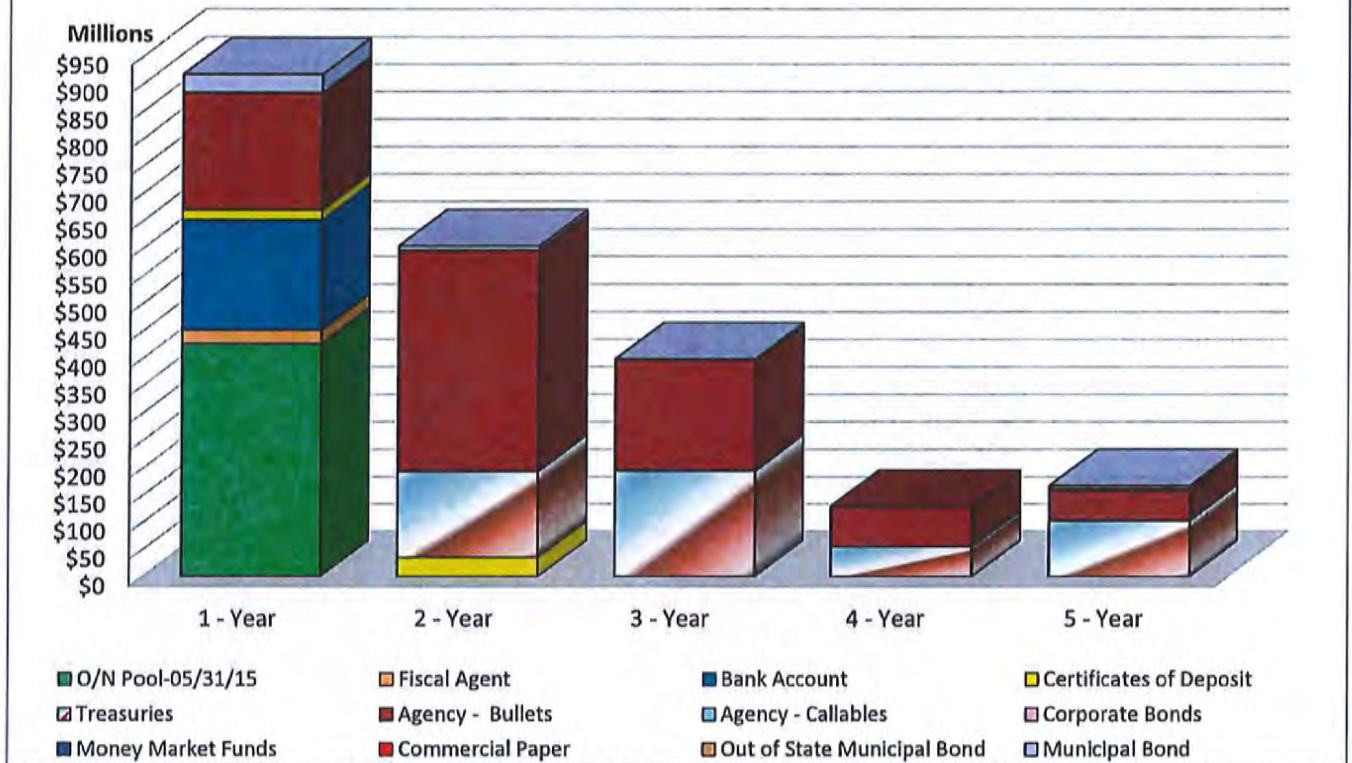


Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
\$ 1,971	\$ 2,003	\$ 2,056	\$ 2,144	\$ 2,076	\$ 2,123

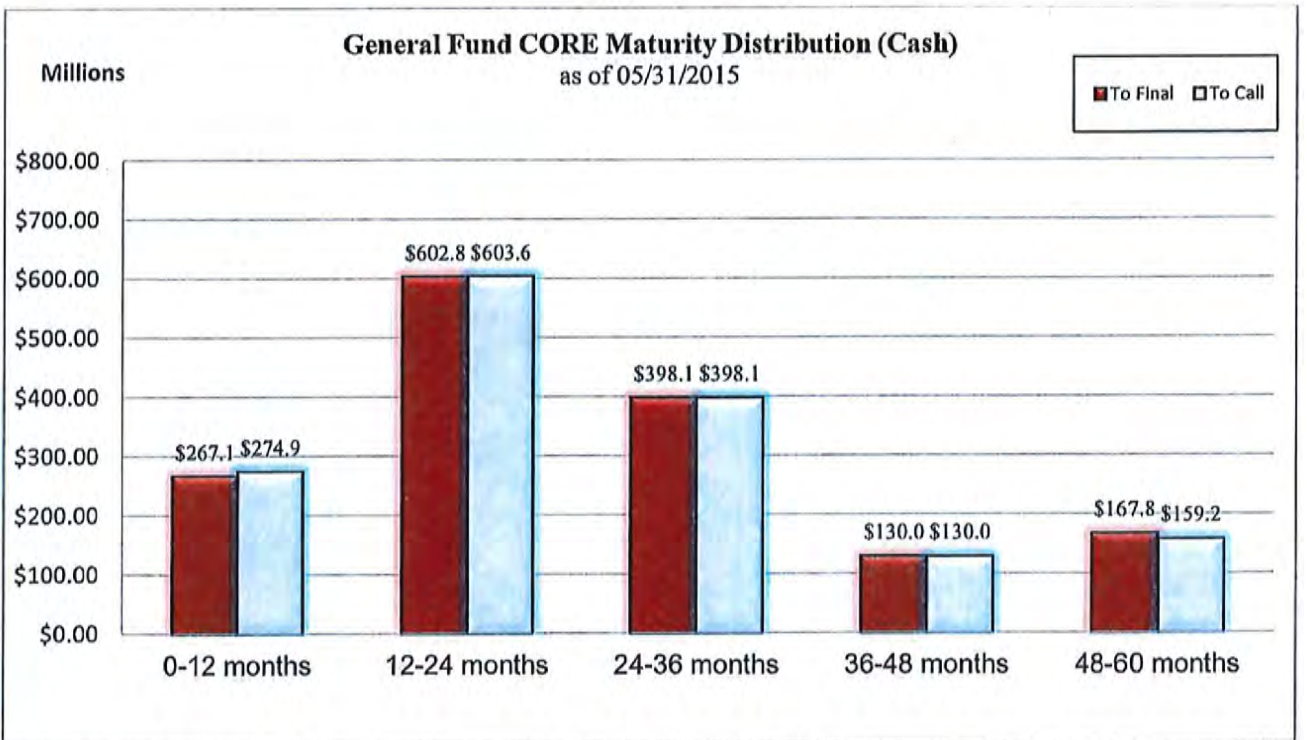
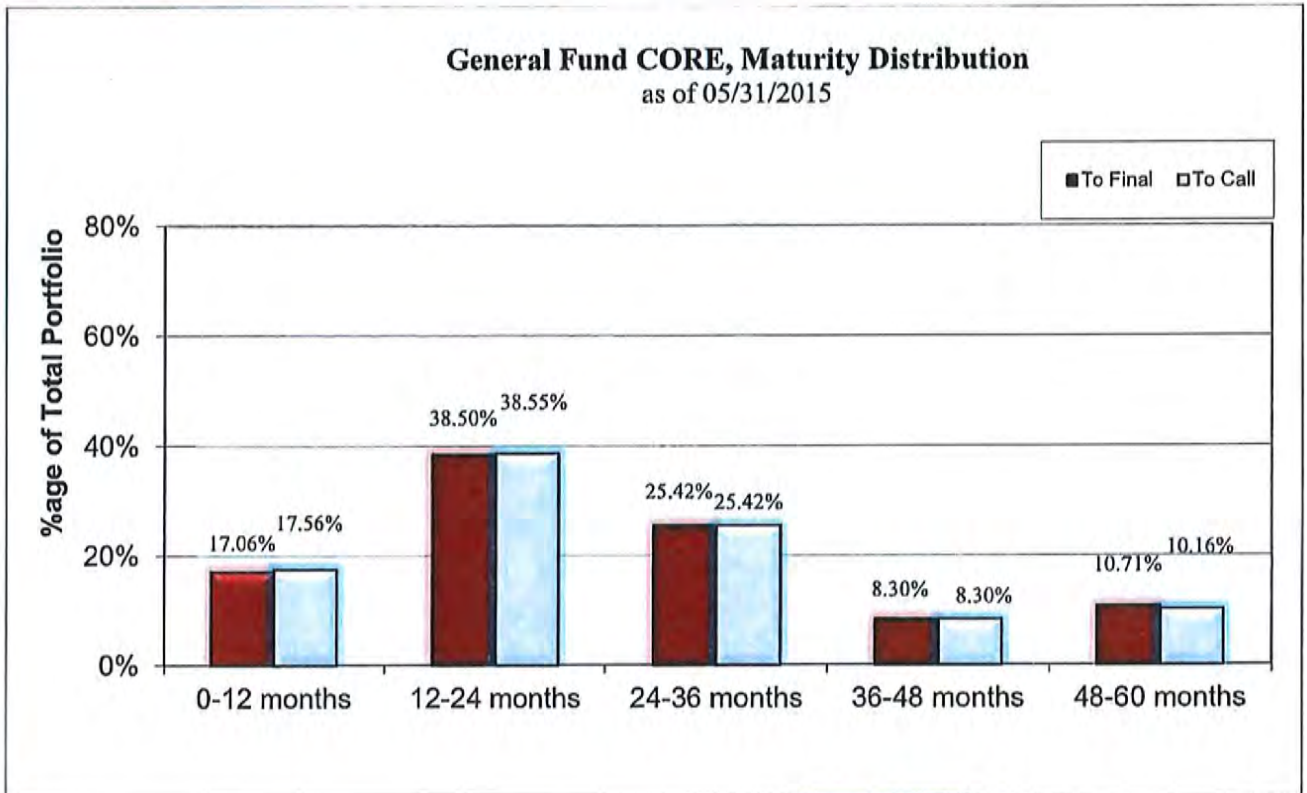
Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15
\$ 2,395	\$ 2,150	\$ 2,073	\$ 2,289	\$ 2,191	\$ 2,324

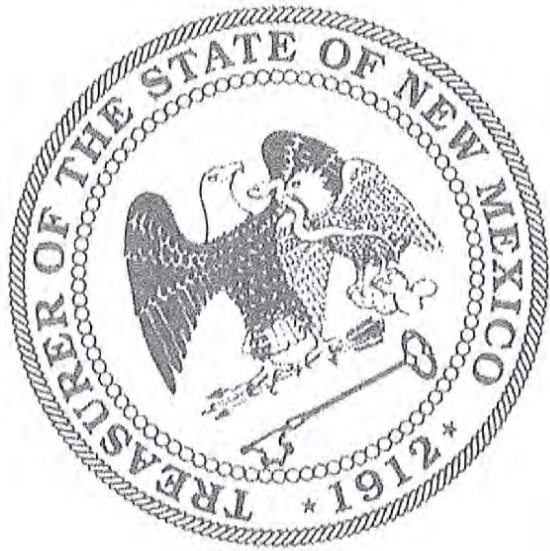


## General Fund Maturity Ladder by Year & Asset Type as of May 31, 2015



Asset Allocation	1 - Year	2 - Year	3 - Year	4 - Year	5 - Year	Total	%
Agency - Bullets	213,500,000	401,627,000	202,000,000	75,000,000	56,000,000	948,127,000	43%
Agency - Callables					2,725,000	2,725,000	0%
Corporate Bonds						0	0%
Money Market Funds						0	0%
Certificates of Deposit	17,500,000	35,250,000				52,750,000	2%
Municipal Bond	32,750,000	7,460,000	1,080,000		795,000	42,085,000	2%
Out of State Municipal Bond	1,070,000				5,085,000	6,155,000	0%
Commercial Paper						0	0%
Treasuries		158,500,000	195,000,000	55,000,000	103,150,000	511,650,000	23%
Bank Account	200,363,438					200,363,438	9%
Fiscal Agent	24,001,936					24,001,936	1%
O/N Pool-05/31/15	426,294,564					426,294,564	19%
<b>Total:</b>	<b>915,479,937</b>	<b>602,837,000</b>	<b>398,080,000</b>	<b>130,000,000</b>	<b>167,755,000</b>	<b>2,214,151,937</b>	<b>100%</b>
% of Total:	41%	27%	18%	6%	8%		





## 8. Portfolio Summary- General Fund Investment Pool



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## Portfolio Summary – General Fund Investment Pool

### *Summary*

- The General Fund Investment Pool (Bank balances, Liquidity and Core Portfolios) closed the month of May at \$2.25 Billion.

### *Portfolio Mix*

- At month end, 100% of the General Fund CORE portfolio was invested in fixed income securities; 33% in US Government Securities; 63% in Government Related Securities (Municipal Bonds and Agency Securities), and the balance ~4% in cash and cash equivalents.
- 18% of the portfolio was invested in securities that mature in one year; 40% in securities that mature from 1-2 years; 32% in 2-4 years and 10% within 5 years.
- The General Fund Core portfolio held positions in 153 securities at the end of May.
- The Weighted Average Life of the CORE portion of the General Fund was 2.05 years. The Weighted Average duration was 1.99 years.
- The benchmark duration for the CORE portfolio was 2.16 years.
- The maximum security term for the CORE portfolio is 5 years.

### *Performance*

- For the last 3 months, the General Fund underperformed its benchmark. The General Fund gained 0.36% while the benchmark gained 0.44%.
- For the last 12 months, the General Fund underperformed its benchmark. The General Fund gained 1.04% while the benchmark rose 1.11%.

### *Market Value and Investment Earnings*

- Unrealized gains in the Core Portfolio at the end of May were \$8.7 million.
- Over the month, the unrealized value of the portfolio decreased by \$0.4 million due to an increase in relative interest rates.
- Monthly net earnings for May on the General Fund Portfolios were \$1.4 million.
- Year-to-date net earnings were over \$14 million.
- STO projection of those net earnings for FY15 is \$15.6 million.
- Earnings on the General Fund are used to offset General Fund Spending.

### *Investment Highlights*

- Maturing securities and free cash are invested to the benchmark duration.
- The portfolio has remained shorter than the benchmark duration as expectations for higher short term interest rates would be detrimental to the preservation of principal.
- The portfolio will take advantage of higher interest rates in three to five year maturities as opportunities arise.

**STATE OF NEW MEXICO**

**GENERAL FUND (1000)**

Portfolio Classification Summary  
Positions Held as of 5/31/15 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	2	.0889	.00270	424,058,946	424,058,946	424,058,946		67.908
CASH ACCOUNT	1			200,403,942	200,403,942	200,403,942		32.092
	3	.0604	.00270	624,462,888	624,462,888	624,462,888		100.000

**STATE OF NEW MEXICO  
GENERAL FUND CORE (1001)**

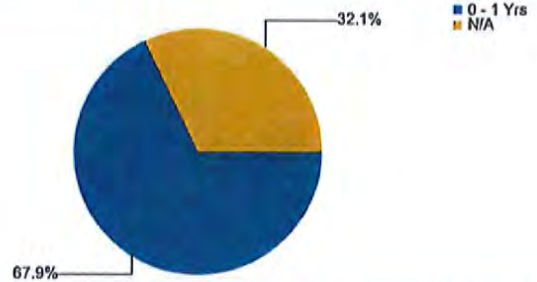
Portfolio Classification Summary  
Positions Held as of 5/31/15 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.0710	.00270	2,235,618	2,235,618	2,235,618		.141
CERTIFICATES OF DEPOSIT	11	.5886	1.18963	52,750,000	52,750,000	52,750,000		3.324
US TREASURY NOTE ACT/ACT 2X	24	1.1415	2.77930	511,650,000	514,945,901	518,215,109	3,269,208	32.657
AGENCY US BOND 30/360 2X	13	.8421	1.64024	152,352,000	153,113,668	153,766,094	652,426	9.690
AGENCY 30/360 2X	3	.9672	1.30127	66,000,000	65,992,556	66,343,700	351,144	4.181
AGENCY US NOTES 30/360 2X	26	1.0969	2.00704	612,500,000	621,247,296	625,368,830	4,121,534	39.410
FED NATL MORTGAGE ASSN DEBS	4	.8189	1.10321	120,000,000	120,142,645	120,465,000	322,355	7.591
MUNI US 30/360 2X	64	.4801	.40604	44,995,000	45,356,946	45,365,137	8,191	2.859
MUNICIPAL BOND REVENUE	3	.5189	.28440	885,000	888,917	889,196	279	.056
MUNICIPAL BOND REVENUE ZERO CPN	3	1.7759	.19746	2,360,000	1,027,358	1,030,734	3,376	.065
CASH ACCOUNT	1			413,871	413,871	413,871		.026
	<u>153</u>	<u>1.0238</u>	<u>2.04458</u>	<u>1,566,141,489</u>	<u>1,578,114,776</u>	<u>1,586,843,289</u>	<u>8,728,513</u>	<u>100.000</u>

Portfolio Characteristics

Total Net Assets (Millions)	624.5
Weighted Average Life (Years)	0.00
Weighted Avg. Effective Duration (Years)	0.00
Weighted Average Coupon (%)	0.08
Weighted Average Current Yield (%)	0.06
Weighted Average Yield to Maturity (%)	0.06
Weighted Average Rating	AAA
Number of Holdings	11



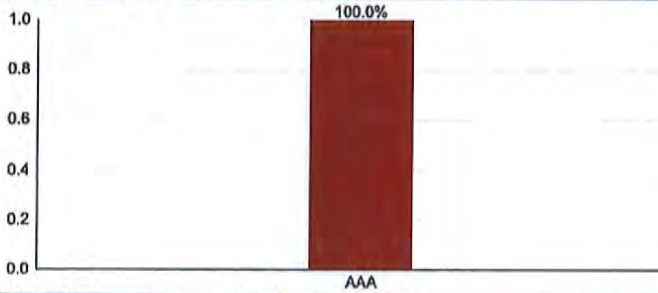
Asset Mix



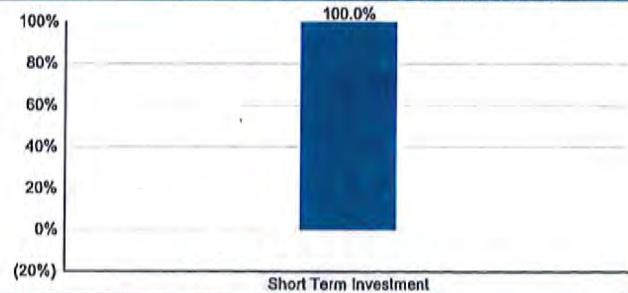
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
91491LC10	BAIK OF THE WEST	32.03%	0.00	1/6/2015
91FE90040	REPO MIZUHO SECURITIES USA INC 052915U	8.32%	0.07	1/6/2015
91FE90048	REPO MIZUHO SECURITIES USA INC 052915S	8.32%	0.07	1/6/2015
91FE90042	REPO MIZUHO SECURITIES USA INC 052915T	8.32%	0.07	1/6/2015
91FE90013	REPO JPMORGAN CHASE BK (GREENWICH) 052915M	7.89%	0.10	1/6/2015
91FE90017	REPO JPMORGAN CHASE BK (GREENWICH) 052915N	7.89%	0.10	1/6/2015
91FE90045	REPO JPMORGAN CHASE BK (GREENWICH) 052915O	7.89%	0.10	1/6/2015
91FE90046	REPO JPMORGAN CHASE BK (GREENWICH) 052915P	7.89%	0.10	1/6/2015
91FE90011	REPO MIZUHO SECURITIES USA INC 052915V	2.91%	0.07	1/6/2015
91FE90049	REPO JPMORGAN CHASE BK (GREENWICH) 052915Q	7.89%	0.10	1/6/2015

Quality/Rating Weightings

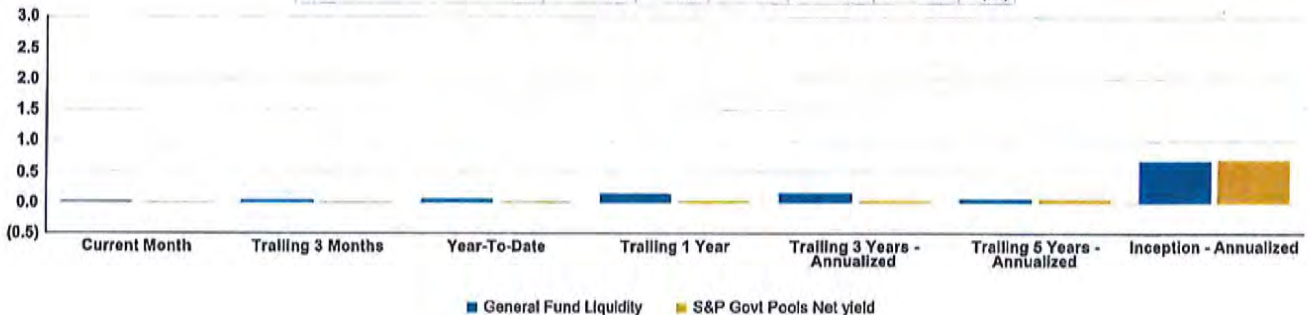


Sector Weightings (as % of Market Value)



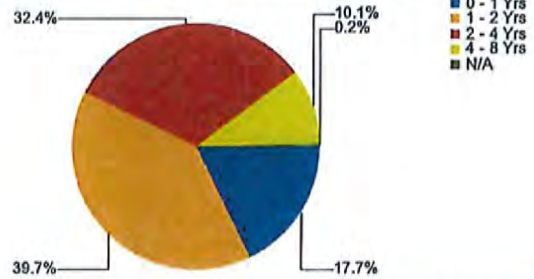
Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
General Fund Liquidity	0.01	0.04	0.06	0.15	0.16	0.06	0.68
S&P Govt Pools Net yield	0.00	0.01	0.01	0.03	0.04	0.06	0.70
Excess	0.01	0.03	0.05	0.12	0.12	0.01	(0.02)

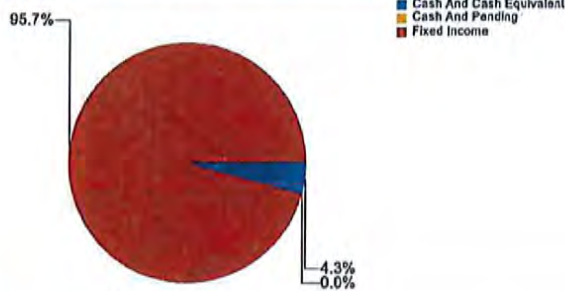


Portfolio Characteristics

Total Net Assets (Millions)	1,593.0
Weighted Average Life (Years)	2.05
Weighted Avg. Effective Duration (Years)	1.99
Weighted Average Coupon (%)	1.70
Weighted Average Current Yield (%)	0.72
Weighted Average Yield to Maturity (%)	0.72
Weighted Average Rating	AA-
Number of Holdings	153



