

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

September 12, 2012

State Treasurer's Investment Council
Monthly Investment Report

June & July 2012

Table of Contents – Investment Reports

Investment Reports

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

Cash Management and Collateral Reports

- State Deposits
- Collateral Summary

Executive Summary

Year in Review

- FY2012 was a difficult year for Fixed Income investors. Rates declined throughout the year with specific rates in our sector declining by up to 50%.
- Significant easing by the Federal Reserve depressed rates for the year.
- Fed actions included "Operation Twist" an aggressive move to purchase long duration US Treasury Bonds and keep longer rates under pressure.
- The Fed has been extremely open about its plans and has said that it is expected to maintain its accommodative stance through at least the end of 2014.
- Despite Fed actions to inject stimuli, the US economy remains under pressure.
- Concerns about Europe, specifically Greece and Spain, have continued to keep pressure on global rates.
- The domestic fixed income securities markets reached record lows during the year.

<u>Maturity</u>	<u>July 1, 2011</u>	<u>June 30, 2012</u>
3-Month	0.02%	0.08%
6-Month	0.09%	0.15%
2-Year	0.47%	0.30%
5-Year	1.78%	0.71%
10-Year	3.18%	1.64%
30-Year	4.39%	2.75%

Source: Bloomberg LP

Month End

- Rate pressures continued during the month of July.
- The Federal Reserve maintained its stance of continued easing as well as active open market operations in the longer part of the yield curve.
- Concerns over Europe continued to place pressure on US rates as several of the stronger European economies saw local bond yields trend into negative territory.

- Domestically, July saw significant moves in short-term interest rates, ending at lows for the year.

<u>Maturity</u>	<u>June 30th</u>	<u>July 31st</u>
3-Month	0.08%	0.09%
6-Month	0.15%	0.13%
2-Year	0.30%	0.21%
5-Year	0.72%	0.58%
10-Year	1.64%	1.46%
30-Year	2.75%	2.54%

Source: Bloomberg LP

Portfolio Mark-to-Market

Year End

With the overall decline in yields, the STO-managed portfolios¹ all reported positive results on a mark-to-market basis at the end of the fiscal year.

Despite growth in the size of the overall portfolios, general declines in short-term interest rates have continued to put pressure on total interest earnings.

For each of the STO portfolios:

<u>Fund</u>	<u>Unrealized Gains²</u>
General Funds	\$8.3 million.
Bond Proceeds Funds	\$4.2 million.
Local Government Investment Pool	Not Material
Severance Tax Bonding Fund	Not Material

¹ This report does not include balances in or earnings on the Reserve Contingency Fund ("RCF"). The RCF was created in 2009 by the State Treasurer's Office as a vehicle to hold Reserve Primary Fund ("Primary Fund") assets of various LGIP participants after the Primary Fund encountered difficulties in the latter part of 2008 and entered into a process of liquidation.

² Calculated Unrealized Gains represent the market "value" of the portfolios as compared to their accounting book value. As such, they approximate the values if they were to be liquidated on the day that the calculation was performed. Market conditions change on a daily basis and the resulting calculations will also change with market movements.

At Month End

Over the month, the STO portfolios all reported positive balances on a mark-to-market basis due to continued declines in interest rates.

For each of the portfolios:

<u>Fund</u>	<u>Unrealized Gains</u>
General Funds	\$11.0 million.
Bond Proceeds Funds	\$4.9 million.
Local Government Investment Pool	Not Material
Severance Tax Bonding Fund	Not Material

Portfolio Yields

At Year End

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

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

At Month End

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

<u>Fund</u>	<u>Portfolio Yield</u>
General Fund Liquidity	0.24%
General Fund CORE	1.01%
Bond Proceeds - Tax Exempt	0.63%
Bond Proceeds - Taxable	0.99%
Local Government Investment Pool	0.23%
Severance Tax Bonding Fund	0.15%

Investment Earnings

Through Year End

Investment Earnings for Fiscal Year 2012 are summarized in the table below. Declines in interest rates have adversely affected annual earnings amounts.

³ Portfolio yields are calculated at a moment in time, specifically at month end. Each of these funds has considerable inflows and outflows during the month. As such, purchase yields during the month will vary with money flows and short-term investment rates.

For each of the portfolios:

<u>Fund</u>	<u>Investment Earnings⁴</u>
General Funds	\$13,960,700
Bond Proceeds Funds	11,055,816
LGIP	2,125,370
Severance Tax Bonding Fund	376,970

Month End

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

For each of the portfolios:

<u>Fund</u>	<u>Monthly Earnings</u>
General Funds	\$1,272,362
Bond Proceeds Funds	709,805
LGIP	150,819
Severance Tax Bonding Fund	3,453

Compensating Balances at Fiscal Agent Bank

Year End

During FY2012, STO maintained Average Daily Collected Balances at the Fiscal Agent Bank of approximately \$117 million. This balance earned a "soft-dollar" credit against processing fees assessed by the bank.

Fiscal Agent Bank Summary:

Average Collected Balance	\$117,571,992
Earnings Credit Rate	0.50%
Estimated Fiscal Year Earnings	\$587,859

Month End

During July, STO maintained Average Daily Collected Balances at the Fiscal Agent Bank of approximately \$60 million. This balance earned a "soft-dollar" credit against processing fees assessed by the bank.

Fiscal Agent Bank Summary:

Average Collected Balance	\$60,066,021
Earnings Credit Rate	0.50%
Estimated Monthly Earnings	\$25,027
Estimated Fiscal Year Earnings	\$25,027

⁴ Each fund is managed using different objectives, as more fully detailed in this report. As such, returns and earnings on the funds will vary on a month to month basis.

Monthly Economic Summary and Investment Outlook

Domestic and International Pressures continue to Affect the US Markets - Significant pressures continue to affect the US Markets. The US Economy continued to remain in a malaise, although some improvements were noted in retail sales and consumption. The recently released Federal Reserve Open Market Committee ("FOMC") minutes for July showed that a majority of members would approve of additional stimulus should market conditions warrant. Glimmers of QE3 improved the markets which had crept higher throughout the month.

The European situation continued to weigh heavily as most market participants were off for the August holiday. The so-called "Troika" visited Greece in order to gauge their progress at meeting reforms, and is expected to report its findings early in September. Greek officials had pressured for additional time to meet the EMU demands. Mario Draghi pledged additional support for the European Bond Market which was seen, temporarily as encouraging, but comments from Germany (who would ultimately foot the bill) dampened enthusiasm.

Domestically the election has the political focus of the market, while the so-called "fiscal cliff" of tax increases and spending cuts due to be enacted as of year-end began to come into focus for the politicians.

The election outcome, and the immediate action on the fiscal cuts will occupy the markets over the next months. Continued economic weakness will allow the Fed room to act, but it is unknown what effect additional easing would add to the economy.

Portfolio Review

During the fourth quarter and throughout the year, we continued to focus on identifying, and planning, around spending levels.

General Fund - We continued to refine our cash flow modeling which better allows us to allocate between Liquidity and CORE balances. Over the past fiscal year, we have increased the amount of CORE assets by over \$500MM, investing those assets with longer durations and increasing overall portfolio yields. The overall General Fund

grew throughout the year which allowed us to match that growth in CORE assets.

Bond Proceeds Accounts - We focused on minimizing cash balances in the Bond Proceeds accounts as well, optimizing returns while being able to maintain capital spending.

LGIP - The LGIP remained under pressure during the Fiscal Year, adapting to rating agency changes as well as declining balances.

Severance Tax Bonding Fund - Our strategy of investing in the LGIP increased overall yields for the STBF while enabling balances to be used for Debt Service draws.

Newly approved Portfolio Benchmarks should help our investment planning measurably as we focus on matching overall portfolio duration and adding value where appropriate.

Importantly, we have also implemented new accounting and reconciliation policies which should allow us to better maintain and forecast cash balances.

Outlook for 2013

We expect that there will continue to be pressures on investment returns for FY 2013. The Fed has telegraphed strongly that rates will remain low and absent any economic activity, we expect that any increases in short-term rates will be short-lived. We are concerned and disturbed by the negative rates which we have seen in several European countries and are optimistic that those pressures will not occur here in the United States.

We continue to be concerned about money flows connected with the overall size of the LGIP. Pressures on municipal balance sheets will continue to affect local municipal investment. The overall level of interest rates has also decreased balances. The federal TAG program with 100% FDIC insurance is providing an alternative to the LGIP program.

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

Spencer Wright, Portfolio Manager - General Funds and STBF

New Mexico State Treasurer
Monthly Fund Summary Report
(Unaudited)

As of June 30, 2012

General Fund	Holdings			Performance			Earnings			
	Account	Cost Basis	Market Value	Unrealized Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Monthly Earnings	YTD Earnings
Liquidity	\$ 829,381,875	\$ 829,320,738	\$ (61,137)	0.19%	S&P LGIP	0.06%	0.13%	\$ 122,708	\$ 985,513	
CORE	1,200,840,685	1,209,226,343	8,385,658	1.45%	CORE Index	1.69%	-0.24%	1,063,870	\$ 12,975,187	
TRAN	-	-	-	0.00%	All-In Tran TIC	0.00%	0.00%	-	-	
Totals	\$ 2,030,222,560	\$ 2,038,547,081	\$ 8,324,521	0.94%	Blended	1.03%	-0.09%	\$ 1,186,578	\$ 13,960,700	
Bond Proceeds Investment Pool (BPIP)										
Account	Cost Basis	Market Value	Unrealized Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Monthly Earnings	YTD Earnings	
Tax-Exempt	\$ 507,226,137	\$ 508,444,760	\$ 1,218,623	0.73%	BPIP Tax Ex	1.00%	-0.27%	\$ 239,038	\$ 4,322,092	
Taxable	644,124,944	647,183,045	3,058,101	0.98%	BPIP Taxable	1.00%	-0.02%	486,602	\$ 6,733,724	
Totals	\$ 1,151,351,081	\$ 1,155,627,805	\$ 4,276,724	0.87%	Blended	1.00%	-0.13%	\$ 725,639	\$ 11,055,816	
Local Government Investment Pool (New MexiGrow LGIP)										
Account	Cost Basis	Market Value	Unrealized Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Monthly Earnings	YTD Earnings	
LGIP	\$ 874,531,232	\$ 874,677,468	\$ 146,236	0.25%	S&P LGIP	0.06%	0.19%	\$ 159,013	\$ 2,125,370	
Severance Tax Bonding Fund										
Account	Cost Basis	Market Value	Unrealized Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Monthly Earnings	YTD Earnings	
STBF	\$ 120,641,343	\$ 120,641,343	\$ -	0.25%	S&P LGIP	0.06%	0.19%	\$ 50,448	\$ 376,970	

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

New Mexico State Treasurer
Monthly Fund Summary Report
(Unaudited)

As of July 31, 2012

Account	Holdings			Performance				Earnings	
	Cost Basis	Market Value	Unrealized Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Monthly Earnings	YTD Earnings
General Fund									
Liquidity	\$ 575,254,102	\$ 575,186,626	\$ (67,476)	0.20%	S&P LGIP	0.06%	0.14%	\$ 135,496	\$ 135,496
CORE	1,301,500,569	1,312,567,301	11,066,732	1.51%	ML Treasury 0-5	1.50%	0.01%	1,136,867	1,136,867
TRAN	-	-	-	0.00%	All-In Tran TIC	0.00%	0.00%	-	-
Totals	\$ 1,876,754,671	\$ 1,887,753,927	\$ 10,999,256	1.11%	Blended	1.06%	0.05%	\$ 1,272,362	\$ 1,272,362
Bond Proceeds Investment Pool (BPIP)									
Unrealized									
Account	Cost Basis	Market Value	Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Monthly Earnings	YTD Earnings
Tax-Exempt	\$ 369,240,550	\$ 370,610,311	\$ 1,369,761	0.67%	ML Treasury 0-3	0.59%	0.09%	\$ 197,343	\$ 197,343
Taxable	622,549,401	626,062,105	3,512,704	0.99%	ML Treasury 0-3	0.59%	0.41%	512,462	512,462
Totals	\$ 991,789,951	\$ 996,672,416	\$ 4,882,465	0.87%	Blended	0.59%	0.29%	\$ 709,805	\$ 709,805
Local Government Investment Pool (New MexiGrow LGIP)									
Unrealized									
Account	Cost Basis	Market Value	Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Monthly Earnings	YTD Earnings
LGIP	\$ 730,015,209	\$ 730,182,201	\$ 166,992	0.28%	S&P LGIP	0.06%	0.22%	\$ 150,819	\$ 150,819
Severance Tax Bonding Fund									
Unrealized									
Account	Cost Basis	Market Value	Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Monthly Earnings	YTD Earnings
STBF	\$ 17,284,743	\$ 17,284,743	\$ -	0.28%	S&P LGIP	0.06%	0.22%	\$ 3,453	\$ 3,453

Notes:

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

New Mexico State Treasurers Office
 Performance Report All Accounts
 For Period Ending June 2012

Account ID	Portfolio Name	Market Value	Month	Trailing 3M	Fiscal YTD	YTD	1 YR	Since Inception	Inception Date
10933300	Local Government Investment Pool	900,857,380	0.02	0.06	0.25	0.12	0.25	1.29	07/01/07
10933400	Overnight Repo Pool	166,321,708	0.02	0.06	0.16	0.10	0.16	1.01	07/01/07
10933500	Tax Exempt Bond Proceeds	457,668,066	0.05	0.28	0.73	0.38	0.73	2.58	07/01/07
10933900	Taxable Bond Proceeds	648,648,575	0.03	0.34	0.98	0.53	0.98	2.72	07/01/07
00667701	General Fund	2,091,231,501	0.04	0.47	1.03	0.53	1.03	2.62	07/01/07
10933700	General Fund Core	1,214,311,725	0.05	0.64	1.45	0.74	1.45	3.39	07/01/07
10933600	General Fund Liquidity	876,919,776	0.02	0.07	0.19	0.14	0.19	0.98	07/01/07
06677-BEN-0006	S&P Government Investment Pools Index		0.01	0.02	0.06	0.03	0.06	1.08	
06677-BEN-0005	BPIP Tax Exempt Index		0.02	0.19	1.00	0.43	1.00	3.43	
06677-BEN-0004	BPIP Taxable Index		0.02	0.19	1.00	0.43	1.00	3.49	
06677-BEN-0007	General Fund Core Index		0.07	0.38	1.69	0.67	1.69	4.05	
06677-BEN-0008	ML Treasury 0-3 Year G1QA		(0.04)	0.15	-	-	-	0.11	
06677-BEN-009	ML Treasury 0-5 Year GVQA		(0.07)	0.47	-	-	-	0.31	

Gross of Fee

New Mexico State Treasurers Office
Performance Report All Accounts
For Period Ending July 2012

Gross of Fee

Account ID	Portfolio Name	Market Value	Month	Trailing 3M	Fiscal YTD	YTD	1 YR	Since Inception	Inception Date
109333300	Local Government Investment Pool	731,698,410	0.03	0.07	0.03	0.14	0.28	1.27	07/01/07
10933400	Overnight Repo Pool	156,123,783	0.02	0.06	0.02	0.12	0.16	1.00	07/01/07
10933500	Tax Exempt Bond Proceeds	371,692,793	0.09	0.15	0.09	0.46	0.67	2.55	07/01/07
10933900	Taxable Bond Proceeds	627,049,564	0.15	0.26	0.15	0.69	0.99	2.71	07/01/07
00667701	General Fund	1,884,616,839	0.22	0.36	0.22	0.75	1.07	2.62	07/01/07
10933700	General Fund Core	1,318,251,795	0.31	0.50	0.31	1.05	1.51	3.40	07/01/07
10933600	General Fund Liquidity	566,365,044	0.02	0.07	0.02	0.16	0.20	0.97	07/01/07
06677-BEN-0006	S&P Government Investment Pools Index		0.01	0.02	0.01	0.04	0.06	1.07	
06677-BEN-0005	BPIP Tax Exempt Index		0.17	0.21	0.17	0.60	1.01	3.41	
06677-BEN-0004	BPIP Taxable Index		0.17	0.21	0.17	0.60	1.01	3.46	
06677-BEN-0007	General Fund Core Index		0.26	0.38	0.26	0.93	1.60	4.03	
06677-BEN-0008	ML Treasury 0-3 Year G10A		0.17	0.17	0.17	-	-	0.28	
06677-BEN-009	ML Treasury 0-5 Year GVQA		0.33	0.41	0.33	-	-	0.64	

ML Treasury G10A -
ML Treasury GVQA -

YTD 0.265
YTD 0.653

12 Month Trailing 0.585
12 Month Trailing 1.500%

Disclaimer

Copyright © 2012 JPMorgan Chase & Co. All rights reserved.

This report is provided exclusively for the purpose of assisting the customer in monitoring the investment performance of its accounts. J.P. Morgan is providing a reporting service to the customer to assist it in the management of the accounts and, in doing so, is not acting in a fiduciary capacity for the accounts. J.P. Morgan is not responsible for the selection, monitoring or termination of any investment manager with respect to any of the accounts. The reports are not intended to be considered the rendering of investment advice or in any way to influence any investment decisions or the selection of any investment managers for the accounts. The customer assumes sole responsibility for its use of the reports.

This report contains information that is the property of J.P. Morgan and/or its content providers, and is intended for use by the investment officers of our institutional clients. This report may not be copied, published, or used in whole or in part with third parties for any purposes other than expressly authorized by J.P. Morgan.

The information furnished in this report may contain data obtained from third party sources that J.P. Morgan believes to be reliable. However, J.P. Morgan makes no warranty, express or implied, concerning the accuracy or completeness of third-party data. Where J.P. Morgan relies on the intellectual property of those vendors and is subject to restrictions under the licenses, which J.P. Morgan cannot unilaterally change, if the third party supplier adds additional restrictions to data use, J.P. Morgan shall use reasonable efforts to notify the customer of such changes in writing. Customer's continued use of the report after receipt of notice shall constitute customer's acceptance of the revised usage provisions.

The information contained in this report may be subject to change from time to time without prior notice to the Customer, for reasons including, but not limited to, the subsequent restating of accounting information or index returns.

The information furnished in this report does not constitute the provision of financial product advice as defined under the Corporations Act 2001 (Cth) and does not take into account the financial situation, needs or objectives of individuals in Australia.

The Global Industry Classification Standard (GICS) was developed by and is the exclusive property and a service mark of Morgan Stanley Capital International Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P"), and is licensed for use by The JPMorgan Chase & Co. and its owned subsidiaries. Neither MSCI, S&P, nor any other party involved in making or compiling the GICS or any GICS classifications makes any express or implied warranties or representations, in whole or in part, with respect to such standard or classification for the results to be obtained by or for third parties, hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability and fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, or any other party involved in making or compiling the GICS or any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

Standard and Poor's and its subsidiary corporations ("S&P") is a division of the McGraw-Hill Companies, Inc. Reproduction of S&P Index Alerts in any form is prohibited except with the prior written permission of S&P. Because of the possibility of human or mechanical error by S&P sources, S&P or others, S&P does not guarantee the accuracy, adequacy, completeness or availability of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. S&P gives no express or implied warranties, including but not limited to, any warranties or merchantability or fitness for a particular purpose or use. In no event shall S&P be liable for any direct, special or consequential damages in connection with subscriber's or others' use of S&P Index Alerts.

MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indices or any securities or financial products. This report is not approved, reviewed or produced by MSCI.

FTSE® is a trade mark of London Stock Exchange Plc and The Financial Times Limited and is used by FTSE under license. All rights in the FTSE indices vest in FTSE and/or its licensors. Neither FTSE nor its licensors accept any liability for any errors or omissions in the FTSE indices or underlying data.

The Industry Classification Benchmark is a joint product of FTSE International Limited and Dow Jones & Company, Inc. and has been licensed for use. "FTSE" is a trade and service mark of London Stock Exchange and The Financial Times Limited. "Dow Jones" and "DJ" are trade and service marks of Dow Jones & Company, Inc. FTSE and Dow Jones do not accept any liability to any person for any loss or damage arising out of any error or omission in the ICB.

The Dow Jones Wilshire Indexes™ are calculated, distributed and marketed by Dow Jones & Company, Inc. pursuant to an agreement between Dow Jones and Wilshire and have been licensed for use. All content of the Dow Jones Wilshire Indexes™ © 2012 Dow Jones & Company, Inc. and Wilshire Associates Incorporated.

Frank Russell Company ("FRC") is the source and owner of the Russell index data contained or reflected in this material and all trademarks and copyrights related thereto. The presentation may contain confidential information and unauthorized use, disclosure, copying, dissemination or redistribution is strictly prohibited. This is a USER presentation of the Russell index data. Frank Russell Company is not responsible for the formatting or configuration of this material or for any inaccuracy in USER's presentation thereof.

The Merrill Lynch indices are used with permission. Copyright 2012, Merrill Lynch, Pierce, Fenner & Smith Incorporated. All rights reserved. The Merrill Lynch indices may not be copied, used, or distributed without Merrill Lynch's prior written approval. Merrill Lynch does not guarantee the quality, accuracy and/or completeness of the Merrill Lynch indices or any data included therein or derived therefrom and shall not be liable to any third party in connection with their use.

© UBS 2012. All rights reserved. The name UBS Global Convertible Bond Index and the names of the related UBS AG sub-indices (together the "UBS Indices") are proprietary to UBS AG ("UBS"). UBS and MACE Advisers Ltd (the UBS Global Convertible Bond Index Calculation Agent) are together the "Index Parties".

© IPD (Investment Property Database Ltd.) 2012. All rights reserved by law of copyright, by virtue of international copyright conventions and all other intellectual property laws are reserved by IPD. No part of the Mercer / IPD Australian Pooled Property Fund Index - Wholesale Core may be reproduced or transmitted, in any form or by any means, without the prior written consent of IPD. This index is neither appropriate nor authorized by IPD for use as a benchmark for portfolio or manager performance, or as the basis for any business decision. IPD gives no warranty or representation that the use of this information will achieve any particular result for you. Neither Mercer nor IPD has any liability for any losses, damages, costs or expenses suffered by any person as a result of any reliance on this information.

The NZX indices referred to in this report are the property of NZX Limited ("NZX"). Any adaptation, reproduction or transmission of the data or contents of the NZX indices in any form or by any means other than for private use is prohibited without the prior written permission of NZX. NZX and its affiliates, directors, officers, agents or employees do not make any warranty of any kind, either express or implied, as to the accuracy of the content of the NZX indices. Be it known that the NZX indices are licensed for use for a particular purpose or use. NZX hereby disclaims all liability for the maximum extent permitted by law in relation to the NZX indices. Neither NZX, its subsidiary companies, nor their directors, officers, agents or employees shall, under any circumstances, be liable to any person for any direct, indirect, consequential, special or punitive damages, notwithstanding whether in negligence or otherwise, in or in connection with the content, any use of the content or any actions taken or reliance by any person thereon.

Barclays Capital is the source of its respective indices. DAX indices are registered trademarks provided by BorsenRook Solutions. Trust Universe Comparison Service ® and TUCS ®.

Cligroup is the source of its respective indices. © TSX Copyright 2012 TSX Inc. All Rights Reserved. Hang Seng Indexes Company Limited is the source of its respective indices.

The calculation of Value-at-Risk requires numerous assumptions that should be kept in mind when interpreting it. These limitations include, but are not limited to the following: VaR measures may not appropriately convey the magnitude of sudden and unexpected extreme events; historical data that forms the basis of VaR may fail to predict content and future market volatility; and our VaR methodology does not fully reflect the effects of market illiquidity (the inability to sell or hedge a position over a relatively long period) and does not incorporate credit risk events that may affect its value.

The information furnished in this report may be based in part on services provided by Algorithmics (U.S.), Inc. and/or its affiliates ("Algorithmics"). Algorithmics does not make any express or implied warranty or representation regarding its services or contributions to this report, including any warranty of originality, accuracy, completeness, merchantability or fitness for a particular purpose, nor shall its services or contributions to this report be considered as providing any financial advice, auditing, accountancy, legal, tax, or compliance services. Algorithmics is not responsible for the accuracy or validity of data received from third parties that enables the use of the services or contributions to this report, or your reliance thereon. By accepting the information contained in this report, the recipient is agreeing to the foregoing limitations on Algorithmics' responsibility and liability.