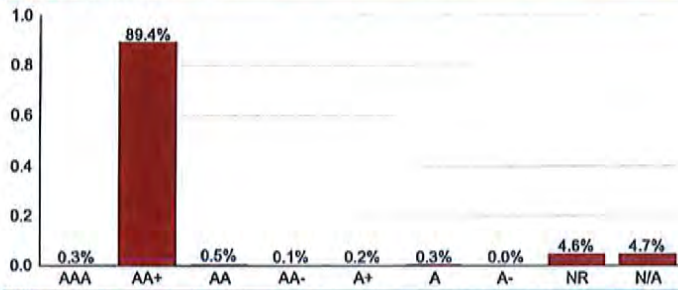
Asset Mix



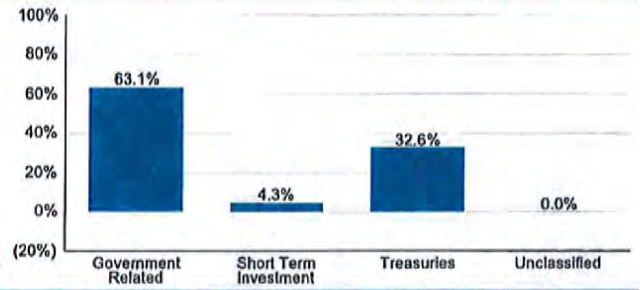
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
31359M89	FEDERAL NATIONAL MORTGAGE ASSOC 6% BDS 15/MAR/2016	3.95%	5.00	15/3/2016
31350LH1	FEDERAL NATIONAL MORTGAGE ASSOC 6.5% HTS	3.45%	0.50	2/7/2015
3137EACV7	FEDERAL HOME LOAN MORTGAGE CORP 2% BDS 25/AUG/2016	2.57%	2.00	25/8/2016
31350GV3	FEDERAL NATIONAL MORTGAGE ASSOC 1.25% MFG BDS	2.55%	1.25	30/1/2017
31350CM3	FEDERAL NATIONAL MORTGAGE ASSOC 1.25% BDS	2.54%	1.25	28/9/2016
3137EADD0	FEDERAL HOME LOAN MORTGAGE CORP 1% BDS 08/MAR/2017	2.63%	1.00	8/3/2017
31350B8A6	FEDERAL NATIONAL MORTGAGE ASSOC 2.375% HTS	2.28%	2.38	11/4/2016
91252C65	UNITED STATES OF AMERICA NOTES FIXED 1.625%	2.24%	1.62	31/3/2019
9126769J0	UNITED STATES 0.875% 02/17	1.12%	0.88	28/2/2017
9126769V0	US 1.12500 '20	2.09%	1.12	31/3/2020

Quality/Rating Weightings

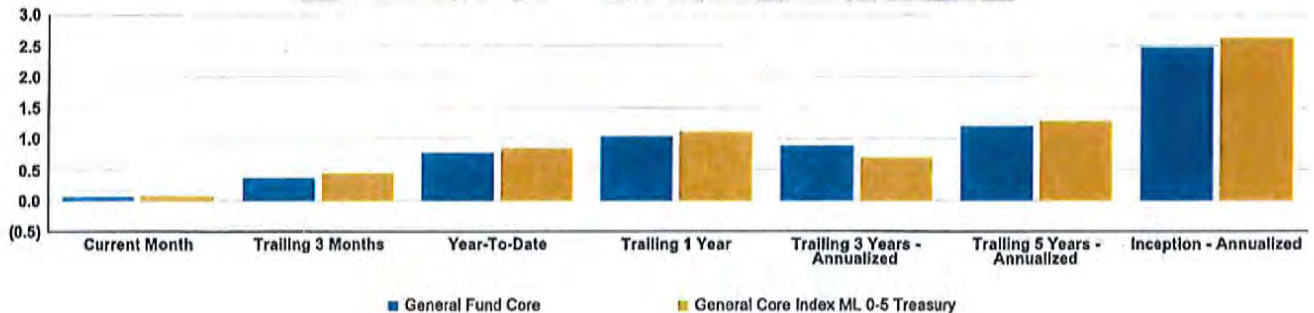


Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
General Fund Core	0.08	0.38	0.77	1.04	0.88	1.20	2.48
General Core Index ML 0-5 Treasury	0.08	0.44	0.64	1.11	0.69	1.38	2.62
Excess	(0.01)	(0.06)	(0.03)	(0.03)	0.19	(0.08)	(0.15)



**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**

Position holdings as of 5/31/15 (TRADE)  
 BOOK VALUES AMORTIZED THROUGH 5/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
200,403,942	BANK OF THE WEST	CASHCASH				1.00000	200,403,942.21	200,403,942.00	.21
200,403,942							<u>200,403,942.21</u>	<u>200,403,942.00</u>	<u>.21</u>
=> 0001 ITEMS IN SUBTOTAL FOR => FINAL-MATURITY.. => NO-MEANINGFUL-DATE <=<									
250,000,000	OVERNIGHT REPO	0601RP	.100	6/01/15	.100	1.00000	250,000,000.00	250,000,000.00	
174,058,946	OVERNIGHT REPO	0601RP	.070	6/01/15	.070	1.00000	174,058,945.61	174,058,945.61	
424,058,946							<u>424,058,945.61</u>	<u>424,058,945.61</u>	
=> 0002 ITEMS IN SUBTOTAL FOR => FINAL-MATURITY.. => 2015 <=<									
624,462,888							<u>624,462,887.82</u>	<u>624,462,887.61</u>	<u>.21</u>
=> 0003 ITEMS IN SUBTOTAL FOR => FUND NAME..... => GENERAL FUND <=<									

# STATE OF NEW MEXICO TREASURERS OFFICE

Position Holdings as of 5/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 5/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
413,871 (TD)-CASH KEY	CASHCASH					1.00000	413,871.24	413,871.00	-.24
413,871							413,871.24	413,871.00	-.24
⇒ 0001 ITEMS IN SUBTOTAL FOR ⇒ FINAL-MATURITY.. ⇒ NO-MEANINGFUL-DATE ⇒									
400,000	NEW MEXICO MILITARY INST AT ROSW 647183BU		.751	6/01/15	.751	100.00000	400,000.00	400,000.00	
200,000	SANTA FE N MEX GROSS RCPTS TAX/M 80207RAJ		5.000	6/01/15	.371	100.00000	200,000.00	200,000.00	
650,000	UNIVERSITY N MEX UNIV REVS 914692N4		3.000	6/01/15	.200	100.00000	650,000.00	650,000.00	
1,610,000	SANDOVAL CNTY NM INCENT PAY REV 800051AT		.579	6/01/15	.579	100.00000	1,610,000.00	1,610,000.00	
1,030,000	LAS CRUCES N MEX GROSS RCPTS TAX 51748TGS		2.000	6/01/15	.201	100.00000	1,030,000.00	1,030,000.00	
2,235,618	OVERNIGHT REPO 0601RP		.070	6/01/15	.070	1.00000	2,235,617.85	2,235,617.85	
500,000	WESTERN BANK CLOVIS 0.515981		.500	6/03/15	.500	1.00000	500,000.00	500,000.00	
200,000	NEW MEXICO FIN AUTH REV 64711MTU		.950	6/15/15	.950	100.00000	200,000.00	200,032.00	32.00
530,000	NEW MEXICO FIN AUTH REV 64711NWF		2.000	6/15/15	.200	100.06991	530,370.54	530,312.70	57.84
3,000,000	CENTURY BANK SANTA FE 17099254		2.000	6/17/15	.200	1.00000	3,000,000.00	3,000,000.00	
10,000,000	SOUTHWEST CAPITAL BANK 1623234		.200	6/17/15	.200	1.00000	10,000,000.00	10,000,000.00	
1,500,000	ALBUQUERQUE BERNALILLO CNTY WT J 013493ER		5.000	7/01/15	.461	100.37735	1,505,660.18	1,505,925.00	264.82
115,000	CITY OF ALBUQUERQUE NM 01354MEW		2.000	7/01/15	.310	100.14057	115,161.65	115,149.50	12.15
200,000	ALBUQUERQUE BERNALILLO CNTY WT 013493BE		4.250	7/01/15	.270	100.33117	200,662.34	200,668.00	5.66
300,000	WESTMORELAND CNTY PA MUN AUTH MU 961017BV		3.000	7/01/15	.271	100.22712	100,227.12	100,216.00	11.12
100,000	ARBQ BERN CNTY WT JT WTR & SWR S 013493DV		.500	7/02/15	.504	99.99956	299,076.00	299,940.00	864.00
55,000,000	FED NATL MORTGAGE ASSN DEBS 3135GOLN		.700	8/01/15	.700	100.21360	54,999,757.38	55,018,700.00	18,942.62
25,000	SOUTHERN SANDOVAL CNTY N MEX A 843789FH		2.000	8/01/15	.500	100.24919	25,053.90	25,064.50	10.60
500,000	BELN N MEX CONS SCH DIST NO 2 G 077581NU		2.000	8/01/15	.505	100.43622	501,245.95	501,415.00	169.05
250,000	BERNALILLO NM MUNI SCH DIST #1 85279PF8		3.130	8/01/15	.505	100.43622	251,090.55	251,090.55	
500,000	ALBUQUERQUE N MEX MUN SCH DIST S 013595EX		2.000	8/01/15	.450	100.25760	501,288.01	501,415.00	126.99
150,000	TRUTH OR CONSEQUENCES N MEX MU G 898439EE		2.000	8/01/15	.600	100.23236	150,348.54	150,387.00	38.46
125,000	BERNALILLO N MEX MUN SCH DIST GO 085279RU		2.000	8/01/15	.500	100.24922	125,311.53	125,322.50	10.97
200,000	SANDOVAL CNTY N MEX 80004FPD		2.000	8/01/15	.490	100.25089	200,501.78	200,516.00	14.22
225,000	RUIDOSS MUNICIPAL SCHOOL DISTRICT 781338JL		2.000	8/01/15	.301	100.28273	225,636.14	225,636.75	.61
9,000,000	SANTA FE PUBLIC SCHOOL ETN 2014 SFP20215		.350	8/01/15	.350	100.00000	9,000,000.00	9,000,000.00	
3,500,000	ALBUQUERQUE N MEX MUN SCH DISTNO 013595TL		2.000	8/01/15	.220	100.29626	3,510,369.02	3,509,905.00	464.02
520,000	SYLACAUGA ALA HEALTH CARE AUTHRE 871244AA		5.375	8/01/15	.341	100.83752	524,355.10	524,368.00	12.90
1,000,000	CADSDEN INDEPENDENT SCHOOL DIST GISD15R2		.800	8/15/15	.800	100.00000	1,000,000.00	1,000,000.00	
5,025,000	GALLUP N MEX POLLUTION CTL REV 364070BE		5.000	8/15/15	.500	100.92251	5,071,356.02	5,071,531.50	175.48
1,000,000	CADSDEN IND SCH DIST EDU TECH GO GISD2015		.800	8/15/15	.800	100.00000	1,000,000.00	1,000,000.00	
20,000,000	FEDERAL FARM CREDIT BANKS 31331KVK		.875	8/18/15	.263	100.13075	20,026,149.94	20,033,400.00	7,250.06
235,000,000	DONA ANA CNTY N MEX 257579CM		2.000	9/01/15	.470	100.38144	235,896.39	236,008.15	111.76

# STATE OF NEW MEXICO TREASURERS OFFICE

Position holdings as of 5/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 5/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
300,000	LOVINGTON N MEX MUN SCH DIST NO	547473DH	2.000	9/01/15	.351	100.41156	301,234.67	301,230.00	4.67
335,000	TAOS N MEX SCH DIST	87601UAK	4.000	9/01/15	.270	100.93118	336,119.45	338,071.95	47.50
250,000	MID PENINSULA REGL OPEN SPACE DI	598024AU		9/01/15		99.36600	248,415.00	249,750.00	1,335.00
165,000	FARMINGTON N MEX MUN SCH DIST NO	311441KV	2.000	9/01/15	.301	100.42414	165,699.83	165,707.85	8.02
865,000	FARMINGTON N MEX MUN SCH DIST NO	311441LJ	2.000	9/01/15	.301	100.42414	868,668.79	868,710.85	42.06
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACH	1.750	9/10/15	1.001	100.20431	20,040,862.26	20,092,400.00	51,537.74
100,000	AZTEC N MEX MUN SCH DIST NO 002	054879CZ	3.250	10/01/15	.330	100.97162	100,971.62	100,934.00	37.62
130,000	GRANTS / CIBOLA CNTY N MEX SCHDI	388240CD	2.000	10/01/15	.360	100.54548	130,709.12	130,682.50	26.62
2,000,000	FARMERS AND STOCKMENS BANK	8521544	.350	10/29/15	.350	1.00000	2,000,000.00	2,000,000.00	-
750,000	NEW MEXICO EDL ASSISTANCE FNDTN	647110ET	4.000	12/01/15	.280	101.85732	763,929.92	763,867.50	62.42
300,000	NEW MEXICO FIN AUTH ST TRANSN RE	64711RDC	5.000	12/15/15	.360	102.49534	307,486.03	307,623.00	136.97
100,000	NEW MEXICO FIN AUTH ST TRANSN RE	64711RHW	5.000	12/15/15	.330	102.51205	102,512.05	102,579.00	66.95
							<b>145,293,744.67</b>	<b>145,374,177.65</b>	<b>80,432.98</b>

====> 0045 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2015 <====

3,000,000	FEDERAL FARM CREDIT BANKS	3133ECTC	.640	1/28/16	.327	100.20574	3,006,172.22	3,008,190.00	2,017.78
60,000,000	FEDERAL NATIONAL MORTGAGE ASSOCC	31359NH8	5.000	3/15/16	.661	103.40750	62,044,497.28	62,196,000.00	151,502.72
580,000	NEW MEXICO ST UNIV REVS	647429V7	1.000	4/01/16	1.000	100.00000	580,000.00	581,386.20	1,386.20
720,000	LOS LUNAS NM GROSS RCPTS TAX RE	545559CU	2.000	4/01/16	.530	101.22036	728,786.60	728,589.60	197.00
35,500,000	FEDERAL NATIONAL MORTGAGE ASSOCC	3135G08A	2.375	4/11/16	.793	101.35482	35,980,997.46	36,128,705.00	147,707.54
1,000,000	FARMERS AND STOCKMENS BANK	8521545	.450	4/29/16	.450	1.00000	1,000,000.00	1,000,000.00	-
1,000,000	FARMERS AND STOCKMENS BANK	8521680	.500	4/29/16	.500	1.00000	1,000,000.00	1,000,000.00	-
135,000	VILLAGE OF CORRALES NM	22026TAC	2.000	5/01/16	.750	101.13938	136,538.16	136,690.20	152.04
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACT	2.500	5/27/16	1.080	101.39261	20,278,521.84	20,414,200.00	135,678.16
100,000	NEW MEXICO MILITARY INST AT ROSW	647183BV	1.182	6/01/16	1.182	100.00000	100,000.00	100,467.00	467.00
160,000	LOS ALAMOS CNTY N MEX INC GROSS	54423TAM	5.750	6/01/16	.535	105.19391	168,310.26	168,355.20	44.94
205,000	LAS VEGAS N MEX GROSS RCPTS TAX	51778TBN	2.000	6/01/16	.550	101.44382	207,959.84	208,007.35	47.51
100,000	SANTA FE N MEX GROSS RCPTS TAXRE	802072MS	5.000	6/01/16	.500	104.48305	104,483.05	104,183.00	300.05
125,000	NEW MEXICO FIN AUTH REV	6471JMPZ	2.500	6/01/16	.680	101.81045	127,263.06	127,213.75	49.31
1,045,000	LAS CRUCES N MEX JT UTIL REV	51749PEK	2.000	6/01/16	.501	101.49350	1,060,607.09	1,059,807.65	799.44
25,000,000	FEDERAL AGRICULTURAL MORTG CORP	31315PB7	.900	6/09/16	.900	100.00000	25,000,000.00	25,169,500.00	169,500.00
100,000	NEW MEXICO FIN AUTH REV	6471JMTV	1.250	6/15/16	1.250	100.00000	100,000.00	100,431.00	431.00
325,000	NEW MEXICO FIN AUTH REV	6471JNVG	3.000	6/15/16	.480	102.60794	333,475.82	333,927.75	451.93
7,500,000	FEDERAL FARM CREDIT BANKS	3133EDDP	.520	6/17/16	.520	100.00000	7,500,000.00	7,513,200.00	13,200.00
180,000	NEW MEXICO ST SEVERANCE TAX	647310Q4	5.000	7/01/16	.699	104.63279	188,339.02	188,974.80	635.78
1,000,000	ALBUQUERQUE BERNALILLO CNTY WT J	013493ES	5.000	7/01/16	.830	104.48693	1,044,869.29	1,049,750.00	4,880.71
500,000	ALBUQUERQUE BERNALILLO CNTY WT J	013493DW	4.000	7/01/16	.830	103.41087	517,054.33	519,585.00	2,530.67



# STATE OF NEW MEXICO TREASURERS OFFICE

Position holdings as of 5/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 5/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
200,000	RUIDOSO N MEX WASTEWATER REV REF	7813244C	2.000	7/01/16	.800	101.29136	202,582.72	202,558.00	-
200,000	CITY OF ALBUQUERQUE NM	01354MEX	3.000	7/01/16	.560	102.63119	205,262.38	205,466.00	203.62
20,000,000	FEDERAL NATIONAL MORTGAGE ASSO CI	31359M56	5.375	7/15/16	1.126	104.72360	20,944,720.80	21,099,000.00	154,279.20
16,000,000	FARMER MAC	31315PR8	.770	8/01/16	.810	99.95347	15,992,555.94	16,031,200.00	38,644.06
500,000	BELN N MEX CONS SCH DIST NO 2 G	077581N1	2.000	8/01/16	.770	101.42539	507,126.97	509,180.00	2,053.03
125,000	TRUTH OR CONSEQUENCES N MEX MU G	898439EF	2.000	8/01/16	1.000	101.15625	126,445.31	127,105.00	659.69
225,000	SANDOVAL CNTY N MEX	80004PDP	.750	8/01/16	.710	101.49566	228,365.24	228,737.25	372.01
2,000,000	SANTA FE PUBLIC SCHOOLS ETN 2014	SFPS2016	.750	8/01/16	.750	100.00000	2,000,000.00	2,000,000.00	-
370,000	SAN DOVAL CNTY NM	80004PDP	2.000	8/01/16	.501	101.74179	376,444.63	376,145.70	298.93
40,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACM	2.000	8/25/16	.832	101.42978	40,571,913.22	40,758,400.00	186,486.78
1,127,000	FEDERAL FARM CREDIT BANKS	31331V2U	5.125	8/25/16	.590	105.56339	1,189,699.39	1,191,678.53	1,979.14
20,000,000	UNITED STATES TREASURY NOTES	912828RF	1.000	8/31/16	.929	100.08696	20,017,391.74	20,151,600.00	134,208.26
2,000,000	Bank 34	01010047	.600	8/31/16	.600	1.00000	2,000,000.00	2,000,000.00	-
40,000,000	FEDERAL NATIONAL MORTGAGE ASSO CI	3135G0CM	1.250	9/28/16	.918	100.43613	40,174,453.10	40,405,600.00	231,146.90
10,000,000	FIRST NATIONAL SANTA FE	84000330	.600	10/10/16	.600	1.00000	10,000,000.00	10,000,000.00	-
30,000,000	FEDERAL HOME LOAN MORTGAGE CORP.	3137EADS	.875	10/14/16	.862	100.01807	30,005,419.89	30,166,800.00	161,380.11
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EAAJ	5.125	10/18/16	.553	106.27831	21,255,661.27	21,281,800.00	26,138.73
10,000,000	FEDERAL HOME LOAN BANKS	3133XHZK	4.750	12/16/16	.694	106.20815	10,620,814.71	10,641,400.00	20,585.29
25,000,000	UNITED STATES TREAS NTS	912828RX	.875	12/31/16	.776	100.15526	25,038,815.79	25,156,250.00	117,434.21
396,022,000							402,665,548.42	404,370,083.98	1,704,535.56

====> 0041 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2016 <====

25,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PN8	1.100	1/26/17	1.100	100.00000	25,000,000.00	25,143,000.00	143,000.00
40,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0CY	1.250	1/30/17	1.054	100.32160	40,128,640.53	40,392,400.00	263,759.47
20,000,000	UNITED STATES TREAS NTS	912828SC	.875	1/31/17	.846	100.04827	20,009,653.29	20,115,600.00	105,946.71
20,000,000	FEDERAL HOME LOAN BANK	3133786Q	1.000	2/13/17	1.030	99.94850	19,989,699.81	20,131,600.00	141,900.19
20,000,000	FREDDIE MAC	3137EADT	.875	2/22/17	.928	99.90920	19,981,839.33	20,082,200.00	100,360.67
33,500,000	UNITED STATES TREAS NTS	912828S1	.875	2/28/17	.872	100.00535	33,501,792.14	33,698,990.00	197,197.86
20,000,000	UNITED STATES TREASURY NOTES	912828MS	3.000	2/28/17	.863	103.69696	20,739,391.65	20,854,600.00	115,208.35
40,000,000	FED HOME LOAN MORTGAGE CORP DBS	3137EADC	1.000	3/08/17	1.019	99.96694	39,986,777.43	40,264,000.00	277,222.57
20,000,000	FEDERAL HOME LOAN BANKS	3133782N	.875	3/10/17	.783	100.16178	20,032,355.63	20,068,600.00	36,244.37
250,000	GUADALUPE CREDIT UNION	35605000	1.000	3/26/17	1.000	1.00000	250,000.00	250,000.00	-
20,000,000	UNITED STATES TREASURY NOTES	912828SM	1.000	3/31/17	.905	100.17110	20,034,219.42	20,162,600.00	128,380.58
9,000,000	FARMER MAC	31315P52	.980	4/10/17	1.015	99.93548	8,994,193.41	9,048,960.00	54,766.59
3,000,000	FIRST NATIONAL SANTA FE	84000331	.850	4/10/17	.850	1.00000	3,000,000.00	3,000,000.00	-
3,000,000	FARMERS AND STOCKMENS	8521625	.700	4/21/17	.700	1.00000	3,000,000.00	3,000,000.00	-
10,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0JA	1.125	4/27/17	1.049	100.14250	10,014,249.59	10,086,900.00	72,650.41