Investment Policy Compliance Review

Primary and Secondary Bond Purchases/Sales

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

Primary Bond Volume	\$ 6,470,000	2%
Secondary Bond Volume	<u>448,990,000</u>	<u>98%</u>
Total	\$455,460,000	100%

The primary market purchases were in New Mexico municipal securities.

Commissions Paid

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

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

Variable Rate and Structured Note Holdings

At year end, total holdings of Variable Rate Notes were \$147,700,000.

General Fund Liquidity	\$ 20,000,000
LGIP	<u>127,700,000</u>
Total Holdings	\$147,700,000

As of month end July, total holdings of Variable Rate Notes were \$186,700,000.

General Fund Liquidity	\$ 40,000,000
LGIP	<u>147,700,000</u>
Total Holdings	\$186,700,000

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

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

Transaction Variances and Inter-Portfolio Transactions

During June or July, there were no transaction variances which posed compliance issues.

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

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

There were no interfund transactions during the months of June or July.

Investment Policy Compliance

Issuer Concentration Limits in LGIP

In early August, STO was asked by Standard & Poor's about a violation of Issuer Concentration Limits within the LGIP portfolio. Standard & Poor's maintains exposure limits within the Principal Stability Fund Ratings Criteria in order to maintain the AAA_m rating for the LGIP. In general, except for sovereign issues, S&P maintains concentration limits of 5% of any one portfolio to a single issuer.

Due to significant withdrawals from the LGIP during the past 3 months, on a relative basis, exposure limits have increased for some issuers who were close to the 5% limitation during June. On a weekly basis, STO reports holdings and concentrations to S&P. That report was not reviewed for concentration exposures before it was submitted.

At the time of purchase, we were fully compliant with S&P guidelines for the AAA_m rating of the LGIP.

We have instituted procedures to review exposures when the report is submitted as well as written concentration reports for the investment accounting system in order to track counterparty exposure.

Standard & Poor's allows for a 10 day cure period for violations of PSRF requirements. Counterparty exposure limits were decreased within the period and our plans were discussed and reviewed by S&P.

Municipal Bond Holdings in the General Fund

During the Investment Policy review, investment staff identified a potential discrepancy between the municipal bond holdings in the General Fund and state investment statutes. Approximately 50% of the municipal bond investments in the general fund (primarily school-related municipal bonds) are not specifically authorized by statute as investments for the general fund.

Issuance statutes for various entities provide for the purchase by the general fund. Adding to the confusion is the absence of limitations on municipal bond holdings by the bond proceeds accounts. Further, state agencies and other municipal entities are allowed to hold municipal bonds without restriction.

The issue was raised and confirmed with external counsel and the STO interpretation of the statutes was confirmed.

With regard to the holdings, we have worked to reduce overall municipal bond holdings through secondary market transactions and maturities within the general fund portfolios. In addition, several holdings have been transferred to the bond proceeds accounts where they may be held. Over the past month, municipal positions have been reduced by approximately 50% in the general fund.

Finally, we intend to introduce clarifying language to the investment statutes to allow the State Treasurer to have consistent investment language with all other entities within the state. Such language, if adopted, would clarify the holding of municipal bonds in the general fund portfolios.

State of New Mexico
 Office of the State Treasurer
 Municipal Bond Holdings -- General Fund

Issuer	Coupon	Maturity	Yield	\$ Price	GO	School	SevTx	Permitted	Total
525,000 Lovington, NM SD	2.00	10/1/2012	0.51	100.07		525			525
550,000 BERNALILLO CNTY N MEX	4.00	2/1/2013	0.51	101.34	550				550
200,000 SANTA ROSA CSD #8 NM	1.00	5/15/2013	0.36	100.44		200			200
2,000,000 NEW MEXICO FIN AUTH REV	2.00	6/1/2013	1.01	100.71				2,000	2,000
3,605,000 NEW MEXICO FIN AUTH REV	2.00	6/1/2013	0.36	101.18				3,605	3,605
760,000 NEW MEXICO FIN AUTH REV	2.00	6/1/2013	0.66	100.96				760	760
1,285,000 UNIVERSITY OF NM-REFUNDING	2.00	6/1/2013	0.31	101.22				1,285	1,285
500,000 NMFA SERIES B1	2.00	6/1/2013	0.31	101.22				500	500
7,525,000 ALBUQUERQUE NM 2012C	0.29	7/1/2013	0.29	100.00			100	7,525	7,525
100,000 NEW MEXICO ST SEVERANCE TAX	4.00	7/1/2013	0.39	102.89					100
475,000 LOS ALAMOS N MEX PUB SCH DIST	2.00	8/1/2013	0.56	101.28		475			475
500,000 RIO RANCHO N MEX PUB SCH DIST	2.00	8/1/2013	0.56	101.28		500			500
785,000 LOS ALAMOS N MEX PUB SCH DIST	2.00	8/1/2013	0.41	101.41		785			785
350,000 ALAMOGORDO NM MSD 1	1.50	8/1/2013	0.41	100.97		350			350
150,000 SOUTHERN SANDOVAL CNTY N MEX A	2.00	8/1/2013	0.27	101.53				150	150
1,700,000 SAN JUAN CNTY N MEX CENT CONS	2.00	8/1/2013	0.30	101.50		1,700			1,700
2,245,000 GADSDEN N MEX INDPT SCH DIST N	2.00	8/15/2013	0.61	101.29		2,245			2,245
1,100,000 ESPANOLA N MEX PUB SCH DIST NO	2.00	9/1/2013	0.71	101.25		1,100			1,100
1,000,000 FARMINGTON MSD #5 NM	3.00	9/1/2013	0.41	102.50		1,000			1,000
900,000 LOVINGTON N MEX MUN SCH DIST N	2.00	10/1/2013	0.71	101.36		900			900
570,000 BERNALILLO CNTY N MEX	3.00	2/1/2014	0.71	103.16	570				570
200,000 SANTA ROSA CSD #8 NM	1.00	5/15/2014	0.51	100.83		200			200
3,060,000 NEW MEXICO FIN AUTH REV	3.00	6/1/2014	1.49	102.58				3,060	3,060
3,615,000 NEW MEXICO FIN AUTH REV	2.00	6/1/2014	0.46	102.65				3,615	3,615
770,000 NEW MEXICO FIN AUTH REV	2.00	6/1/2014	1.01	101.70				770	770
165,000 UNIVERSITY OF NM-REFUNDING	3.00	6/1/2014	0.49	104.30					165
330,000 UNIVERSITY OF NM-REFUNDING	2.00	6/1/2014	0.49	102.60				330	330
325,000 LOS ALAMOS N MEX PUB SCH DIST	2.00	8/1/2014	0.81	102.24		325			325
140,000 CATRON & CIBOLA COUNTY ISD 2	2.00	8/1/2014	0.51	102.81		140			140
350,000 ALAMOGORDO NM MSD 1	2.00	8/1/2014	0.51	101.87		350			350
50,000 SOUTHERN SANDOVAL CNTY N MEX A	1.50	8/1/2014	0.51	101.87				50	50
2,005,000 GADSDEN N MEX INDPT SCH DIST N	2.00	8/1/2014	0.61	102.62					2,005
1,120,000 ESPANOLA N MEX PUB SCH DIST NO	2.00	8/15/2014	0.86	102.19		2,005			2,005
935,000 LOVINGTON N MEX MUN SCH DIST N	2.00	9/1/2014	0.96	102.04		1,120			1,120
225,000 SANTA ROSA CSD #8 NM	2.00	10/1/2014	1.01	102.02		935			935
870,000 ALBUQUERQUE, NM MSD 12	1.00	5/15/2015	0.66	100.93		225			225
275,000 CLOVIS NM MSD #1	3.00	8/1/2015	0.66	106.70		870			870
25,000 SOUTHERN SANDOVAL CNTY N MEX A	3.00	8/1/2015	0.61	106.85		275			275
Totals	2.00	8/1/2015	0.71	103.70		-	-	25	25
	1,120	16,225	100	23,840	41,285				
	2.71%	39.30%	0.24%	57.74%					

Portfolio Summary – General Fund

Summary

- The General Fund (Liquidity and Core Portfolios) closed the fiscal year at \$2.0 Billion.
- The General Fund (Liquidity and Core Portfolios) closed the month of July at \$1.9 Billion.
- Average Collected Balance at our Fiscal Agent bank was \$117 Million for the fiscal year.
- Average Collected Balance at our Fiscal Agent bank was \$66 Million for the month of July.

Portfolio Mix

- At month end, 100% of the General Fund Core portfolio was invested in fixed income securities; 32% in Treasury securities; 60% in Agency and Government-related securities; 2% in TLGP Securities backed by the FDIC; 5% in Municipal Bonds, and the balance in Cash.
- 25% of the portfolio is invested in securities that mature in one year; 26% in securities that mature from 1-2 years; 31% in 2-4 years and 18% invested in securities that mature within 5 years.
- The General Fund held positions in 118 securities.
- The Weighted Average Life of the CORE portion of the general fund is 2.6 years. The Weighted Average duration is 2.28 years.
- The benchmark duration for the portfolio is 2.3 years.
- We will also invest any deposits into the CORE portfolio in shorter duration securities.
- The maximum security term for the CORE portfolio is 5 years.

Performance

- For the Year, the General Fund, on a blended basis, underperformed the benchmark by 0.09%
- For July, the blended fund outperformed its benchmark by 0.05%

Market Value and Investment Earnings

- Unrealized gains in the Core Portfolio were as of July 31st were \$11.0 million.
- Earnings for the Fiscal Year on the General Fund Portfolios were \$13.9 million
- Monthly Earnings for July on the General Fund Portfolios were \$1.2 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.
- Overweight in agency securities relative to the benchmark has resulted in performance gains.

Compensating Balances at Fiscal Agent Bank

During July, STO maintained Average Daily Collected Balances at the Fiscal Agent Bank of approximately \$60 million. This balance earned a "soft-dollar" credit against processing fees assessed by the bank.

Fiscal Agent Bank Summary:

<i>Average Collected Balance</i>	\$60,066,021
<i>Earnings Credit Rate</i>	0.50%
<i>Estimated Monthly Earnings</i>	\$25,027
<i>Estimated Fiscal Year Earnings</i>	\$25,027

NMFA Holdings in the General Fund

On July 12, 2012, the New Mexico Finance Authority issued a press release indicating that the Fiscal Year 2011 financial results were not completed properly and had been withdrawn by the NMFA. In addition, the NMFA has delayed offering any additional debt until the financial statements have been completed.

Subsequent to the disclosure, on July 13, Standard & Poor's and Moody's placed the NMFA's debt on Credit Watch with negative implications. In connection with the withdrawn financials, the NMFA's Comptroller admitted that the withdrawn 2011 financial statements were forged.

On August 1, 2012, New Mexico Securities Regulators executed a search warrant of the NMFA offices in connection with the forged audit and a March 2012 securities offering.

The New Mexico State Auditor has hired PriceWaterhouseCoopers to perform a forensic review of the NMFA and perform the NMFA's FY2011 and FY2012 Audits. To date, there have been no allegations of missing funds, however neither the forensic audit nor the FY2011 audit has been completed.

In addition to the various audits performed by the State Auditor's Office and the investigation by the Securities Division of the Regulation and Licensing Division of the state, the State Legislature has retained Hewitt EnnisKnupp to review the NMFA's organization and structure.

The results of the various audits are expected in late October and the Hewitt EnnisKnupp study report is expected in November.

Depending on the amount of time required to complete the various audits, and the results of those audits, the rating of the NMFA and the Public Project Revolving Fund may be revised downward or withdrawn.

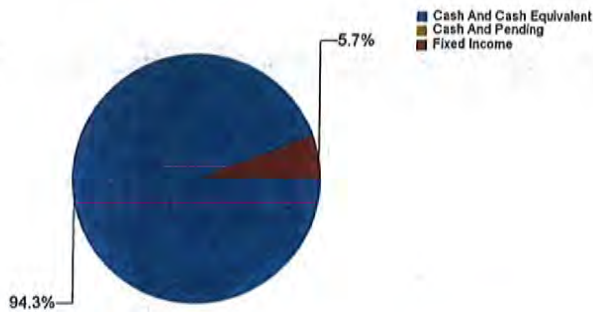
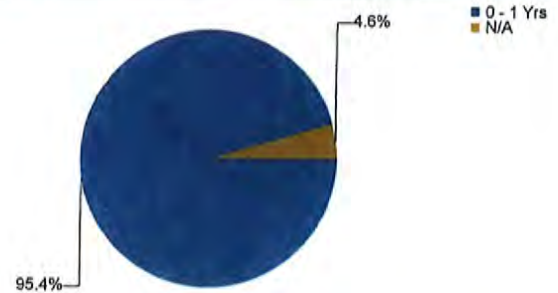
At the time of the disclosure, the NMFA's PPRF bonds had ratings of Aa1/AAA.

We held the following NMFA bond positions in the general fund portfolios:

June 30, 2012	\$14,310,000
July 31, 2012	\$14,310,000

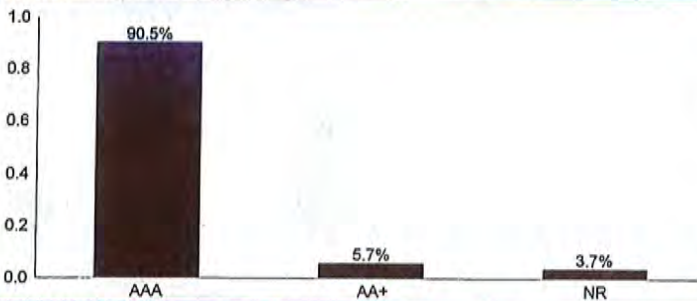
Portfolio Characteristics

Total Net Assets (Millions)	876.9
Weighted Average Life (Years)	0.11
Weighted Avg. Effective Duration (Years)	0.05
Weighted Average Coupon (%)	0.37
Weighted Average Current Yield (%)	0.31
Weighted Average Yield to Maturity (%)	0.36
Weighted Average Rating	AA+
Number of Holdings	31

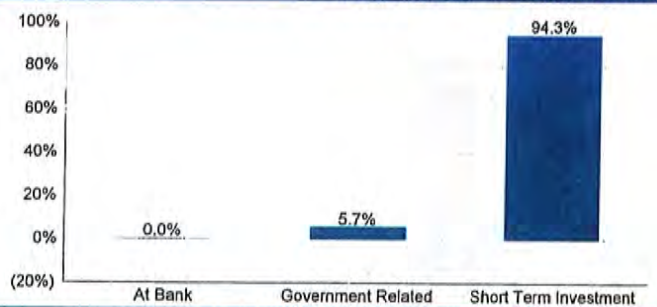


Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
99CI10113	REPO BANK OF NEW YORK/SOUTH STREET SECS	7.72%	0.35	2/7/2012
99CI10116	REPO MITSUBISHI UFJ SECURITIES (USA), INC.	5.92%	0.35	2/7/2012
99CI10109	REPO BANK OF NEW YORK/SOUTH STREET SECS	5.82%	0.35	2/7/2012
99CI40147	REPO MITSUBISHI UFJ SECURITIES (USA), INC.	5.74%	0.35	2/7/2012
99CI10121	REPO MITSUBISHI UFJ SECURITIES (USA), INC.	5.74%	0.35	2/7/2012
99CI10118	REPO MITSUBISHI UFJ SECURITIES (USA), INC.	5.74%	0.35	2/7/2012
99CI10117	REPO MITSUBISHI UFJ SECURITIES (USA), INC.	5.74%	0.35	2/7/2012
99CI10120	REPO MITSUBISHI UFJ SECURITIES (USA), INC.	5.74%	0.35	2/7/2012
99CI10119	REPO MITSUBISHI UFJ SECURITIES (USA), INC.	5.74%	0.35	2/7/2012
99CI10110	REPO BANK OF NEW YORK/SOUTH STREET SECS	5.71%	0.35	2/7/2012

Quality/Rating Weightings

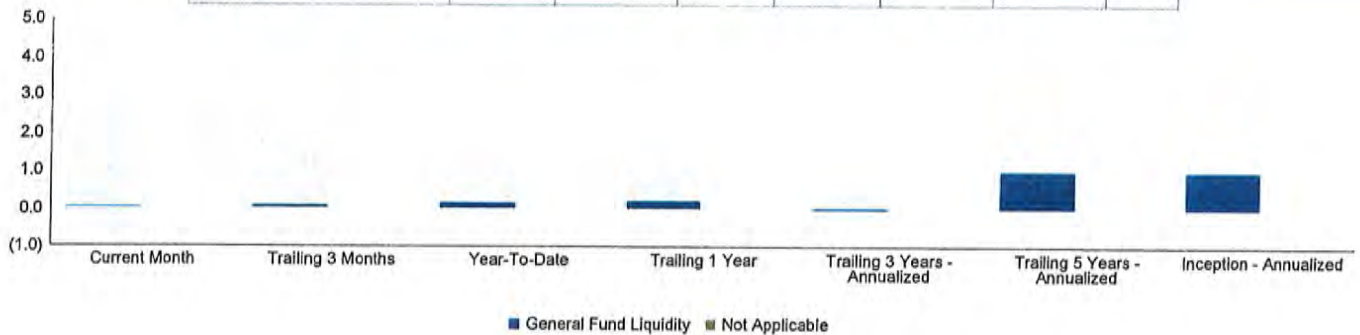


Sector Weightings (as % of Market Value)



Returns Series

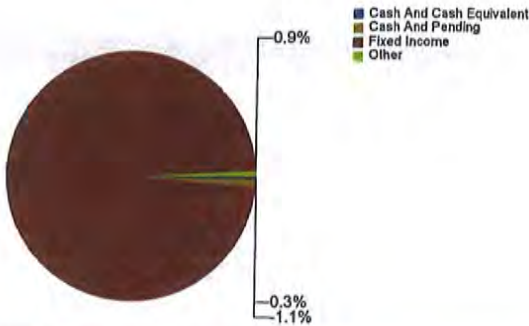
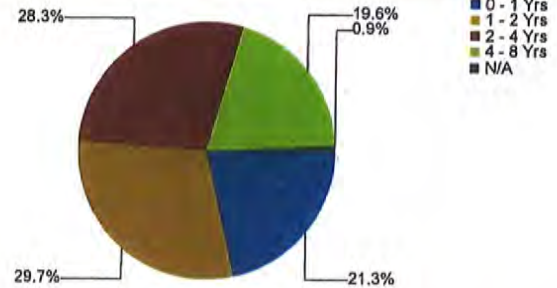
	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
General Fund Liquidity	0.02	0.07	0.14	0.19	(0.04)	0.98	0.98
Not Applicable							
Excess							



Portfolio Characteristics

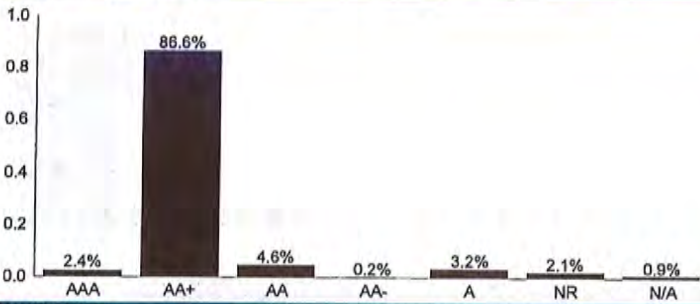
Total Net Assets (Millions)	1,214.3
Weighted Average Life (Years)	2.64
Weighted Avg. Effective Duration (Years)	2.27
Weighted Average Coupon (%)	1.86
Weighted Average Current Yield (%)	1.07
Weighted Average Yield to Maturity (%)	0.56
Weighted Average Rating	AA
Number of Holdings	111

Duration Mix

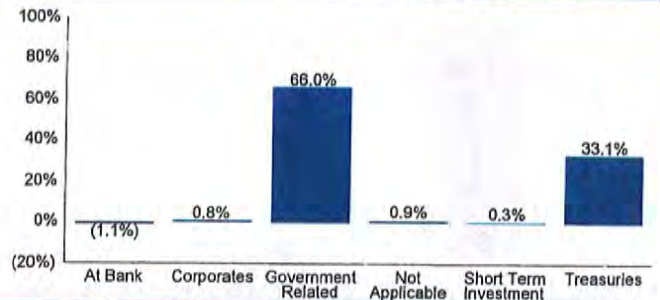


Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
3135G0GY3	FEDERAL NATIONAL MORTGAGE ASSOC 1.25% MTG BDS	5.04%	1.25	30/1/2017
912828KPF6	US 1.87500 '14	3.39%	1.88	28/2/2014
912828SJO	US 0.87500 '17	3.33%	0.88	28/2/2017
31315PB73	FEDERAL AGRIC MTG CORP MTNS B FR 0.9%09/JUN/2016	2.07%	0.90	9/6/2016
912828RX0	US 0.87500 '16	2.07%	0.88	31/12/2016
17313YAL5	CITIGROUP FUNDING INC 1.875% 22/OCT/2012	2.07%	1.88	22/10/2012
912828LM0	USA TREASURY NTS 1.3750% NT 15/SEP/2012 USD1000	2.07%	1.36	15/9/2012
912828MB3	UNITED STATES TREAS NTS 1.125% 16/DEC/2012	2.07%	1.12	15/12/2012
31359MS61	FEDERAL NATIONAL MORTGAGE ASSOC 5.375% BDS	1.98%	5.38	15/7/2016
31359MNU3	FANNIE MAE 5.25% 01/AUG/2012	1.98%	5.25	1/8/2012

Quality/Rating Weightings

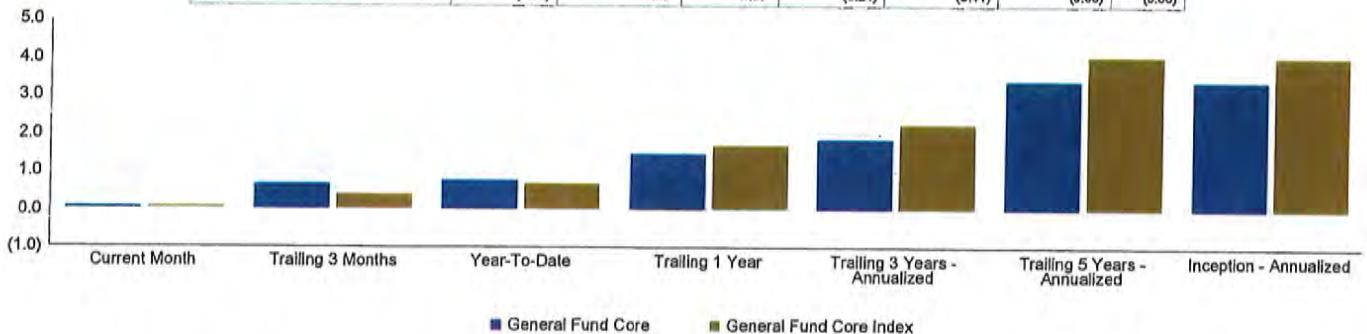


Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
General Fund Core	0.05	0.64	0.74	1.45	1.84	3.39	3.39
General Fund Core Index	0.07	0.38	0.67	1.69	2.24	4.05	4.05
Excess	(0.02)	0.27	0.07	(0.24)	(0.41)	(0.66)	(0.66)



STATE OF NEW MEXICO GENERAL FUND (1000)

Portfolio Classification Summary

Positions Held as of 6/30/12

TXN BASIS: SETTLEMENT
MKT-SOURCE: IDC-PREFERRED+
AMT'Z ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	2	.3549	.00550	703,607,853	703,607,853	703,607,853		84.120
CERTIFICATES OF DEPOSIT	7	.4646	.64015	30,750,000	30,750,000	30,750,000		3.676
LINKED-CERTIFICATE OF DEPOSIT	1	.4000	.79730	2,000,000	2,000,000	2,000,000		.239
AGENCY US BOND 30/360 2X	2	.7325	1.54887	30,000,000	30,083,885	30,028,600	-55,285	3.590
AGENCY US VARIABLE ACT/360 4X	1	.1719	.47400	20,000,000	20,024,052	20,018,200	-5,852	2.393
UNITS - INVESTMENT POOL 1	1			40,026,495	40,026,495	40,026,495		4.785
CASH ACCOUNT	1			9,998,329	9,998,329	9,998,329		1.195
	15	.3470	.10313	836,382,677	836,490,614	836,429,477	-61,137	100.000

STATE OF NEW MEXICO GENERAL FUND CORE (1001)