# STATE OF NEW MEXICO TREASURERS OFFICE

Position holdings as of 5/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 5/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
8,000,000	FARMER MAC	31315PY8	.930	5/01/17	.970	99.92407	7,993,925.80	8,030,960.00	37,034.20
20,000,000	UNITED STATES TREASURY NOTES	9128285Y	.625	5/31/17	1.009	99.24304	19,848,608.76	20,007,800.00	159,191.24
1,080,000	LAS CRUCES N MEX JT UTIL REV	51749BEL	2.000	6/01/17	.750	102.47633	1,106,744.36	1,105,185.60	-1,558.76
23,000,000	FEDERAL HOME LOAN BANKS	313379FW	1.000	6/09/17	.928	100.14485	23,033,314.43	23,142,140.00	108,825.57
30,000,000	FEDERAL HOME LN MTG CORP	31379EADH	1.000	6/29/17	.981	100.03949	30,031,848.44	30,193,200.00	181,351.56
20,000,000	UNITED STATES TREASURY NOTES	912828TB	.750	6/30/17	1.028	99.42839	19,885,678.97	20,045,400.00	159,721.03
9,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PDT	3.020	7/14/17	1.056	104.10493	9,369,443.75	9,421,650.00	52,206.25
30,000,000	UNITED STATES TREASURY NOTES	912828MT	.875	7/15/17	.966	99.80999	29,942,997.35	30,140,700.00	197,702.65
25,500,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADJ	1.000	7/28/17	.919	100.17306	25,544,131.57	25,633,875.00	89,743.43
20,000,000	UNITED STATES TREASURY NOTES	912828NR	2.375	7/31/17	1.122	102.67368	20,534,735.40	20,726,600.00	191,864.60
20,000,000	UNITED STATES TREASURY NOTES	912828HA	4.750	8/15/17	1.027	108.10236	21,620,472.21	21,775,000.00	154,527.79
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EAAV	5.500	8/23/17	1.072	109.72113	10,972,112.64	11,039,300.00	67,187.36
10,000,000	UNITED STATES TREASURY NOTES	912828D9	1.000	9/15/17	1.058	99.86928	9,986,928.16	10,064,100.00	77,171.84
4,500,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315P3K	1.150	9/18/17	1.170	99.95347	4,497,906.06	4,535,820.00	37,913.94
15,000,000	FNMA	3135G0ZL	1.000	9/27/17	1.118	99.73017	14,959,525.59	15,069,300.00	109,774.41
30,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADL	1.000	9/29/17	1.059	99.86343	29,959,027.78	30,113,400.00	154,372.22
25,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0PQ	.875	10/26/17	1.164	99.31732	24,829,329.07	25,014,000.00	184,670.93
20,000,000	UNITED STATES TREASURY NOTES	912828HH	4.250	11/15/17	1.085	107.64264	21,528,527.90	21,689,000.00	160,472.10
20,000,000	UNITED STATES TREASURY NOTES	912828UA	.625	11/30/17	1.075	98.89343	19,778,686.45	19,918,800.00	140,113.55
<b>641,830,000</b>							<b>647,066,756.92</b>	<b>650,965,680.60</b>	<b>3,898,923.68</b>
⇒⇒⇒ 0034 ITEMS IN SUBTOTAL FOR ⇒⇒⇒ FINAL-MATURITY.. ⇒⇒⇒ 2017 ⇒⇒⇒									
5,000,000	UNITED STATES TREASURY NOTES	912828UJ	.875	1/31/18	1.309	98.86593	4,943,296.69	5,004,300.00	61,003.31
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADP	.875	3/07/18	1.454	98.43533	14,765,299.99	14,970,450.00	205,150.01
15,000,000	FED NATL MORTGAGE ASSN DEB	3136GLEN	1.100	3/13/18	1.100	100.00000	15,000,000.00	14,967,000.00	-33,000.00
25,000,000	UNITED STATES TREASURY NOTES	912828UZ	.625	4/30/18	1.188	98.39374	24,598,435.58	24,791,000.00	192,564.42
25,000,000	UNITED STATES TREASURY NOTES	912828VE	1.000	5/31/18	1.228	99.33125	24,832,812.93	25,033,250.00	200,437.07
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0YM	1.875	9/18/18	1.438	101.40142	20,280,283.85	20,489,800.00	209,516.15
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0YT	1.625	11/27/18	1.747	99.58863	14,938,295.16	15,221,700.00	283,404.84
20,000,000	UNITED STATES TREASURY NOTES	912828RT	1.375	11/30/18	1.404	99.90237	19,980,473.38	20,182,800.00	202,326.62
<b>140,000,000</b>							<b>139,338,897.58</b>	<b>140,660,300.00</b>	<b>1,321,402.42</b>
⇒⇒⇒ 0008 ITEMS IN SUBTOTAL FOR ⇒⇒⇒ FINAL-MATURITY.. ⇒⇒⇒ 2018 ⇒⇒⇒									

**STATE OF NEW MEXICO  
TREASURERS OFFICE**

Position holdings as of 5/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 5/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0ZA	1.875	2/19/19	1.678	100.70635	20,141,269.93	20,421,400.00	280,130.07
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACA	3.750	3/27/19	1.762	107.31524	21,463,048.28	21,804,400.00	341,351.72
35,000,000	UNITED STATES TREASURY NOTES	912828C6	1.625	3/31/19	1.744	99.55893	34,845,623.85	35,533,050.00	687,426.15
2,725,000	FEDERAL HOME LOAN BANKS	3130A2H8	2.500	7/09/19	.660	100.19335	2,730,268.75	2,732,085.00	1,816.25
14,000,000	UNITED STATES TREASURY NOTES	912828M	1.625	7/31/19	1.203	101.70710	14,238,994.49	14,178,220.00	60,774.49
13,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315P3R	1.900	9/18/19	1.920	99.91678	12,989,180.90	13,280,410.00	291,229.10
24,500,000	UNITED STATES TREASURY NOTES	912828F6	1.800	10/31/19	1.561	99.74076	24,436,485.55	24,635,975.00	199,489.45
8,000,000	FEDERAL FARM CREDIT BANKS	3133EEBN	1.800	11/12/19	1.755	100.19042	8,015,233.71	8,141,680.00	126,446.29
14,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0ZY	1.750	11/26/19	1.701	100.21040	14,029,456.25	14,157,920.00	128,463.75
175,000	KNOX CNTY KY	499422DH	5.800	12/01/19	.780	107.47164	188,075.37	187,610.50	464.87
25,900,000	UNITED STATES TREASURY NOTES	912828C9	1.625	12/31/19	1.318	101.36196	26,252,746.95	26,148,899.00	103,847.95
<b>177,300,000</b>							<b>179,330,384.03</b>	<b>181,221,649.50</b>	<b>1,891,265.47</b>

====> 0011 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2019 <====

21,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315P55	1.820	1/08/20	1.590	101.01576	21,213,308.83	21,195,300.00	18,008.83
33,750,000	UNITED STATES TREASURY NOTES	912828U	1.125	3/31/20	1.387	98.77995	33,338,234.13	33,222,825.00	115,409.13
5,000,000	UNITED STATES TREASURY NOTES	912828K5	1.375	4/30/20	1.329	100.21775	5,010,887.62	4,977,750.00	33,137.62
635,000	RIO RANCHO NM EVENT	76717PAJ	5.000	6/01/20	.384	100.00000	635,000.00	635,000.00	-
<b>60,385,000</b>							<b>60,197,430.58</b>	<b>60,030,875.00</b>	<b>166,555.58</b>

====> 0004 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2020 <====

345,000	MTLL CNTY ILL SCH DIST NO 122	96885288	4.500	10/01/24	.370	101.37399	349,740.28	349,902.45	162.17
<b>345,000</b>							<b>349,740.28</b>	<b>349,902.45</b>	<b>162.17</b>

====> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2024 <====

160,000	ALBUQUERQUE BERNALILLO CNTY WT	013499AV	4.500	7/01/25	.300	100.34943	160,559.09	160,545.60	13.49
<b>160,000</b>							<b>160,559.09</b>	<b>160,545.60</b>	<b>13.49</b>

====> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2025 <====

**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**

Position holdings as of 5/31/15 (TRADE)  
 BOOK VALUES AMORTIZED THROUGH 5/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
750,000	VOLUSIA CNTY FLA SCH BRD CTFS PA 92884EFD		5.000	8/01/27	.281	100.78540	755,890.53	755,902.50	11.97
<u>750,000</u>							<u>755,890.53</u>	<u>755,902.50</u>	<u>11.97</u>
==>	0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2027 <==								
255,000	CHOCTAW CNTY MISS HOSP REV	170323AR	7.500	8/01/28	.770	107.79971	274,889.27	273,293.70	1,595.57
<u>255,000</u>							<u>274,889.27</u>	<u>273,293.70</u>	<u>1,595.57</u>
==>	0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2028 <==								
320,000	PASCO CNTY FLA SCH BRD CTFS PART 702528DG		5.000	8/01/30	.281	100.78540	322,513.29	322,518.40	5.11
<u>320,000</u>							<u>322,513.29</u>	<u>322,518.40</u>	<u>5.11</u>
==>	0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2030 <==								
300,000	GUAM GOVT WTRKKS AUTH WTR & WAST 40065FAJ		5.875	7/01/35	.300	100.46384	301,391.51	301,308.00	83.51
790,000	SYLACAUGA ALA HEALTH CARE AUTHRE 871244AC		6.000	8/01/35	.300	100.94847	797,492.90	797,426.00	66.90
<u>1,090,000</u>							<u>1,098,884.41</u>	<u>1,098,734.00</u>	<u>150.41</u>
==>	0002 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2035 <==								
340,000	KNOX CNTY KY	499422DL	5.875	12/01/36	.780	107.58322	365,782.95	364,704.40	1,078.55
<u>340,000</u>							<u>365,782.95</u>	<u>364,704.40</u>	<u>1,078.55</u>
==>	0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2036 <==								

**STATE OF NEW MEXICO**

**TREASURERS OFFICE**

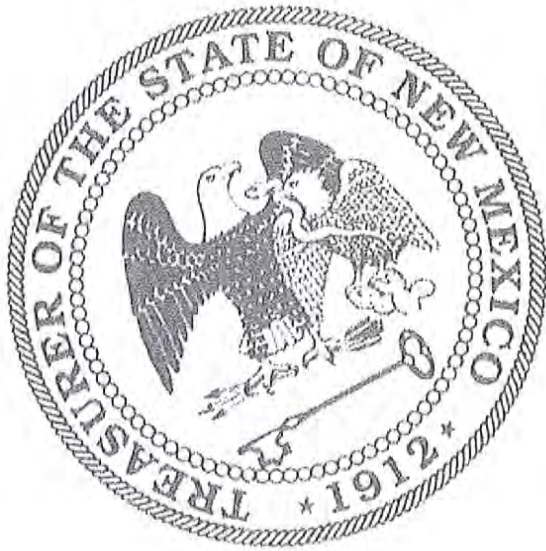
Position holdings as of 5/31/15 (TRADE)  
 BOOK VALUES AMORTIZED THROUGH 5/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
1,810,000	PROSPER TEX INDPT SCH DIST	743600LB		8/15/40	3.750	26.51200	479,867.20	481,043.70	1,176.50
<u>1,810,000</u>							<u>479,867.20</u>	<u>481,043.70</u>	<u>1,176.50</u>

==> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2040 <==

<u>1,566,141,489</u>							<u>1578114760.46</u>	<u>1586843282.48</u>	<u>8,728,522.02</u>
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==> 0153 ITEMS IN SUBTOTAL FOR ==> FUND NAME..... ==> GENERAL FUND CORE <==



## 9. Portfolio Summary- Local Government Investment Pool

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

### *Summary*

- Ending May market value for the LGIP was \$618.9mil, approximately \$17.9mil higher than the \$601mil reported at the end of April.
- The LGIP maintains an AAAM rating by Standard & Poor's.
- At the end of May the STO LGIP participant balance was \$52.3mil or 8.5% of the Pool.
- At the end of May the Judicial District Court LGIP participant balance was \$4.9mil or 0.8% of the Pool.

### *Portfolio Mix*

- At the end of May 2015 the portfolio was invested as follows: 0% in US Treasuries, 46% in US Government Agencies, 32% in collateralized demand deposit accounts with qualified banking institutions, 21% in floating rate securities, and 0% in overnight repurchase agreements.
- At month-end, the LGIP held positions in 55 securities.

### *Investment Earnings*

- In May the fund earned \$90,821.
- For Fiscal Year 2015, the fund has earned \$939,817.
- 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 0.17% at the end of May.
- Net yield to participants was 0.10%.

### *Investment Highlights*

- For the LGIP, the WAM(R) of 57 days, and WAM (F) of 83 days, were within their maximums of 60 and 120 days respectively.
- The LGIP experienced net subscriptions for the month of May, ~\$17.9mil.
- Maturities for May totaled \$65.3mil face amount.
- The LGIP purchased \$43.8mil. US Government Agency securities maturing from 3 to 10 months at yields between 0.11% and 0.36%.
- LGIP utilized term investments to reduce exposure to lower yielding overnight investments.
- The LGIP continued to keep WAMs close to the maximum allowable 60 days.

### *Investment Strategy*

- LGIP WAMs are currently 71 and 50 days for WAM(R) and WAM (F) respectively.
- The LGIP has experienced net subscriptions in June so far, ~ \$(1)mil.
- Maturities will total \$46.2mil in June.
- With WAMs tight to the maximums allowable to maintain the AAAM rating, the Pool has been monitoring cash flows carefully.

- As WAMs recede the LGIP will invest in securities that are longer dated and attractive vs. overnight collateralized bank deposits and repo.
- It is expected that the LGIP WAMs will remain close to the allowable maximums.
- LGIP will continue to focus on maximizing safety of principal and providing adequate liquidity through the use of conservative investments.

*Net Asset Value/Share*

At month-end, the Net Asset Value per Share of the Local Government Investment Pool was \$0.99980.



# STATE OF NEW MEXICO

## LGIP FUND (4101)

Portfolio Classification Summary  
Positions Held as of 5/31/15 (TRADE BASIS)

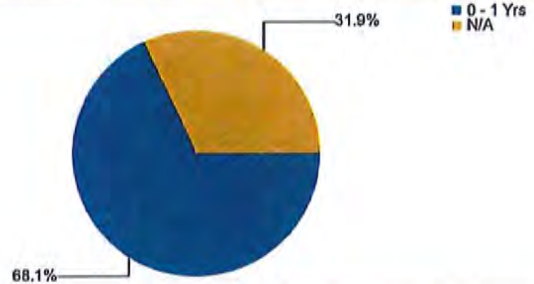
AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
AGENCY US BOND 30/360 ZX	16	.2016	.22550	121,197,000	121,254,112	121,248,222	-5,890	19.620
AGENCY US DISC ACT/360 360 DAY	3	.1573	.20336	21,645,000	21,628,532	21,642,701	14,169	3.502
FED HOME LOAN BANKS	3	.1837	.34110	20,000,000	19,997,746	19,999,250	1,504	3.236
AGENCY 30/360 ZX	1	.2036	.03290	5,000,000	5,001,830	5,001,650	-180	.809
AGENCY US BOND 30/360 ZERO CPN	3	.1968	.41098	9,500,000	9,486,600	9,486,175	-425	1.535
AGENCY US NOTES 30/360 ZX	12	.2086	.40862	98,155,000	98,865,299	98,866,004	705	15.998
FED NATL MORTGAGE ASSN DEBS	1	.1445	.40550	12,769,000	12,845,191	12,844,209	-982	2.078
AGENCY US VARIABLE ACT/360 4X	12	.1555	.32757	131,700,000	131,718,140	131,711,092	-7,048	21.313
CASH ACCOUNT	4			197,193,123	197,193,123	197,193,123		31.909
	55	.1252	.31205	617,159,123	617,990,573	617,992,426	1,853	100.000

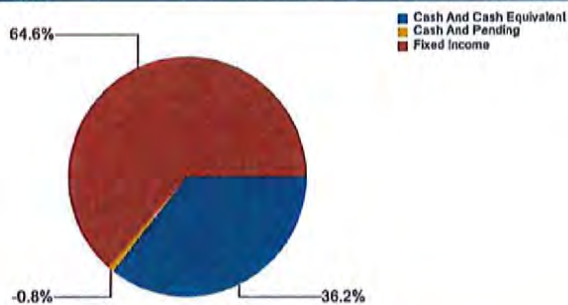
Portfolio Characteristics

Total Net Assets (Millions)	618.8
Weighted Average Life (Years)	0.23
Weighted Avg. Effective Duration (Years)	0.16
Weighted Average Coupon (%)	0.53
Weighted Average Current Yield (%)	0.13
Weighted Average Yield to Maturity (%)	0.13
Weighted Average Rating	AA-
Number of Holdings	55

Duration Mix



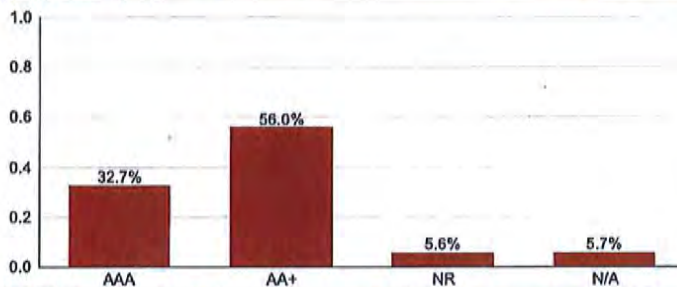
Asset Mix



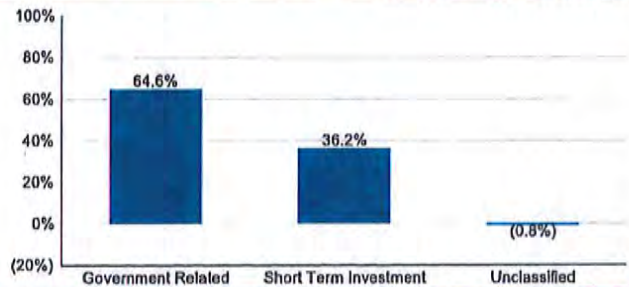
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
89493LC10	BANK OF THE WEST	22.31%	0.00	1/6/2015
89493LC28	US BAIK	4.83%	0.00	1/6/2015
3130AG6X3	FEDERAL HOME LOAN BANKS BOND VARIABLE 07/OCT/2015	4.25%	0.22	7/10/2015
31316PHJ8	FEDERAL AGRICULTURAL MORTGAGE CORP MEDIUM TERM	3.21%	0.19	1/7/2015
31315F0T0	FEDERAL AGRICULTURAL MORTGAGE CORP 3.125% B03	2.77%	2.12	1/8/2015
31316G5D3	FEDERAL FARM CREDIT BANK DISCOUNT NOTES VARIABLE	2.41%	0.21	22/10/2015
31316DAV2	FEDERAL FARM/FLT 12/15	2.41%	0.20	2/12/2015
31316D3F7	FEDERAL FARM CREDIT BANK BOND VARIABLE 6/10/OCT/2015	2.38%	0.14	1/10/2015
313163VM9	FEDERAL HOME LOAN BANKS BOND VARIABLE 18/AUG/2015	2.10%	0.00	1/8/2015
894932C02	Wells Fargo Checking	4.89%	0.13	1/6/2015

Quality/Rating Weightings

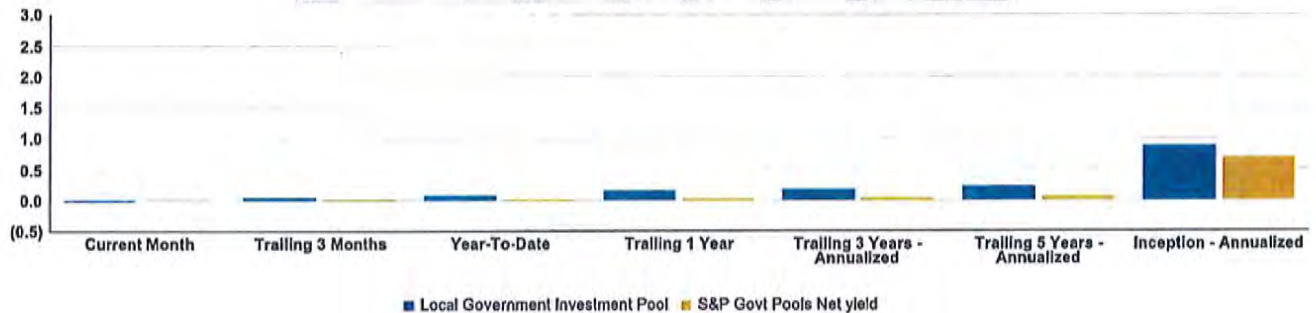


Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Local Government Investment Pool	(0.02)	0.05	0.08	0.16	0.18	0.22	0.43
S&P Govt Pools Net yield	0.60	0.01	0.01	0.03	0.04	0.08	0.70
Excess	(0.62)	0.04	0.07	0.13	0.14	0.17	0.18



# STATE OF NEW MEXICO TREASURERS OFFICE

Position holdings as of 5/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 5/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
25,527,057	(TD)-WELLS FARGO CASH ACCOUNT	CASHCASH	.100			1.00000	25,527,056.67	25,527,057.00	.33
2,364,510	WELLS FARGO SAVINGS	CASHCASH	.100			1.00000	2,364,510.11	2,364,510.00	-.11
139,146,536	BANK OF THE WEST	CASHCASH	.250			1.00000	139,146,536.05	139,146,536.00	-.05
30,155,020	US BANK	CASHCASH	.200			1.00000	30,155,020.13	30,155,020.00	-.13
<b>197,193,123</b>							<b>197,193,122.96</b>	<b>197,193,123.00</b>	<b>.04</b>

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

10,000,000	FEDERAL HOME LOAN BANKS	3130A27D	.125	6/02/15	.127	99.99999	9,999,999.47	10,000,000.00	.53
4,000,000	FEDERAL FARM CREDIT BANKS	3133EDGB	.190	6/04/15	.141	100.00041	4,000,016.28	4,000,040.00	23.72
5,000,000	NCUA GUARN NTS TR 2011-ML	62889KAB	1.400	6/12/15	.201	100.03660	5,001,829.94	5,001,650.00	179.94
5,077,000	TENNESSEE VALLEY AUTHORITY	800591DY	4.375	6/15/15	.183	100.16288	5,085,269.66	5,085,072.43	197.23
8,155,000	FEDERAL HOME LOAN BANKS	3130A2FT	.125	6/19/15	.162	99.99813	8,154,847.71	8,155,244.65	396.94
4,000,000	FEDERAL FARM CREDIT BANKS	3133EDPH	.100	6/30/15	.120	99.99787	3,999,914.62	3,999,880.00	34.62
10,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315P3J	.178	6/30/15	.141	100.00300	10,000,300.44	10,000,500.00	199.56
20,000,000	FARMER MAC FAMCA FLOAT	31315PH2	.130	7/01/15	.188	100.00000	20,000,000.00	20,001,000.00	1,000.00
2,000,000	FEDERAL HOME LN MTG CORP	3134A4MK		7/15/15	.185	99.85700	1,997,140.00	1,999,800.00	2,660.00
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134A4VC	4.375	7/17/15	.166	100.53736	10,053,735.96	10,054,800.00	1,064.04
12,645,000	FEDERAL HOME LOAN BANKS	3133843N		7/24/15	.144	99.92720	12,635,794.44	12,644,241.30	8,446.86
1,400,000	FEDERAL FARM CREDIT BANKS	3133843P	.200	8/03/15	.199	100.00000	1,400,000.00	1,400,126.00	126.00
5,000,000	Federal Agricultural Mortgage Co	31315PM3	.140	8/03/15	.140	100.00000	5,000,000.00	5,000,000.00	
5,000,000	FEDERAL HOME LOAN BANKS	3130A2P9	.200	8/17/15	.198	100.00042	5,000,021.13	5,000,250.00	228.87
10,000,000	FEDERAL FARM CREDIT BANKS	31331KVK	.875	8/18/15	.254	100.13271	10,013,270.66	10,016,700.00	3,429.34
13,100,000	FEDERAL HOME LOAN BANKS	313383MM	.220	8/19/15	.131	100.01833	13,102,401.23	13,101,965.00	436.23
10,000,000	FEDERAL HOME LOAN BANKS	3130A2PZ	.210	8/21/15	.210	100.00000	10,000,000.00	10,001,800.00	1,800.00
5,000,000	FEDERAL HOME LOAN BANKS	3130A4DV	.140	8/24/15	.154	99.99674	4,999,836.98	5,000,000.00	163.02
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3ZA	.500	8/28/15	.138	100.08739	10,008,738.64	10,009,200.00	461.36
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3128X6QB		8/31/15	.111	99.97220	4,998,610.00	4,996,850.00	1,760.00
4,000,000	FEDERAL HOME LOAN BANKS	313384LG		9/04/15	.140	99.94167	3,997,666.67	3,999,360.00	1,693.33
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3J7	.450	9/04/15	.113	100.08702	5,004,350.98	5,004,400.00	49.02
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACM	1.750	9/10/15	.224	100.41921	10,041,921.44	10,046,200.00	4,278.56
5,000,000	FEDERAL HOME LOAN BANK	3130A2WZ	.190	9/11/15	.213	99.99352	4,999,676.13	5,000,450.00	773.87
9,465,000	FEDERAL HOME LOAN BANKS	313370JB	1.750	9/11/15	.178	100.43625	9,506,291.13	9,494,625.45	11,665.68
17,077,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PGT	2.125	9/15/15	.204	100.55431	17,171,659.30	17,173,314.28	1,654.98
5,000,000	FEDERAL HOME LOAN BANKS	313384LU		9/16/15	.195	99.90142	4,995,070.83	4,999,100.00	4,029.17
5,000,000	FEDERAL HOME LOAN BANKS	313384LV		9/16/15	.195	99.90142	4,995,070.83	4,999,100.00	4,029.17
10,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135CONV	.500	9/28/15	.176	100.10505	5,005,252.37	5,006,200.00	947.63
10,000,000	FEDERAL HOME LOAN BANKS	3130A2XA	.190	9/29/15	.193	99.99892	9,999,891.58	10,002,300.00	2,408.42
14,700,000	FEDERAL FARM CREDIT BANKS	3133ED3F	.155	10/01/15	.124	100.01000	14,701,470.67	14,699,706.00	1,764.67

# STATE OF NEW MEXICO TREASURERS OFFICE

Position holdings as of 5/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 5/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
9,000,000	FEDERAL HOME LOAN BANKS	3130A06U	.220	10/07/15	.159	100.02071	9,001,864.22	9,000,180.00	- 1,684.22
8,000,000	FEDERAL HOME LOAN BANKS	3130A06Y	.220	10/07/15	.148	100.02452	8,001,961.57	8,001,840.00	- 121.57
15,000,000	FEDERAL HOME LOAN BANKS	3130A06X	.220	10/07/15	.128	100.03163	15,004,744.01	15,003,450.00	- 1,294.01
11,500,000	FEDERAL HOME LOAN BANKS	3130A06Z	.220	10/07/15	.128	100.03163	11,503,637.08	11,502,645.00	- 992.08
5,000,000	FEDERAL HOME LOAN BANK	3130A4JE	.160	10/09/15	.183	99.99165	4,999,582.58	4,999,950.00	367.42
7,240,000	FEDERAL NATIONAL MORTGAGE ASSO	31359M2C	4.375	10/15/15	.185	101.55797	7,352,796.99	7,354,247.20	1,450.21
10,000,000	FEDERAL HOME LOAN BANK	3130A4MK	.150	10/19/15	.194	99.98327	9,998,326.93	9,999,300.00	973.07
15,000,000	FEDERAL FARM CREDIT BANKS	3133ED5G	.210	10/22/15	.155	100.02093	15,003,139.91	15,003,150.00	10.09
12,769,000	FEDERAL NATIONAL MORTGAGE ASSO	31398A4M	1.625	10/26/15	.142	100.59669	12,845,191.65	12,844,209.41	- 982.24
10,000,000	FEDERAL HOME LOAN BANKS	3130A3HV	.125	11/18/15	.213	99.95934	9,995,933.73	9,996,200.00	266.27
7,000,000	FEDERAL HOME LOAN BANKS	3130A3E7	.160	12/01/15	.223	99.96864	6,997,804.46	6,998,740.00	935.54
15,000,000	FEDERAL FARM CREDIT BANK	3133EDAM	.200	12/02/15	.205	99.99637	14,999,455.65	14,998,500.00	- 955.65
5,000,000	FEDERAL HOME LOAN BANKS	3130A22T	.220	12/04/15	.223	99.99847	4,999,923.66	5,001,050.00	1,126.34
2,500,000	FEDERAL FARM CREDIT BANKS	3133EEAT	.200	12/07/15	.201	99.99953	2,499,988.28	2,499,450.00	- 538.28
<b>373,628,000</b>							<b>374,079,328.98</b>	<b>374,097,686.72</b>	<b>18,357.74</b>

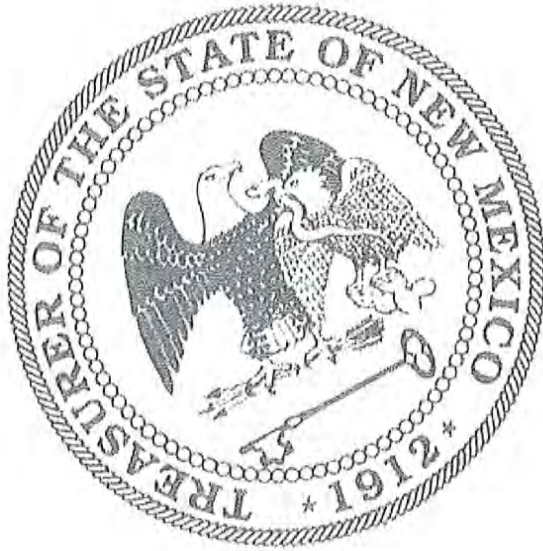
====> 0044 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2015 <==

10,000,000	FEDERAL HOME LOAN BANK	3130A05D	.375	2/19/16	.256	100.08482	10,008,481.55	10,008,200.00	- 281.55
8,838,000	FEDERAL NATIONAL MORTGAGE ASSO	3136FFET	2.000	3/10/16	.286	101.32583	8,955,177.15	8,950,242.60	- 4,934.55
5,000,000	FEDERAL NATIONAL MORTGAGE ASSO	3135GOAL	2.250	3/15/16	.284	101.54771	5,077,385.56	5,076,200.00	- 1,185.56
5,000,000	FEDERAL NATIONAL MORTGAGE ASSO	31359M8B	5.000	3/15/16	.281	103.71596	5,185,797.89	5,183,000.00	- 2,797.89
5,000,000	FEDERAL FARM CREDIT BANK	3133EDMK	.140	3/29/16	.150	99.99100	4,999,550.00	4,998,650.00	- 900.00
10,000,000	FEDERAL HOME LOAN BANKS	3130A4KF	.410	3/30/16	.300	100.00883	10,000,883.08	9,995,800.00	- 5,083.08
2,500,000	FEDERAL NATIONAL MORTGAGE ASSO	31358C7K		5/15/16	.367	99.63400	2,490,850.00	2,489,525.00	- 1,325.00
<b>46,338,000</b>							<b>46,718,125.23</b>	<b>46,701,617.60</b>	<b>16,507.63</b>

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

<b>617,159,123</b>							<b>617,990,577.17</b>	<b>617,992,427.32</b>	<b>1,850.15</b>
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====> 0055 ITEMS IN SUBTOTAL FOR ==> FUND NAME..... ==> LGIP FUND <==



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

## **Portfolio Summary – Tax Exempt Bond Proceeds Investment Pool**

### *Summary*

- The Tax Exempt Bond Proceeds Investment Pool closed the month of May at \$517.1mil vs. \$531.3mil at the end of April.
- The Pool paid out \$15.9mil for capital spending in May 2015.

### *Portfolio Mix*

- 100% of the Taxable BPIP portfolio was invested in fixed income securities and 2% in floating rate securities; 55% in US Treasuries, 36% in Agency securities, 5% in NM municipal securities and the balance, approximately 3%, was held in cash equivalents and collateralized NM bank CDs.
- 46% of the portfolio was invested in securities that mature in one year, 34% in securities that mature from 1-2 years, 20% in securities that mature from 2-4 years and 0% in securities out to 5 years.
- The Tax-Exempt BPIP held positions in 78 securities.
- Weighted Average Life of the Tax Exempt BPIP was 1.33 years. The Weighted Average duration was 1.23 years.
- The maximum security term for the BPIP portfolio is 5 years.

### *Investment Earnings*

- Unrealized gains in the Tax-Exempt BPIP Portfolio were \$1,001,007 on May 31<sup>st</sup>.
- Monthly net earnings on the portfolio for May were \$259,668.
- Net earnings for FY2015 were \$2,271,881.
- Earnings on the Bond Proceeds Investment Pool are used to offset capital and debt service spending.

### *Investment Highlights*

- The duration of the Tax-Exempt BPIP at the end of May was 1.23 yrs. vs. the Benchmark at 1.37 yrs.
- The Tax-Exempt BPIP had \$15.6mil in maturities during the month of May.
- The Pool duration was unchanged from the prior month.
- The Pool purchased approximately \$4.9mil of 1 to 2 year municipals and approximately \$6mil of 2.5 year US agency bonds

### *Performance*

- The purchase yield was 0.62% at the end of May vs. 0.58% reported for the previous month.
- The Tax-Exempt BPIP returned 0.05% for the month of May and 0.19% for the three months ended May 31, 2015, vs. Index returns of 0.06% and 0.26% respectively. For the trailing 12 mos. the Pool returned 0.52% vs. 0.60% for the benchmark.
- The Tax-Exempt BPIP had a duration shorter than the benchmark for the month of May and consequently underperformed the index.
- Cash flows (debt service payments, capital project withdrawals, bond sale proceeds) will continue to be the key driver of the portfolio's structure and cash position going forward.

### *Investment Strategy*

- The option-adjusted duration of the Tax-Exempt BPIP portfolio is currently 1.20 yrs. vs. 1.40 yrs. for the benchmark.
- For the month of June \$8.7mil in maturities are scheduled.
- Capital project withdrawals will total approximately ~\$19mil in June.
- The Tax-Exempt BPIP has maintained duration shorter than that of the benchmark in order to provide adequate liquidity for project withdrawals while minimizing overnight cash positions.
- Project withdrawals will have the effect of lengthening duration and as they have had a high degree of variability month-to-month, cash flow management will dominate portfolio decisions.

**STATE OF NEW MEXICO**  
**BOND PROCEEDS INV POOL 1 TAX EX (4000)**  
 Portfolio Classification Summary  
 Positions Held as of 5/31/15 (TRADE Basis)

AMTZ ADDED: NO

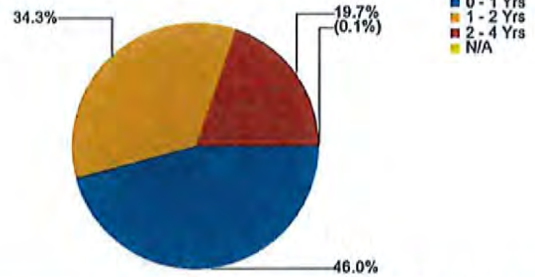
ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.0710	.00270	8,663,627	8,663,627	8,663,627		1.680
CERTIFICATES OF DEPOSIT	2	.7250	1.59865	3,000,000	3,000,000	3,000,000		.582
US TREASURY NOTE ACT/ACT 2X	20	.5883	1.34268	274,820,787	274,820,787	275,361,690	540,903	53.411
US TREASURY (STRIP/ZERO) 30/360	2	.3834	.01640	8,728,000	8,658,787	8,727,302	68,515	1.693
AGENCY US BOND 30/360 2X	5	.6222	1.42450	52,405,000	53,916,356	53,945,510	29,154	10.464
AGENCY US NOTES 30/360 2X	13	.7768	1.29367	110,500,000	112,419,594	112,717,560	297,966	21.863
FED NATL MORTGAGE ASSN DEBS	3	.5713	.67792	19,500,000	19,564,570	19,621,760	57,190	3.806
AGENCY US VAR 30/360 4X	1	.7604	.11780	10,000,000	10,000,000	10,004,200	4,200	1.940
MUNI US 30/360 2X	25	.5283	.92538	19,735,000	20,196,735	20,201,241	4,506	3.918
MUNICIPAL BOND REVENUE	4	.4070	.57195	3,670,000	3,725,753	3,724,326	-1,427	.722
UNITS - INVESTMENT POOL 1	1			2,021,356	2,021,356	2,021,356		.392
CASH ACCOUNT	1			-2,433,803	-2,433,803	-2,433,803		-.472
	78	.6222	1.22543	509,789,180	514,533,762	515,554,769	1,001,007	100.000



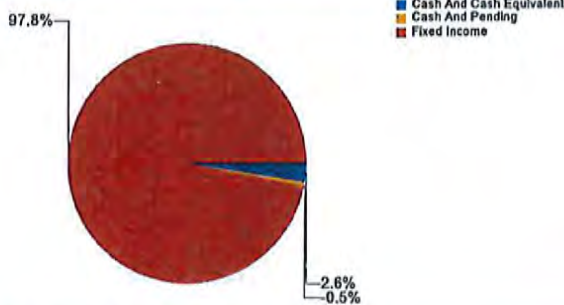
Portfolio Characteristics

Total Net Assets (Millions) 517.1  
 Weighted Average Life (Years) 1.33  
 Weighted Avg. Effective Duration (Years) 1.23  
 Weighted Average Coupon (%) 1.50  
 Weighted Average Current Yield (%) 0.46  
 Weighted Average Yield to Maturity (%) 0.49  
 Weighted Average Rating AA  
 Number of Holdings 78

517.1  
1.33  
1.23  
1.50  
0.46  
0.49  
AA  
78



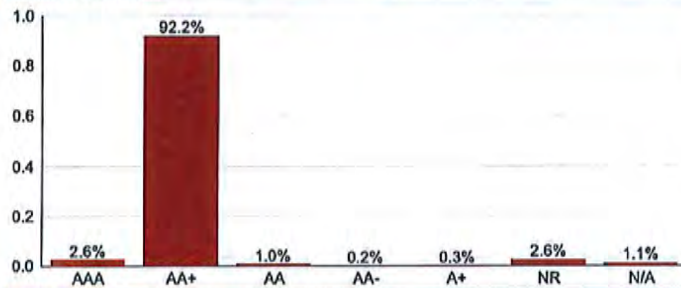
Asset Mix



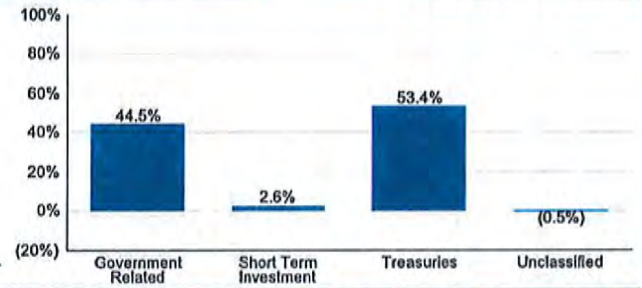
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
912828J28	UNITED STATES OF AMERICA NOTES FIXED 1%	4.84%	1.00	15/01/2018
3137EACV7	FEDERAL HOME LOAN MORTGAGE CORP 2% BDS 25/AUG/2016	3.94%	2.00	25/8/2016
038461AC3	AD-EGYPT 4.45% 15/SEP/2015	3.22%	4.45	15/9/2015
31359J7X5	FEDERAL NATIONAL MORTGAGE ASSOC 5% BDS 11/MAY/2017	3.13%	5.00	11/5/2017
912828P16	UNITED STATES 2.125% 12/15	2.95%	2.12	31/12/2015
912828QR4	UNITED STATES 1.5% 06/16	2.94%	1.50	30/6/2016
912828QP8	UNITED STATES 1.75% 09/16	2.93%	1.75	31/5/2016
912828CS5	UNITED STATES 0.875% 01/17	2.91%	0.88	31/1/2017
912828S30	UNITED STATES 0.875% 02/17	2.91%	0.88	28/2/2017
912828PJ2	UNITED STATES 1.375% 11/15	2.90%	1.38	30/11/2015

Quality/Rating Weightings

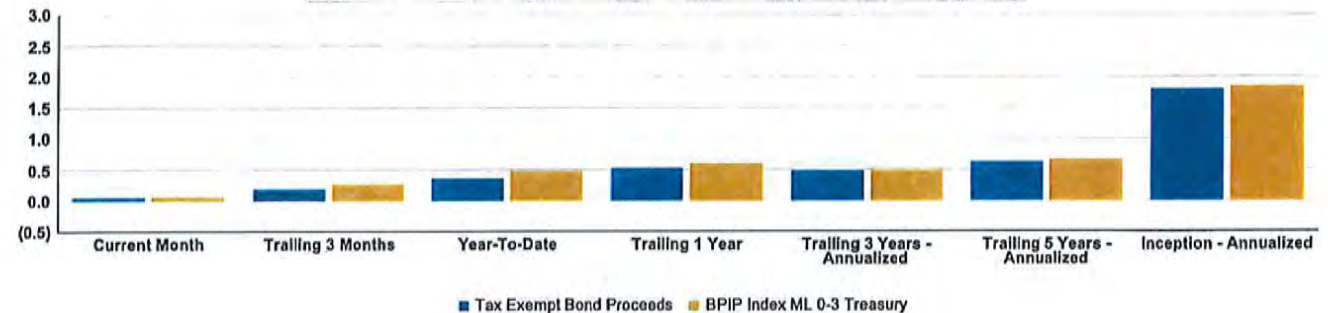


Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Tax Exempt Bond Proceeds	0.05	0.19	0.36	0.62	0.48	0.62	1.60
BPIP Index ML 0-3 Treasury	0.08	0.26	0.48	0.60	0.48	0.66	1.64
Excess	0.00	(0.08)	(0.12)	(0.03)	0.00	(0.03)	(0.04)



# STATE OF NEW MEXICO TREASURERS OFFICE

Position holdings as of 5/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 5/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
-	2,433,803 (TD)-CASH KEY	CASHCASH				1.00000	- 2,433,802.74	- 2,433,803.00	-.26
-	2,021,356 UNITS - INVESTMENT POOL 1	UNITS001				1.00000	2,021,355.99	2,021,356.00	.01
-	412,447						- 412,446.75	412,447.00	-.25
⇒ 0002 ITEMS IN SUBTOTAL FOR ⇒ FINAL-MATURITY.. ⇒ NO-MEANINGFUL-DATE ⇒									
8,663,627	OVERNIGHT REPO	0601RP	.070	6/01/15	.070	1.00000	8,663,627.11	8,663,627.11	
5,888,000	FINANCING CORP CPN FICO STRIPS	31771C55		6/06/15	.378	99.20700	5,841,308.16	5,887,528.96	46,220.80
2,840,000	FINANCING CORP CPN FICO STRIPS	31771DKR		6/06/15	.378	99.20700	2,817,478.80	2,839,772.80	22,294.00
900,000	ALBUQUERQUE NM GROSS RECPTS.TAX	01354PDX	2.000	7/01/15	.430	100.13045	901,174.08	901,359.00	184.92
1,350,000	NEW MEXICO ST SEVERANCE TAX	647310NS	5.000	7/01/15	.124	100.40607	1,355,481.94	1,355,413.50	68.44
500,000	SANTA FE CNTY N MEX	801889HM	4.000	7/01/15	.302	100.30771	501,538.53	501,520.00	18.53
550,000	ALBUQUERQUE N MEX MUN SCH DIST	013595RS	2.000	8/01/15	.590	100.23407	551,287.36	551,556.50	269.14
550,000	CLOUDCROFT N MEX MUN SCH DIST	189134EU	1.000	8/01/15	.490	100.25087	551,379.81	551,419.00	39.19
670,000	RIO RANCHO N MEX PUB SCH DIST NO	767171MS	1.000	8/01/15	.251	100.12464	670,835.07	670,817.40	17.67
500,000	ALBUQUERQUE N MEX MUN SCH DIST	013595QU	5.000	8/01/15	.202	100.79877	503,993.86	503,965.00	28.86
200,000	LOS ALAMOS N MEX PUB SCH DIST	54422NCE	2.000	8/01/15	.252	100.29088	200,581.75	200,566.00	15.75
3,250,000	GADSDEN N MEX INDPT SCH DIST NO	362550MH	4.000	8/15/15	.300	100.75926	3,274,676.01	3,273,400.00	1,276.01
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3ZA	.500	8/28/15	.444	100.01330	15,001,995.22	15,013,800.00	11,804.78
340,000	GRANT CNTY N MEX	387766BX	2.000	9/01/15	.321	100.41900	341,424.60	341,332.80	91.80
500,000	NEW MEXICO EDL ASSISTANCE FNDTN	647110DX	4.000	9/01/15	.251	100.93613	504,680.63	504,600.00	80.63
10,000,000	UNITED STATES TREASURY NOTES	912828TP	.250	9/15/15	.278	99.99192	9,999,191.66	10,005,500.00	6,308.34
16,400,000	ARAB REPUBLIC OF EGYPT	038461AC	4.450	9/15/15	.214	101.22239	16,600,472.26	16,594,996.00	5,476.26
1,730,000	HOBBS N MEX MUN SCH DIST NO 16	433866FS	2.000	9/15/15	.201	100.52190	1,738,979.48	1,738,598.10	381.38
10,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31398A4M	1.625	10/26/15	.314	100.52700	10,052,700.13	10,058,900.00	6,199.87
15,000,000	UNITED STATES TREASURY NOTES	912828PJ	1.375	11/30/15	.352	100.50791	15,076,186.56	15,091,350.00	15,163.44
10,000,000	FNMA	3135G0SB	.375	12/21/15	.451	99.95795	9,995,794.66	10,009,100.00	13,305.34
15,000,000	UNITED STATES TREAS NTS	912828PM	2.125	12/31/15	.433	100.97882	15,146,823.46	15,169,950.00	23,126.54
119,831,627							120,291,611.14	120,429,072.17	137,461.03
⇒ 0022 ITEMS IN SUBTOTAL FOR ⇒ FINAL-MATURITY.. ⇒ 2015 ⇒									
15,000,000	UNITED STATES TREASURY NOTES	912828UG	.375	1/15/16	.320	100.03437	15,005,156.10	15,018,750.00	13,593.90
3,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PMQ	.675	1/19/16	.380	100.18634	3,005,590.19	3,005,910.00	319.81
10,000,000	UNITED STATES TREASURY NOTES	912828KS	2.625	2/29/16	.395	101.66237	10,166,236.51	10,178,900.00	12,663.49