Portfolio Classification Summary

Positions Held as of 6/30/12

TXN BASIS: SETTLEMENT
MKT-SOURCE: IDC-PREFERRED+
AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.3549	.00550	3,075,640	3,075,640	3,075,640		.255
US TREASURY NOTE ACT/ACT 2X	19	.9466	2.30221	395,000,000	397,070,226	400,613,600	3,543,374	33.170
FED FARM CR BKS CONS LONG TERM	1	3.5425	.29860	5,000,000	5,014,189	5,063,100	48,911	.419
FED FARM CR BKS CALLABLE	2	1.2685	.40960	40,000,000	39,965,583	40,114,200	148,617	3.321
AGENCY US BOND 30/360 2X	6	2.0710	1.69965	90,380,000	90,466,208	91,178,106	711,898	7.549
AGENCY 30/360 2X	1	.9125	3.94250	25,000,000	25,000,000	25,226,000	226,000	2.089
AGENCY US NOTES 30/360 2X	21	1.0226	2.35088	359,160,000	371,662,228	374,411,060	2,748,832	31.000
FED NATL MORTGAGE ASSN DEBS	6	.8362	3.37685	145,000,000	145,621,814	146,216,250	594,436	12.106
CORP US NOTE 30/360 2X	2	2.0548	.34284	35,000,000	35,082,843	35,308,950	226,107	2.923
MUNI US 30/360 2X	38	.6146	1.17272	76,180,000	77,930,871	78,074,750	143,879	6.464
MUNICIPAL BOND REVENUE	7	.3198	.60233	8,350,000	8,493,351	8,486,953	-6,398	.703
UNITS - INVESTMENT POOL 1	1			1,298	1,298	1,298		
	105	1.0673	2.21614	1,182,146,938	1,199,384,251	1,207,769,907	8,385,656	100.000

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:25:34
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 6/30/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 6/30/12

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
9,998,329	CASH KEY				1.000000000	9,998,328.76	9,998,329.00
40,026,495	UNITS - INVESTMENT POOL 1	CASHCASH UNITS001			.999999999	40,026,494.94	40,026,495.00
50,024,824				.688		50,024,823.70	50,024,824.00

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

352,888,014	OVERNIGHT REPO	0702RP	.350	7/02/12	.355	100.000000139	352,888,014.49	352,888,014.49
350,719,839	OVERNIGHT REPO	0702RP	.350	7/02/12	.355	100.000000126	350,719,839.44	350,719,839.44
1,000,000	FARMERS & STOCKMENS	DEACTIVE	1.000	7/20/12	1.000	100.000000000	1,000,000.00	1,000,000.00
5,000,000	BANK OF LAS VEGAS	16225630	.750	9/21/12	.750	100.000000000	5,000,000.00	5,000,000.00
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31398A7F	.428	12/20/12	.172	100.120024300	20,024,004.86	20,018,200.00
8,000,000	CENTURY BANK	01709924	.400	12/27/12	.400	100.000000000	8,000,000.00	8,000,000.00
737,607,853					.047		737,631,858.79	737,626,053.93

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

250,000	GUADALUPE CREDIT UNION	735605	.750	3/26/13	.750	100.000000000	250,000.00	250,000.00
8,000,000	CENTURY BANK SANTA FE	17099245	.400	3/28/13	.400	100.000000000	8,000,000.00	8,000,000.00
2,000,000	MY BANK BELEN	63000023	.400	4/17/13	.400	100.000000000	2,000,000.00	2,000,000.00
500,000	WESTERN BANK CLOVIS	15955	.300	6/06/13	.300	100.000000000	500,000.00	500,000.00
8,000,000	CENTURY BAN SANTA FE	17099247	.350	6/28/13	.350	100.000000000	8,000,000.00	8,000,000.00

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:25:34
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 6/30/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 6/30/12

STATE OF NEW MEXICO
 TREASURER'S OFFICE

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
10,000,000	FEDERAL HOME LOAN BANKS	313379RU	.300	7/05/13	.304	100.0000000000	10,000,000.00	9,995,600.00
28,750,000					1.197		28,750,000.00	28,745,600.00

====> 0006 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2013 <====

20,000,000	FED HOME LOAN BANK	313374CD	1.125	9/17/14	.946	100.418897900	20,083,779.58	20,033,000.00
20,000,000					1.713		20,083,779.58	20,033,000.00

====> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2014 <====

836,382,677					.041		836,490,462.07	836,429,477.93
-------------	--	--	--	--	------	--	----------------	----------------

====> 0015 ITEMS IN SUBTOTAL FOR ==> FUND-NAME..... ==> GENERAL FUND <====

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:25:34

STATE OF NEW MEXICO
 TREASURER'S OFFICE

BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 6/30/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 6/30/12

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
- 13,845,406	(TD)-CASH KEY				1.000000000	-13,845,405.51	-13,845,406.00
1,298	UNITS - INVESTMENT POOL 1	CASHCASH			1.0000069338	1,298.09	1,298.00
- 13,844,108				-2.485		-13,844,107.42	-13,844,108.00

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

1,570,000	NEW MEXICO ST SEVERANCE TAX	647310N2	2.000	7/01/12	.213	100.0000000000	1,570,000.00
4,000,000	ALBUQUERQUE NM 2012D	ABQ2012D	.290	7/02/12	.294	100.0000000000	4,000,000.00
3,075,640	OVERNIGHT REPO	0702RP	.350	7/02/12	.355	100.000013331	3,075,640.41
5,800,000	SANTA FE NM PSD GO2011	802088JT	3.000	8/01/12	.527	100.206035690	5,811,950.07
1,100,000	LOS ALAMOS N MEX PUB SCH DIST	54422NCN	2.000	8/01/12	.406	100.133010909	1,101,463.12
2,675,000	RIO RANCHO N MEX PUB SCH DIST	767171LG	2.000	8/01/12	.355	100.137216823	2,678,670.55
23,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MNU	5.250	8/01/12	.308	100.411508255	23,596,704.44
2,385,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136F7GV	5.000	8/02/12	3.662	100.112735000	1,001,127.35
570,000	GADSDEN N MEX INDPT SCH DIST N	362550KS	2.000	8/15/12	.305	100.207301468	2,389,944.14
570,000	ESPANOLA N MEX PUB SCH DIST NO	29662RAJ	2.000	9/01/12	.386	100.269238597	571,534.66
2,500,000	FARMINGTON N MEX MUN SCH DIST	311441KF	2.000	9/01/12	.257	100.290762800	2,507,269.07
20,380,000	FEDERAL HOME LOAN BANKS	3133XLX7	5.000	9/14/12	3.639	100.273314868	20,435,701.57
25,000,000	UNITED STATES TREASURY NOTES	912828LM	1.375	9/15/12	1.231	100.028640440	25,007,160.11
525,000	LOVINGTON N MEX MUN SCH DIST N	547473DA	2.000	10/01/12	.508	100.373652338	526,961.69
5,000,000	FEDERAL FARM CREDIT BANK	31331X3S	4.500	10/17/12	3.543	100.283775400	5,014,188.77
25,000,000	CITIGROUP FUNDING INC.	17313YAL	1.875	10/22/12	.789	100.336572200	25,084,143.05
10,000,000	ABBOTT LABORATORIES	002819AA	5.150	11/30/12	5.231	99.987081600	9,998,708.16
15,000,000	FEDERAL HOME LOAN BANKS	3133XDTB	4.875	12/14/12	3.661	100.559401133	15,083,910.17

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:25:34
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 6/30/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 6/30/12

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
25,000,000	UNITED STATES TREASURY NOTES	912828MB	1.125	12/15/12	1.327	99.908089320	24,977,022.33	25,106,500.00
174,080,640					.197		174,432,099.66	175,256,359.01

====> 0019 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2012 <====

10,000,000	UNITED STATES TREASURY NOTES	912828PR	.625	1/31/13	.450	100.101627100	10,010,162.71	10,025,400.00
550,000	BERNALILLO CNTY N MEX	085275B5	4.000	2/01/13	.507	102.035805455	561,196.93	561,561.00
10,000,000	UNITED STATES TREAS NTS	912828QK	.625	2/28/13	.478	100.097512200	10,009,751.22	10,028,900.00
5,000,000	FEDERAL HOME LOAN BANKS	3133XPNZ	3.500	3/08/13	3.882	99.775406800	4,988,770.34	5,110,500.00
5,000,000	CONNECTICUT STATE	20772JBS	1.720	5/15/13	1.003	100.632891200	5,031,644.56	5,051,050.00
200,000	SANTA ROSA CSD #8 NM	802751DK	1.000	5/15/13	.356	100.564630000	201,129.26	200,772.00
2,000,000	NEW MEXICO FIN AUTH REV	64711NNV	2.000	6/01/13	1.014	100.909868500	2,018,197.37	2,019,860.00
3,605,000	NEW MEXICO FIN AUTH REV	64711NPA	2.000	6/01/13	.356	101.507711789	3,659,353.01	3,660,480.95
760,000	NEW MEXICO FIN AUTH REV	64711NPW	2.000	6/01/13	.660	101.230678947	769,353.16	769,036.40
1,285,000	UNIVERSITY OF NM-REFUNDING	914692N2	2.000	6/01/13	.305	101.553998444	1,304,968.88	1,301,846.35
500,000	NMFA SERIES B1	64711NLW	2.000	6/01/13	.305	101.553998000	507,769.99	507,910.00
10,000,000	FEDERAL HOME LOAN BANKS	3133XXYX	1.875	6/21/13	.851	101.000932900	10,100,093.29	10,156,500.00
3,225,000	NEW MEXICO ST SEVERANCE TAX	647310N3	4.000	7/01/13	.437	103.557496124	3,339,729.25	3,342,744.75
7,525,000	ALBUQUERQUE NM 2012C	ABQ2012C	.290	7/01/13	.294	100.000000000	7,525,000.00	7,525,000.00
2,000,000	LOS ALAMOS NM UTILITY	54423EBV	5.000	7/01/13	.448	104.542934500	2,090,858.69	2,090,300.00
475,000	LOS ALAMOS N MEX PUB SCH DIST	54422NCP	2.000	8/01/13	.558	101.563829474	482,428.19	483,084.50
500,000	RIO RANCHO N MEX PUB SCH DIST	76711LH	2.000	8/01/13	.558	101.563828000	507,819.14	508,400.00
785,000	LOS ALAMOS N MEX PUB SCH DIST	54422NDB	2.000	8/01/13	.406	101.727721019	798,562.61	798,360.70
350,000	ALAMOGORDO NM MSD 1	011464GN	1.500	8/01/13	.406	101.187800000	354,157.30	354,088.00

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:25:34
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 6/30/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 6/30/12

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0BR	.500	8/09/13	.588	99.911905400	19,982,381.08	20,047,600.00
2,245,000	GADSDEN N MEX INDPT SCH DIST N	362550KT	2.000	8/15/13	.608	101.563220490	2,280,094.30	2,283,995.65
1,100,000	ESPANOLA N MEX PUB SCH DIST NO	29662RAK	2.000	9/01/13	.710	101.507475455	1,116,582.23	1,117,886.00
1,000,000	FARMINGTON MSD #5 NM	311441KG	3.000	9/01/13	.407	103.021730000	1,030,217.30	1,029,520.00
10,000,000	UNITED STATES TREASURY NOTES	912828NY	.750	9/15/13	.541	100.250880800	10,025,088.08	10,056,600.00
900,000	LOVINGTON N MEX MUN SCH DIST N	547473DB	2.000	10/01/13	.710	101.614662222	914,531.96	917,496.00
10,000,000	FEDERAL HOME LOAN BANKS	313371DC	.875	12/27/13	1.110	99.675953200	9,967,595.32	10,079,300.00
109,005,000							109,577,436.17	110,028,192.30

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

13,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MTP	5.125	1/02/14	.828	106.421330846	13,834,773.01	13,876,460.00
20,000,000	FED HOME LOAN BANKS	313376UF	.375	1/29/14	.323	100.088043900	20,017,608.78	20,007,800.00
20,000,000	UNITED STATES TREASURY NOTES	912828JZ	1.750	1/31/14	.666	101.703313250	20,340,662.65	20,452,400.00
570,000	BERNALILLO CNTY N MEX	085275B6	3.000	2/01/14	.710	103.614908772	590,604.98	592,988.10
20,000,000	UNITED STATES TREASURY NOTES	912828QH	1.250	2/15/14	1.413	99.738861350	19,947,772.27	20,299,200.00
40,000,000	UNITED STATES TREASURY NOTES	912828KF	1.875	2/28/14	1.048	101.361551925	40,544,620.77	41,026,400.00
15,000,000	UNITED STATES TREASURY NOTES	912828KJ	1.875	3/31/14	.729	101.770421133	15,265,563.17	15,370,350.00
20,000,000	UNITED STATES TREAS NTS	912828SL	.250	3/31/14	.262	99.979057600	19,995,811.52	19,976,600.00
20,000,000	UNITED STATES TREASURY NOTES	912828KN	1.875	4/30/14	1.476	100.717606250	20,143,521.25	20,562,600.00
200,000	SANTA ROSA CSD #8 NM	802751DL	1.000	5/15/14	.507	100.930465000	201,860.93	201,238.00
20,000,000	UNITED STATES TREASURY NOTES	912828KV	2.250	5/31/14	1.509	101.393154300	20,278,630.86	20,728,200.00
3,060,000	NEW MEXICO FIN AUTH REV	64711NNW	3.000	6/01/14	1.490	102.880384314	3,148,139.76	3,174,260.40
3,615,000	NEW MEXICO FIN AUTH REV	64711NPB	2.000	6/01/14	.456	102.954593914	3,721,808.57	3,723,558.45

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT

STATE OF NEW MEXICO
 TREASURER'S OFFICE

RUN: 8/31/12 @ 15:25:34
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 6/30/12

AMRTZD: BOOK VALUES AMORTIZED THROUGH 6/30/12

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
770,000	NEW MEXICO FIN AUTH REV	64711NFX	2.000	6/01/14	1.014	101.893384416	784,579.06	787,440.50
165,000	UNIVERSITY OF NM-REFUNDING	914692Q6	3.000	6/01/14	.487	104.801866667	172,923.08	172,278.15
330,000	UNIVERSITY OF NM-REFUNDING	914692N3	2.000	6/01/14	.487	102.896348485	339,557.95	338,319.30
20,000,000	UNITED STATES TREASURY NOTES	912828Q5	.750	6/15/14	.771	99.959246550	19,991,849.31	20,165,600.00
4,780,000	NEW MEXICO ST SEVERANCE TAX	647310N4	4.000	7/01/14	.710	106.542651883	5,092,738.76	5,108,768.40
9,810,000	NEW MEXICO ST SEVERANCE TAX	647310P4	4.000	7/01/14	.710	106.542651784	10,451,834.14	10,494,738.00
15,000,000	UNITED STATES TREAS NTS	912828LC	2.625	7/31/14	1.513	102.270422267	15,340,563.34	15,706,650.00
325,000	LOS ALAMOS N MEX PUB SCH DIST	54422NCQ	2.000	8/01/14	.811	102.474101539	333,040.83	334,831.25
140,000	CATRON & CIBOLA COUNTY ISD 2	149321CH	2.000	8/01/14	.507	103.104750000	144,346.65	143,795.40
350,000	ALAMOGORDO NM MSD 1	011464GP	1.500	8/01/14	.507	102.069817143	357,244.36	356,982.50
2,005,000	GADSDEN N MEX INDPT SCH DIST N	362550KU	2.000	8/15/14	.862	102.413203990	2,053,384.74	2,059,255.30
20,000,000	FED NATL MORTGAGE ASSN DEBS	29662RAL	2.000	9/01/14	.963	102.245942857	20,181,913.37	20,201,000.00
1,120,000	ESPAÑOLA N MEX PUB SCH DIST NO	3135G0BY	.875	8/28/14	.457	100.909566850	1,145,154.56	1,150,788.80
1,000,000	FARMINGTON MSD #5 NM	311441KH	3.000	9/01/14	.558	105.269173000	1,052,691.73	1,052,150.00
935,000	LOVINGTON N MEX MUN SCH DIST N	547473DC	2.000	10/01/14	1.014	102.218771123	955,745.51	965,032.20
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACY	.750	11/25/14	.772	99.973774900	9,997,377.49	10,075,000.00
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3BL	1.000	12/05/14	1.014	100.000000000	20,000,000.00	20,034,200.00
302,175,000					.112		306,426,323.40	309,138,884.75

====> 0030 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==>> 2014 <====

20,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0HG	.375	3/16/15	.541	99.572978850	19,914,595.77	19,941,600.00
20,000,000	UNITED STATES TREAS NTS	912828SP	.375	4/15/15	.387	99.966692450	19,993,338.49	19,986,000.00
225,000	SANTA ROSA CSD #8 NM	802751DM	1.000	5/15/15	.659	100.994195556	227,236.94	226,530.00

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:25:34
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 6/30/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 6/30/12

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
20,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0LN	.500	7/02/15	.551	99.872097750	19,974,419.55	19,975,200.00
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134A4VC	4.375	7/17/15	.965	110.247124050	22,049,424.81	22,305,200.00
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136FR3F	.950	9/08/15	.963	100.000000000	20,000,000.00	20,042,600.00
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACM	1.750	9/10/15	1.015	102.346482650	20,469,296.53	20,747,400.00
20,000,000	FEDERAL FARM CR BANKS CALLABLE	31331KS9	1.120	11/16/15	1.188	99.828111400	19,965,622.28	20,049,400.00
20,000,000	FEDERAL FARM CR BANKS CALLABLE	31331KZ2	1.330	12/07/15	1.348	100.000000000	20,000,000.00	20,064,800.00
11,660,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3EG	1.150	12/30/15	1.166	100.000000000	11,660,000.00	11,749,665.40
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3FA	1.100	12/30/15	1.115	100.000000000	10,000,000.00	10,058,400.00
181,885,000					.187		184,253,934.37	185,146,795.40

====> 0011 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2015 <====

20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MH8	5.000	3/15/16	1.026	114.466682400	22,893,336.48	23,125,000.00
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0BA	2.375	4/11/16	1.057	104.920819900	20,984,163.98	20,984,163.98
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACT	2.500	5/27/16	1.095	105.415733200	21,083,146.64	21,337,000.00
25,000,000	FEDERAL AGRICULTURAL MORTG CORP	31315PB7	.900	6/09/16	.913	100.000000000	25,000,000.00	25,226,000.00
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MS6	5.375	7/15/16	1.142	116.730326300	23,346,065.26	23,636,600.00
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	1.168	103.426172600	20,685,234.52	21,015,200.00
20,000,000	UNITED STATES TREASURY NOTES	912828RF	1.000	8/31/16	.929	100.289203350	20,057,840.67	20,314,000.00
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0CM	1.250	9/28/16	1.218	100.201578500	20,040,315.70	20,349,200.00
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136FTQJ	1.625	11/21/16	1.650	99.990992900	19,998,198.58	20,078,200.00
20,000,000	FED HOME LOAN MORTGAGE CORP BDS	3134G3CB	1.625	12/05/16	1.196	100.188815600	20,037,763.12	20,086,600.00
25,000,000	UNITED STATES TREAS NTS	912828RX	.875	12/31/16	.776	100.436714960	25,109,178.74	25,224,500.00
230,000,000					.144		239,235,243.69	241,376,463.98

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

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:25:34
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 6/30/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 6/30/12

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
15,000,000	FED NATL MORTGAGE ASSN DEBS	3136FTYG	1.000	1/30/17	99.946249533	14,991,937.43	15,058,950.00
60,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0GY	1.250	1/30/17	100.873992733	60,524,395.64	60,945,600.00
20,000,000	UNITED STATES TREAS NTS	912828SC	.875	1/31/17	100.129950400	20,025,990.08	20,173,400.00
20,000,000	FEDERAL HOME LOAN BANK	3133786Q	1.000	2/13/17	99.864850450	19,972,970.09	20,095,400.00
40,000,000	UNITED STATES TREAS NTS	912828SJ	.875	2/28/17	100.013476200	40,005,390.48	40,346,800.00
20,000,000	FED HOME LOAN MORTGAGE CORP DBS	3137EADC	1.000	3/08/17	99.516902150	19,903,380.43	20,108,200.00
10,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0JA	1.125	4/27/17	100.356126200	10,035,612.62	10,093,900.00
185,000,000						185,459,676.77	186,822,250.00

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

1168301532

.029

====> 0106 ITEMS IN SUBTOTAL FOR ==>> FUND-NAME..... ==>> GENERAL FUND CORE <====

1185540606.64 1193924837.44

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 6/30/12

GENERAL FUND (1000)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
------	--------	----	-------	-----------	-------------	------	------------	-------	------------	---	------------	----------

REPURCHASE AGREEMENTS (O/(10)

16947	0702RP	9		1000	10 OVERNIGHT REPO	.350	7/02/12	.350	352,888,014.49	352,888,014.49	352,888,014.49	7/02/12
16948	0702RP	9		1000	10 OVERNIGHT REPO	.350	7/02/12	.350	350,719,839.44	350,719,839.44	350,719,839.44	7/02/12
2 Items in subtotal for: REPURCHASE AGREEMENTS (O/N) (Type 10)										703,607,853.93	703,607,853.93	

Market: 703,607,853.93 (2 priced @ cost) 84.120% Total

Cpn: .350 Term: .005 S&P: N/R (1 not rated)
 Yld: .350 Dur: .005 Moody: N/R (1 not rated)

CERTIFICATES OF DEPOSIT (30)

15768	01709924	9		1000	30 CENTURY BANK	.400	12/27/12	.400	8,000,000.00	8,000,000.00	8,000,000.00	12/28/11
16763	15955	9		1000	30 WESTERN BANK CLOVIS	.300	6/06/13	.300	500,000.00	500,000.00	500,000.00	6/06/12
15578	16225630	9		1000	30 BANK OF LAS VEGAS	.750	9/21/12	.750	5,000,000.00	5,000,000.00	5,000,000.00	9/21/11
16319	17099245	9		1000	30 CENTURY BANK SANTA FE	.400	3/28/13	.400	8,000,000.00	8,000,000.00	8,000,000.00	3/28/12
16949	17099247	9		1000	30 CENTURY BAN SANTA FE	.350	6/28/13	.350	8,000,000.00	8,000,000.00	8,000,000.00	6/29/12
16302	735605	9		1000	30 GUADALUPE CREDIT UNION	.750	3/26/13	.750	250,000.00	250,000.00	250,000.00	3/26/12
15442	DEACTIVE	9		1000	30 FARMERS & STOCKMENS	1.000	7/20/12	1.000	1,000,000.00	1,000,000.00	1,000,000.00	7/20/12
7 Items in subtotal for: CERTIFICATES OF DEPOSIT (Type 30)										30,750,000.00	30,750,000.00	

Market: 30,750,000.00 (7 priced @ cost) 3.676% Total

Cpn: .465 Term: .640 S&P: N/R (1 not rated)
 Yld: .465 Dur: .640 Moody: N/R (1 not rated)

STATE OF NEW MEXICO
Position Holdings
SETTLED POSITIONS HELD AS OF 6/30/12
 GENERAL FUND (1000)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MAFURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
------	--------	----	-------	-----------	-------------	------	------------	-------	------------	---	------------	----------

16478	630000023	9	1000	31	MY BANK BELEN	.400	4/17/13	.400	2,000,000.00		2,000,000.00	4/17/12
-------	-----------	---	------	----	---------------	------	---------	------	--------------	--	--------------	---------

1 Item in subtotal for: LINKED-CERTIFICATE OF DEPOSIT (Type 31)

LINKED-CERTIFICATE OF DEP (31)

2,000,000.00

Market: 2,000,000.00 (1 priced @ cost) .239% Total

Cpn: .400 Term: .797 S&P: N/R (1 not rated)
 Yld: .400 Dur: .797 Moody: N/R (1 not rated)

AGENCY US BOND 30/360 2X (260)

15719	313374CD	1	1000	260	FED HOME LOAN BANK	1.125	9/17/14	.933	20,000,000.00		20,083,884.98	12/05/11
16762	313379RU	1	1000	260	FEDERAL HOME LOAN BANKS	.300	7/05/13 @	.300	10,000,000.00		10,000,000.00	6/18/12

2 Items in subtotal for: AGENCY US BOND 30/360 2X (Type 260)

30,000,000.00

Market: 30,028,600.00 3.590% Total

Cpn: .850 Term: 1.813 (OA 1.549) S&P: N/R (1 not rated)
 Yld: .722 Dur: 1.948 Moody: N/R (1 not rated)