# STATE OF NEW MEXICO TREASURERS OFFICE

Position holdings as of 5/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 5/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
7,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359WH8	5.000	3/15/16	.543	103.50302	7,762,726.67	7,774,500.00	11,773.33
15,000,000	UNITED STATES TREASURY NOTES	912828C4	.375	3/31/16	.406	99.97420	14,996,129.35	15,016,350.00	20,220.65
15,000,000	UNITED STATES TREASURY NOTES	912828JW	.250	4/15/16	.491	99.79047	14,968,570.52	14,998,800.00	30,229.48
400,000	TORRANCE ETC CNTYS N MEX MUN S	891400NC	1.000	5/15/16	.552	100.42647	401,705.88	402,596.00	890.12
1,220,000	RIO RANCHO N MEX WTR & WASTE M	767175GF	3.000	5/15/16	.550	102.33150	1,248,444.34	1,251,049.00	2,604.66
10,000,000	FEDERAL HOME LOAN MORTGAGE CORP	3137EACT	2.500	5/27/16	.479	101.99162	10,199,162.05	10,207,100.00	7,937.95
15,000,000	UNITED STATES TREASURY NOTES	912828Q0	1.750	5/31/16	.522	101.22004	15,183,005.42	15,214,500.00	31,494.58
1,225,000	SANTA FE N MEX CROSS RCPTS TAX	802072RG	2.000	6/01/16	.630	101.36337	1,241,701.33	1,245,665.75	3,964.42
750,000	SAN JUAN CNTY N MEX CROSS RCPTS	79835HGJ	3.000	6/15/16	.461	102.62870	769,715.22	769,380.00	335.22
5,000,000	FEDERAL HOME LOAN MORTGAGE CORP	3134G4YE	.600	6/27/16	.325	100.01977	5,000,988.43	5,001,450.00	461.57
15,000,000	UNITED STATES TREASURY NOTES	912828R0	1.500	6/30/16	.510	101.06464	15,159,695.79	15,186,300.00	26,604.21
1,120,000	ALBUQUERQUE NM CROSS RCPTS TAX	01354PFQ	.550	7/01/16	.550	100.00000	1,120,000.00	1,120,011.20	11.20
1,500,000	FARMERS & STOCKMENS BANK	852162Z0	.500	7/06/16	.500	1.00000	1,500,000.00	1,500,000.00	-
15,000,000	UNITED STATES TREASURY NOTES	912828VL	.625	7/15/16	.531	100.10465	15,015,698.23	15,045,750.00	30,051.77
45,000	ALAMOGORDO N MEX	011446HA	4.000	8/01/16	1.050	103.41018	46,534.58	46,612.80	78.22
475,000	CADSDEN N MEX INDPT SCH DIST NO	362550M3	2.000	8/15/16	.650	101.61803	482,685.63	483,165.25	479.62
20,000,000	FEDERAL HOME LOAN MORTGAGE CORP	3137EACH	2.000	8/25/16	1.144	101.04438	20,208,875.28	20,379,200.00	170,324.72
315,000	GRANT CNTY N MEX	387766B9	2.000	9/01/16	.600	101.73993	320,480.79	320,534.55	53.76
200,000	TORRANCE ETC CNTYS N MEX MUN SCH	891400NX	1.500	9/01/16	.500	101.24422	202,488.43	202,652.00	163.57
390,000	HOBBS N MEX MUN SCH DIST NO 16	433866FT	3.000	9/15/16	.530	103.16796	402,355.06	402,717.90	362.84
14,000,000	UNITED STATES TREASURY NOTES	912828R3	1.000	9/30/16	.631	100.48734	14,068,228.20	14,107,240.00	39,011.80
10,000,000	UNITED STATES TREASURY NOTES	912828RM	1.000	10/31/16	.428	100.80467	10,080,466.76	10,075,800.00	4,666.76
5,000,000	FEDERAL NATL MTG ASSN DEBS	3135G0E5	1.375	11/15/16	1.210	100.23738	5,011,869.22	5,062,500.00	50,630.78
15,000,000	UNITED STATES TREASURY NOTES	912828WF	.625	11/15/16	.693	99.90222	14,985,332.78	15,036,300.00	50,967.22
15,000,000	UNITED STATES TREASURY NOTES	912828A5	.625	12/15/16	.727	99.84390	14,976,585.73	15,031,650.00	55,064.27
<b>212,140,000</b>							<b>213,530,428.49</b>	<b>214,085,384.45</b>	<b>554,955.96</b>

⇒⇒⇒ 0028 ITEMS IN SUBTOTAL FOR ⇒⇒⇒ FINAL-MATURITY.. ⇒⇒⇒ 2016 ⇒⇒⇒

15,000,000	UNITED STATES TREASURY NOTES	912828SC	.875	1/31/17	.710	100.27286	15,040,928.46	15,086,700.00	45,771.54
15,000,000	UNITED STATES TREASURY NOTES	912828S3	.875	2/28/17	.788	100.15013	15,022,520.13	15,089,100.00	66,579.87
10,000,000	FEDERAL HOME LOAN MORTGAGE CORP	3137EADC	1.000	3/08/17	.756	100.42807	10,042,807.33	10,066,000.00	23,192.67
4,500,000	FEDERAL HOME LOAN BANKS	3130A4VL	.400	4/28/17	.400	100.00000	4,500,000.00	4,500,360.00	360.00
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359W7X	5.000	5/11/17	.736	108.21666	16,232,498.57	16,244,700.00	12,201.43
700,000	SAN JUAN CO NM CROSS RCPTS TAX	79835HGK	4.000	6/15/17	.870	106.31074	744,175.17	743,036.00	1,139.17
5,000,000	UNITED STATES TREASURY NOTES	912828TB	.750	6/30/17	1.006	99.47320	4,973,660.14	5,011,350.00	37,689.86
600,000	ALBUQUERQUE NM CROSS RCPTS TAX	01354PFR	1.050	7/01/17	1.050	100.00000	600,000.00	598,278.00	1,722.00
1,500,000	FARMERS & STOCKMENS BANK	852162Z1	.950	7/05/17	.950	1.00000	1,500,000.00	1,500,000.00	-

# STATE OF NEW MEXICO TREASURERS OFFICE

Position holdings as of 5/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 5/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
5,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PZT	.650	7/10/17	.862	99.55824	4,977,912.21	4,996,250.00	18,337.79
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADJ	1.000	7/28/17	.791	100.44620	5,022,310.16	5,026,250.00	3,939.84
5,000,000	UNITED STATES TREASURY NOTES	912828TG	.500	7/31/17	.906	99.13144	4,956,571.91	4,982,050.00	25,478.09
375,000	SANDOVAL CNTY N MEX	80004PEA	3.000	8/01/17	.820	104.67066	392,514.97	391,413.75	1,101.22
300,000	ALBUQUERQUE N MEX MET ARROYO FLO	013572KE	2.000	8/01/17	.750	102.68044	308,041.31	308,358.00	316.69
250,000	ROSWELL N MEX INDPT SCH DIST	778550JQ	2.000	8/01/17	.900	102.35417	255,885.43	255,607.50	277.93
2,500,000	T TO 05/01/1976	802088LN	5.000	8/01/17	.900	108.67600	2,716,900.00	2,714,475.00	2,425.00
15,000,000	FEDERAL FARM CREDIT BANKS	3133EEQX	1.000	9/25/17	.860	100.32015	15,048,023.05	15,057,000.00	8,976.95
5,000,000	FNMA	3135G0ZL	1.000	9/27/17	1.118	99.73017	4,986,508.53	5,023,100.00	36,591.47
15,000,000	UNITED STATES TREASURY NOTES	912828UA	.625	11/30/17	.814	99.53458	14,930,186.99	14,939,100.00	8,913.01
6,005,000	TENNESSEE VALLEY AUTHORITY	880591CU	6.250	12/15/17	1.021	113.07138	6,789,936.31	6,802,464.00	12,527.69
<b>126,730,000</b>							<b>129,041,380.67</b>	<b>129,335,592.25</b>	<b>294,211.58</b>

====> 0020 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2017 <====

25,000,000	UNITED STATES TREASURY NOTES	912828J6	1.000	3/15/18	.899	100.27843	25,069,608.02	25,076,250.00	6,641.98
5,000,000	TENNESSEE VALLEY AUTHORITY	880591EC	4.500	4/01/18	1.037	109.64258	5,482,128.91	5,481,950.00	178.91
10,000,000	FREDDIE MAC	3134G6PD	.750	4/13/18	.750	100.00000	10,000,000.00	10,004,200.00	4,200.00
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0WJ	.875	5/21/18	1.024	99.56441	4,978,220.68	4,975,600.00	2,620.68
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G6PR	1.200	6/28/18	1.200	100.00000	5,000,000.00	5,003,700.00	3,700.00
<b>50,000,000</b>							<b>50,529,957.61</b>	<b>50,541,700.00</b>	<b>11,742.39</b>

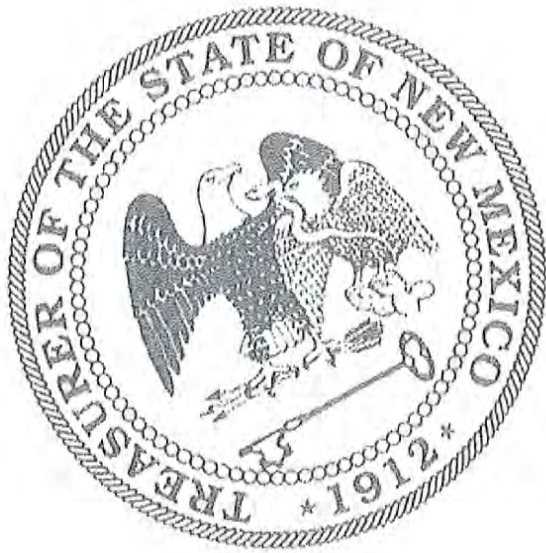
====> 0005 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2018 <====

1,500,000	S REV	013493BR	5.000	7/01/26	.500	104.85493	1,572,823.96	1,575,465.00	2,641.04
<b>1,500,000</b>							<b>1,572,823.96</b>	<b>1,575,465.00</b>	<b>2,641.04</b>

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

<b>509,789,180</b>							<b>514,553,755.12</b>	<b>515,554,766.87</b>	<b>1,001,011.75</b>
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====> 0078 ITEMS IN SUBTOTAL FOR ==> FUND NAME..... ==> BOND PROCEEDS INV POOL1 TAX EX <====



## 11. Portfolio Summary- Taxable Bond Proceeds Investment Pool

## Portfolio Summary – Taxable Bond Proceeds Investment Pool

### *Summary*

- The Taxable Bond Proceeds Investment Pool closed the month of May at \$636.1mil vs. \$674.4mil at the end April.
- The Pool paid out approximately \$38.1mil for capital spending in May 2015.

### *Portfolio Mix*

- 100% of the Taxable BPIP portfolio was invested in fixed income securities and 2% in floating rate securities; 54% in US Treasuries, 39% in Agency securities, 2% in NM municipal securities and the balance, approximately 4%, was held in cash equivalents and collateralized NM bank CDs.
- 49% of the portfolio was invested in securities that mature in one year, 41% in securities that mature from 1-2 years, 10% in securities that mature from 2-4 years and 0% in securities out to 5 years.
- The Taxable BPIP held positions in 70 securities.
- Weighted Average Life of the Taxable BPIP was 1.17 years. The Weighted Average duration was 1.13 years.
- The maximum security term for the BPIP portfolio is 5 years.

### *Investment Earnings*

- The unrealized gains in the Taxable BPIP were \$1,798,124 as of May 31<sup>st</sup>.
- Monthly net earnings on the portfolio for May were \$339,813.
- Year-to-date net earnings were roughly \$3,551,532.
- Earnings on the Bond Proceeds Investment Pool are used to offset capital and debt service spending.

### *Investment Highlights*

- The duration of the Taxable BPIP at the end of May was 1.13 years vs. the Benchmark at 1.37 years.
- Maturities totaled \$21.2mil in the month of May 2015.
- The Pool purchased \$0.250mil of a 3 year municipal bond. The Pool also sold \$36mil in short US agency bonds, at a gain, to raise cash for withdrawal requests.

### *Performance*

- Purchase Yield at the end of May was 0.63 relative to .60% at the end of the prior month.
- The Taxable BPIP returned 0.04% for the month of May and 0.19% for the three months ended May 31, 2015, vs. Index returns of 0.06% and 0.26% respectively. For the trailing 12 mos. the Pool returned 0.54% vs. 0.60% for the benchmark.
- The Taxable BPIP had a duration shorter than the benchmark for the month of May and consequently underperformed the index.
- Cash flows (debt service payments, capital project withdrawals, bond sale proceeds) will continue to be the key driver of the portfolio's structure and cash position going forward.

### *Investment Strategy*

- The option adjusted duration of the portfolio is currently 1.08 yrs. vs. 1.40 yrs. for the benchmark.
- The Pool has maturities of \$20.4mil scheduled for June.
- Capital project withdrawals will total ~\$39.8mil in June.
- The Pool will continue to purchase 1 to 3 year Treasury and Agency securities as maturities and cash flows allow.
- The Taxable BPIP has maintained duration shorter than the benchmark in order to provide adequate liquidity for project withdrawals while minimizing overnight cash positions.
- Project withdrawals will have the effect of lengthening duration and as they have had a high degree of variability month-to-month, cash flow management will dominate portfolio decisions.

**STATE OF NEW MEXICO**  
**BOND PROCEEDS INV POOL2 TAXABL (4002)**

Portfolio Classification Summary  
 Positions Held as of 5/31/15 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.0710	.00270	13,659,238	13,659,238	13,659,238		2.153
CERTIFICATES OF DEPOSIT	3	.5645	1.21310	6,200,000	6,200,000	6,200,000		.977
LINKED-CERTIFICATE OF DEPOSIT	2	.4500	.62740	4,000,000	4,000,000	4,000,000		.630
US TREASURY NOTE ACT/ACT 2X	22	.6939	1.46013	342,550,000	343,795,642	345,054,656	1,259,014	54.385
AGENCY US BOND 30/360 2X	5	.4674	.82089	83,450,000	83,516,743	83,611,167	94,424	13.178
AGENCY US DISC ACT/360 360 DAY	1	.1319	.25750	20,000,000	19,993,284	19,996,800	3,516	3.152
AGENCY US NOTES 30/360 2X	9	.6806	.91492	119,709,000	120,757,541	121,139,390	381,849	19.093
FED NATL MORTGAGE ASSN DEBS	1	.8704	.40550	20,000,000	20,061,427	20,117,800	56,373	3.171
AGENCY US VAR 30/360 4X	1	.5069	.24110	10,000,000	10,000,000	9,998,200	-1,800	1.576
MUNI US 30/360 2X	21	.5724	.50830	9,600,000	9,722,377	9,727,716	5,339	1.533
MUNICIPAL BOND REVENUE	2	.3619	.64814	525,000	530,377	529,786	-591	.084
UNITS - INVESTMENT POOL 1	1			312,632	312,632	312,632		.049
CASH ACCOUNT	1			120,606	120,606	120,606		.019
	70	.6275	1.12619	630,126,476	632,669,867	634,467,991	1,798,124	100.000

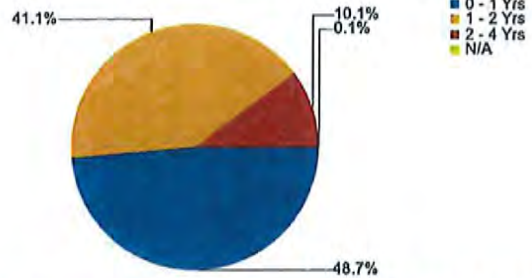


Portfolio Characteristics

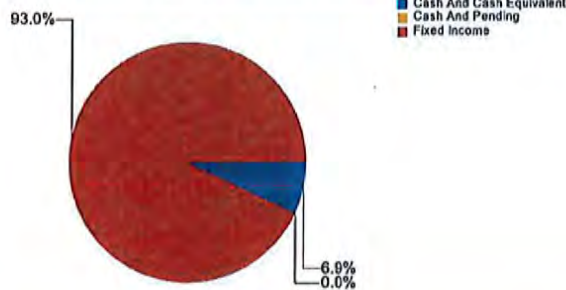
Total Net Assets (Millions)  
Weighted Average Life (Years)  
Weighted Avg. Effective Duration (Years)  
Weighted Average Coupon (%)  
Weighted Average Current Yield (%)  
Weighted Average Yield to Maturity (%)  
Weighted Average Rating  
Number of Holdings

636.1  
1.17  
1.13  
1.19  
0.38  
0.40  
AA-  
70

Duration Mix



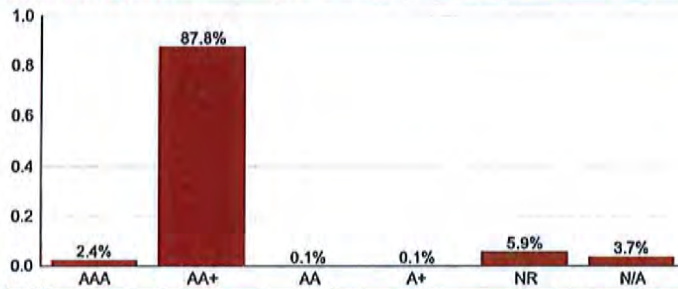
Asset Mix



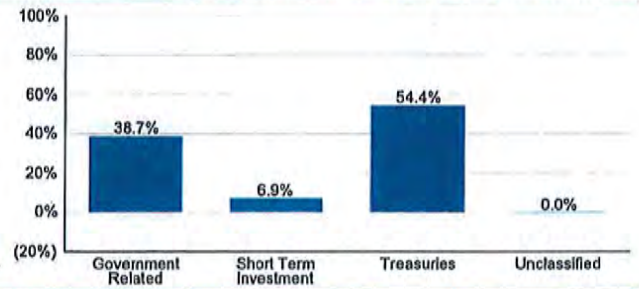
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
91282QR4	UNITED STATES 1.5% 06/16	4.61%	1.50	30/6/2016
3137EACV7	FEDERAL HOME LOAN MORTGAGE CORP 2% BDS 26/AUG/2016	4.03%	2.00	25/8/2016
91282SY7	UNITED STATES 0.625% 03/17	3.93%	0.62	31/5/2017
91282LU2	US 3.12500 '18	3.27%	3.12	31/10/2018
912828U3	US 1.00000 '17	3.16%	1.00	31/3/2017
3139A4U1	FED NATL MORT ASSC 1.625% BDS 26/OCT/2015 USD1000	3.17%	1.62	26/10/2015
91282RU8	UNITED STATES 0.875% 11/16	3.16%	0.88	30/11/2016
91282AS9	US 0.62500 '18	3.16%	0.62	15/12/2018
31331KV3	FEDERAL FARM CREDIT BANK BOND FXED .875%	3.16%	0.88	19/8/2015
91282UJ7	US 0.87500 '18	3.16%	0.88	31/1/2018

Quality/Rating Weightings



Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Taxable Bond Proceeds	0.04	0.15	0.38	0.54	0.50	0.70	1.90
BPIP Index ML 0-3 Treasury	0.06	0.26	0.48	0.60	0.48	0.66	1.84
Excess	(0.02)	(0.07)	(0.09)	(0.04)	0.01	0.05	0.05



# STATE OF NEW MEXICO TREASURERS OFFICE

Position holdings as of 5/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 5/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
120,606	(TD)-CASH KEY	CASHCASH				1.00000	120,606.08	120,606.00	.08
312,632	UNITS - INVESTMENT POOL 1	UNITS001				1.00000	312,632.16	312,632.00	.16
<b>433,238</b>							<b>433,238.24</b>	<b>433,238.00</b>	<b>.24</b>

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

1,350,000	CLOVIS N MEX GROSS RCPTS TAX R	189387CW	2.000	6/01/15	.750	100.00000	1,350,000.00	1,350,000.00	
13,659,238	OVERNIGHT REPO	0601RP	-.070	6/01/15	.070	1.00000	13,659,237.60	13,659,237.60	
415,000	NEW MEXICO FIN AUTH ST TRANSN RE	6471LRAY	5.250	6/15/15	.202	100.19612	415,813.91	415,825.85	11.94
500,000	SANTA FE CNTY N MEX	801889K8	5.500	7/01/15	.430	100.42149	502,107.45	502,185.00	77.55
275,000	SANTA FE CNTY N MEX	801889NY	2.000	7/01/15	.400	100.13298	275,365.69	275,376.75	11.06
405,000	RUIDOSO N MEX WASTEWATER REV	78132AAB	2.000	7/01/15	.700	100.10778	405,436.49	405,481.95	45.46
150,000	NEW MEXICO ST SEVERANCE TAX	647310N5	5.000	7/01/15	.300	100.39101	150,586.51	150,601.50	14.99
10,000,000	UNITED STATES TREAS NTS	912828NP	1.750	7/31/15	.453	100.21436	10,021,436.23	10,028,100.00	6,663.77
400,000	RUIDOSO N MEX MUN SCH DIST NO	781338HY	2.000	8/01/15	.560	100.23912	400,956.47	401,132.00	175.53
200,000	ALBUQUERQUE N MEX MUN SCH DIST	013595QU	5.000	8/01/15	.500	100.74794	201,495.87	201,586.00	90.13
350,000	ALAMOGORDO NM MUNI SCH DIST #1	011464HC	2.000	8/01/15	.550	100.24079	350,842.75	350,990.50	147.75
550,000	LAS CRUCES N MEX SCH DIST NO 002	5175345C	2.000	8/01/15	.450	100.25757	551,416.63	551,419.00	2.37
1,100,000	RIO RANCHO N MEX PUB SCH DIST NO	767171ME	2.000	8/01/15	.450	100.25757	1,102,833.27	1,103,113.00	279.73
400,000	SAN JUAN CNTY N MEX CENT CONS IN	798359K8	3.000	8/01/15	.450	100.42393	401,695.71	401,776.00	80.29
175,000	ALBUQUERQUE N MEX MUN SCH DISTNO	013595LE	3.500	8/01/15	.251	100.54078	175,946.36	175,955.50	9.14
20,000,000	FEDERAL FARM CREDIT BANKS	31331KVX	.875	8/18/15	.254	100.13271	20,026,541.33	20,033,400.00	6,858.67
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3ZA	.500	8/28/15	.444	100.01330	15,001,995.22	15,013,800.00	11,804.78
300,000	TORRANCE ETC CNTYS N MEX MUN SCH	891400NU	2.000	9/01/15	.301	100.42401	301,272.02	301,287.00	14.98
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313588LE	.130	9/02/15	.130	99.96642	19,993,283.33	19,996,800.00	3,516.67
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACM	1.750	9/10/15	.341	100.38680	15,058,019.39	15,069,300.00	11,280.61
20,000,000	FED NATL MORTGAGE ASSN DEBS	313984AM	1.625	10/26/15	.858	100.30714	20,061,427.26	20,117,800.00	56,372.74
15,000,000	UNITED STATES TREASURY NOTES	912828PJ	1.375	11/30/15	.352	100.50791	15,076,186.56	15,091,350.00	15,163.44
20,000,000	FNMA	3135G0SB	.375	12/21/15	.451	99.95795	19,991,589.31	20,018,200.00	26,610.69
15,000,000	UNITED STATES TREAS NTS	912828PM	2.125	12/31/15	.433	100.97882	15,146,823.46	15,169,950.00	23,126.54
<b>170,229,238</b>							<b>170,622,308.82</b>	<b>170,784,667.65</b>	<b>162,358.83</b>

====> 0024 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2015 <====

15,500,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PVS	.430	1/08/16	.464	99.97976	15,496,862.08	15,515,965.00	19,102.92
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# STATE OF NEW MEXICO TREASURERS OFFICE

Position holdings as of 5/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 5/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
2,000,000	WESTERN COMMERCE BANK	2012823	.450	1/15/16	.450	1.00000	2,000,000.00	2,000,000.00	
2,000,000	WESTERN COMMERCE BANK	2010824	.450	1/15/16	.450	1.00000	2,000,000.00	2,000,000.00	
15,000,000	UNITED STATES TREASURY NOTES	912828QJ	2.125	2/29/16	.429	101.26343	15,189,514.11	15,213,300.00	23,785.89
13,450,000	FEDERAL HOME LOAN BANKS	3130A3FM	.300	3/01/16	.293	100.00540	13,450,726.70	13,448,117.00	-
12,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359NH8	5.000	3/15/16	.543	103.50302	12,937,877.79	12,957,500.00	19,622.21
8,709,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135GOAL	2.250	3/15/16	.397	101.45775	8,835,955.16	8,841,725.16	5,770.00
15,000,000	FANNIE MAE	3135GOVA	.500	3/30/16	.537	99.96944	14,995,416.05	15,018,750.00	23,333.95
16,550,000	UNITED STATES TREASURY NOTES	912828UW	.250	4/15/16	.435	99.83941	16,523,422.26	16,548,676.00	25,253.74
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACT	2.500	5/27/16	.479	101.99162	10,199,162.05	10,207,100.00	7,937.95
15,000,000	UNITED STATES TREASURY NOTES	912828QP	1.750	5/31/16	.522	101.22004	15,183,005.42	15,214,500.00	31,494.58
1,000,000	NEW MEXICO FIN AUTH REV	64711NSK	4.000	6/01/16	.570	103.41516	1,034,151.60	1,035,790.00	1,638.40
30,000,000	UNITED STATES TREAS NTS	912828QR	1.500	6/30/16	.532	101.04119	30,312,357.44	30,372,600.00	60,242.56
2,600,000	WESTERN BANK CLOVIS	15985	.500	7/13/16	.500	1.00000	2,600,000.00	2,600,000.00	
15,000,000	UNITED STATES TREASURY NOTES	912828VL	.625	7/15/16	.531	100.10535	15,015,801.96	15,045,750.00	29,948.04
195,000	LOS LUNAS N MEX SCH DIST NO 1	545562RC	2.000	7/15/16	.451	101.73220	198,377.79	198,201.90	-
2,500,000	WESTERN BANK ALAMOGORDO	81187124	.550	7/22/16	.550	1.00000	2,500,000.00	2,500,000.00	
600,000	RIO RANCHO N MEX PUB SCH DIST NO	76717JMF	2.000	8/01/16	.650	101.56615	609,396.88	611,016.00	1,619.12
475,000	LAS CRUCES N MEX SCH DIST NO 002	517534SD	3.000	8/01/16	.650	102.72620	487,949.44	488,376.00	426.56
250,000	CALLUP MC KINLEY CNTY N MEX SCH	364010QJ	2.000	8/01/16	.710	101.49546	253,738.64	254,152.50	413.86
400,000	SAN JUAN CNTY N MEX CENT CONS IN	798359KC	3.000	8/01/16	.650	102.72628	410,905.12	411,972.00	1,066.88
160,000	BERNALILLO N MEX MUN SCH DIST NO	085279RZ	3.000	8/01/16	.450	102.96307	164,740.91	164,544.00	-
225,000	COLFAX CNTY N MEX GROSS TAX RCPT	19407BAC	2.000	8/01/16	.430	101.82471	229,105.59	228,498.75	-
25,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	1.277	100.88082	25,220,204.60	25,474,000.00	253,795.40
15,000,000	UNITED STATES TREASURY NOTES	912828RJ	1.000	9/30/16	.677	100.42668	15,064,001.40	15,114,900.00	50,898.60
15,000,000	UNITED STATES TREASURY NOTES	912828RM	1.000	10/31/16	.632	100.51721	15,077,580.94	15,113,700.00	36,119.06
20,000,000	UNITED STATES TREASURY NOTES	912828LU	3.125	10/31/16	.584	103.57012	20,714,024.09	20,751,600.00	37,575.91
20,000,000	UNITED STATES TREASURY NOTES	912828RU	.875	11/30/16	.751	100.18362	20,036,724.02	20,120,400.00	83,675.98
20,000,000	UNITED STATES TREASURY NOTES	912828AS	.625	12/15/16	.665	99.93890	19,987,780.14	20,042,200.00	54,419.86
1,100,000	WESTERN BANK ALAMOGORDO	81186499	.750	12/30/16	.750	1.00000	1,100,000.00	1,100,000.00	
<b>295,214,000</b>							<b>297,828,782.18</b>	<b>298,593,334.31</b>	<b>764,552.13</b>

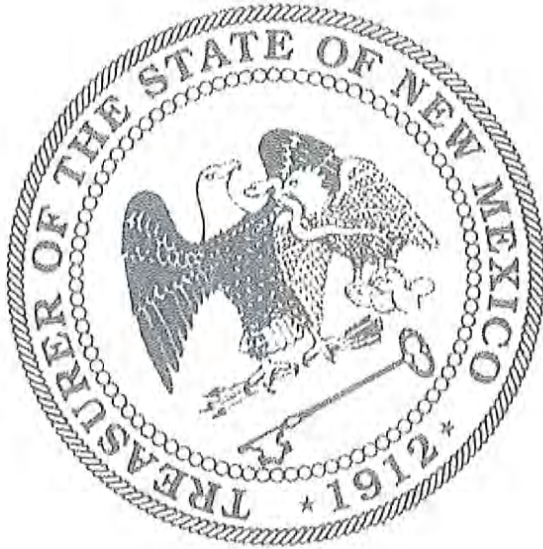
====> 0030 ITEMS IN SUBTOTAL FOR ==>> FINAL-MATURITY.. ==>> 2016 <<==

15,000,000	UNITED STATES TREASURY NOTES	912828SC	.875	1/31/17	.700	100.28986	15,043,478.79	15,086,700.00	43,221.21
5,000,000	UNITED STATES TREASURY NOTES	912828SJ	.875	2/28/17	.788	100.15013	5,007,506.71	5,029,700.00	22,193.29
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADC	1.000	3/08/17	.756	100.42807	10,042,807.33	10,066,000.00	23,192.67
20,000,000	UNITED STATES TREASURY NOTES	912828SM	1.000	3/31/17	.849	100.27378	20,054,756.41	20,162,600.00	107,843.59
25,000,000	UNITED STATES TREASURY NOTES	912828SY	.625	5/31/17	.916	99.42455	24,856,137.27	25,009,750.00	153,612.73

# STATE OF NEW MEXICO TREASURERS OFFICE

Position holdings as of 5/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 5/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
15,000,000	FEDERAL HOME LOAN BANKS	313379FW	1.000	6/09/17	.825	100.34980	15,052,469.50	15,092,700.00	40,230.50
5,000,000	UNITED STATES TREASURY NOTES	912828TB	.750	6/30/17	1.006	99.47320	4,973,660.14	5,011,350.00	37,689.86
8,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PZT	.650	7/10/17	.862	99.55824	7,964,659.54	7,994,000.00	29,340.46
5,000,000	UNITED STATES TREASURY NOTES	912828TG	.500	7/31/17	.906	99.13144	4,956,571.91	4,982,050.00	25,478.09
11,000,000	UNITED STATES TREASURY NOTES	912828TM	.625	8/31/17	.975	99.22384	10,914,622.30	10,981,080.00	66,457.70
<b>119,000,000</b>							<b>118,866,669.90</b>	<b>119,415,930.00</b>	<b>549,260.10</b>
====> 0010 ITEMS IN SUBTOTAL FOR =====> FINAL-MATURITY.. ==> 2017 <=====									
20,000,000	UNITED STATES TREASURY NOTES	912828UJ	.875	1/31/18	1.205	99.13753	19,827,505.63	20,017,200.00	189,694.37
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G6ED	.500	2/27/18	.500	100.00000	10,000,000.00	9,998,200.00	-1,800.00
15,000,000	UNITED STATES TREASURY NOTES	912828UR	.750	2/28/18	1.213	98.75164	14,812,745.48	14,947,200.00	134,454.52
250,000	S REV	013493FM	5.000	7/01/18	1.200	111.44700	278,617.50	278,217.50	-400.00
<b>45,250,000</b>							<b>44,918,868.61</b>	<b>45,240,817.50</b>	<b>321,948.89</b>
====> 0004 ITEMS IN SUBTOTAL FOR =====> FINAL-MATURITY.. ==> 2018 <=====									
<b>630,126,476</b>							<b>632,669,867.75</b>	<b>634,467,987.46</b>	<b>1,798,119.71</b>
====> 0070 ITEMS IN SUBTOTAL FOR =====> FUND NAME..... ==> BOND PROCEEDS INV P00L2 TAXABL <=====									



## 12. Portfolio Summary- Severance Tax Bonding Fund

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

### *Summary*

- The Severance Tax Bonding Fund<sup>9</sup> closed the month of May at \$300 Million.
- The Severance Tax Bonding Fund net earnings were \$24,544 during May.
- The Severance Tax Bonding Fund year-to-date net earnings are over \$156,100.

### *Portfolio Mix*

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

### *Investment Strategy*

- The STBF received \$26mil in April and \$26mil in May 2015.
- Due to its short-term nature, investments of three to six month maturities are viable investments for the STBF pool.

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

# STATE OF NEW MEXICO

## STB FUND (4001)

Portfolio Classification Summary

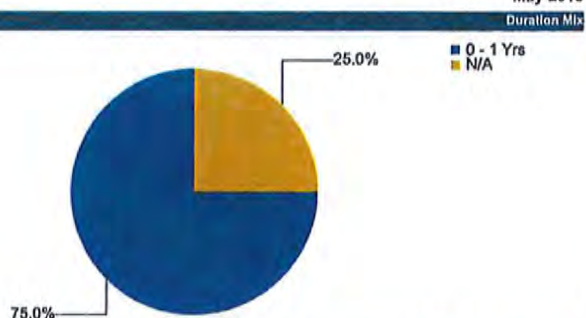
Positions Held as of 5/31/15 (TRADE Basis)

AMTZ ADDED: NO

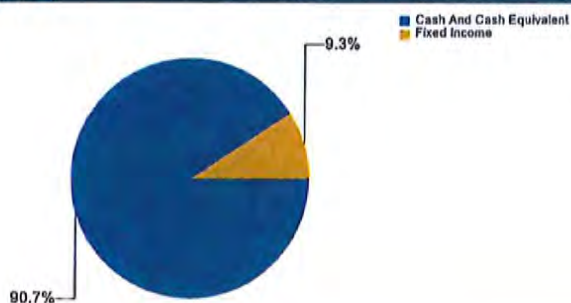
ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.0710	.00270	197,515,263	197,515,263	197,515,263		65.753
AGENCY US BOND 30/360 2X	3	.2021	.30575	23,500,000	23,506,717	23,511,220	4,503	7.827
MUNI US 30/360 2X	3	.2600	.02541	3,080,000	3,081,744	3,081,709	-35	1.026
MUNICIPAL BOND REVENUE	1	.2051	.16990	1,200,000	1,203,592	1,203,588	-4	.401
UNITS - INVESTMENT POOL 1	1			50,041,075	50,041,075	50,041,075		16.659
CASH ACCOUNT	1			25,035,879	25,035,879	25,035,879		8.334
	10	.0660	.03551	300,372,127	300,384,270	300,388,734	4,464	100.000

Portfolio Characteristics

Total Net Assets (Millions)	300.5
Weighted Average Life (Years)	0.03
Weighted Avg. Effective Duration (Years)	0.03
Weighted Average Coupon (%)	0.15
Weighted Average Current Yield (%)	0.06
Weighted Average Yield to Maturity (%)	0.08
Weighted Average Rating	AA
Number of Holdings	14



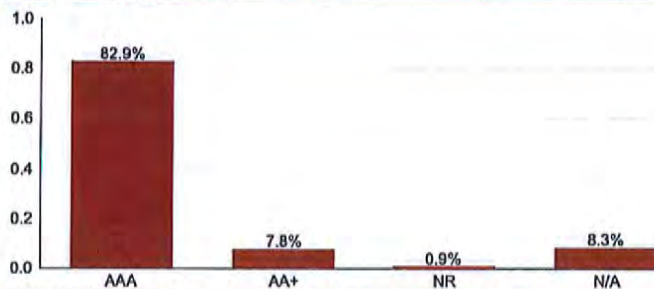
Asset Mix



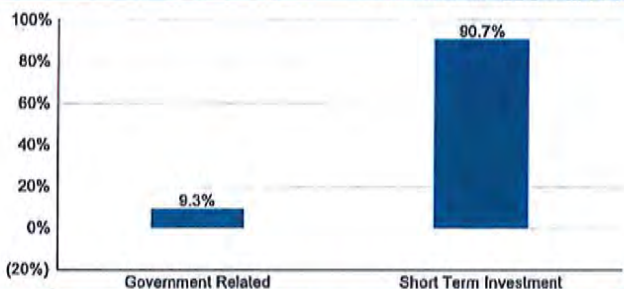
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
89298X00	LOIP POOL PARTICIPAT	10.65%	0.13	
99FE90041	REPO MIZUHO SECURITIES USA RIC 052915C	10.60%	0.07	1/6/2015
99FE90037	REPO MIZUHO SECURITIES USA RIC 052915A	10.60%	0.07	1/6/2015
99FE90054	REPO MIZUHO SECURITIES USA RIC 052915B	10.60%	0.07	1/6/2015
99FE90052	REPO MIZUHO SECURITIES USA RIC 052915D	13.38%	0.07	1/6/2015
89199J5V4	FIRST NATIONAL	8.33%		
3123EDHE8	FEDERAL FARM CREDIT BANK BOND FIXED .13%	3.33%	0.13	17/6/2018
99FE90050	REPO MIZUHO SECURITIES USA RIC 052915E	2.85%	0.07	1/6/2015
51748TEH4	LAS CRUCES II MEX GROSS RCPTS TAX REV 14SEP/2005	0.73%	6.00	1/6/2015
31350G5B0	FEDERAL NATIONAL MORTGAGE ASSOC 0.375% BDS	4.60%	0.38	21/12/2015

Quality/Rating Weightings

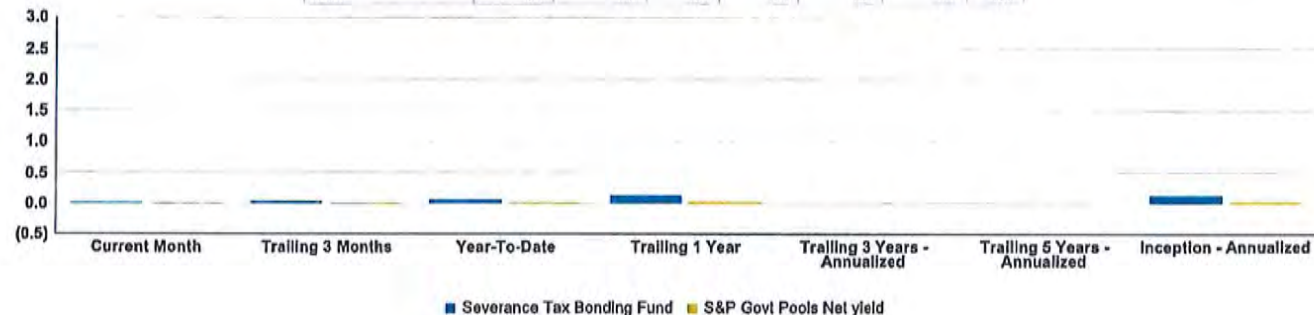


Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Severance Tax Bonding Fund	0.01	0.03	0.06	0.13			0.12
S&P Govt Pools Net yield	0.00	0.01	0.01	0.03			0.03
Excess	0.01	0.02	0.05	0.10	0.00	0.00	0.10

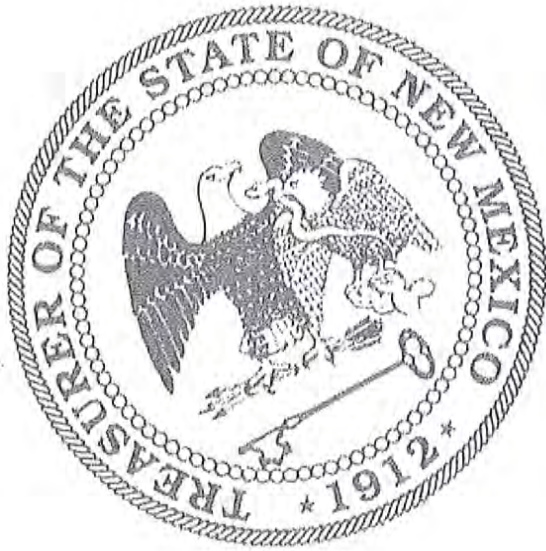




# STATE OF NEW MEXICO TREASURERS OFFICE

Position holdings as of 5/31/15 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 5/31/15

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
50,041,075	UNITS - INVESTMENT POOL 1	UNITS001				1.00000	50,041,075.23	50,041,075.00	.23
25,035,879	FNB MONEY MARKET DEMAND ACCOUNT	FNBCASH				1.00000	25,035,878.59	25,035,879.00	.41
<b>75,076,954</b>							<b>75,076,953.82</b>	<b>75,076,954.00</b>	<b>.18</b>
=> 0002 ITEMS IN SUBTOTAL FOR => FINAL-MATURITY.. => NO-MEANINGFUL-DATE <=<									
2,315,000	LAS CRUCES N MEX GROSS RCPTS TAX 51748TEM		5.000	6/01/15	.251	100.00000	2,315,000.00	2,315,000.00	
197,515,263	OVERNIGHT REPO	0601RP	.070	6/01/15	.070	1.00000	197,515,262.68	197,515,262.68	
1,500,000	FEDERAL HOME LOAN BANKS	3130AZAM	.125	6/03/15	.125	100.00000	1,500,000.00	1,500,000.00	
450,000	NEW MEXICO FIN AUTH ST TRANSMN RE 64711RAY		5.250	6/15/15	.216	100.19553	450,879.88	450,895.50	15.62
10,000,000	FEDERAL FARM CREDIT BANKS	3133EDNE	.130	6/17/15	.120	100.00044	10,000,044.12	10,000,300.00	255.88
1,200,000	ALBUQUERQUE N MEX MET ARROYO FLO 013572KC		2.000	8/01/15	.202	100.29930	1,203,591.60	1,203,588.00	3.60
315,000	SANDOVAL CNTY NM	80004PDY	2.000	8/01/15	.351	100.27427	315,863.96	315,812.70	51.26
12,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI 3135G0SB		.375	12/21/15	.275	100.05560	12,006,671.95	12,010,920.00	4,248.05
<b>225,295,263</b>							<b>225,307,314.19</b>	<b>225,311,778.88</b>	<b>4,464.69</b>
=> 0008 ITEMS IN SUBTOTAL FOR => FINAL-MATURITY.. => 2015 <=<									
<b>300,372,217</b>							<b>300,384,268.01</b>	<b>300,388,732.88</b>	<b>4,464.87</b>
=> 0010 ITEMS IN SUBTOTAL FOR => FUND NAME..... => STB FUND <=<									



## 13. Broker Dealer Activities

## **Broker-Dealer Activities**

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

New Mexico State Treasurer's  
 Executive Summary of Investment Activity  
 Summary of Broker Participation  
 Purchases and Sales By Broker, Market & Security Type  
 All Funds  
 2014-2015