STATE OF NEW MEXICO
Position Holdings
SETTLED POSITIONS HELD AS OF 6/30/12
 GENERAL FUND (1000)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
15728	31398A7F	1	1000	284	FEDERAL NATIONAL MORTGAGE ASSOC	.428	12/20/12	.170	20,000,000.00		20,024,052.13	12/09/11
AGENCY US VARIABLE ACT/36 (284) 1 Item in subtotal for: AGENCY US VARIABLE ACT/360 4X (Type 284) Market: 20,018,200.00 Cpn: .428 Term: .474 S&P: N/R (1 not rated) Yld: .170 Dur: .474 Moody: N/R (1 not rated)												
2.393% Total												
16431	UNITS001	2	1000	7110	UNITS - INVESTMENT POOL 1				40,026,494.94		40,026,494.94	8/06/12
UNITS - INVESTMENT POOL 1 (7110) 1 Item in subtotal for: UNITS - INVESTMENT POOL 1 (Type 7110) Market: 40,026,494.94 4.785% Total												
16344	CASHCASH	1	1000	9300	CASH KEY				9,998,328.76		9,998,328.76	8/31/12
CASH ACCOUNT (9300) 1 Item in subtotal for: CASH ACCOUNT (Type 9300) 9,998,328.76												

STATE OF NEW MEXICO
Position Holdings
SETTLED POSITIONS HELD AS OF 6/30/12
 GENERAL FUND (1000)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MAFURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
------	--------	----	-------	-----------	-------------	------	------------	-------	------------	---	------------	----------

Market: 9,998,328.76
 1.195% Total

15 Items in subtotal for: GENERAL FUND (Fund 1000)
 836,382,677.63 836,490,614.74

Market: 836,429,477.63 (10 Priced @ cost) 100.000% Total

Cpn: .376	Term: .113 (OA .103)	S&P: N/R (1 not rated)
Yld: .364	Dur: .118	Moody: N/R (1 not rated)

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 6/30/12

GENERAL FUND CORE (1001)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
16946	0702RP	9	1001	10	OVERNIGHT REPO	.350	7/02/12	.350	3,075,640.41		3,075,640.41	7/02/12

1 Item in subtotal for: REPURCHASE AGREEMENTS (O/N) (Type 10)

Market: 3,075,640.41 (1 priced @ cost) .255% Total

Cpn: .350 Term: .005 S&P: N/R (1 not rated)
 Yld: .350 Dur: .005 Moody: N/R (1 not rated)

US TREASURY NOTE ACT/ACT (130)

15419	912828JZ	1	1001	130	UNITED STATES TREASURY NOTES	1.750	1/31/14	.666	20,000,000.00		20,340,590.52	7/08/11
15184	912828KF	1	1001	130	UNITED STATES TREASURY NOTES	1.875	2/28/14	1.048	40,000,000.00		40,544,814.58	7/08/11
15416	912828KJ	1	1001	130	UNITED STATES TREASURY NOTES	1.750	3/31/14	.729	15,000,000.00		15,265,561.65	7/08/11
15183	912828KN	1	1001	130	UNITED STATES TREASURY NOTES	1.875	4/30/14	1.476	20,000,000.00		20,143,371.59	2/15/11
15182	912828KV	1	1001	130	UNITED STATES TREASURY NOTES	2.250	5/31/14	1.509	20,000,000.00		20,278,589.34	2/15/11
15195	912828LC	1	1001	130	UNITED STATES TREAS NTS	2.625	7/31/14	1.513	15,000,000.00		15,340,429.06	2/18/11
14562	912828LM	1	1001	130	UNITED STATES TREASURY NOTES	1.375	9/15/12	1.231	25,000,000.00		25,007,153.22	3/19/10
14550	912828MB	1	1001	130	UNITED STATES TREASURY NOTES	1.125	12/15/12	1.327	25,000,000.00		24,977,065.85	3/09/10
15420	912828NY	1	1001	130	UNITED STATES TREASURY NOTES	.750	9/15/13	.541	10,000,000.00		10,025,052.77	9/06/11
15311	912828PR	1	1001	130	UNITED STATES TREASURY NOTES	.625	1/31/13	.450	10,000,000.00		10,010,151.81	9/06/11
15185	912828QH	1	1001	130	UNITED STATES TREASURY NOTES	1.250	2/15/14	1.413	20,000,000.00		19,947,834.65	2/15/11
15312	912828QK	1	1001	130	UNITED STATES TREAS NTS	.625	2/28/13	.478	10,000,000.00		10,009,766.08	9/06/11
15351	912828QS	1	1001	130	UNITED STATES TREASURY NOTES	.750	6/15/14	.771	20,000,000.00		19,991,804.60	6/15/11
15510	912828RF	1	1001	130	UNITED STATES TREASURY NOTES	1.000	8/31/16	.929	20,000,000.00		20,057,448.22	8/31/11

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 6/30/12

GENERAL FUND CORE (1001)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
15905	912828RX	1	1001	130	UNITED STATES TREAS NTS	.875	12/31/16	.776	25,000,000.00		25,109,319.92	3/19/12
16185	912828SC	1	1001	130	UNITED STATES TREAS NTS	.875	1/31/17	.846	20,000,000.00		20,026,318.31	3/06/12
16138	912828SJ	1	1001	130	UNITED STATES TREAS NTS	.875	2/28/17	.872	40,000,000.00		40,005,808.81	3/06/12
16487	912828SL	1	1001	130	UNITED STATES TREAS NTS	.250	3/31/14	.262	20,000,000.00		19,995,753.36	4/25/12
16488	912828SP	1	1001	130	UNITED STATES TREAS NTS	.375	4/15/15	.387	20,000,000.00		19,993,392.32	4/25/12
19 Items in subtotal for: US TREASURY NOTE ACT/ACT 2X (Type 130)											395,000,000.00	397,070,226.66
Market: 400,613,600.00											33.170% Total	

Cpn: 1.234 Term: 2.302 S&P: N/R (1 not rated)
 Yld: .947 Dur: 2.265 Moody: N/R (1 not rated)

FED FARM CR BKS CONS LONG (232)

11476	31331X3S	1	1001	232	FEDERAL FARM CREDIT BANK	4.500	10/17/12	3.494	5,000,000.00		5,014,188.61	1/17/08
1 Item in subtotal for: FED FARM CR BKS CONS LONG TERM (Type 232)											5,000,000.00	5,014,188.61
Market: 5,063,100.00											.419% Total	

Cpn: 4.500 Term: .299 S&P: N/R (1 not rated)
 Yld: 3.494 Dur: .299 Moody: N/R (1 not rated)

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 6/30/12

GENERAL FUND CORE (1001)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
FED FARM CR BKS CALLABLE (233)												
15723	31331KS9	1	1001	233	FEDERAL FARM CR BANKS CALLABLE	1.120	11/16/15 @	1.172	20,000,000.00		19,965,582.26	12/07/11
15718	31331KZ2	1	1001	233	FEDERAL FARM CR BANKS CALLABLE	1.330	12/07/15 @	1.330	20,000,000.00		20,000,000.00	12/07/11
2 Items in subtotal for: FED FARM CR BKS CALLABLE (Type 233)										40,000,000.00	39,965,582.26	

Market: 40,114,200.00
3.321% Total

Cpn: 1.225 Term: 3.407 (OA .410) S&P: N/R (1 not rated)
Yld: 1.251 (OA 1.452) Dur: 3.346 Moody: N/R (1 not rated)

AGENCY US BOND 30/360 2X (260)												
15265	313371UC	1	1001	260	FEDERAL HOME LOAN BANKS	.875	12/27/13	1.095	10,000,000.00		9,967,617.91	4/19/11
16808	313376UF	1	1001	260	FED HOME LOAN BANKS	.375	1/29/14	.319	20,000,000.00		20,017,640.32	7/03/12
16067	3133786Q	1	1001	260	FEDERAL HOME LOAN BANK	1.000	2/13/17	1.030	20,000,000.00		19,972,560.86	2/14/12
11477	3133XDTB	1	1001	260	FEDERAL HOME LOAN BANKS	4.875	12/14/12	3.611	15,000,000.00		15,083,936.33	1/17/08
11475	3133XIX7	1	1001	260	FEDERAL HOME LOAN BANKS	5.000	9/14/12	3.589	20,380,000.00		20,435,688.30	4/25/08
11673	3133XPNZ	1	1001	260	FEDERAL HOME LOAN BANKS	3.500	3/08/13	3.829	5,000,000.00		4,988,765.83	4/25/08
6 Items in subtotal for: AGENCY US BOND 30/360 2X (Type 260)										90,380,000.00	90,466,209.55	

Market: 91,178,106.20
7.549% Total

Cpn: 2.531 Term: 1.700 S&P: N/R (1 not rated)
Yld: 2.043 Dur: 1.666 Moody: N/R (1 not rated)

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 6/30/12

GENERAL FUND CORE (1001)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MAFURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
------	--------	----	-------	-----------	-------------	------	------------	-------	------------	---	------------	----------

16016	31315PB7	1	1001	267	FEDERAL AGRICULTURAL MORTG CORP	.900	6/09/16	.900	25,000,000.00		25,000,000.00	2/09/12
AGENCY 30/360 2X (267)												
1 Item in subtotal for: AGENCY 30/360 2X (Type 267)												
Market: 25,226,000.00												
2.089% Total												

Cpn: .900 Term: 3.942 S&P: N/R (1 not rated)

Yld: .900 Dur: 3.882 Moody: N/R (1 not rated)

AGENCY US NOTES 30/360 2X (270)

15266	3133XXYX	1	1001	270	FEDERAL HOME LOAN BANKS	1.875	6/21/13	.839	10,000,000.00		10,100,072.06	4/19/11
15615	3134A4VC	1	1001	270	FEDERAL HOME LOAN MORTGAGE CORP	4.375	7/17/15	.952	20,000,000.00		22,049,729.54	10/12/11
15716	3134G3BL	1	1001	270	FEDERAL HOME LOAN MORTGAGE CORP	1.000	12/05/14 @	1.000	20,000,000.00		20,000,000.00	12/05/11
15777	3134G3CB	1	1001	270	FED HOME LOAN MORTGAGE CORP BDS	1.625	12/05/16 @	1.180	20,000,000.00		20,037,795.54	1/09/12
15732	3134G3EG	1	1001	270	FEDERAL HOME LOAN MORTGAGE CORP	1.150	12/30/15 @	1.150	11,660,000.00		11,660,000.00	12/30/11
15734	3134G3FA	1	1001	270	FEDERAL HOME LOAN MORTGAGE CORP	1.100	12/30/15 @	1.100	10,000,000.00		10,000,000.00	12/30/11
15555	31359MH8	1	1001	270	FEDERAL NATIONAL MORTGAGE ASSOC	5.000	3/15/16	1.012	20,000,000.00		22,893,009.23	9/08/11
16079	31359MNU	1	1001	270	FEDERAL NATIONAL MORTGAGE ASSOC	5.250	8/01/12	.304	23,500,000.00		23,596,696.89	8/01/12
15554	31359MS6	1	1001	270	FEDERAL NATIONAL MORTGAGE ASSOC	5.375	7/15/16	1.126	20,000,000.00		23,345,976.15	9/08/11
15493	31359MTP	1	1001	270	FEDERAL NATIONAL MORTGAGE ASSOC	5.125	1/02/14	.817	13,000,000.00		13,834,852.79	8/18/11
17173	3135G0BA	9	1001	270	FEDERAL NATIONAL MORTGAGE ASSOC	2.375	4/11/16	1.043	20,000,000.00		20,983,828.92	9/06/11

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 6/30/12

GENERAL FUND CORE (1001)

POS#	SEC-ID	\$	POOL#	FUND	TYPE	DESCRIPTION	RATE	MATURITY	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
15364	3135G0BR	1	1001	270	FEDERAL NATIONAL MORTGAGE ASSOC	.500	8/09/13	.580	20,000,000.00	19,982,406.95	6/17/11		
15673	3135G0CM	1	1001	270	FEDERAL NATIONAL MORTGAGE ASSOC	1.250	9/28/16	1.201	20,000,000.00	20,040,494.13	11/07/11		
11474	3136F7GV	1	1001	270	FEDERAL NATIONAL MORTGAGE ASSOC	5.000	8/02/12	3.612	1,000,000.00	1,001,127.20	8/02/12		
15565	3136FR3F	1	1001	270	FEDERAL NATIONAL MORTGAGE ASSOC	.950	9/08/15	.950	20,000,000.00	20,000,000.00	9/15/11		
15691	3136FTQJ	1	1001	270	FEDERAL NATIONAL MORTGAGE ASSOC	1.625	11/21/16	1.627	20,000,000.00	19,998,123.05	11/21/11		
15616	3137EACM	1	1001	270	FEDERAL HOME LOAN MORTGAGE CORP	1.750	9/10/15	1.001	20,000,000.00	20,469,256.56	10/12/11		
15530	3137EACT	1	1001	270	FEDERAL HOME LOAN MORTGAGE CORP	2.500	5/27/16	1.080	20,000,000.00	21,082,884.57	9/06/11		
15529	3137EACW	1	1001	270	FEDERAL HOME LOAN MORTGAGE CORP	2.000	8/25/16	1.152	20,000,000.00	20,685,327.31	9/06/11		
15613	3137EACY	1	1001	270	FEDERAL HOME LOAN MORTGAGE CORP	.750	11/25/14	.761	10,000,000.00	9,997,379.53	10/06/11		
16186	3137EADC	1	1001	270	FED HOME LOAN MORTGAGE CORP DBS	1.000	3/08/17	1.106	20,000,000.00	19,903,259.51	3/08/12		
21 Items in subtotal for: AGENCY US NOTES 30/360 2x (Type 270)											359,160,000.00	371,662,219.93	

Market: 374,411,059.32 (1 priced @ cost) 31.000% Total

Cpn: 2.428 Term: 3.167 (OA 2.351) S&P: N/R (1 not rated)
 Yld: 1.009 (OA 1.010) Dur: 3.059 Moody: N/R (1 not rated)

FED NATL MORTGAGE ASSN DE (280)

16838	3135G0BY	1	1001	280	FED NATL MORTGAGE ASSN DEBS	.875	8/28/14	.451	20,000,000.00	20,181,733.46	5/23/12	
15885	3135G0GY	1	1001	280	FED NATL MORTGAGE ASSN DEBS	1.250	1/30/17	1.054	60,000,000.00	60,523,621.89	3/06/12	
16670	3135G0HG	1	1001	280	FED NATL MORTGAGE ASSN DEBS	.375	3/16/15	.534	20,000,000.00	19,914,689.04	5/23/12	
16671	3135G0JA	1	1001	280	FED NATL MORTGAGE ASSN DEBS	1.125	4/27/17	1.049	10,000,000.00	10,035,539.72	5/23/12	
16807	3135G0LN	1	1001	280	FED NATL MORTGAGE ASSN DEBS	.500	7/02/15	.543	20,000,000.00	19,974,520.97	7/03/12	

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 6/30/12

GENERAL FUND CORE (1001)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
15797	3136FTYG 1		1001	280	FED NATL MORTGAGE ASSN DEBS	1.000	1/30/17 @	1.012	15,000,000.00		14,991,713.73	1/30/12

6 Items in subtotal for: FED NATL MORTGAGE ASSN DEBS (Type 280)

145,000,000.00

145,621,818.81

Market: 146,216,250.00

12.106% Total

Cpn: .940 Term: 3.791 (OA 3.377) S&P: N/R (1 not rated)
 Yld: .825 (OA .833) Dur: 3.709 Moody: N/R (1 not rated)

CORP US NOTE 30/360 2X (287)

11292	002819AA 1		1001	287	ABBOTT LABORATORIES	5.150	11/30/12	5.159	10,000,000.00		9,998,715.67	11/09/07
14882	17313YAL 1		1001	287	CITIGROUP FUNDING INC.	1.875	10/22/12	.778	25,000,000.00		25,084,128.42	8/20/10

2 Items in subtotal for: CORP US NOTE 30/360 2X (Type 287)

35,000,000.00

35,082,844.09

Market: 35,308,950.00

2.923% Total

Cpn: 2.811 Term: .343 S&P: N/R (1 not rated)
 Yld: 2.027 Dur: .343 Moody: N/R (1 not rated)

MUNI US 30/360 2X (810)

16635	011464GN 1		1001	810	ALAMOGORDO NM MSD 1	1.500	8/01/13	.400	350,000.00		354,156.49	6/19/12
-------	------------	--	------	-----	---------------------	-------	---------	------	------------	--	------------	---------

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 6/30/12
GENERAL FUND CORE (1001)

POS#	SEC-ID	\$	POOL#	FUND	TYPE	DESCRIPTION	RATE	MATURITY	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
16636	011464GP	1		1001	810	ALAMOGORDO NM MSD 1	1.500	8/01/14	.500	350,000.00		357,241.87	6/19/12
15608	085275B5	1		1001	810	BERNALILLO CNTY N MEX	4.000	2/01/13	.500	550,000.00		561,196.43	10/05/11
15609	085275B6	1		1001	810	BERNALILLO CNTY N MEX	3.000	2/01/14	.700	570,000.00		590,604.36	10/05/11
16122	149321CH	1		1001	810	CATRON & CIBOLA COUNTY ISD 2	2.000	8/01/14	.500	140,000.00		144,345.99	3/27/12
15319	20772JBS	1		1001	810	CONNECTICUT STATE	1.720	5/15/13	.989	5,000,000.00		5,031,658.66	7/26/12
15628	29662RAJ	1		1001	810	ESPANOLA N MEX PUB SCH DIST NO	2.000	9/01/12	.381	570,000.00		571,534.46	11/08/11
15632	29662RAK	1		1001	810	ESPANOLA N MEX PUB SCH DIST NO	2.000	9/01/13	.700	1,100,000.00		1,116,577.46	11/08/11
15631	29662RAL	1		1001	810	ESPANOLA N MEX PUB SCH DIST NO	2.000	9/01/14	.950	1,120,000.00		1,145,153.89	11/08/11
16439	311441KG	1		1001	810	FARMINGTON MSD #5 NM	3.000	9/01/13	.401	1,000,000.00		1,030,220.42	5/16/12
16438	311441KH	1		1001	810	FARMINGTON MSD #5 NM	3.000	9/01/14	.550	1,000,000.00		1,052,689.48	8/23/12
15588	362550KS	1		1001	810	GADSDEN N MEX INDPT SCH DIST N	2.000	8/15/12	.301	2,385,000.00		2,389,943.88	8/15/12
15589	362550KT	1		1001	810	GADSDEN N MEX INDPT SCH DIST N	2.000	8/15/13	.600	2,245,000.00		2,280,091.62	10/26/11
15590	362550KU	1		1001	810	GADSDEN N MEX INDPT SCH DIST N	2.000	8/15/14	.850	2,005,000.00		2,053,370.67	10/26/11
15426	54422NCN	1		1001	810	LOS ALAMOS N MEX PUB SCH DIST	2.000	8/01/12	.400	1,100,000.00		1,101,462.77	8/01/12
15427	54422NCP	1		1001	810	LOS ALAMOS N MEX PUB SCH DIST	2.000	8/01/13	.550	475,000.00		482,427.14	8/17/11
15428	54422NCQ	1		1001	810	LOS ALAMOS N MEX PUB SCH DIST	2.000	8/01/14	.800	325,000.00		333,038.55	8/17/11
16410	54422NDB	1		1001	810	LOS ALAMOS N MEX PUB SCH DIST	2.000	8/01/13	.400	785,000.00		798,559.06	5/16/12
15669	547473DA	1		1001	810	LOVINGTON N MEX MUN SCH DIST N	2.000	10/01/12	.501	525,000.00		526,961.65	11/15/11
15670	547473DB	1		1001	810	LOVINGTON N MEX MUN SCH DIST N	2.000	10/01/13	.700	900,000.00		914,528.32	11/15/11
15671	547473DC	1		1001	810	LOVINGTON N MEX MUN SCH DIST N	2.000	10/01/14	1.000	935,000.00		955,743.05	11/15/11
15302	64711NNV	1		1001	810	NEW MEXICO FIN AUTH REV	2.000	6/01/13	1.000	2,000,000.00		2,018,191.23	5/19/11
15303	64711NNW	1		1001	810	NEW MEXICO FIN AUTH REV	3.000	6/01/14	1.470	3,060,000.00		3,148,130.60	5/19/11
15497	64711NPA	1		1001	810	NEW MEXICO FIN AUTH REV	2.000	6/01/13	.351	3,605,000.00		3,659,368.56	9/01/11
15496	64711NPB	1		1001	810	NEW MEXICO FIN AUTH REV	2.000	6/01/14	.450	3,615,000.00		3,721,802.95	9/01/11
15499	64711NPW	1		1001	810	NEW MEXICO FIN AUTH REV	2.000	6/01/13	.651	760,000.00		769,356.51	9/01/11
15498	64711NPN	1		1001	810	NEW MEXICO FIN AUTH REV	2.000	6/01/14	1.000	770,000.00		784,577.76	9/01/11
15703	647310N3	1		1001	810	NEW MEXICO ST SEVERANCE TAX	4.000	7/01/13	.431	3,225,000.00		3,339,745.52	8/09/12

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 6/30/12

GENERAL FUND CORE (1001)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
15704	647310N4	1		1001	810 NEW MEXICO ST SEVERANCE TAX	4.000	7/01/14	.700	4,780,000.00		5,092,723.62	8/28/12
15705	647310P4	1		1001	810 NEW MEXICO ST SEVERANCE TAX	4.000	7/01/14	.700	9,810,000.00		10,451,803.08	8/28/12
15450	767171LG	1		1001	810 RIO RANCHO N MEX PUB SCH DIST	2.000	8/01/12	.350	2,675,000.00		2,678,670.12	8/01/12
15449	767171LH	1		1001	810 RIO RANCHO N MEX PUB SCH DIST	2.000	8/01/13	.550	500,000.00		507,817.79	8/23/11
15207	802088JT	1		1001	810 SANTA FE NM PSD GO2011	3.000	8/01/12	.520	5,800,000.00		5,811,949.73	8/01/12
16447	802751DK	1		1001	810 SANTA ROSA CSD #8 NM	1.000	5/15/13	.351	200,000.00		201,130.12	5/21/12
16451	802751DL	1		1001	810 SANTA ROSA CSD #8 NM	1.000	5/15/14	.500	200,000.00		201,859.95	5/21/12
16449	802751DM	1		1001	810 SANTA ROSA CSD #8 NM	1.000	5/15/15	.650	225,000.00		227,236.03	5/21/12
16450	ABQ2012C	9		1001	810 ALBUQUERQUE NM 2012C	.290	7/01/13	.290	7,525,000.00		7,525,000.00	5/22/12
16452	ABQ2012D	9		1001	810 ALBUQUERQUE NM 2012D	.290	7/02/12	.290	4,000,000.00		4,000,000.00	7/02/12
38 Items in subtotal for: MUNI US 30/360 2X (Type 810)										76,180,000.00	77,930,869.79	

Market: 78,074,750.65 (2 priced @ cost) 6.464% Total

Cpn: 2.342 Term: 1.173
Yld: .606 Dur: 1.160

S&P: N/R (1 not rated)
Moody: N/R (1 not rated)

MUNICIPAL BOND REVENUE (850)

16437	311441KF	1		1001	850 FARMINGTON N MEX MUN SCH DIST	2.000	9/01/12	.253	2,500,000.00		2,507,271.09	5/16/12
16700	54423EBV	1		1001	850 LOS ALAMOS NM UTILITY	5.000	7/01/13	.442	2,000,000.00		2,090,854.56	8/28/12
16191	64711NLW	1		1001	850 NMFA SERIES B1	2.000	6/01/13	.301	500,000.00		507,772.24	3/09/12
15702	647310N2	1		1001	850 NEW MEXICO ST SEVERANCE TAX	2.000	7/01/12	.210	1,570,000.00		1,570,000.00	7/01/12
16107	914692N2	1		1001	850 UNIVERSITY OF NM-REFUNDING	2.000	6/01/13	.301	1,285,000.00		1,304,973.72	3/06/12