Volume at Par	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	YTD Total	YTD Percent
Broker/Dealer:														
Arbor Research and Trading														
EAML		20,000											20,000	0.0%
Bancaya			60,000										60,000	0.7%
BB and T (Scott & Stringfellow)	32,000		16,785				12,645						70,665	6.4%
BMO Capital Markets	30,000		10,000				32,175						122,451	4.9%
BNP Paribas	10,000												207,500	7.8%
BOSC, Inc													31,000	1.2%
Canor, Fitzgerald													9,500	0.4%
Carolina Capital Markets														0.0%
CashOak Securities LP														0.0%
Colgroup	20,000												164,012	6.1%
CRT Capital Group														0.0%
DA Davidson & Co													20,000	0.7%
Dava Capital Markets America														0.0%
Deutsche Bank	5,000												9,000	0.3%
Dresel Hamilton LLC													84,465	3.2%
Frost Southwest													20,000	0.7%
FTN Financial	5,000												10,480	0.4%
G X Clarks & Co	35,000												15,845	0.6%
George K. Baum & Co													86,600	3.2%
Goldman Sachs														0.0%
Government Participations, Inc														0.0%
Great Pacific Securities														0.0%
Guggenheim Securities LLC													15,000	0.6%
Harcourt Securities Inc													40,750	1.6%
HSC														0.0%
InCapital LLC														0.0%
Jeffries													96,200	2.2%
JP Morgan & Co	40,000												40,000	1.5%
KeyBank Capital Markets													32,838	1.2%
Lavoon Financial														0.0%
Loop Capital Markets													10,000	0.4%
MBS (Multi-Bank Securities)														0.0%
MFR Securities														0.0%
Madison UFI Securities													5,000	0.2%
Micha Securities USA	5,000												104,500	3.0%
Morgan Stanley	15,000												102,867	3.6%
Mural Stebbins & Co.	5,000												5,000	0.2%
Mutual Securities of Inc.													4,500	0.2%
Nomura														0.0%
Northam Trust														0.0%
Pierpont														0.0%
Piper-Jaffray													15,000	0.6%
Raymond, James & Associates														0.0%
RBS Securities	20,000												94,000	3.5%
Robert W. Baird & Co.													6,805	0.2%
RW Prinspator														0.0%
RBC Capital Markets														0.0%
Samuel A. Ramoak & Co.													5,000	0.2%
Sea First Securities														0.0%
Scoble General Americas	20,000												137,250	5.1%
South Street Securities														0.0%
Southwest Securities	6,235												31,002	1.2%
Stern Agr & Leach, Inc.	5,000												46,380	1.7%
SZM Niklaus & Co													103,750	3.9%
SunTrust Robinson Humphrey														0.0%
TD Securities	10,000												51,415	1.9%
Tradition Asset Securities														0.0%
UBS Financial Services													84,000	3.1%
Wing Sparks													372,381	13.9%
Wedbush Securities	15,000												8,915	0.3%
Wells Fargo Securities													222,816	8.3%
Williams Capital Group													63,500	2.4%
Zions Direct													2,870,562	105.0%
Direct Purchase														
Interfund														
	278,435	238,372	232,631	364,447	162,375	385,223	177,022	151,540	356,938	253,630	82,483	-	2,870,562	105.0%

Volume at Par (\$ in thousands)

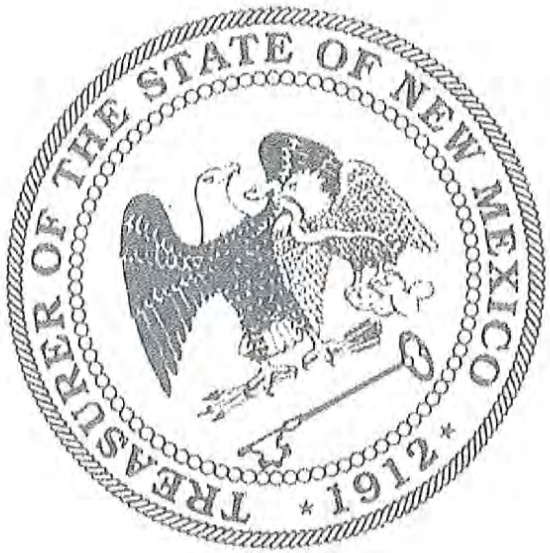
Broker/Dealer Market type:	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	YTD Total	YTD Percent
Primary Market	102,200	45,000	89,881	60,000	20,700	195,286	5,000	225	1,850	7,885	4,860	-	541,897	20.2%
Secondary Market	176,235	191,272	133,950	304,447	141,675	199,942	167,022	151,275	334,419	245,745	88,593	-	2,134,375	79.8%
Total	278,435	236,272	232,831	364,447	162,375	395,228	172,022	151,500	336,369	253,630	93,453	-	2,676,562	100.0%
<b>Security type:</b>														
- 2	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	May-15	Jun-15	YTD Total	YTD %
ABS	159,725	149,952	108,451	211,127	91,000	149,842	171,722	108,415	200,069	176,015	89,343	-	1,613,671	60.3%
Certificates of Deposit/Bank MMDA	8,100	2,000	63,500	40,000	-	1,100	-	-	250	4,000	-	-	118,950	4.4%
Commercial Paper	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Corporate Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
MBS	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Municipal/Sponge	5,610	5,310	15,860	3,320	2,125	165,266	300	3,635	3,150	9,615	5,110	-	219,341	8.2%
Treasuries	105,000	60,000	45,000	110,000	69,250	80,000	-	38,450	132,900	64,000	-	-	724,600	27.1%
Total	278,435	236,272	232,831	364,447	162,375	395,228	172,022	151,500	336,369	253,630	93,453	-	2,676,562	100.0%

**STATE OF NEW MEXICO**  
**Summary of Fixed-Income Purchases and Sales**  
**TRADES During The Period 5/01/15 Through 5/31/15**

TRN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
<b>PURCHASE TRANSACTIONS</b>													
5/15/15	3133EEAT	AGENCY US BOND	23469	FEDERAL FARM CREDIT BAN	.200	12/07/15	.2009	DEUTSCHE BANK S	4101	2,500,000.00	2,499,987.50		
5/27/15	880591CU	AGENCY US BOND	23528	TENNESSEE VALLEY AUTHOR	6.250	12/15/17	1.0211	WEDBUSH SECURIT	4000	6,005,000.00	6,792,555.75		
5/14/15	31358C7K	AGENCY US BOND	23462	FEDERAL NATIONAL MORTGA		5/15/16	.3673	STIFFEL NICOLAU	4101	2,500,000.00	2,490,850.00		
5/29/15	3128X6Q8	AGENCY US BOND	23553	FEDERAL HOME LOAN MORTG		8/31/15	.1112	BB&T CAPITAL MA	4101	5,000,000.00	4,998,610.00		
5/05/15	3135COAL	AGENCY US NOTES	23413	FEDERAL NATIONAL MORTGA	2.250	3/15/16	.2843	PIERPONT SECURI	4101	5,000,000.00	5,084,200.00		
5/11/15	3134G3J7	AGENCY US NOTES	23436	FEDERAL HOME LOAN MORTG	.450	9/04/15	.1129	WELLS FARGO SEC	4101	5,000,000.00	5,005,240.00		
5/19/15	3136FPET	AGENCY US NOTES	23486	FEDERAL NATIONAL MORTGA	2.000	3/10/16	.2751	KEYBANC CAPITAL	4101	5,000,000.00	5,069,350.00		
5/26/15	3136FPET	AGENCY US NOTES	23486	FEDERAL NATIONAL MORTGA	2.000	3/10/16	.2859	KEYBANC CAPITAL	4101	3,838,000.00	3,889,621.10		
5/27/15	31359MH8	AGENCY US NOTES	23527	FEDERAL NATIONAL MORTGA	5.000	3/15/16	.2806	WEDBUSH SECURIT	4101	5,000,000.00	5,187,780.00		
5/08/15	31398A4M	FED NATL MORTGA	23391	FEDERAL NATIONAL MORTGA	1.625	10/26/15	.1425	BMO CAPITAL MAR	4101	10,000,000.00	10,067,900.00		
5/04/15	433866FT	MUNI US 30/360	23404	HOBBS N MEX MUN SCH DIS	3.000	9/15/16	.5301	FIRST SOUTHWEST	4000	390,000.00	402,487.80		
5/05/15	778550JQ	MUNI US 30/360	23411	ROSWELL N MEX INDPT SCH	2.000	8/01/17	.9002	FIRST SOUTHWEST	4000	250,000.00	255,975.00		
5/06/15	802088LN	MUNI US 30/360	23421	T TO 05/01/1976	5.000	8/01/17	.9001	FIRST SOUTHWEST	4000	2,500,000.00	2,716,900.00		
5/08/15	01354PFQ	MUNI US 30/360	23434	ALBUQUERQUE NM GROSS RE	.550	7/01/16	.5499	ROBERT W BAIRD	4000	1,120,000.00	1,120,000.00		
5/08/15	01354PFR	MUNI US 30/360	23435	ALBUQUERQUE NM GROSS RE	1.050	7/01/17	1.0499	ROBERT W BAIRD	4000	600,000.00	600,000.00		
5/29/15	013493FM	MUNI US 30/360	23552	S REV	5.000	7/01/18	1.2002	FIRST SOUTHWEST	4002	250,000.00	278,617.50		
										54,953,000.00	56,460,074.65		

16 PURCHASES DURING PERIOD TOTAL.....													
										54,953,000.00	56,460,074.65		
<b>SALE TRANSACTIONS</b>													
5/28/15	313379ER	AGENCY US BOND	20722	FEDERAL HOME LOAN BANKS	.500	6/12/15		WELLS FARGO SEC	4002	15,000,000.00	15,002,445.00	1,122.03	
5/14/15	3135G0KM	AGENCY US NOTES	22012	FEDERAL NATIONAL MORTGA	.500	5/27/15	.0648	BARCLAYS	4002	21,000,000.00	21,003,045.00	573.93	
5/12/15	3135G0LN	FED NATL MORTGA	16807	FED NATL MORTGAGE ASSN	.500	7/02/15		BMO CAPITAL MAR	1001	2,500,000.00	2,501,350.00	1,367.00	
										38,500,000.00	38,506,840.00	3,062.96	
										93,453,000.00	94,966,914.65	3,062.96	

\*\*\* END-OF-REPORT \*\*\*



## 14. State Agency Deposit Balances




Tim Eichenberg  
State Treasurer

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

Ricky Bejarano  
Deputy State Treasurer

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

Date: June 24, 2015  
To: Tim Eichenberg, State Treasurer  
For: Governor Martinez and Members of the State Board of Finance  
From: Edward Gallegos, State Cash Manager   
Subject: State Fund Deposit Activity for the month ending May 31, 2015

Pursuant to section 8-6-3.1 NMSA 1978, the State Cash Manager shall submit to the State Board of Finance a report showing state fund balances in each Financial Institution. Attached for your review is a summary of State fund balances in each institution through May 31, 2015

Additionally, the State Treasurer's Office is required to report to the State Board of Finance any Financial Institution that exceeds certain equity capital and deposit ratios and notify all state agencies who maintain State fund deposits within those institutions of the violation. Agencies are also advised not to make any new deposits until the violations are corrected. Pursuant to section 6-10-24.1 NMSA 1978 there were no Financial Institutions exceeding the statutory limitations on equity capital and deposit ratios for the month ending May 31, 2015

(Attachments)



## Depository Account Summary by Agency

May 2015

<u>STATE FUNDS</u>			<u>NON-STATE FUNDS</u>		
AGENCY	# OF ACCTS.	BALANCE	AGENCY	# OF ACCTS.	BALANCE
AOC (fines, fees etc.)	50	\$3,087,174	AOC	50	\$0
BERN. CO. METRO COURT	2	\$664,446	AOC	1	\$0
1-13 DISTRICT ATTORNEY	5	\$71,486	1ST JUDICIAL DIST. COURT	3	\$1,532,309
EDUCATION RETIREMENT BOARD	1	\$396,059	2ND JUDICIAL DIST. COURT	2	\$1,025,398
TAXATION & REVENUE DEPT.	28	\$131,542	3RD JUDICIAL DIST. COURT	2	\$1,200,461
PUBLIC SCHOOL INS. AUTHORITY	6	\$15,758,322	4TH JUDICIAL DIST. COURT	3	\$131,316
NMRHCA	1	\$0	5TH JUDICIAL DIST. COURT	3	\$2,075,965
PUBLIC DEFENDER	1	\$655	6TH JUDICIAL DIST. COURT	3	\$230,146
SECRETARY OF STATE	1	\$0	7TH JUDICIAL DIST. COURT	4	\$158,699
STATE TREASURER (JDC)	34	\$186,782	8TH JUDICIAL DIST. COURT	4	\$499,967
STATE TREASURER (Liq. Reserve)	1	\$200,403,942	9TH JUDICIAL DIST. COURT	2	\$502,813
SUPERSTENDENT OF INSURANCE	1	\$291,783	10TH JUDICIAL DIST. COURT	2	\$329,600
NM RACING COMMISSION	6	\$337,400	11TH JUDICIAL DIST. COURT	11	\$909,440
SPACEPORT AUTHORITY	0	\$0	12TH JUDICIAL DIST. COURT	2	\$834,307
DEPT. OF GAME & FISH	2	\$97,131	13TH JUDICIAL DIST. COURT	58	\$2,900,330
SOUTHWEST REGION ED.	1	\$2,757,489	BERNALILLO CO. METRO COURT	1	\$112,642
ENERGY & MINERALS	4	\$314,879	7TH DISTRICT ATTORNEY	1	\$1,472
COMMISSION PUBLIC LAND	0	\$0	10TH DISTRICT ATTORNEY	1	\$385
STATE ENGINEER'S OFFICE	4	\$74,404	11TH JUDICIAL DIST. ATTORNEY	0	\$0
IRRG WKS CONST	1	\$252,502	13th JUDICIAL DIST. ATTORNEY	1	\$155
HUMAN SERVICES DEPT.	6	\$19,192	ATTORNEY GENERAL	1	\$2,026
WORKFORCE SOLUTIONS	5	\$393,275	LGIP	4	\$202,191,733
DIVISION OF VOCATIONAL REHAB	0	\$0	PUBLIC REG. COMMISSION	2	\$626,507
MINER'S HOSPITAL	5	\$3,681,173	SUPERSTENDENT OF INSURANCE	2	\$475,368
DEPARTMENT OF HEALTH	37	\$539,152	NM STATE FAIR	5	\$1,958,027
ENVIRONMENT DEPARTMENT	1	\$0	SOUTHWEST REGION ED.	1	\$15
CHILDREN YOUTH AND FAMILIES	1	\$178	MINER'S HOSPITAL	1	\$13,894
CORRECTIONS DEPARTMENT	5	\$614	DEPARTMENT OF HEALTH	9	\$1,054,120
DEPT. OF PUBLIC SAFETY	2	\$78,672	CHILDREN, YOUTH & FAMILIES	7	\$96,870
HIGHWAY & TRANSPORTATION	4	\$1,360	CORRECTIONS DEPARTMENT	12	\$2,513,779
CENTRAL REGIONAL CO-OP	1	\$469,019	DEPT. OF PUBLIC SAFETY	2	\$49,878
			CENTRAL REGION CO-OP	1	\$216,433

sub-total: 216 \$230,008,631

**Total Depository Balance:** \$451,652,686  
**Total Depository Accounts:** 378

sub-total: 162 \$221,644,055

*See  
Revision  
page 80-83*

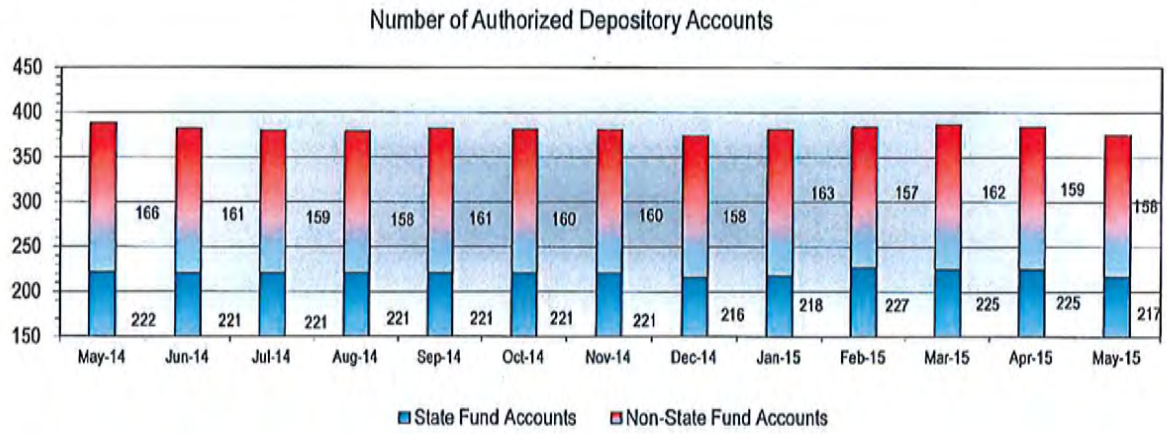
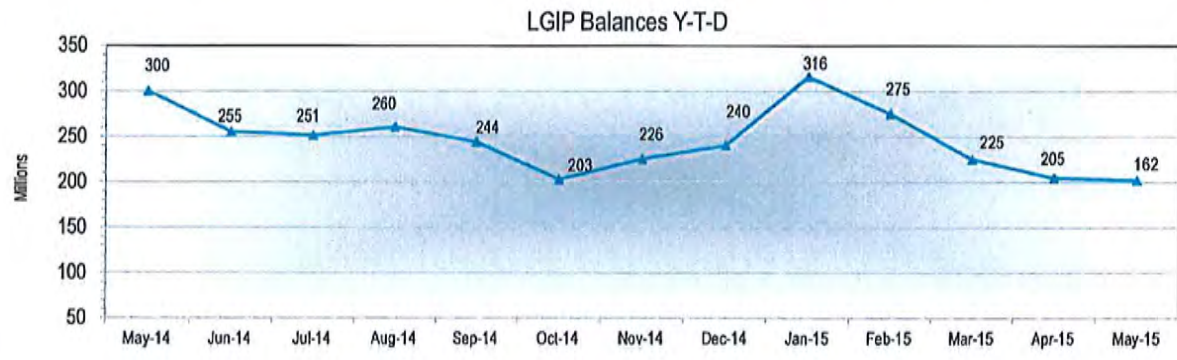
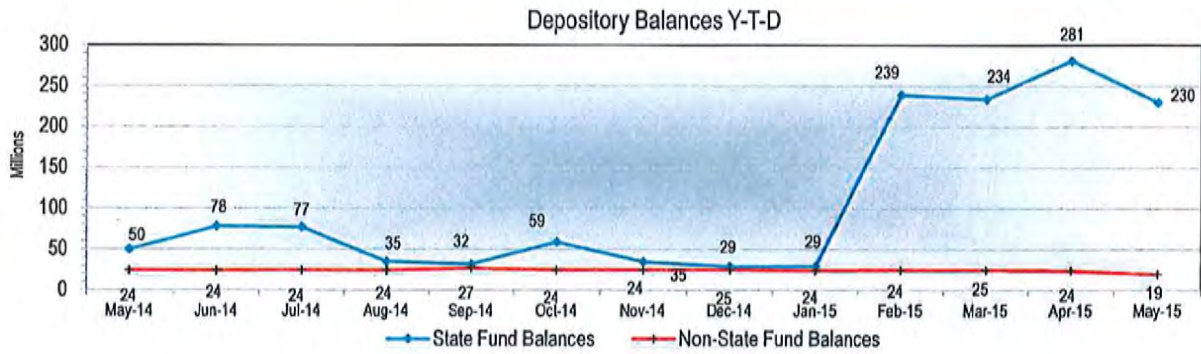
**State Fund Balances by Financial Institution**

May 2015

First National Bank/Alamogordo	\$ 109,146
Century Bank/Santa Fe	\$ 292,188
Bank of America/Albuquerque	\$ 830,789
Wells Fargo Bank/Albuquerque	\$ 19,880,998
Compass Bank/Albuquerque	\$ 3,038,605
Bank of the West/Albuquerque	\$ 200,408,327
First American Bank/Artesia	\$ 49,569
My Bank/Belen	\$ 6,069
Carlsbad National Bank/Carlsbad	\$ 168
Western Commerce Bank/Carlsbad	\$ 151,025
Farmers/Stockmens Bank/Clayton	\$ 23,062
First National Bank/Clayton	\$ 3,695,774
Citizens Bank/Clovis	\$ 13,013
NM Bank & Trust/Albuquerque	\$ 146,212
Community Bank/Santa Fe	\$ 1,574
Grants State Bank/Grants	\$ -
Lea County State Bank/Hobbs	\$ 174,606
Southwest Capitol/Las Vegas	\$ 249,104
Community 1st Bank/Las Vegas	\$ 340,647
Western Bank/Lordsburg	\$ 86,998
Los Alamos National Bank/Los Alamos	\$ 10,666
International Bank/Raton	\$ 64,018
Valley Bank of Commerce/Roswell	\$ 171,945
First State Bank/Socorro	\$ 3,097
Centinel Bank/Taos	\$ 84,932
US Bank/Albuquerque	\$ 16,465
Bank of the Southwest/Roswell	\$ 129,079
People's Bank	\$ 15,281
Washington Federal	\$ 15,274

**Total: \$ 230,008,631**

## Depository Account Summary -May 2015

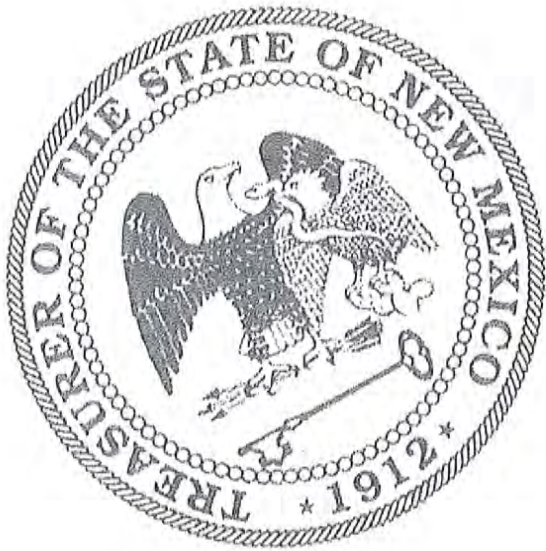


Depository accounts authorized in May 2015 pursuant to Section 6-1-13 NMSA :