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 6/30/12

GENERAL FUND CORE (1001)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
16106	914692N3	1	1001	850	UNIVERSITY OF NM-REFUNDING	2.000	6/01/14	.480	330,000.00		339,556.86	3/06/12
16101	914692Q6	1	1001	850	UNIVERSITY OF NM-REFUNDING	3.000	6/01/14	.480	165,000.00		172,922.04	3/06/12
7 Items in subtotal for: MUNICIPAL BOND REVENUE (Type 850)											8,350,000.00	8,493,350.51
Market: 8,486,953.80											.703% Total	

Cpn: 2.738 Term: .602 S&P: N/R (1 not rated)
 Yld: .315 Dur: .600 Moody: N/R (1 not rated)

UNITS - INVESTMENT POOL 1 (7110)

16433	UNITS001	2	1001	7110	UNITS - INVESTMENT POOL 1				1,298.09		1,298.09	8/01/12
1 Item in subtotal for: UNITS - INVESTMENT POOL 1 (Type 7110)											1,298.09	1,298.09
Market: 1,298.09											% Total	

105 Items in subtotal for: GENERAL FUND CORE (Fund 1001)											1182146938.50	1199384248.71
--	--	--	--	--	--	--	--	--	--	--	---------------	---------------

Market: 1,207,769,908.47 (4 priced @ cost) 100.000% Total

Cpn: 1.793 Term: 2.616 (OA 2.216) S&P: N/R (1 not rated)
 Yld: 1.057 (OA 1.065) Dur: 2.557 Moody: N/R (1 not rated)

STATE OF NEW MEXICO GENERAL FUND (1000)

Portfolio Classification Summary Positions Held as of 7/31/12

TXN BASIS: SETTLEMENT
MKT-SOURCE: IDC-PREFERRED+
AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	2	.2188	.00270	424,384,372	424,384,372	424,384,372		73.782
CERTIFICATES OF DEPOSIT	6	.4466	.57488	29,750,000	29,750,000	29,750,000		5.172
LINKED-CERTIFICATE OF DEPOSIT	1	.4000	.71230	2,000,000	2,000,000	2,000,000		.348
AGENCY US BOND 30/360 2X	2	.7324	1.46393	30,080,766	30,080,766	30,019,600	-61,166	5.219
AGENCY US VARIABLE ACT/360 4X	2	.2308	.93560	40,000,000	40,015,510	40,009,200	-6,310	6.956
UNITS - INVESTMENT POOL 1	1			40,026,495	40,026,495	40,026,495		6.959
CASH ACCOUNT	1			8,996,959	8,996,959	8,996,959		1.564
	15	.2402	.19199	575,157,826	575,254,102	575,186,626	-67,476	100.000

STATE OF NEW MEXICO GENERAL FUND CORE (1001)

Portfolio Classification Summary
Positions Held as of 7/31/12

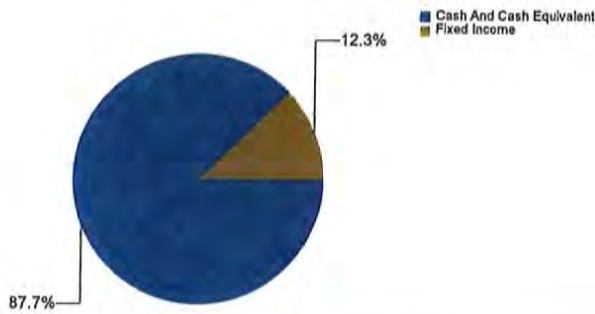
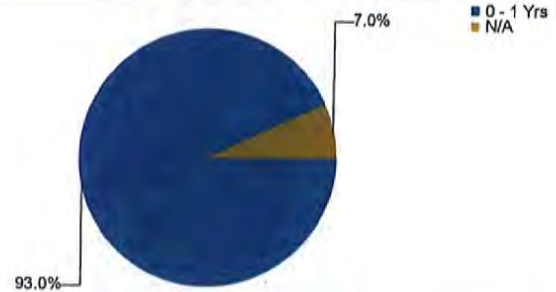
TXN BASIS: SETTLEMENT
MKT-SOURCE: IDC-PREFERRED+
AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	\$MARKET
REPURCHASE AGREEMENTS (O/N)	1	.2231	.00270	1,013,566	1,013,566	1,013,566		.077
US TREASURY NOTE ACT/ACT 2X	21	.9124	2.25786	416,600,000	419,872,508	424,390,102	4,517,594	32.333
FED FARM CR BKS CONS LONG TERM	1	3.5425	.21370	5,000,000	5,010,065	5,045,750	35,685	.384
FED FARM CR BKS CALLABLE	2	1.2685	.32465	40,000,000	39,966,397	40,100,800	134,403	3.055
AGENCY US BOND 30/360 2X	6	1.8962	1.60313	100,380,000	100,438,292	101,071,647	633,355	7.700
AGENCY 30/360 2X	1	.9125	3.85750	25,000,000	25,000,000	25,349,750	349,750	1.931
AGENCY US NOTES 30/360 2X	24	.9619	2.43050	419,160,000	431,477,461	435,256,126	3,778,665	33.161
FED NATL MORTGAGE ASSN DEBS	6	.7982	3.24725	165,000,000	165,600,303	166,857,400	1,257,097	12.712
CORP US NOTE 30/360 2X	2	2.0556	.25791	35,000,000	35,059,612	35,249,600	189,988	2.686
MUNI US 30/360 2X	37	.6045	1.18015	67,280,000	68,896,291	69,062,433	166,142	5.262
MUNICIPAL BOND REVENUE	7	.4015	1.17205	8,780,000	9,164,776	9,168,829	4,053	.699
UNITS - INVESTMENT POOL 1	1			1,298	1,298	1,298		
	109	1.0216	2.23293	1,283,214,864	1,301,500,569	1,312,567,301	11,066,732	100.000

Portfolio Characteristics

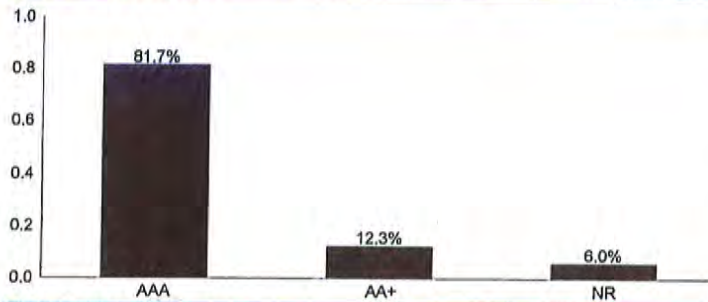
Duration Mix

Total Net Assets (Millions)	568.4
Weighted Average Life (Years)	0.19
Weighted Avg. Effective Duration (Years)	0.06
Weighted Average Coupon (%)	0.27
Weighted Average Current Yield (%)	0.13
Weighted Average Yield to Maturity (%)	0.25
Weighted Average Rating	AA+
Number of Holdings	22

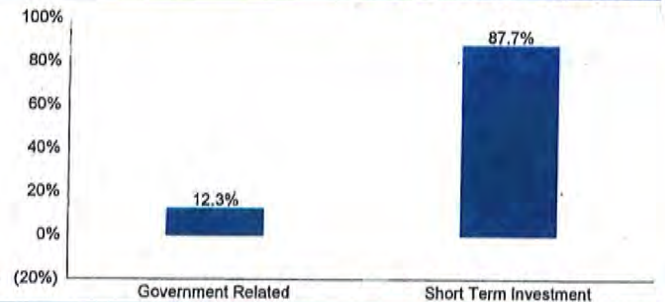


Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
99CL30179	REPO BANK OF NEW YORK/SOUTH STREET SECS	8.83%	0.22	1/8/2012
99CL30163	REPO MITSUBISHI UFJ SECURITIES (USA),INC.	8.80%	0.21	1/8/2012
99CL30162	REPO MITSUBISHI UFJ SECURITIES (USA),INC.	8.80%	0.21	1/8/2012
99CL30161	REPO MITSUBISHI UFJ SECURITIES (USA),INC.	8.80%	0.21	1/8/2012
99CL30180	REPO BANK OF NEW YORK/SOUTH STREET SECS	8.66%	0.22	1/8/2012
99CL30181	REPO BANK OF NEW YORK/SOUTH STREET SECS	8.66%	0.22	1/8/2012
99CL30177	REPO BANK OF NEW YORK/SOUTH STREET SECS	8.45%	0.22	1/8/2012
99CL30178	REPO BANK OF NEW YORK/SOUTH STREET SECS	8.41%	0.22	1/8/2012
692998X00	LGIP POOL PARTICIPANT	7.04%	0.17	
99CL30160	REPO MITSUBISHI UFJ SECURITIES (USA),INC.	5.26%	0.21	1/8/2012

Quality/Rating Weightings

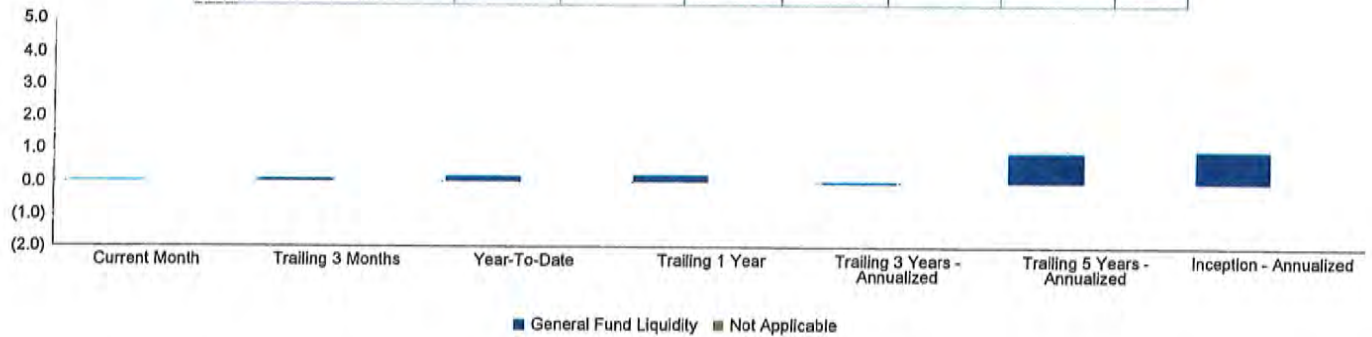


Sector Weightings (as % of Market Value)



Returns Series

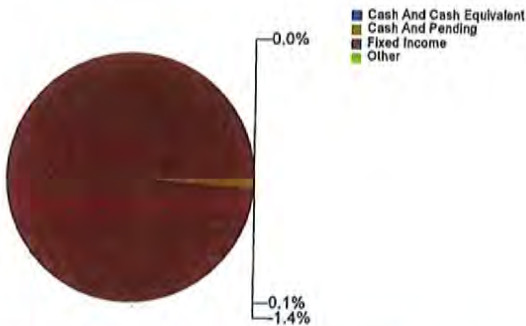
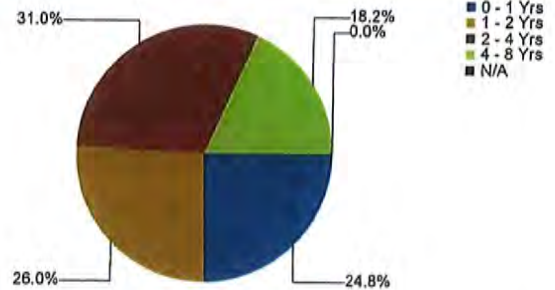
	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
General Fund Liquidity	0.02	0.07	0.16	0.20	(0.05)	0.90	0.97
Not Applicable							
Excess							



Portfolio Characteristics

Duration Mix

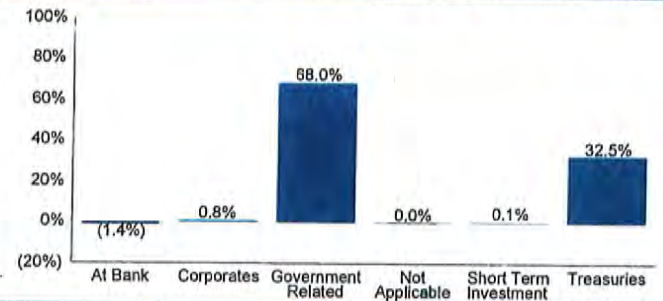
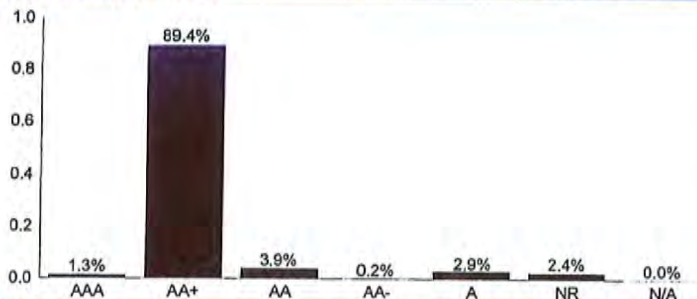
Total Net Assets (Millions) **1,310.7**
 Weighted Average Life (Years) **2.64**
 Weighted Avg. Effective Duration (Years) **2.28**
 Weighted Average Coupon (%) **1.81**
 Weighted Average Current Yield (%) **0.37**
 Weighted Average Yield to Maturity (%) **0.44**
 Weighted Average Rating **AA**
 Number of Holdings **118**



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
3135G0GY3	FEDERAL NATIONAL MORTGAGE ASSOC 1.25% MTG BDS	4.61%	1.25	30/1/2017
3135G0LN1	FEDERAL NATIONAL MORTGAGE ASSOC 0.5% NTS	4.53%	0.50	2/1/2015
912828KF6	US 1.87500 '14	3.11%	1.88	28/2/2014
912828SJO	US 0.87500 '17	3.07%	0.88	28/2/2017
313376UFO	FEDERAL HOME LOAN BANKS 0.375% BDS 29/JAN/2014	2.26%	0.38	29/1/2014
912828RX0	US 0.87500 '16	1.91%	0.88	31/12/2016
31315PB73	FEDERAL AGRIC MTG CORP MTNS B FR 0.9%09/JUN/2016	1.91%	0.90	9/6/2016
17313YALS	CITIGROUP FUNDING INC 1.875% 22/OCT/2012	1.90%	1.88	22/10/2012
912828LM0	USA TREASURY NTS 1.3750% NT 15/SEP/2012 USD1000	1.89%	1.38	15/9/2012
912828MB3	UNITED STATES TREAS NTS 1.125% 15/DEC/2012	1.89%	1.12	15/12/2012

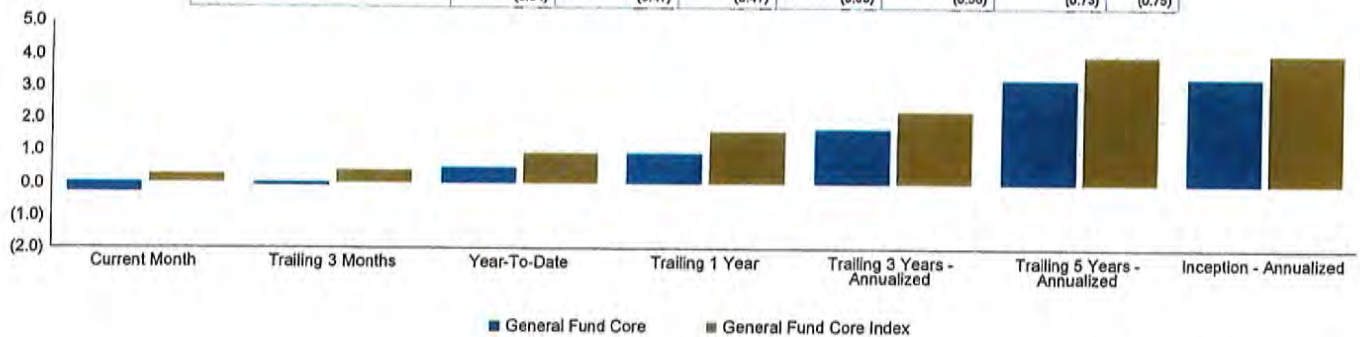
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-to-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
General Fund Core	(0.28)	(0.09)	0.48	0.91	1.67	3.21	3.28
General Fund Core Index	0.28	0.38	0.93	1.60	2.23	3.94	4.03
Excess	(0.54)	(0.47)	(0.47)	(0.68)	(0.56)	(0.73)	(0.75)



SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT

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

RUN: 8/31/12 @ 15:27:14

BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)

AS-OF: 7/31/12

AMRTZD: BOOK VALUES AMORTIZED THROUGH 7/31/12

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
8,996,959	CASH KEY	CASHCASH				1.000000000	8,996,958.89	8,996,959.00
40,026,495	UNITS - INVESTMENT POOL 1	UNITS001				.999999999	40,026,494.94	40,026,495.00
49,023,454					.496		49,023,453.83	49,023,454.00

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

244,384,372	OVERNIGHT REPO	0801RP	.220	8/01/12	.223	100.000000176	244,384,372.43	244,384,372.43
180,000,000	OVERNIGHT REPO	0801RP	.210	8/01/12	.213	100.000000000	180,000,000.00	180,000,000.00
5,000,000	BANK OF LAS VEGAS	16225630	.750	9/21/12	.750	100.000000000	5,000,000.00	5,000,000.00
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31398A7F	.428	12/20/12	.172	100.097838000	20,019,567.60	20,014,000.00
8,000,000	CENTURY BANK	01709924	.400	12/27/12	.400	100.000000000	8,000,000.00	8,000,000.00
457,384,372					.053		457,403,940.03	457,398,372.43

====> 0005 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==>> 2012 <====

250,000	GUADALUPE CREDIT UNION	735605	.750	3/26/13	.750	100.000000000	250,000.00	250,000.00
8,000,000	CENTURY BANK SANTA FE	17099245	.400	3/28/13	.400	100.000000000	8,000,000.00	8,000,000.00
2,000,000	MY BANK BELEN	63000023	.400	4/17/13	.400	100.000000000	2,000,000.00	2,000,000.00
500,000	WESTERN BANK CLOVIS	15955	.300	6/06/13	.300	100.000000000	500,000.00	500,000.00
8,000,000	CENTURY BAN SANTA FE	17099247	.350	6/28/13	.350	100.000000000	8,000,000.00	8,000,000.00
10,000,000	FEDERAL HOME LOAN BANKS	313379RU	.300	7/05/13	.304	100.000000000	10,000,000.00	9,999,600.00
28,750,000					.845		28,750,000.00	28,749,600.00

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:27:14
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 7/31/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 7/31/12

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
====> 0006 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2013 <====							
20,000,000	FEDERAL HOME LOAN BANKS	3133804M	.273	1/23/14	99.979281900	19,995,856.38	19,995,200.00
20,000,000	FED HOME LOAN BANK	313374CD	1.125	9/17/14	100.403324500	20,080,664.90	20,020,000.00
40,000,000						40,076,521.28	40,015,200.00
====> 0002 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2014 <====							
575,157,826							575,253,915.14
====> 0015 ITEMS IN SUBTOTAL FOR ==> FUND-NAME..... ==> GENERAL FUND <====							

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:27:14
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 7/31/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 7/31/12

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
- 18,351,981	(TD)-CASH KEY	CASHCASH			1.0000000000	-18,351,981.40	-18,351,981.00
1,298	UNITS - INVESTMENT POOL 1	UNITS001			1.000215717	1,298.28	1,298.00
- 18,350,683				-1.324		-18,350,683.12	-18,350,683.00

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

5,800,000	SANTA FE NM PSD GO2011	802088JT	3.000	8/01/12	100.0000000000	5,800,000.00	5,800,000.00
1,100,000	LOS ALAMOS N MEX PUB SCH DIST	54422NCN	2.000	8/01/12	100.0000000000	1,100,000.00	1,100,000.00
2,675,000	RIO RANCHO N MEX PUB SCH DIST	76717ILG	2.000	8/01/12	100.0000000000	2,675,000.00	2,675,000.00
23,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MNU	5.250	8/01/12	100.0000000000	23,500,000.00	23,500,000.00
1,013,566	OVERNIGHT REPO	0801RP	.220	8/01/12	99.999987174	1,013,565.87	1,013,565.87
1,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136F7GV	5.000	8/02/12	100.003606000	1,000,036.06	1,000,130.00
2,385,000	GADSDEN N MEX INDPT SCH DIST N	362550KS	2.000	8/15/12	100.065956394	2,386,573.06	2,386,287.90
570,000	ESPANOLA N MEX PUB SCH DIST NO	29662RAJ	2.000	9/01/12	100.134608772	570,767.27	570,718.20
2,500,000	FARMINGTON N MEX MUN SCH DIST	31144IKF	2.000	9/01/12	100.145376800	2,503,634.42	2,503,150.00
20,380,000	FEDERAL HOME LOAN BANKS	3133XLX7	5.000	9/14/12	100.159694603	20,412,545.76	20,495,147.00
25,000,000	UNITED STATES TREASURY NOTES	912828LM	1.375	9/15/12	100.016801600	25,004,200.40	25,038,000.00
525,000	LOVINGTON N MEX MUN SCH DIST N	547473DA	2.000	10/01/12	100.249068572	526,307.61	526,365.00
5,000,000	FEDERAL FARM CREDIT BANK	31331X3S	4.500	10/17/12	100.201303800	5,010,065.19	5,045,750.00
25,000,000	CITIGROUP FUNDING INC.	17313YAL	1.875	10/22/12	100.245492680	25,061,373.17	25,094,500.00
10,000,000	ABBOTT LABORATORIES	002819AA	5.150	11/30/12	99.982443000	9,998,244.30	10,155,100.00
15,000,000	FEDERAL HOME LOAN BANKS	3133XDTE	4.875	12/14/12	100.452451000	15,067,867.65	15,257,100.00
25,000,000	UNITED STATES TREASURY NOTES	912828MB	1.125	12/15/12	99.924599320	24,981,149.83	25,089,750.00
166,448,566						166,611,330.59	167,250,563.97

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

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:27:14
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 7/31/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 7/31/12

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
10,000,000	UNITED STATES TREASURY NOTES	912828PR	.625	1/31/13	.450	100.086826400	10,008,682.64	10,023,000.00
550,000	BERNALILLO CNTY N MEX	085275B5	4.000	2/01/13	.507	101.745636364	559,601.00	559,993.50
10,000,000	UNITED STATES TREAS NTS	912828QK	.625	2/28/13	.478	100.085212400	10,008,521.24	10,026,600.00
5,000,000	FEDERAL HOME LOAN BANKS	3133XPNZ	3.500	3/08/13	3.882	99.803074200	4,990,153.71	5,098,400.00
200,000	SANTA ROSA CSD #8 NM	802751DK	1.000	5/15/13	.356	100.510725000	201,021.45	200,702.00
2,000,000	NEW MEXICO FIN AUTH REV	64711NNV	2.000	6/01/13	1.014	100.827257500	2,016,545.15	2,018,180.00
3,605,000	NEW MEXICO FIN AUTH REV	64711NPA	2.000	6/01/13	.356	101.370763107	3,654,416.01	3,655,794.45
760,000	NEW MEXICO FIN AUTH REV	64711NPW	2.000	6/01/13	.660	101.118946053	768,503.99	768,519.60
1,285,000	UNIVERSITY OF NM-REFUNDING	914692N2	2.000	6/01/13	.305	101.412830350	1,303,154.87	1,300,420.00
500,000	NMFA SERIES B1	64711NLW	2.000	6/01/13	.305	101.412830000	507,064.15	507,480.00
10,000,000	FEDERAL HOME LOAN BANKS	3133XXYX	1.875	6/21/13	.851	100.915212600	10,091,521.26	10,146,900.00
3,225,000	NEW MEXICO ST SEVERANCE TAX	647310N3	4.000	7/01/13	.437	103.261324031	3,330,177.70	3,333,585.75
7,525,000	ALBUQUERQUE NM 2012C	ABQ2012C	.290	7/01/13	.294	100.000000000	7,525,000.00	7,525,000.00
2,000,000	LOS ALAMOS NM UTILITY	54423EBV	5.000	7/01/13	.448	104.164739000	2,083,294.78	2,083,400.00
100,000	NEW MEXICO ST SEVERANCE TAX	647310F6	4.000	7/01/13	.385	103.309160000	103,309.16	103,457.00
475,000	LOS ALAMOS N MEX PUB SCH DIST	54422NCP	2.000	8/01/13	.558	101.444040000	481,859.19	482,533.50
500,000	RIO RANCHO N MEX PUB SCH DIST	767171LH	2.000	8/01/13	.558	101.444040000	507,220.20	507,830.00
785,000	LOS ALAMOS N MEX PUB SCH DIST	54422NDB	2.000	8/01/13	.406	101.595212739	797,522.42	797,450.10
350,000	ALAMOGORDO NM MSD 1	011464GN	1.500	8/01/13	.406	101.096708572	353,838.48	353,818.50
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0BR	.500	8/09/13	.588	99.918566450	19,983,713.29	20,054,800.00
2,245,000	GADSDEN N MEX INDPT SCH DIST N	362550KT	2.000	8/15/13	.608	101.447649443	2,277,499.73	2,281,436.35
1,100,000	ESPANOLA N MEX PUB SCH DIST NO	29662RAK	2.000	9/01/13	.710	101.400323636	1,115,403.56	1,116,764.00
1,000,000	FARMINGTON MSD #5 NM	311441KG	3.000	9/01/13	.407	102.806461000	1,028,064.61	1,027,610.00
10,000,000	UNITED STATES TREASURY NOTES	912828NY	.750	9/15/13	.541	100.233438100	10,023,343.81	10,062,100.00

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:27:14
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 7/31/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 7/31/12

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
900,000	LOVINGTON N MEX MUN SCH DIST N	547473DB	2.000	10/01/13	.710	101.507475556	913,567.28	916,452.00
10,000,000	FEDERAL HOME LOAN BANKS	313371UC	.875	12/27/13	1.110	99.693792900	9,969,379.29	10,084,400.00
104,105,000					.232		104,602,378.97	105,036,626.75

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

13,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MTP	5.125	1/02/14	.828	106.066628077	13,788,661.65	13,880,230.00
30,000,000	FED HOME LOAN BANKS	313376UF	.375	1/29/14	.323	100.083421733	30,025,026.52	30,042,600.00
20,000,000	UNITED STATES TREASURY NOTES	912828JZ	1.750	1/31/14	.666	101.612311200	20,322,462.24	20,460,200.00
570,000	BERNALILLO CNTY N MEX	085275B6	3.000	2/01/14	.710	103.425989474	589,528.14	592,121.70
20,000,000	UNITED STATES TREASURY NOTES	912828QH	1.250	2/15/14	1.413	99.752643200	19,950,528.64	20,316,400.00
40,000,000	UNITED STATES TREASURY NOTES	912828KF	1.875	2/28/14	1.048	101.293445900	40,517,378.36	41,043,600.00
15,000,000	UNITED STATES TREASURY NOTES	912828KJ	1.750	3/31/14	.729	101.685212467	15,252,781.87	15,379,050.00
20,000,000	UNITED STATES TREAS NTS	912828SL	.250	3/31/14	.262	99.980071250	19,996,014.25	20,009,400.00
20,000,000	UNITED STATES TREASURY NOTES	912828KN	1.875	4/30/14	1.476	100.684896150	20,136,979.23	20,574,200.00
200,000	SANTA ROSA CSD #8 NM	802751DL	1.000	5/15/14	.507	100.889200000	201,778.40	201,300.00
20,000,000	UNITED STATES TREASURY NOTES	912828KV	2.250	5/31/14	1.509	101.332011250	20,266,402.25	20,739,800.00
3,060,000	NEW MEXICO FIN AUTH REV	64711NNW	3.000	6/01/14	1.490	102.756333987	3,144,343.82	3,171,445.20
3,615,000	NEW MEXICO FIN AUTH REV	64711NFB	2.000	6/01/14	.456	102.826561273	3,717,180.19	3,721,281.00
770,000	NEW MEXICO FIN AUTH REV	64711NFX	2.000	6/01/14	1.014	101.811590909	783,949.25	788,426.10
165,000	UNIVERSITY OF NM-REFUNDING	914692Q6	3.000	6/01/14	.487	104.593842424	172,579.84	172,081.80
330,000	UNIVERSITY OF NM-REFUNDING	914692N3	2.000	6/01/14	.487	102.770866667	339,143.86	338,177.40
20,000,000	UNITED STATES TREASURY NOTES	912828Q5	.750	6/15/14	.771	99.960915750	19,992,183.15	20,195,400.00
4,780,000	NEW MEXICO ST SEVERANCE TAX	647310N4	4.000	7/01/14	.710	106.271377824	5,079,771.86	5,099,017.20

SOUK...: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:27:14
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 7/31/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 7/31/12

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
9,810,000	NEW MEXICO ST SEVERANCE TAX	647310P4	4.000	7/01/14	.710	106.271377880	10,425,222.17	10,493,364.60
15,000,000	UNITED STATES TREAS NTS	912828LC	2.625	7/31/14	1.513	102.179618933	15,326,942.84	15,714,900.00
325,000	LOS ALAMOS N MEX PUB SCH DIST	54422NCQ	2.000	8/01/14	.811	102.376190769	332,722.62	334,730.50
140,000	CATRON & CIBOLA COUNTY ISD 2	149321CH	2.000	8/01/14	.507	102.981342857	144,173.88	143,767.40
350,000	ALAMOGORDO NM MSD 1	011464GP	1.500	8/01/14	.507	101.987562857	356,956.47	357,010.50
2,005,000	GADSDEN N MEX INDEPT SCH DIST N	362550KU	2.000	8/15/14	.862	102.319486284	2,051,505.70	2,058,934.50
20,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0BY	.875	8/28/14	.457	100.874652000	20,174,930.40	20,234,600.00
1,120,000	ESPANOLA N MEX PUB SCH DIST NO	29662RAL	2.000	9/01/14	.963	102.160588393	1,144,198.59	1,150,609.60
1,000,000	FARMINGTON MSD #5 NM	311441KH	3.000	9/01/14	.558	105.067824000	1,050,678.24	1,051,110.00
935,000	LOVINGTON N MEX MUN SCH DIST N	547473DC	2.000	10/01/14	1.014	102.137525134	954,985.86	964,742.35
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACY	.750	11/25/14	.772	99.974622200	9,997,462.22	10,101,000.00
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3BL	1.000	12/05/14	1.014	100.000000000	20,000,000.00	20,031,600.00
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADA	.625	12/29/14	.364	100.637976850	20,127,595.37	20,136,200.00
332,175,000					.072		336,364,067.88	339,497,299.85

====> 0031 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==>> 2014 <====

20,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0HG	.375	3/16/15	.541	99.586038250	19,917,207.65	20,010,600.00
20,000,000	UNITED STATES TREAS NTS	912828SP	.375	4/15/15	.387	99.967697500	19,993,539.50	20,061,000.00
225,000	SANTA ROSA CSD #8 NM	802751DM	1.000	5/15/15	.659	100.965564445	227,172.52	227,072.25
2,000,000	NM ST SEVERANCE TAX BOND 2012-A	647310Q3	5.000	7/01/15	.578	112.795453000	2,255,909.06	2,264,120.00
40,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0LN	.500	7/02/15	.536	99.916051975	39,966,420.79	40,115,600.00
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0LN	.500	7/02/15	.461	100.130320650	20,026,064.13	20,057,800.00
10,500,000	UNITED STATES TREASURY NOTES	912828TD	.250	7/15/15	.320	99.794363143	10,478,408.13	10,487,715.00

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT

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

RUN: 8/31/12 @ 15:27:14

BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)

AS-OF: 7/31/12

AMRT2D: BOOK VALUES AMORTIZED THROUGH 7/31/12

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134A4VC	4.375	7/17/15	.965	109.970600400	21,994,120.08	22,340,800.00
11,100,000	UNITED STATES TREAS NTS	912828EE	4.250	8/15/15	.320	111.873718108	12,417,982.71	12,417,237.00
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136FR3F	.950	9/08/15	.963	100.000000000	20,000,000.00	20,059,600.00
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACM	1.750	9/10/15	1.015	102.286295000	20,457,259.00	20,817,800.00
20,000,000	FEDERAL FARM CR BANKS CALLABLE	31331KS9	1.120	11/16/15	1.188	99.832176050	19,966,435.21	20,043,400.00
20,000,000	FEDERAL FARM CR BANKS CALLABLE	31331KZ2	1.330	12/07/15	1.348	100.000000000	20,000,000.00	20,057,400.00
11,660,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3EG	1.150	12/30/15	1.166	100.000000000	11,660,000.00	11,767,621.80
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3FA	1.100	12/30/15	1.115	100.000000000	10,000,000.00	10,075,100.00
245,485,000					.097		249,360,518.78	250,802,866.05

====> 0015 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2015 <====

20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MH8	5.000	3/15/16	1.026	114.147585350	22,829,517.07	23,182,200.00
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0BA	2.375	4/11/16	1.057	104.814357100	20,962,871.42	20,962,871.42
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACT	2.500	5/27/16	1.095	105.302273300	21,060,454.66	21,405,000.00
25,000,000	FEDERAL AGRICULTURAL MORTG CORP	31315PB7	.900	6/09/16	.913	100.000000000	25,000,000.00	25,349,750.00
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MS6	5.375	7/15/16	1.142	116.392664200	23,278,532.84	23,678,400.00
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	1.168	103.359228000	20,671,845.60	21,056,200.00
20,000,000	UNITED STATES TREASURY NOTES	912828RF	1.000	8/31/16	.929	100.283558650	20,056,711.73	20,432,800.00
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0CM	1.250	9/28/16	1.218	100.197769250	20,039,553.85	20,449,400.00
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136FTQJ	1.625	11/21/16	1.650	99.990934050	19,998,186.81	20,071,800.00
20,000,000	FED HOME LOAN MORTGAGE CORP BDS	3134G3CB	1.625	12/05/16	1.196	100.151634050	20,030,326.81	20,082,400.00
25,000,000	UNITED STATES TREAS NTS	912828RX	.875	12/31/16	.776	100.428556640	25,107,139.16	25,390,750.00
230,000,000					.102		239,035,139.95	242,061,571.42

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

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:27:14
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 7/31/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 7/31/12

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
15,000,000	FED NATL MORTGAGE ASSN DEBS	3136FTYG	1.000	1/30/17	99.947366067	14,992,104.91	15,057,900.00
60,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0GY	1.250	1/30/17	100.858674383	60,515,204.63	61,283,400.00
20,000,000	UNITED STATES TREAS NTS	912828SC	.875	1/31/17	100.127701500	20,025,540.30	20,306,200.00
20,000,000	FEDERAL HOME LOAN BANK	3133786Q	1.000	2/13/17	99.867379450	19,973,475.89	20,094,000.00
40,000,000	UNITED STATES TREAS NTS	912828SJ	.875	2/28/17	100.013315000	40,005,326.00	40,622,000.00
20,000,000	FED HOME LOAN MORTGAGE CORP DEBS	3137EADC	1.000	3/08/17	99.525368200	19,905,073.64	20,192,800.00
10,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0JA	1.125	4/27/17	100.350087500	10,035,008.75	10,155,300.00
20,000,000	FEDERAL HOME LN MTG CORP	3137EADH	1.000	6/29/17	100.378315150	20,075,663.03	20,205,800.00
205,000,000						205,527,397.15	207,917,400.00

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

1264862883

====> 0110 ITEMS IN SUBTOTAL FOR ==>> FUND-NAME..... ==>> GENERAL FUND CORE <====

.019

1283150150.20 1294215645.04

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12

GENERAL FUND (1000)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
REPURCHASE AGREEMENTS (O/(10)												
17167	0801RP	9	1000	10	OVERNIGHT REPO	.220	8/01/12	.220	244,384,372.43	244,384,372.43	8/01/12	
17168	0801RP	9	1000	10	OVERNIGHT REPO	.210	8/01/12	-.210	180,000,000.00	180,000,000.00	8/01/12	
2 Items in subtotal for: REPURCHASE AGREEMENTS (O/N) (Type 10)										424,384,372.43	424,384,372.43	
Market: 424,384,372.43 (2 priced @ cost)										73.782% Total		
Cpn:	.216	Term:	.003	S&P:	N/R	(1 not rated)						
Yld:	.216	Dur:	.003	Moody:	N/R	(1 not rated)						
CERTIFICATES OF DEPOSIT (30)												
15768	01709924	9	1000	30	CENTURY BANK	.400	12/27/12	.400	8,000,000.00	8,000,000.00	12/28/11	
16763	15955	9	1000	30	WESTERN BANK CLOVIS	.300	6/06/13	.300	500,000.00	500,000.00	6/06/12	
15578	16225630	9	1000	30	BANK OF LAS VEGAS	.750	9/21/12	.750	5,000,000.00	5,000,000.00	9/21/11	
16319	17099245	9	1000	30	CENTURY BANK SANTA FE	.400	3/28/13	-.400	8,000,000.00	8,000,000.00	3/28/12	
16949	17099247	9	1000	30	CENTURY BAN SANTA FE	.350	6/28/13	.350	8,000,000.00	8,000,000.00	6/29/12	
16302	735605	9	1000	30	GUADALUPE CREDIT UNION	.750	3/26/13	.750	250,000.00	250,000.00	3/26/12	
6 Items in subtotal for: CERTIFICATES OF DEPOSIT (Type 30)										29,750,000.00	29,750,000.00	
Market: 29,750,000.00 (6 priced @ cost)										5.172% Total		
Cpn:	.447	Term:	.575	S&P:	N/R	(1 not rated)						
Yld:	.447	Dur:	.575	Moody:	N/R	(1 not rated)						

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12

GENERAL FUND (1000)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
------	--------	----	-------	-----------	-------------	------	------------	-------	------------	---	------------	----------

16478	63000023	9	1000	31	MY BANK BELEN	.400	4/17/13	.400	2,000,000.00		2,000,000.00	4/17/12
1 Item in subtotal for: LINKED-CERTIFICATE OF DEPOSIT (Type 31)												
											.348% Total	
											2,000,000.00	2,000,000.00

Market: 2,000,000.00 (1 priced @ cost)

Cpn:	.400	Term:	.712
Yld:	.400	Dur:	.712

S&P: N/R (1 not rated)
Moody: N/R (1 not rated)

15719	313374CD	1	1000	260	FED HOME LOAN BANK	1.125	9/17/14	.933	20,000,000.00		20,080,766.35	12/05/11
16762	313379RU	1	1000	260	FEDERAL HOME LOAN BANKS	.300	7/05/13 @	.300	10,000,000.00		10,000,000.00	6/18/12
2 Items in subtotal for: AGENCY US BOND 30/360 2X (Type 260)												
											5.219% Total	
											30,000,000.00	30,080,766.35

Market: 30,019,600.00

Cpn:	.850	Term:	1.729 (OA 1.464)
Yld:	.722 (OA .720)	Dur:	1.712

S&P: N/R (1 not rated)
Moody: N/R (1 not rated)

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12

GENERAL FUND (1000)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MAFURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
17088	3133804M	1	1000	284	FEDERAL HOME LOAN BANKS	.273	1/23/14	.286	20,000,000.00		19,995,903.46	7/23/12
15728	31398A7F	1	1000	284	FEDERAL NATIONAL MORTGAGE ASSOC	.428	12/20/12	.170	20,000,000.00		20,019,606.30	12/09/11
2 Items in subtotal for: AGENCY US VARIABLE ACT/360 4X (Type 284)												
Market: 40,009,200.00											40,015,509.76	
Cpn: .351												
Yld: .228												
Term: .936												
Dur: .933												
S&P: N/R (1 not rated)												
Moody: N/R (1 not rated)												
6.956% Total												
UNITS - INVESTMENT POOL 1 (7110)												
16431	UNITS001	2	1000	7110	UNITS - INVESTMENT POOL 1				40,026,494.94		40,026,494.94	8/06/12
1 Item in subtotal for: UNITS - INVESTMENT POOL 1 (Type 7110)												
Market: 40,026,494.94											40,026,494.94	
6.959% Total												
CASH ACCOUNT (9300)												
16344	CASHCASH	1	1000	9300	CASH KEY				8,996,958.89		8,996,958.89	8/31/12

STATE OF NEW MEXICO
Position Holdings
SETTLED POSITIONS HELD AS OF 7/31/12
 GENERAL FUND (1000)

POS#	SEC-ID	\$ POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
1 Item in subtotal for: CASH ACCOUNT (Type 9300)											
				Market: 8,996,958.89				8,996,958.89		8,996,958.89	
				1.564% Total							
15 Items in subtotal for: GENERAL FUND (Fund 1000)											
				Market: 575,186,626.26 (9 priced @ cost)				575,157,826.26		575,254,102.37	
				100.000% Total							
				Cpn: .276	Term: .207 (OA .192)					S&P: N/R (1 not rated)	
				Yld: .259	Dur: .206					Moody: N/R (1 not rated)	

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12

GENERAL FUND CORE (1001)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
17166	0801RP	9		1001	10 OVERNIGHT REPO	.220	8/01/12	.220	1,013,565.87		1,013,565.87	8/01/12

1 Item in subtotal for: REPURCHASE AGREEMENTS (O/N) (Type 10)

Market: 1,013,565.87 (1 priced @ cost) .077% Total

Cpn: .220 Term: .003 S&P: N/R (1 not rated)
 Yld: .220 Dur: .003 Moody: N/R (1 not rated)

US TREASURY NOTE ACT/ACT (130)

17021	912828EE	1		1001	130 UNITED STATES TREAS NTS	4.250	8/15/15	.320	11,100,000.00		12,417,837.31	7/27/12
15419	912828JZ	1		1001	130 UNITED STATES TREASURY NOTES	1.750	1/31/14	.666	20,000,000.00		20,322,394.01	7/08/11
15184	912828KF	1		1001	130 UNITED STATES TREASURY NOTES	1.875	2/28/14	1.048	40,000,000.00		40,517,562.37	7/08/11
15416	912828KJ	1		1001	130 UNITED STATES TREASURY NOTES	1.750	3/31/14	.729	15,000,000.00		15,252,780.42	7/08/11
15183	912828KN	1		1001	130 UNITED STATES TREASURY NOTES	1.875	4/30/14	1.476	20,000,000.00		20,136,836.38	2/15/11
15182	912828KV	1		1001	130 UNITED STATES TREASURY NOTES	2.250	5/31/14	1.509	20,000,000.00		20,266,362.54	2/15/11
15195	912828LC	1		1001	130 UNITED STATES TREAS NTS	2.625	7/31/14	1.513	15,000,000.00		15,326,814.05	2/18/11
14562	912828IM	1		1001	130 UNITED STATES TREASURY NOTES	1.375	9/15/12	1.231	25,000,000.00		25,004,196.31	3/19/10
14550	912828MB	1		1001	130 UNITED STATES TREASURY NOTES	1.125	12/15/12	1.327	25,000,000.00		24,981,185.35	3/09/10
15420	912828NY	1		1001	130 UNITED STATES TREASURY NOTES	.750	9/15/13	.541	10,000,000.00		10,023,310.95	9/06/11
15311	912828PR	1		1001	130 UNITED STATES TREASURY NOTES	.625	1/31/13	.450	10,000,000.00		10,008,673.33	9/06/11
15185	912828QH	1		1001	130 UNITED STATES TREASURY NOTES	1.250	2/15/14	1.413	20,000,000.00		19,950,587.78	2/15/11
15312	912828QK	1		1001	130 UNITED STATES TREAS NTS	.625	2/28/13	.478	10,000,000.00		10,008,534.22	9/06/11
15351	912828QS	1		1001	130 UNITED STATES TREASURY NOTES	.750	6/15/14	.771	20,000,000.00		19,992,140.35	6/15/11

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12

GENERAL FUND CORE (1001)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
15510	912828RF	1	1001	130	UNITED STATES TREASURY NOTES	1.000	8/31/16	.929	20,000,000.00		20,056,327.08	8/31/11
15905	912828RX	1	1001	130	UNITED STATES TREAS NTS	.875	12/31/16	.776	25,000,000.00		25,107,277.74	3/19/12
16185	912828SC	1	1001	130	UNITED STATES TREAS NTS	.875	1/31/17	.846	20,000,000.00		20,025,862.53	3/06/12
16138	912828SJ	1	1001	130	UNITED STATES TREAS NTS	.875	2/28/17	.872	40,000,000.00		40,005,736.92	3/06/12
16487	912828SL	1	1001	130	UNITED STATES TREAS NTS	.250	3/31/14	.262	20,000,000.00		19,995,958.90	4/25/12
16488	912828SP	1	1001	130	UNITED STATES TREAS NTS	.375	4/15/15	.387	20,000,000.00		19,993,591.69	4/25/12
17069	912828TD	1	1001	130	UNITED STATES TREASURY NOTES	.250	7/15/15	.320	10,500,000.00		10,478,536.13	7/18/12
21 Items in subtotal for: US TREASURY NOTE ACT/ACT 2X (Type 130)										416,600,000.00	419,872,506.36	
Market: 424,390,102.00										32.333% Total		

Cpn: 1.290 Term: 2.258 S&P: N/R (1 not rated)
 Yld: .912 Dur: 2.225 Moody: N/R (1 not rated)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
11476	31331X3S	1	1001	232	FEDERAL FARM CREDIT BANK	4.500	10/17/12	3.494	5,000,000.00		5,010,065.08	1/17/08
1 Item in subtotal for: FED FARM CR BKS CONS LONG TERM (Type 232)										5,000,000.00	5,010,065.08	
Market: 5,045,750.00										.384% Total		

Cpn: 4.500 Term: .214 S&P: N/R (1 not rated)
 Yld: 3.494 Dur: .214 Moody: N/R (1 not rated)

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12
GENERAL FUND CORE (1001)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
FED FARM CR BKS CALLABLE (233)												
15723	31331KS9	1	1001	233	FEDERAL FARM CR BKS CALLABLE	1.120	11/16/15 @	1.172	20,000,000.00		19,966,396.16	12/07/11
15718	31331KZ2	1	1001	233	FEDERAL FARM CR BKS CALLABLE	1.330	12/07/15 @	1.330	20,000,000.00		20,000,000.00	12/07/11
2 Items in subtotal for: FED FARM CR BKS CALLABLE (Type 233)										40,000,000.00	39,966,396.16	
Market: 40,100,800.00										3.055% Total		
Cpn: 1.225						Term: 3.322 (OA .325)						S&P: N/R (1 not rated)
Yld: 1.251 (OA 1.498)						Dur: 3.262						Moody: N/R (1 not rated)
AGENCY US BOND 30/360 2X (260)												
15265	313371UC	1	1001	260	FEDERAL HOME LOAN BANKS	.875	12/27/13	1.095	10,000,000.00		9,969,400.63	4/19/11
16808	313376UF	1	1001	260	FED HOME LOAN BANKS	.375	1/29/14	.319	30,000,000.00		30,025,241.34	7/03/12
16067	3133786Q	1	1001	260	FEDERAL HOME LOAN BANK	1.000	2/13/17	1.030	20,000,000.00		19,973,073.88	2/14/12
11477	3133XDTB	1	1001	260	FEDERAL HOME LOAN BANKS	4.875	12/14/12	3.611	15,000,000.00		15,067,889.12	1/17/08
11475	3133XLX7	1	1001	260	FEDERAL HOME LOAN BANKS	5.000	9/14/12	3.589	20,380,000.00		20,412,537.89	4/25/08
11673	3133XPNZ	1	1001	260	FEDERAL HOME LOAN BANKS	3.500	3/08/13	3.829	5,000,000.00		4,990,149.75	4/25/08
6 Items in subtotal for: AGENCY US BOND 30/360 2X (Type 260)										100,380,000.00	100,438,292.61	
Market: 101,071,647.00										7.700% Total		
Cpn: 2.316						Term: 1.603						S&P: N/R (1 not rated)
Yld: 1.870						Dur: 1.576						Moody: N/R (1 not rated)

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12

GENERAL FUND CORE (1001)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
------	--------	----	-------	-----------	-------------	------	------------	-------	------------	---	------------	----------

16016	31315PB7	1	1001	267	FEDERAL AGRICULTURAL MORTG CORP	.900	6/09/16	.900	25,000,000.00		25,000,000.00	2/09/12
AGENCY 30/360 2X (267)												
1 Item in subtotal for: AGENCY 30/360 2X (Type 267)												
Market: 25,349,750.00												
1.931% Total												

Cpn: .900 Term: 3.858 S&P: N/R (1 not rated)
 Yld: .900 Dur: 3.797 Moody: N/R (1 not rated)

AGENCY US NOTES 30/360 2X (270)