Depository accounts opened in May 2015 0

Depository accounts closed in May 2015

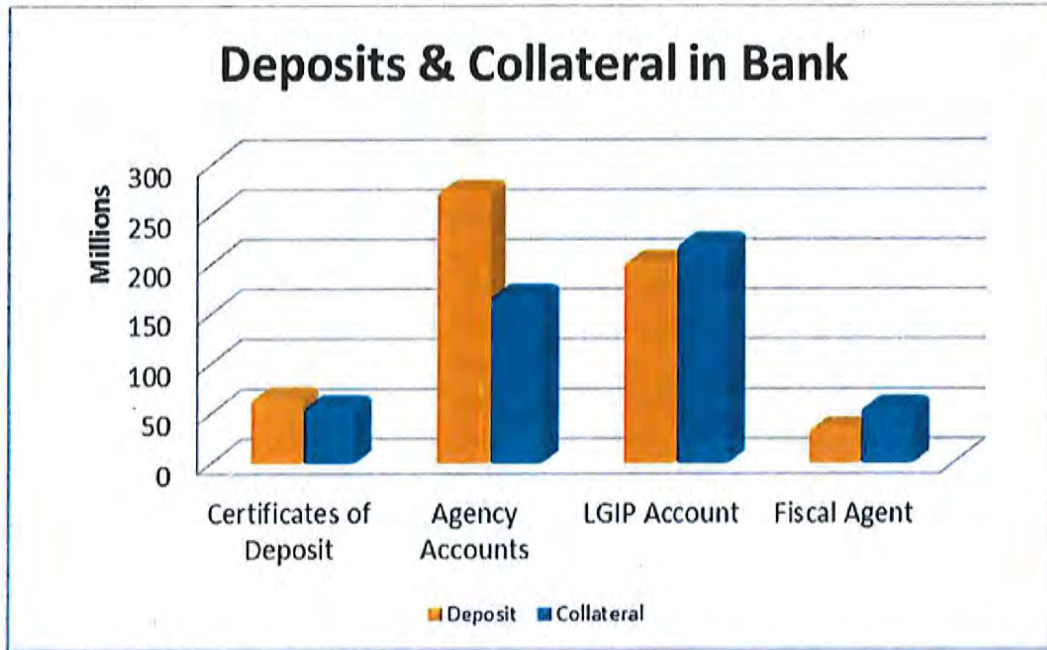
- 1 13th Judicial District Court
- 1 Comissioner of Public Lands
- 1 Vocational Rehab
- 6 Tax & Rev



## 15. Collateral Report on Agency Deposits & CDs

## Office of the Treasurer Collateral Summary Review May 31, 2015

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



### Balances

	<u>Deposit</u>	<u>Collateral</u>	<u>Percentage</u>
Certificate of Deposit	\$ 66.0 Million	\$ 57.4 Million	87.1%
Agency Deposit	273.7 Million	168.6 Million	61.6%
LGIP Deposits	202.2 Million	220.9 Million	109.2%
Fiscal Agent	34.9 Million	56.5 Million	161.7%
<b>Totals →</b>	<b>576.7 Million</b>	<b>503.4 Million</b>	<b>87.3%</b>

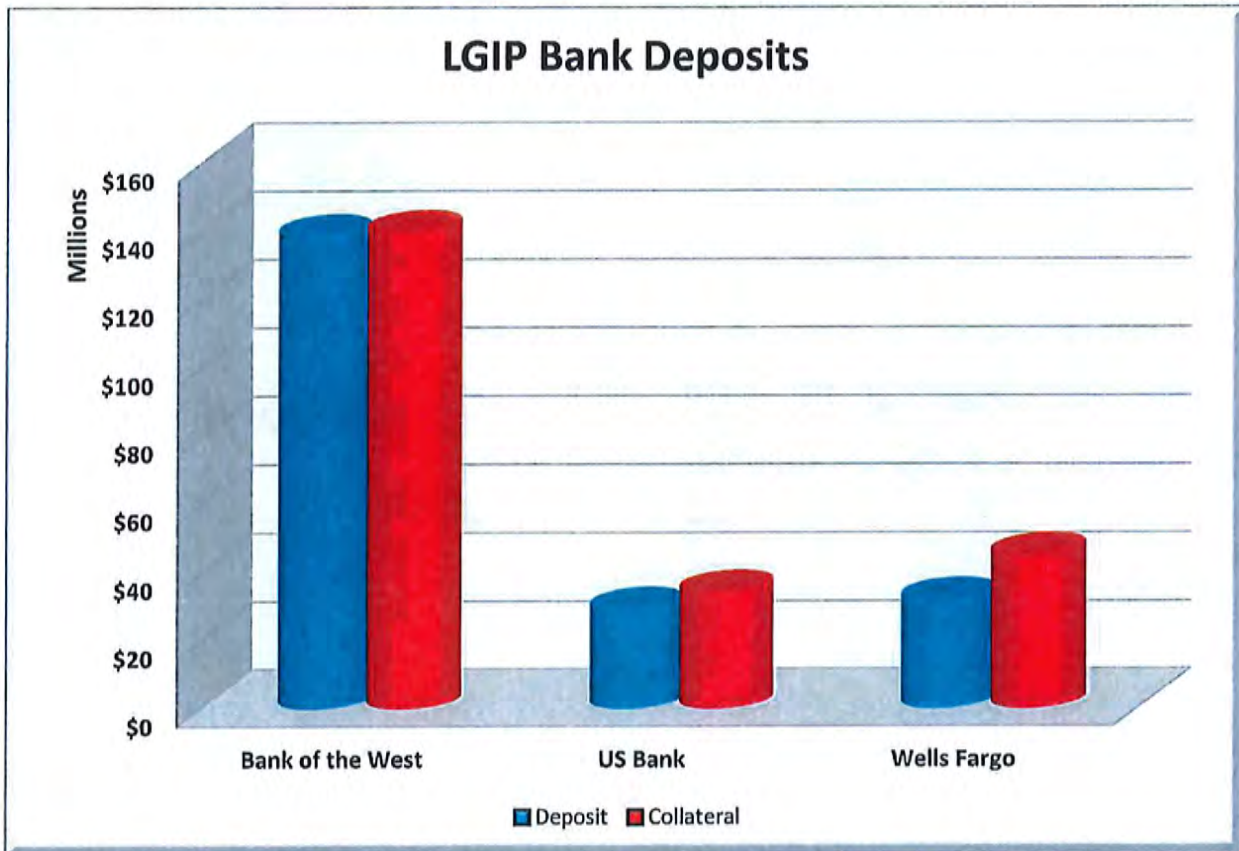


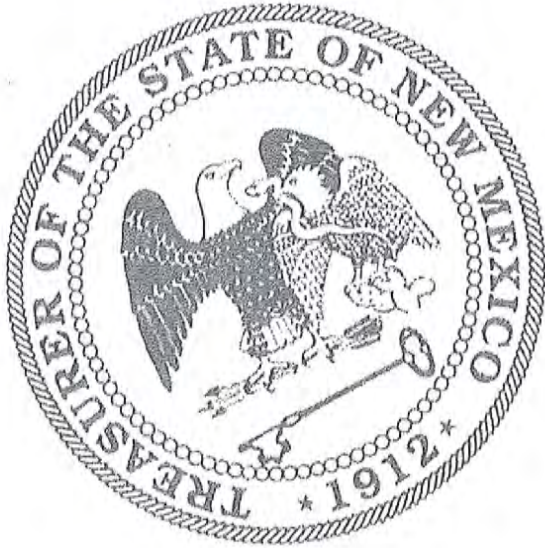
Office of the Treasurer  
**Collateral Review**  
 Accumulated Total by Institution  
 May 31, 2015

FINANCIAL INSTITUTION	%	TOTAL DEPOSITS	FDIC / NCUA INSURANCE	LESS INSURANCE COVERAGE	SUBJECT TO BE COLLATERALIZED	COLLATERAL PLEDGED	EXCESS (UNDER)
First National - Alamogordo	50%	109,146	109,146	0	0	1,420,443	1,420,443
Western - Alamogordo	50%	3,600,000	250,000	3,350,000	1,675,000	2,177,911	502,911
Bank of America	50%	937,840	250,000	687,840	343,920	721,479	377,559
Bank of the West	50%	340,751,889	250,000	340,501,889	170,250,944	240,664,055	70,413,111
BBVA Compass	50%	3,038,609	250,000	2,788,609	1,394,305	2,500,000	1,105,695
US Bank	50%	31,464,323	250,000	31,214,323	15,607,161	40,000,000	24,392,839
Wells Fargo	50%	66,769,574	250,000	66,519,574	33,259,787	70,229,043	36,969,256
First American	50%	49,570	49,570	0	0	0	0
My Bank	50%	356,055	250,000	106,055	53,027	250,000	196,973
Carlsbad National	50%	168	168	0	0	0	0
Western Commerce	50%	4,151,366	250,000	3,901,366	1,950,683	3,873,954	1,923,272
Farmers & Stockmen	50%	10,041,368	250,000	9,791,368	4,895,684	5,154,503	258,818
First National - Clayton	50%	3,695,774	250,000	3,445,774	1,722,887	3,448,493	1,725,606
Bank of Clovis	50%	502,813	250,000	252,813	126,406	804,044	677,638
Citizens - Clovis	50%	13,013	13,013	0	0	0	0
NM Bank & Trust	50%	146,212	146,212	0	0	270,258	270,258
Western - Clovis	102%	3,100,000	250,000	2,850,000	2,907,000	2,937,964	30,964
Grants State	102%	155	155	0	0	0	0
Lea County State	50%	174,606	174,606	0	0	100,000	100,000
Citizens - Las Cruces	50%	3,601	3,601	0	0	0	0
Southwest Capital	50%	10,775,316	250,000	10,525,316	5,262,658	5,493,916	231,258
Community 1st - Las Vegas	102%	340,647	250,000	90,647	92,460	425,346	332,886
Western - Lordsburg	50%	111,498	111,498	0	0	0	0
Los Alamos National	102%	10,666	10,666	0	0	0	0
James Polk Stone Communi	50%	216,433	216,433	0	0	154,718	154,718
International	102%	109,664	109,664	0	0	148,000	148,000
Bank of the Southwest	50%	575,982	250,000	325,982	162,991	292,654	129,663
Valley Commerce	50%	171,945	171,945	0	0	0	0
Century	50%	4,394,579	250,000	4,144,579	2,072,290	3,025,510	953,220
Community	102%	123,044	123,044	0	0	0	0
First National - Santa Fe	102%	55,056,044	250,000	54,806,044	55,902,165	57,783,040	1,880,875
First State	50%	54,042	54,042	0	0	0	0
Centinel	50%	84,933	84,933	0	0	0	0
Peoples	50%	15,281	15,281	0	0	0	0
BANK'34	102%	2,000,000	250,000	1,750,000	1,785,000	2,441,934	656,934
United Labor Bank	50%	0	0	0	0	3,955,646	3,955,646
Guadalupe Credit	50%	250,000	250,000	0	0	0	0
Washington Federal	50%	35,490	35,490	0	0	0	0
		<b>543,231,645</b>	<b>6,179,466</b>	<b>537,052,179</b>	<b>299,464,369</b>	<b>448,272,910</b>	<b>148,808,541</b>

# LGIP Bank Deposits May 31, 2015

<u>Financial Insitution</u>	<u>Percentage</u>	<u>Deposit</u>	<u>Collateral</u>
Bank of the West	100.7%	139,146,536	140,131,263
US Bank	116.1%	30,155,020	35,000,000
Wells Fargo	139.0%	32,890,177	45,732,320
<b>Totals</b>	<b>109.2%</b>	<b>202,191,733</b>	<b>220,863,583</b>





## 16. Annual Benchmark review & recommendation



**DATE:** July 6, 2015

**TO:** The Honorable Treasurer, Tim Eichenberg

**From:** Charmaine Cook, Chief Investment Officer  
 Vikki Hanges, Portfolio Manager  
 Jeremy Landrum, Portfolio Manager  
 Arsenio Garduño, Collateral Manager  
 Deanne Woodring, CFA – Investment Consultant - GPA

**SUBJECT:** Annual Portfolio Benchmark Recommendation for FY'16

**CC:** State Treasurer's Investment Committee

Objectives per Investment Policy approved on May 20, 2014:

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

In addition, the Authorized Investment Officers will observe the following priorities in making investment decisions, in the order described:

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

State Treasurer's Portfolios	Current Benchmark	Recommended Benchmark
General Fund Liquidity, Bank Balances, REPO Pool, STBF, TRAN & Local Government Investment Pool	100% Standard & Poor's Government Investment Pool Index	No Change Weighted Avg. Maturity 30 Days
General Fund Core	100% BofA/ML 0-5 Treasury	No Change Duration <del>1.46</del> 2.27 on 05/31/15
Bond Proceed Pools (Tax-exempt & Taxable)	100% BoA/ML 0-3 Treasury	No Change Duration <del>2.27</del> 1.46 on 05/31/15

The General Fund is managed as two separate portfolios consisting of the General Fund Liquidity and the General Fund Core. The State Treasurer's Office utilizes the General Fund Liquidity portfolio to meet daily cash flow requirements, limiting the impact on the General Fund Core portfolio. Studying the cash flow requirements has allowed for the optimization of portfolio return by minimizing very low yielding cash investments held in the General Fund Liquidity. It has been determined that the monthly cash balances required are approximately \$500 million. As a result the General Fund Liquidity is targeted to remain between \$500 and \$600 million. Due to its short term nature, it is expected to provide a return similar to the S&P LGIP Index. The remaining funds that are not immediately required for liquidity purposes are invested in the General Fund Core portfolio with maturities out to 5 years.

**Investment Activity:** The portfolio managers invest the General Fund Core in securities typically held to maturity; however, securities may be sold in the following situations:

1. A security with declining credit may be sold early to minimize the loss of principal.
2. A security may be exchanged for another security to improve the quality, yield or the target duration of the portfolio.
3. If liquidity needs exceed expectations, a security may be sold to provide for cash flow.

**Asset Allocation:** The investment policy provides for the ability to diversify the portfolio among sectors that include US Treasury, Agency, Corporate, Municipal, Asset and Mortgage-Backed Securities. The portfolio managers evaluate allowable sectors to determine relative value based on market conditions and outlook. Currently, the allowable sectors for investment are US Treasuries, Agencies and Municipal Securities a primary allocation to NM municipal securities.

**Current Benchmark:** The State Treasurer's Investment Division staff and GPA continue to recommend the Bank of America/ML 0-5 Year US Treasury Index as the Core Fund benchmark. This index has a duration of 2.27 years and consists of all US Treasury securities. The benchmark provides a reference for the duration management of the Core Fund. The reasons for incorporating an all treasury index are threefold: 1) It provides for the ability to articulate the value added from divesting in various asset class alternatives, 2) More closely resembles the composition of currently allowable investable securities 3) If corporate and mortgage-backed securities were utilized a secondary customized benchmark would be beneficial.

#### **Benchmark Characteristics**

ML 0-5 Year Treasury Index Symbol: GVQA

Average Monthly Duration 2.27 years

Price Volatility given 1% change in rates on current balance: \$36,160M

Maturity Structure: 0-5 year maturities

Asset Allocation: 100% Treasury Securities

#### **General Fund Core Characteristics as of 05/31/15**

Current Duration: 1.99 years vs. Benchmark 2.27

Current Market Value: \$1,592,953,185

Price Volatility given 1% change in rates based on \$1.592BLN invested: \$31,699M

Maturity Structure: 0-5 year maturities

Asset Allocation: 33% Treasury Securities

61% Agencies

3% Municipals

0% Corporates

3% Cash Equivalents

#### **Bond Proceeds Investment Pool Portfolios (Tax-exempt & Taxable)**

The Bond Proceeds Pools investment decisions are primarily driven by frequent and large cash flows. The liquidity necessary to meet highly variable capital project withdrawals on a monthly basis requires diligent portfolio management to insure cash availability and effective portfolio duration management. Inflows are usually large deposits from NM bond proceeds issuances and tax receipts utilized for debt service. Although the investment policy allows for maturities out to five years, the cash flow requirements of the Bond Proceeds Pools require shorter overall portfolio duration profiles that can be managed more efficiently for principal preservation.

**Investment Activity:** The portfolio managers invest the Bond Proceeds Pools in securities that approximately match expected cash flows with the understanding that securities may need to be sold under the following circumstances:

1. A security with declining credit may be sold early to minimize the loss of principal.
2. A security may be sold to purchase another security to improve the quality, yield or the target duration of the portfolio.
3. If liquidity needs exceed expectations, a security may be sold to provide for cash flow.

**Asset Allocation:** The investment policy provides for the ability to diversify among fixed income sectors utilizing US Treasury, Agency, Corporate, Municipal, Asset and Mortgage-Backed Securities. Currently, the allowable sectors for investment include US Treasuries, Agencies and NM municipal securities.

**Benchmark Recommendation:** The State Treasurer's Investment Division staff and GPA continue to recommend the Bank of America/ML 0-3 Year US Treasury Index as the Benchmark for the Bond Proceeds Pools. This index currently has a duration of 1.46 years and consists of all US Treasury securities. This benchmark provides for the accountability of duration management. The reasons for incorporating an all treasury index are threefold: 1) It provides for the ability to articulate the value added from divesting in various asset class alternatives 2) More closely resembles the composition of currently allowable investable securities 3) If corporate and mortgage-backed securities were utilized a secondary customized benchmark would be beneficial.

**Benchmark Characteristics:**

ML 0-3 Year Treasury Index Symbol: G1QA

Current Duration 1.46 years

Price Volatility given 1% change in rates approximately: Tax Exempt \$7,550M - Taxable \$9,117M

Maturity Structure: 0-3 year maturities

Asset Allocation: 100% Treasury Securities

**Bond Proceeds Investment Pool Tax-Exempt Characteristics as of 5/31/15**

Current Duration 1.23 years vs. Benchmark 1.46 years

Current Market Value \$517,132,151

Price Volatility given 1% change in rates is approximately \$6,360M

Maturity Structure: 0-3 year maturities

Asset Allocation: 55% Treasury Securities

36% Agencies

5% Municipals

0% Corporates

4% Cash Equivalents

**Bond Proceeds Investment Pool Taxable Characteristics as of 05/31/15**

Current Duration 1.13 years vs. Benchmark 1.46 years

Current Market Value \$624,462,986

Price Volatility given 1% change in rates is approximately: \$7,056M

Maturity Structure: 0-4 year maturities  
 Asset Allocation: 54% Treasury Securities  
 39% Agencies  
 2% Municipals  
 0% Corporates  
 5% Cash Equivalents

Disclosure: Price Volatility is an estimate and does not incorporate yield curve changes or spread changes.

**Relative Performance of the State Treasurer's Portfolios as of 5/31/15:**

<i>Fund</i>	<i>Performance</i>	
	<i>3 Months</i>	<i>12 Months</i>
<b><i>General Fund Liquidity</i></b>	0.04%	0.15%
S&P Government Bond Index (Gross)	<u>0.03%</u>	<u>0.11%</u>
Relative Performance (BPs)	0.01%	0.04%
<b><i>General Fund CORE</i></b>	0.36%	1.04%
BAML 0-5 US Treasury	<u>0.44%</u>	<u>1.11%</u>
Relative Performance (BPs)	(0.08)%	(0.07)%
<b><i>Bond Proceeds - Tax Exempt</i></b>	0.19%	0.52%
BAML 0-3 US Treasury	<u>0.26%</u>	<u>0.60%</u>
Relative Performance (BPs)	(0.07)%	(0.08)%
<b><i>Bond Proceeds - Taxable</i></b>	0.19%	0.54%
BAML 0-3 US Treasury	<u>0.26%</u>	<u>0.60%</u>
Relative Performance (BPs)	(0.07)%	(0.06)%
<b><i>Local Government Investment Pool</i></b>	0.05%	0.16%
S&P Government Bond Index (Gross)	<u>0.03%</u>	<u>0.11%</u>
Relative Performance (BPs)	0.02%	0.05%
<b><i>Severance Tax Bonding Fund</i></b>	0.03%	0.13%
S&P Government Bond Index (Gross)	<u>0.03%</u>	<u>0.11%</u>
Relative Performance (BPs)	0.00%	0.02%

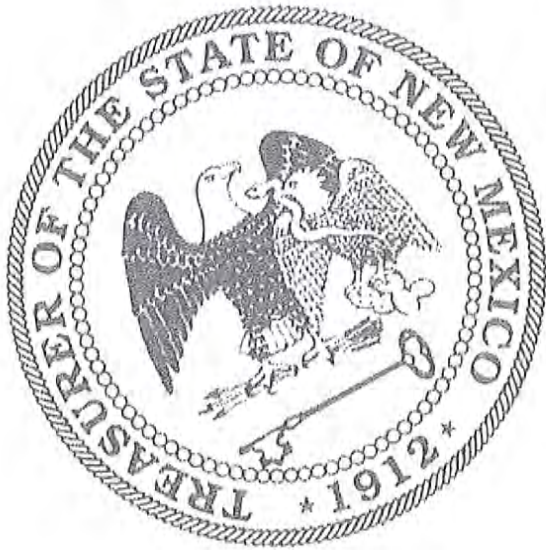
Relative Risk based on market price sensitivity of the State Treasurer's Portfolios as of balances on 5/31/15:

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*Risk*

<u>Fund</u>	<u>Duration</u>	<u>\$ Value Change per 1% rate rise</u>
<b>General Fund CORE (Per \$1.592BLN)</b>	1.99years	-\$31,699,768
BAML 0-5 US Treasury (per \$1BLN)	<u>2.27years</u>	<u>-\$36,160,000</u>
Relative Risk Variance Protection	-.28years	\$4,460,232
<b>Bond Proceeds - Tax Exempt (\$517MM)</b>	1.23years	-\$6,360,000
BAML 0-3 US Treasury	<u>1.46years</u>	<u>-\$7,550,000</u>
Relative Risk Variance Protection	-.23years	\$1,190,000
<b>Bond Proceeds - Taxable (\$636MM)</b>	1.13years	\$7,056,000
BAML 0-3 US Treasury	<u>1.46years</u>	<u>\$9,117,000</u>
Relative Risk Variance Protection	-.33years	\$2,061,000
<b>Total Investment Funds (\$2.745BLN)</b>	1.64years	\$45,115,768
Combined Index Exposure	<u>1.92years</u>	<u>\$52,827,000</u>
Relative Risk Variance Protection	-.25years	\$7,711,232

\$ Value change assumes a parallel yield curve shift  
and does not include income



## 17. Update on disclosures for LGIP