15266	3133XXYX	1	1001	270	FEDERAL HOME LOAN BANKS	1.875	6/21/13	.839	10,000,000.00		10,091,501.85	4/19/11
15615	3134A4VC	1	1001	270	FEDERAL HOME LOAN MORTGAGE CORP	4.375	7/17/15	.952	20,000,000.00		21,994,416.19	10/12/11
15716	3134G3BL	1	1001	270	FEDERAL HOME LOAN MORTGAGE CORP	1.000	12/05/14 @	1.000	20,000,000.00		20,000,000.00	12/05/11
15777	3134G3CB	1	1001	270	FED HOME LOAN MORTGAGE CORP BDS	1.625	12/05/16 @	1.180	20,000,000.00		20,030,352.97	1/09/12
15732	3134G3EG	1	1001	270	FEDERAL HOME LOAN MORTGAGE CORP	1.150	12/30/15 @	1.150	11,660,000.00		11,660,000.00	12/30/11
15734	3134G3FA	1	1001	270	FEDERAL HOME LOAN MORTGAGE CORP	1.100	12/30/15 @	1.100	10,000,000.00		10,000,000.00	12/30/11
15555	31359MH8	1	1001	270	FEDERAL NATIONAL MORTGAGE ASSOC	5.000	3/15/16	1.012	20,000,000.00		22,829,197.56	9/08/11
16079	31359MNU	1	1001	270	FEDERAL NATIONAL MORTGAGE ASSOC	5.250	8/01/12	.304	23,500,000.00		23,500,000.00	8/01/12
15554	31359MS6	1	1001	270	FEDERAL NATIONAL MORTGAGE ASSOC	5.375	7/15/16	1.126	20,000,000.00		23,278,445.67	9/08/11
15493	31359MTP	1	1001	270	FEDERAL NATIONAL MORTGAGE ASSOC	5.125	1/02/14	.817	13,000,000.00		13,788,736.95	8/18/11
17173	3135G0BA	9	1001	270	FEDERAL NATIONAL MORTGAGE ASSOC	2.375	4/11/16	1.043	20,000,000.00		20,962,543.79	9/06/11

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12

GENERAL FUND CORE (1001)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
15364	3135G0BR	1	1001	270	FEDERAL NATIONAL MORTGAGE ASSOC	.500	8/09/13	.580	20,000,000.00		19,983,737.21	6/17/11
15673	3135G0CM	1	1001	270	FEDERAL NATIONAL MORTGAGE ASSOC	1.250	9/28/16	1.201	20,000,000.00		20,039,728.86	11/07/11
17068	3135G0IN	1	1001	270	FEDERAL NATIONAL MORTGAGE ASSOC	.500	7/02/15	.455	20,000,000.00		20,025,873.95	7/18/12
11474	3136F7GV	1	1001	270	FEDERAL NATIONAL MORTGAGE ASSOC	5.000	8/02/12	3.612	1,000,000.00		1,000,036.05	8/02/12
15565	3136FR3F	1	1001	270	FEDERAL NATIONAL MORTGAGE ASSOC	.950	9/08/15	.950	20,000,000.00		20,000,000.00	9/15/11
15691	3136FTQJ	1	1001	270	FEDERAL NATIONAL MORTGAGE ASSOC	1.625	11/21/16	1.627	20,000,000.00		19,998,112.67	11/21/11
15616	3137EACM	1	1001	270	FEDERAL HOME LOAN MORTGAGE CORP	1.750	9/10/15	1.001	20,000,000.00		20,457,220.08	10/12/11
15530	3137EACT	1	1001	270	FEDERAL HOME LOAN MORTGAGE CORP	2.500	5/27/16	1.080	20,000,000.00		21,060,198.19	9/06/11
15529	3137EACW	1	1001	270	FEDERAL HOME LOAN MORTGAGE CORP	2.000	8/25/16	1.152	20,000,000.00		20,671,936.53	9/06/11
15613	3137EACY	1	1001	270	FEDERAL HOME LOAN MORTGAGE CORP	.750	11/25/14	.761	10,000,000.00		9,997,464.19	10/06/11
17067	3137EADA	1	1001	270	FEDERAL HOME LOAN MORTGAGE CORP	.625	12/29/14	.359	20,000,000.00		20,127,627.78	7/18/12
16186	3137EADC	1	1001	270	FED HOME LOAN MORTGAGE CORP DBS	1.000	3/08/17	1.106	20,000,000.00		19,904,954.82	3/08/12
16960	3137EADH	1	1001	270	FEDERAL HOME LN MTG CORP	1.000	6/29/17	.921	20,000,000.00		20,075,366.51	7/03/12
24 Items in subtotal for: AGENCY US NOTES 30/360 2X (Type 270)										419,160,000.00	431,477,451.82	
Market: 435,256,125.59 (1 priced @ cost)						33.161% Total						
Cpn: 2.182		Term: 3.130 (OA 2.431)		S&P: N/R (1 not rated)								
Yld: .949 (OA .948)		Dur: 3.040		Moody: N/R (1 not rated)								

FED NATL MORTGAGE ASSN DE (280)

16838	3135G0BY	1	1001	280	FED NATL MORTGAGE ASSN DEBS	.875	8/28/14	.451	20,000,000.00		20,174,757.44	5/23/12
15885	3135G0GY	1	1001	280	FED NATL MORTGAGE ASSN DEBS	1.250	1/30/17	1.054	60,000,000.00		60,514,444.72	3/06/12

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12

GENERAL FUND CORE (1001)

POS#	SEC-ID	\$	POOL#	FUND	TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
16670	3135G0HG	1	1001	280	FED NATL MORTGAGE ASSN DEBS	.375	3/16/15	.534	20,000,000.00	19,917,298.07	5/23/12		
16671	3135G0JA	1	1001	280	FED NATL MORTGAGE ASSN DEBS	1.125	4/27/17	1.049	10,000,000.00	10,034,937.08	5/23/12		
16807	3135G0LN	1	1001	280	FED NATL MORTGAGE ASSN DEBS	.500	7/02/15	.529	40,000,000.00	39,966,985.75	7/03/12		
15797	3136FTYG	1	1001	280	FED NATL MORTGAGE ASSN DEBS	1.000	1/30/17 @	1.012	15,000,000.00	14,991,885.19	1/30/12		
6 Items in subtotal for: FED NATL MORTGAGE ASSN DEBS (Type 280)											165,600,000.00	165,600,308.25	

Market: 166,857,400.00

12.712% Total

Cpn: .886 Term: 3.611 (OA 3.247) S&P: N/R (1 not rated)
 Yld: .787 (OA .796) Dur: 3.554 Moody: N/R (1 not rated)

<u>CORP US NOTE 30/360 2X (.287)</u>													
11292	002819AA	1	1001	287	ABBOTT LABORATORIES	5.150	11/30/12	5.159	10,000,000.00	9,998,250.35	11/09/07		
14882	17313YAL	1	1001	287	CITIGROUP FUNDING INC.	1.875	10/22/12	.778	25,000,000.00	25,061,362.47	8/20/10		
2 Items in subtotal for: CORP US NOTE 30/360 2X (Type 287)											35,000,000.00	35,059,612.82	

Market: 35,249,600.00

2.686% Total

Cpn: 2.811 Term: .258 S&P: N/R (1 not rated)
 Yld: 2.027 Dur: .258 Moody: N/R (1 not rated)

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12

GENERAL FUND CORE (1001)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
MUNI US 30/360 2X (810)												
16635	0111464GN	1	1001	810	ALAMOGORDO NM MSD 1	1.500	8/01/13	.400	350,000.00		353,837.73	6/19/12
16636	0111464GP	1	1001	810	ALAMOGORDO NM MSD 1	1.500	8/01/14	.500	350,000.00		356,954.07	6/19/12
15608	085275B5	1	1001	810	BERNALILLO CNTY N MEX	4.000	2/01/13	.500	550,000.00		559,600.58	10/05/11
15609	085275B6	1	1001	810	BERNALILLO CNTY N MEX	3.000	2/01/14	.700	570,000.00		589,527.56	10/05/11
16122	149321CH	1	1001	810	CATRON & CIBOLA COUNTY ISD 2	2.000	8/01/14	.500	140,000.00		144,173.25	3/27/12
15628	296662RAJ	1	1001	810	ESPANOLA N MEX PUB SCH DIST NO	2.000	9/01/12	.381	570,000.00		570,767.17	11/08/11
15632	296662RAK	1	1001	810	ESPANOLA N MEX PUB SCH DIST NO	2.000	9/01/13	.700	1,100,000.00		1,115,399.14	11/08/11
15631	296662RAL	1	1001	810	ESPANOLA N MEX PUB SCH DIST NO	2.000	9/01/14	.950	1,120,000.00		1,144,197.94	11/08/11
16439	311441KG	1	1001	810	ESPANOLA N MEX PUB SCH DIST NO	3.000	9/01/14	.401	1,000,000.00		1,028,067.51	5/16/12
16438	311441KH	1	1001	810	FARMINGTON MSD #5 NM	3.000	9/01/14	.550	1,000,000.00		1,050,676.08	8/23/12
15588	362550KS	1	1001	810	FARMINGTON MSD #5 NM	3.000	9/01/14	.301	2,385,000.00		2,386,572.98	8/15/12
15589	362550KT	1	1001	810	GADSDEN N MEX INDPT SCH DIST N	2.000	8/15/12	.600	2,245,000.00		2,277,497.25	10/26/11
15590	362550KU	1	1001	810	GADSDEN N MEX INDPT SCH DIST N	2.000	8/15/13	.850	2,005,000.00		2,051,492.18	10/26/11
15426	54422NCN	1	1001	810	LOS ALAMOS N MEX INDPT SCH DIST N	2.000	8/15/14	.400	1,100,000.00		1,100,000.00	8/01/12
15427	54422NCP	1	1001	810	LOS ALAMOS N MEX PUB SCH DIST	2.000	8/01/12	.550	475,000.00		481,858.23	8/17/11
15428	54422NCQ	1	1001	810	LOS ALAMOS N MEX PUB SCH DIST	2.000	8/01/13	.800	325,000.00		332,720.44	8/17/11
16410	54422NDB	1	1001	810	LOS ALAMOS N MEX PUB SCH DIST	2.000	8/01/14	.400	785,000.00		797,519.15	5/16/12
15669	547473DA	1	1001	810	LOS ALAMOS N MEX PUB SCH DIST	2.000	8/01/13	.501	525,000.00		526,307.58	11/15/11
15670	547473DB	1	1001	810	LOVINGTON N MEX MUN SCH DIST N	2.000	10/01/12	.700	900,000.00		913,563.88	11/15/11
15671	547473DC	1	1001	810	LOVINGTON N MEX MUN SCH DIST N	2.000	10/01/13	1.000	935,000.00		954,983.50	11/15/11
15302	64711NNV	1	1001	810	LOVINGTON N MEX MUN SCH DIST N	2.000	10/01/14	1.000	2,000,000.00		2,016,539.57	5/19/11
15303	64711NNW	1	1001	810	NEW MEXICO FIN AUTH REV	3.000	6/01/13	1.470	3,060,000.00		3,144,335.05	5/19/11
15497	64711NPA	1	1001	810	NEW MEXICO FIN AUTH REV	2.000	6/01/14	.351	3,605,000.00		3,654,430.15	9/01/11
15496	64711NPB	1	1001	810	NEW MEXICO FIN AUTH REV	2.000	6/01/13	.450	3,615,000.00		3,717,174.82	9/01/11

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12

GENERAL FUND CORE (1001)

POS#	SEC-ID	\$	POOL#	FUND	TYPE	DESCRIPTION	RATE	MATURITY	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
15499	64711NPW	1		1001	810	NEW MEXICO FIN AUTH REV	2.000	6/01/13	.651	760,000.00		768,507.03	9/01/11
15498	64711NPX	1		1001	810	NEW MEXICO FIN AUTH REV	2.000	6/01/14	1.000	770,000.00		783,948.01	9/01/11
17053	647310F6	1		1001	810	NEW MEXICO ST SEVERANCE TAX	4.000	7/01/13	.380	100,000.00		103,308.78	7/18/12
15703	647310N3	1		1001	810	NEW MEXICO ST SEVERANCE TAX	4.000	7/01/13	.431	3,225,000.00		3,330,192.60	8/09/12
15704	647310N4	1		1001	810	NEW MEXICO ST SEVERANCE TAX	4.000	7/01/14	.700	4,780,000.00		5,079,757.37	8/28/12
15705	647310P4	1		1001	810	NEW MEXICO ST SEVERANCE TAX	4.000	7/01/14	.700	9,810,000.00		10,425,192.43	8/28/12
15450	767171LG	1		1001	810	RIO RANCHO N MEX PUB SCH DIST	2.000	8/01/12	.350	2,675,000.00		2,675,000.00	8/01/12
15449	767171LH	1		1001	810	RIO RANCHO N MEX PUB SCH DIST	2.000	8/01/13	.550	500,000.00		507,218.95	8/23/11
15207	802088JT	1		1001	810	SANTA FE NM PSD GO2011	3.000	8/01/12	.520	5,800,000.00		5,800,000.00	8/01/12
16447	802751DK	1		1001	810	SANTA ROSA CSD #8 NM	1.000	5/15/13	.351	200,000.00		201,022.24	5/21/12
16451	802751DL	1		1001	810	SANTA ROSA CSD #8 NM	1.000	5/15/14	.500	200,000.00		201,777.46	5/21/12
16449	802751DM	1		1001	810	SANTA ROSA CSD #8 NM	1.000	5/15/15	.650	225,000.00		227,171.63	5/21/12
16450	ABQ2012C	9		1001	810	ALBUQUERQUE NM 2012C	.290	7/01/13	.290	7,525,000.00		7,525,000.00	5/22/12
37 Items in subtotal for: MUNI US 30/360 2X (Type 810)											67,280,000.00	68,896,292.31	

Market: 69,062,430.75 (1 priced @ cost) 5.262% Total

Cpn: 2.513 Term: 1.180 S&P: N/R (1 not rated)
 Yld: .596 Dur: 1.173 Moody: N/R (1 not rated)

MUNICIPAL BOND REVENUE (850)

16437	311441KF	1		1001	850	FARMINGTON N MEX MUN SCH DIST	2.000	9/01/12	.253	2,500,000.00		2,503,635.43	5/16/12
16700	54423EBV	1		1001	850	LOS ALAMOS NM UTILITY	5.000	7/01/13	.442	2,000,000.00		2,083,291.00	8/28/12

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12

GENERAL FUND CORE (1001)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MAFURITY	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
16191	64711N1W	1	1001	850 NMFA SERIES B1		2.000	6/01/13	.301	500,000.00		507,066.20	3/09/12
16879	647310Q3	1	1001	850 NM ST SEVERANCE TAX BOND 2012-A		5.000	7/01/15	.570	2,000,000.00		2,255,902.58	8/23/12
16107	914692N2	1	1001	850 UNIVERSITY OF NM-REFUNDING		2.000	6/01/13	.301	1,285,000.00		1,303,159.27	3/06/12
16106	914692N3	1	1001	850 UNIVERSITY OF NM-REFUNDING		2.000	6/01/14	.480	330,000.00		339,142.81	3/06/12
16101	914692Q6	1	1001	850 UNIVERSITY OF NM-REFUNDING		3.000	6/01/14	.480	165,000.00		172,578.85	3/06/12
7 Items in subtotal for: MUNICIPAL BOND REVENUE (Type 850)										8,780,000.00	9,164,776.14	
Market: 9,168,829.20										.699% Total		

Cpn: 3.386 Term: 1.172 S&P: N/R (1 not rated)
 Yld: .396 Dur: 1.179 Moody: N/R (1 not rated)

UNITS - INVESTMENT POOL 1 (7110)

16433	UNITS001	2	1001	7110	UNITS - INVESTMENT POOL 1				1,298.28		1,298.28	8/01/12
1 Item in subtotal for: UNITS - INVESTMENT POOL 1 (Type 7110)										1,298.28	1,298.28	
Market: 1,298.28										% Total		

109 Items in subtotal for: GENERAL FUND CORE (Fund 1001)

Market: 1,312,567,298.69 (3 priced @ cost) 100.000% Total
 Cpn: 1.732 Term: 2.602 (OA 2.233) S&P: N/R (1 not rated)
 Yld: 1.012 (OA 1.020) Dur: 2.551 Moody: N/R (1 not rated)

STATE OF NEW MEXICO
Position Holdings
SETTLED POSITIONS HELD AS OF 7/31/12
 GENERAL FUND CORE (1001)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
------	--------	----	-------	-----------	-------------	------	------------	-------	------------	---	------------	----------

Portfolio Summary – Local Government Investment Pool (LGIP)

Summary

- Ending June Market Value for the LGIP was \$874mil, higher than the \$800mil reported at the end of May.
- July 31st Market Value was \$730MM, down significantly from June 30th
- The LGIP maintains an AAAM rating by Standard & Poor's.
- LGIP purchased a 13-month final maturity FHLB with a quarterly call provision at 0.30%.
- The LGIP purchased a 9 month fixed rate FHLB at a yield of 0.21%.

Investment Strategy

Portfolio Mix

- 30% of the portfolio was invested in fixed income securities, 15% in floating rate notes, 16% in demand deposit accounts with qualified banking institutions, 5% in commercial paper and 34% in a repurchase agreement.
- At Month-end, the LGIP held positions in 29 securities.
- LGIP WAMs continue to be and will most likely remain close to their maximum allowable terms of 60 and 120 days, for the WAM(R) and WAM (F) respectively.
- LGIP will maintain a longer WAM (R) as the curve remains positive between 3 and 13 month maturities. There continues to be little to no yield pickup between overnight and 3 month investments.
- BPIP funds deposited into the LGIP in June have and will continue to be withdrawn as the WAM of the fund allows.
- LGIP will continue to focus on diversification while maximizing safety of principal through investments in US Government and Agency securities, FDIC guaranteed and quasi-sovereign issues.

Investment Earnings

- In June, the fund earned \$159,013 for its participants.
- In July, the fund earned \$150,819 for its participants.
- For Fiscal Year 2012, the fund earned \$2,125,370
- 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 0.22% at the end of July.
- Net yield to participants was 0.17%.

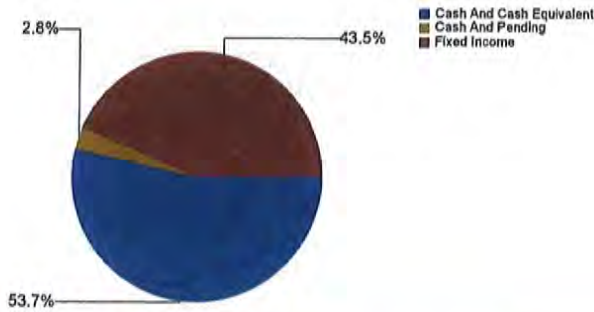
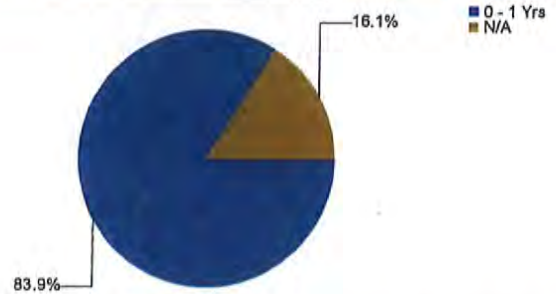
Investment Highlights

- For the LGIP, the WAM(R), 60 days, and WAM(F), 83 days, are within their maximums of 60 and 120 days respectively.
- LGIP was able to reinvest maturities in Straight-A Funding CP at an average rate of 0.18% for a 3 month investment.

Portfolio Characteristics

Duration Mix

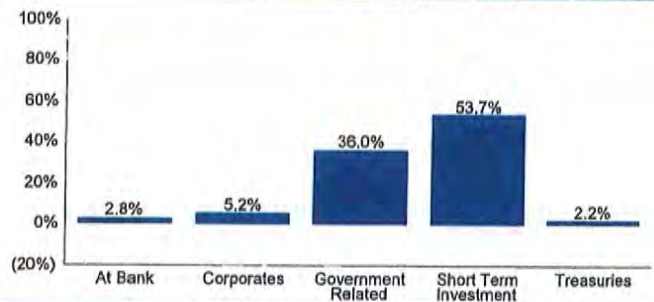
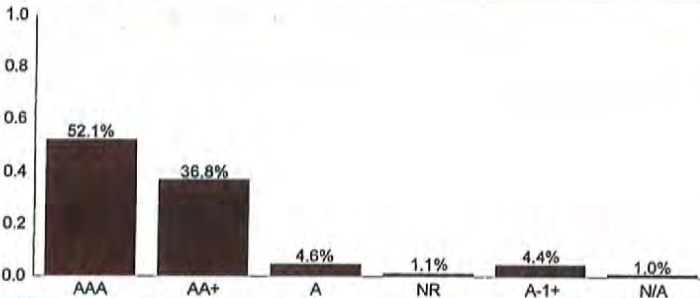
Total Net Assets (Millions)	900.9
Weighted Average Life (Years)	0.23
Weighted Avg. Effective Duration (Years)	0.16
Weighted Average Coupon (%)	0.62
Weighted Average Current Yield (%)	0.55
Weighted Average Yield to Maturity (%)	0.21
Weighted Average Rating	AA+
Number of Holdings	35



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
89499LC10	BANK OF THE WEST	10.77%	0.02	1/7/2012
99CI10018	REPO BANK OF NEW YORK/SOUTH STREET SECS	5.78%	0.17	2/7/2012
99CI10093	REPO BANK OF NEW YORK/SOUTH STREET SECS	5.75%	0.17	2/7/2012
31331KF62	FEDERAL FARM CR BKS CONS BD FLT 13 12/JUN/2013	5.71%	0.34	12/6/2013
99CI10023	REPO DEUTSCHE BANK SECURITIES INC. 29/JUN/2012DB	5.61%	0.13	2/7/2012
99CI10022	REPO DEUTSCHE BANK SECURITIES INC. 29/JUN/2012DB	5.61%	0.13	2/7/2012
99CI10019	REPO BANK OF NEW YORK/SOUTH STREET SECS	5.51%	0.17	2/7/2012
894993C02	WELLS FARGO CHECKING 0.16% 31/DEC/2049	4.90%	0.02	1/7/2012
31359MNU3	FANNIE MAE 5.25% 01/AUG/2012	4.69%	5.25	1/8/2012
95806AAB9	WESTERN CORP FEDERAL CREDIT UNION SUBORD 1.75%	4.44%	1.75	2/11/2012

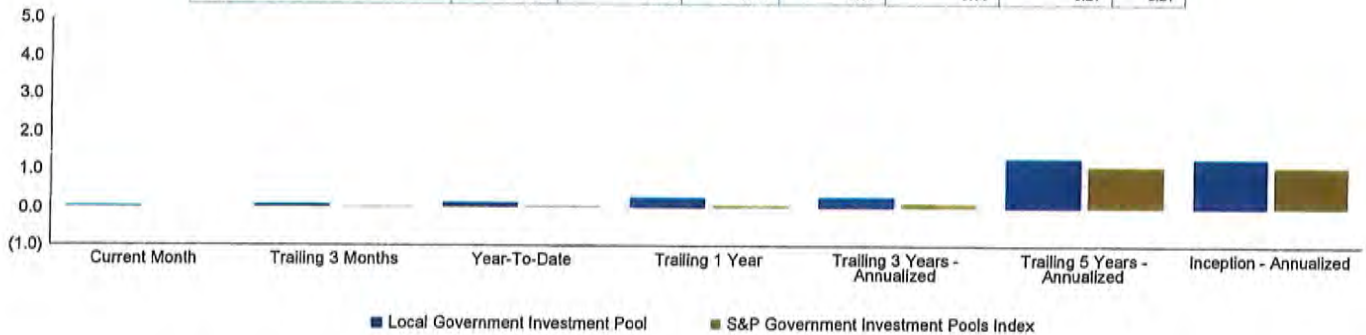
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Local Government Investment Pool	0.02	0.08	0.12	0.25	0.27	1.29	1.29
S&P Government Investment Pools Index	0.01	0.02	0.03	0.06	0.12	1.08	1.08
Excess	0.02	0.05	0.09	0.19	0.14	0.21	0.21



STATE OF NEW MEXICO LGIP FUND (4101)

Portfolio Classification Summary

Positions Held as of 6/30/12

TXN BASIS: SETTLEMENT
MKT-SOURCE: IDC-PREFERRED+
AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	2	.1588	.00550	300,000,000	300,000,000	300,000,000		34.298
COMMERCIAL PAPER-DISCOUNT BASED	2	.1826	.22027	39,500,000	39,484,320	39,484,320		4.514
US TREASURY NOTE ACT/ACT 2X	2	.2131	.25205	20,000,000	20,016,129	20,017,200	1,071	2.289
TEMP CORP CU STABILIZATION FND	1	.1970	.30410	4,348,000	4,370,267	4,369,914	-353	.500
AGENCY US BOND 30/360 2X	4	.2494	.22779	59,200,000	59,220,817	59,212,964	-7,853	6.770
AGENCY US NOTES 30/360 2X	1	.3379	.08770	40,000,000	40,163,604	40,160,400	-3,204	4.591
AGENCY US VARIABLE ACT/360 4X	1	.1719	.47400	21,000,000	21,025,255	21,019,110	-6,145	2.403
CORP US VAR 30/360 4X	1	.3140	.95070	50,000,000	50,013,297	49,972,500	-40,797	5.713
CORP US NOTE 30/360 2X	3	.2027	.39589	91,799,000	92,431,334	92,426,430	-4,904	10.567
CORP US FLOAT ACT/360 4X	4	.3637	.48363	56,700,000	56,763,721	56,805,859	42,138	6.494
MEDIUM-TERM NOTES	1	.3042	.88770	20,000,000	20,000,000	20,158,800	158,800	2.305
CORP US DISC ACT/ACT 365 DAY	2	.3131	.39717	26,450,000	26,417,455	26,421,650	4,195	3.021
CASH ACCOUNT	4	.1652		144,628,321	144,628,321	144,628,321		16.535
	28	.2118	.25133	873,625,321	874,534,520	874,677,468	142,948	100.000

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:25:34
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 6/30/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 6/30/12

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

POSITION-SZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
42,887,481	WELLS FARGO CASH ACCOUNT	CASHCASH	.100			1.000000000	42,887,480.61	42,887,481.00
2,357,624	WELLS FARGO SAVINGS	CASHCASH	.100			1.000000000	2,357,624.25	2,357,624.00
94,297,467	BANK OF THE WEST	CASHCASH	.250			1.000000000	94,297,467.17	94,297,467.00
5,085,749	US BANK	CASHCASH	.200			1.000000000	5,085,748.53	5,085,749.00
144,628,321							144,628,320.56	144,628,321.00

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

100,000,000	DEUTSCHE BANK US TREASURY REPO	0629DBRP	.130	7/02/12	.132	100.000000000	100,000,000.00	100,000,000.00
200,000,000	SOUTH STREET SEC US GOVT REPO	0629SSRP	.170	7/02/12	.172	100.000000000	200,000,000.00	200,000,000.00
10,000,000	UNITED STATES TREASURY NOTES	912828NQ	.625	7/31/12	.238	100.031838200	10,003,183.82	10,003,900.00
40,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MNU	5.250	8/01/12	.338	100.409029475	40,163,611.79	40,160,400.00
25,000,000	FEDERAL HOME LOAN BANKS	3133XYWB	.875	8/22/12	.207	100.094940280	25,023,735.07	25,025,250.00
14,500,000	STRAIGHT-A FUNDING CP	86257YEM	.180	9/07/12	.183	99.966000000	14,495,070.00	14,495,070.00
25,000,000	STRAIGHT-A FUNDING CP	86257YGA	.180	9/25/12	.183	99.957000000	24,989,250.00	24,989,250.00
4,348,000	U.S. CENTRAL FEDERAL CREDIT UNIO	90345AAC	1.900	10/19/12	.197	100.512131095	4,370,267.46	4,369,913.92
16,450,000	FDIC SSGN	22087WAB		10/25/12	.296	99.907618784	16,434,803.29	16,438,649.50
38,589,000	WESTERN COPORATE FCU	95806AAB	1.750	11/02/12	.200	100.521445386	38,790,220.56	38,787,347.46
20,910,000	CITIGROUP FUNDING TLGP	17313YAN	1.875	11/15/12	.212	100.619453946	21,039,527.82	21,042,569.40
10,000,000	UNITED STATES TREAS NTS	912828PV	.500	11/30/12	.188	100.129439600	10,012,943.96	10,013,300.00
2,700,000	GMAC LLC	36186CBG	.468	12/19/12	.301	100.077989259	2,702,105.71	2,703,996.00
32,300,000	ALLY FINANCIAL INC	36186CBF	2.200	12/19/12	.200	100.933807430	32,601,619.80	32,596,514.00
21,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31398A7F	.428	12/20/12	.172	100.120024333	21,025,205.11	21,019,110.00
17,250,000	GENERAL ELECTRIC CAPITAL CORPORA	36967HAD	1.016	12/21/12	.373	100.045038783	17,257,769.19	17,263,627.50

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT

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

RUN: 8/31/12 @ 15:25:34
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 6/30/12
 AMTZD: BOOK VALUES AMORTIZED THROUGH 6/30/12

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
7,000,000	GENERAL ELECTRIC CAPITAL CORPORA	36967HAU	1.016	12/21/12	.398	100.033106714	7,002,317.47	7,005,530.00
29,750,000	JPMORGAN CHASE FLOAT	481247AN	.497	12/26/12	.356	100.173108639	29,801,499.82	29,832,705.00
614,797,000					.056		615,713,130.87	615,747,132.78

====> 0018 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2012 <====

10,000,000	FDIC SSGN	625475AB		1/07/13	.341	99.826696000	9,982,669.60	9,983,000.00
9,200,000	FEDERAL HOME LOAN BANKS	313379AA	.160	2/01/13	.218	99.967948044	9,197,051.22	9,194,664.00
20,000,000	INTERNATIONAL FINANCE CORP	45950VBT	.300	5/20/13	.304	100.000000000	20,000,000.00	20,158,800.00
50,000,000	FEDERAL FARM CREDIT BANKS	31331KF6	.111	6/12/13	.314	100.026325820	50,013,162.91	49,972,500.00
15,000,000	FEDERAL HOME LOAN BANKS	313379K8	.300	6/14/13	.304	100.000000000	15,000,000.00	14,997,450.00
10,000,000	FEDERAL HOME LOAN BANKS	313379RU	.300	7/05/13	.304	100.000000000	10,000,000.00	9,995,600.00
114,200,000					.301		114,192,883.73	114,302,014.00

====> 0006 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2013 <====

873,625,321					.039		874,534,335.16	874,677,467.78
-------------	--	--	--	--	------	--	----------------	----------------

====> 0028 ITEMS IN SUBTOTAL FOR ==> FUND-NAME..... ==> LGIP FUND <====

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 6/30/12

LGIP FUND (4101)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
16939	0629DBRP	9	4101	10	DEUTSCHE BANK US TREASURY REPO	.130	7/02/12	.130	100,000,000.00		100,000,000.00	7/02/12
16941	0629SSRP	9	4101	10	SOUTH STREET SEC US GOVT REPO	.170	7/02/12	.170	200,000,000.00		200,000,000.00	7/02/12
2 Items in subtotal for: REPURCHASE AGREEMENTS (O/N) (Type 10)											300,000,000.00	300,000,000.00

Market: 300,000,000.00 (2 priced @ cost) 34.298% Total

Cpn: .157 Term: .005 S&P: N/R (1 not rated)
 Yld: .157 Dur: .005 Moody: N/R (1 not rated)

COMMERCIAL PAPER-DISCOUNT (22)

16797	8625YFM	9	4101	22	STRAIGHT-A FUNDING CP	.180	9/07/12	.180	14,500,000.00		14,495,070.00	6/11/12
16916	8625YGA	9	4101	22	STRAIGHT-A FUNDING CP	.180	9/25/12	.180	25,000,000.00		24,989,250.00	6/27/12
2 Items in subtotal for: COMMERCIAL PAPER-DISCOUNT BASED (Type 22)											39,500,000.00	39,484,320.00

Market: 39,484,320.00 (2 priced @ cost) 4.514% Total

Cpn: .180 Term: .220 S&P: N/R (1 not rated)
 Yld: .180 Dur: .220 Moody: N/R (1 not rated)

US TREASURY NOTE ACT/ACT (130)

15401	912828NQ	1	4101	130	UNITED STATES TREASURY NOTES	.625	7/31/12	.238	10,000,000.00		10,003,181.61	7/31/12
-------	----------	---	------	-----	------------------------------	------	---------	------	---------------	--	---------------	---------

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 6/30/12

LGIP FUND (4101)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
16082	912828PV 1		4101	130	UNITED STATES TREAS NTS	.500	11/30/12	.188	10,000,000.00		10,012,947.12	2/15/12
2 Items in subtotal for: US TREASURY NOTE ACT/ACT 2X (Type 130)												
Market: 20,017,200.00											20,016,128.73	
2.289% Total												

Cpn: .563 Term: .252 S&P: N/R (1 not rated)
 Yld: .213 Dur: .252 Moody: N/R (1 not rated)

<u>TEMP CORP CU STABILIZATIO (218)</u>												
16459	90345AAC 1		4101	218	U.S. CENTRAL FEDERAL CREDIT UNI	1.900	10/19/12	.194	4,348,000.00		4,370,267.46	4/19/12
1 Item in subtotal for: TEMP CORP CU STABILIZATION FND (Type 218)												
Market: 4,369,913.92											4,370,267.46	
.500% Total												

Cpn: 1.900 Term: .304 S&P: N/R (1 not rated)
 Yld: .194 Dur: .304 Moody: N/R (1 not rated)

<u>AGENCY US BOND 30/360 2X (260)</u>												
16727	313379AA 1		4101	260	FEDERAL HOME LOAN BANKS	.160	2/01/13	.215	9,200,000.00		9,197,064.53	6/04/12

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 6/30/12
LGIP FUND (4101)

POS#	SEC-ID	\$	POOL#	FUND	TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
16619	313379K8	1		4101	260	FEDERAL HOME LOAN BANKS	.300	6/14/13 @	.300	15,000,000.00		15,000,000.00	8/23/12
16752	313379RU	1		4101	260	FEDERAL HOME LOAN BANKS	.300	7/05/13 @	.300	10,000,000.00		10,000,000.00	6/18/12
15509	3133XYWB	1		4101	260	FEDERAL HOME LOAN BANKS	.875	8/22/12	.204	25,000,000.00		25,023,751.61	8/22/12
4 Items in subtotal for: AGENCY US BOND 30/360 2X (Type 260)											59,200,000.00	59,220,816.14	
Market: 59,212,964.00											6.770% Total		
Cpn: .521							Term: .566 (OA .228)		S&P: N/R		(1 not rated)		
Yld: .246							Dur: .643		Moody: N/R		(1 not rated)		
AGENCY US NOTES 30/360 2X (270)													
15583	31359MNU	1		4101	270	FEDERAL NATIONAL MORTGAGE ASSOC	5.250	8/01/12	.333	40,000,000.00		40,163,604.02	8/01/12
1 Item in subtotal for: AGENCY US NOTES 30/360 2X (Type 270)											40,000,000.00	40,163,604.02	
Market: 40,160,400.00											4.591% Total		
Cpn: 5.250							Term: .088		S&P: N/R		(1 not rated)		
Yld: .333							Dur: .088		Moody: N/R		(1 not rated)		
AGENCY US VARIABLE ACT/36 (284)													
15726	31398A7F	1		4101	284	FEDERAL NATIONAL MORTGAGE ASSOC	.428	12/20/12	.170	21,000,000.00		21,025,254.74	12/09/11

STATE OF NEW MEXICO
Position Holdings
SETTLED POSITIONS HELD AS OF 6/30/12
 LGIP FUND (4101)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
------	--------	----	-------	-----------	-------------	------	------------	-------	------------	---	------------	----------

1 Item in subtotal for: AGENCY US VARIABLE ACT/360 4X (Type 284)
 21,000,000.00 21,025,254.74

Market: 21,019,110.00 2.403% Total

Cpn: .428 Term: .474 S&P: N/R (1 not rated)
 Yld: .170 Dur: .474 Moody: N/R (1 not rated)

15667 31331KF6 1 4101 285 FEDERAL FARM CREDIT BANKS
 AGENCY US VAR 30/360 4X (285)
 .338 6/12/13 .310 50,000,000.00 50,013,296.57 11/22/11

1 Item in subtotal for: AGENCY US VAR 30/360 4X (Type 285)
 50,000,000.00 50,013,296.57

Market: 49,972,500.00 5.713% Total

Cpn: .338 Term: .951 S&P: N/R (1 not rated)
 Yld: .310 Dur: .951 Moody: N/R (1 not rated)

16310 17313YAN 1 4101 287 CITIGROUP FUNDING TLGP
 CORP US NOTE 30/360 2X (287)
 1.875 11/15/12 .209 20,910,000.00 21,039,491.92 4/19/12
 16095 36186CBF 1 4101 287 ALLY FINANCIAL INC
 2.200 12/19/12 .197 32,300,000.00 32,601,684.08 5/16/12

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 6/30/12

LGIP FUND (4101)

POS#	SEC-ID	\$	POOL#	FUND	TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
16096	95806AAB	1	4101	287	WESTERN COPORATE FCU		1.750	11/02/12	.197	38,589,000.00		38,790,157.29	5/31/12
3 Items in subtotal for: CORP US NOTE 30/360 2X (Type 287)											91,799,000.00	92,431,333.29	
Market: 92,426,430.86											10.567% Total		

Cpn: 1.937 Term: .396 S&P: N/R (1 not rated)
 Yld: .200 Dur: .396 Moody: N/R (1 not rated)

CORP US FLOAT ACT/360 4X (288)

15688	36186CBG	1	4101	288	GMAC LLC		.468	12/19/12	.297	2,700,000.00		2,702,104.69	11/16/11
15514	36967HAU	1	4101	288	GENERAL ELECTRIC CAPITAL CORP		.468	12/21/12	.368	17,250,000.00		17,257,764.18	11/16/11
15560	36967HAU	1	4101	288	GENERAL ELECTRIC CAPITAL CORP		.468	12/21/12	.393	7,000,000.00		7,002,316.78	9/14/11
15582	481247AN	1	4101	288	JPMORGAN CHASE FLOAT		.712	12/26/12	.351	29,750,000.00		29,801,534.68	9/28/11
4 Items in subtotal for: CORP US FLOAT ACT/360 4X (Type 288)											56,700,000.00	56,763,720.33	
Market: 56,805,858.50											6.494% Total		

Cpn: .596 Term: .484 S&P: N/R (1 not rated)
 Yld: .359 Dur: .484 Moody: N/R (1 not rated)

MEDIUM-TERM NOTES (310)

16477	45950VBT	1	4101	310	INTERNATIONAL FINANCE CORP		.300	5/20/13	.300	20,000,000.00		20,000,000.00	5/02/12
-------	----------	---	------	-----	----------------------------	--	------	---------	------	---------------	--	---------------	---------

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 6/30/12

LGIP FUND (4101)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
1 Item in subtotal for: MEDIUM-TERM NOTES (Type 310)												
Market: 20,158,800.00												
2.305% Total												
	Cpn:	.300	Term: .888									
	Yld:	.300	Dur: .888									
			S&P: N/R (1 not rated)									
			Moody: N/R (1 not rated)									
2 Items in subtotal for: CORP US DISC ACT/ACT 365 DAY (Type 1201)												
Market: 26,421,649.50												
	Cpn:	.309	Term: .397									
	Yld:	.309	Dur: .397									
			S&P: N/R (1 not rated)									
			Moody: N/R (1 not rated)									

CORP US DISC ACT/ACT 365 (1201)

16376	22087WAB 1		4101	1201	FDIC SSGN		10/25/12	.292	16,450,000.00		16,434,788.83	7/12/12
16386	625475AB 1		4101	1201	FDIC SSGN		1/07/13	.336	10,000,000.00		9,982,666.17	4/11/12

CASH ACCOUNT (9300)

16355	CASHCASH 1		4101	9300	WELLS FARGO CASH ACCOUNT	.100			42,887,480.61		42,887,480.61	8/31/12
-------	------------	--	------	------	--------------------------	------	--	--	---------------	--	---------------	---------

STATE OF NEW MEXICO
Position Holdings
SETTLED POSITIONS HELD AS OF 6/30/12
 LGIP FUND (4101)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
16356	CASHCASH 1			4101 9300	WELLS FARGO SAVINGS	.100			2,357,624.25		2,357,624.25	7/31/12
16357	CASHCASH 1			4101 9300	BANK OF THE WEST	.200			94,297,467.17		94,297,467.17	8/31/12
16359	CASHCASH 1			4101 9300	US BANK	.100			5,085,748.53		5,085,748.53	7/31/12
4 Items in subtotal for: CASH ACCOUNT (Type 9300)											144,628,320.56	144,628,320.56

Market: 144,628,320.56
 16.535% Total

28 Items in subtotal for: LGIP FUND (Fund 4101)
 873,625,320.56
 874,534,516.84

Market: 874,677,467.34 (4 priced @ cost)
 100.000% Total

Cpn: .794 Term: .279 (OA .251) S&P: N/R (1 not rated)
 Yld: .218 Dur: .285 Moody: N/R (1 not rated)

STATE OF NEW MEXICO
Position Holdings
SETTLED POSITIONS HELD AS OF 6/30/12
 LGIP FUND (4101)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
------	--------	----	-------	-----------	-------------	------	------------	-------	------------	---	------------	----------

212 Items in report total

4153462878.35 4179386613.74

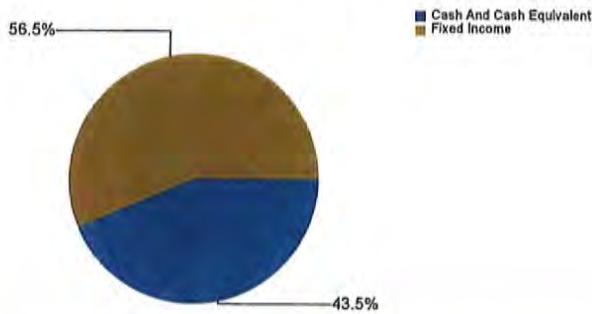
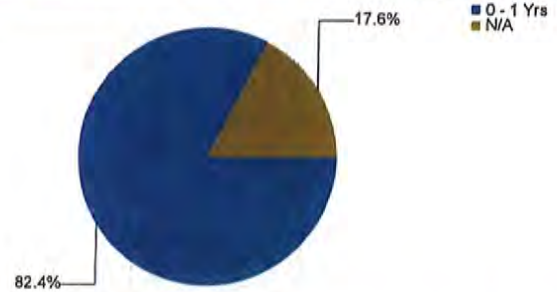
Market: 4,192,130,819.08 (29 priced @ cost) 100.000% Total

Cpn: 1.217	Term: 1.301 (OA 1.049)	S&P: N/R	(1 not rated)
Yld: .691 (OA .694)	Dur: 1.287 (OA 1.267)	Moody: N/R	(1 not rated)

Portfolio Characteristics

Duration Mix

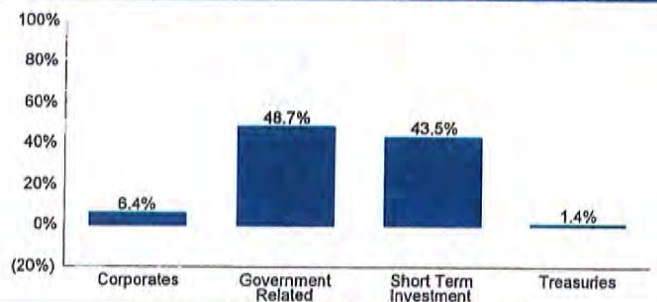
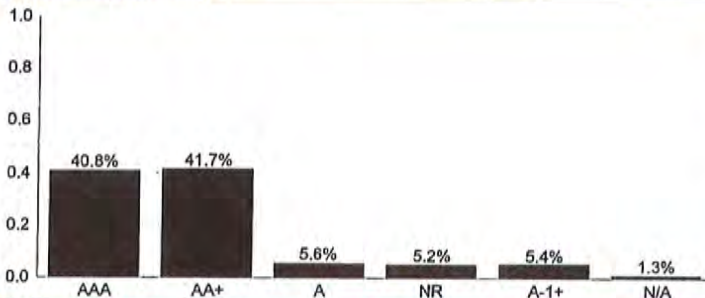
Total Net Assets (Millions)	731.7
Weighted Average Life (Years)	0.27
Weighted Avg. Effective Duration (Years)	0.14
Weighted Average Coupon (%)	0.74
Weighted Average Current Yield (%)	0.24
Weighted Average Yield to Maturity (%)	0.25
Weighted Average Rating	AA
Number of Holdings	29



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
89499LC10	BANK OF THE WEST	10.70%	0.00	1/7/2012
31331KF62	FEDERAL FARM CR BKS CONS BD FLT 13 12/JUN/2013	6.83%	0.34	12/6/2013
99CL30016	REPO DEUTSCHE BANK SECURITIES INC. 31/JUL/2012DB	6.72%	0.16	1/8/2012
99CL30015	REPO DEUTSCHE BANK SECURITIES INC. 31/JUL/2012DBB	6.72%	0.16	1/8/2012
99CL30013	REPO LEHMAN BROS INC	6.72%	0.16	1/8/2012
894993C02	WELLS FARGO CHECKING 0.15% 31/DEC/2019	5.86%	0.15	1/7/2012
31359MNU3	FANNIE MAE 5.25% 01/AUG/2012	5.61%	5.25	1/8/2012
95806AAB0	WESTERN CORP FEDERAL CREDIT UNION SUBORD 1.75%	5.32%	1.75	2/11/2012
38186CBF9	ALLY FINANCIAL INC 2.2% NYS 19/DEC/2012 USD1000	4.46%	2.20	19/12/2012
481247AN4	JPMORGAN CHASE & CO 0.53938% BDS 28/DEC/2012	4.08%	0.71	28/12/2012

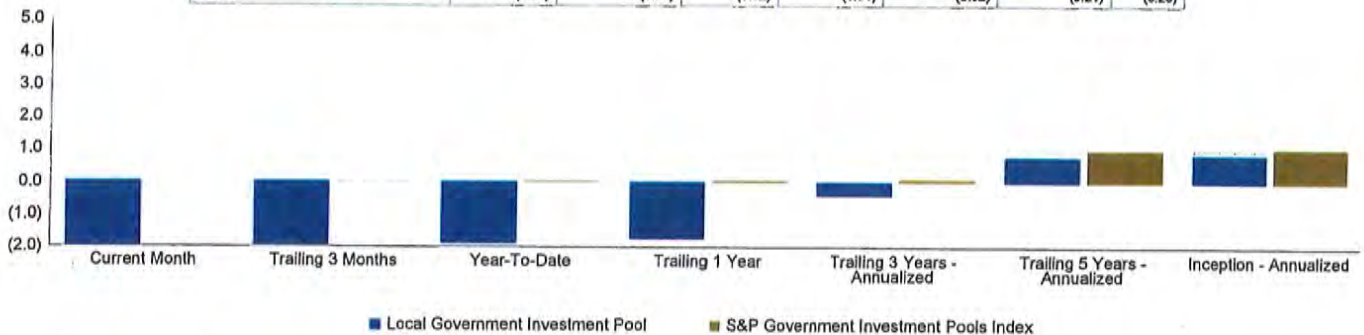
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 6 Years	Inception
Local Government Investment Pool	(2.00)	(1.86)	(1.89)	(1.75)	(0.41)	0.79	0.87
S&P Government Investment Pools Index	0.01	0.02	0.04	0.11	1.00	1.07	
Excess	(2.00)	(1.97)	(1.92)	(1.81)	(0.52)	(0.21)	(0.20)



STATE OF NEW MEXICO

LGIP FUND (4101)

Portfolio Classification Summary

Positions Held as of 7/31/12

TXN BASIS: SETTLEMENT
 MKT-SOURCE: IDC-PREFERRED+
 AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.1622	.00270	150,000,000	150,000,000	150,000,000		20.543
COMMERCIAL PAPER-DISCOUNT BASED	2	.1826	.13530	39,500,000	39,490,443	39,490,443		5.408
US TREASURY NOTE ACT/ACT 2X	1	.1879	.33420	10,000,000	10,010,306	10,011,700	1,394	1.371
TEMP CORP CU STABILIZATION FND	1	.1970	.21920	4,348,000	4,363,992	4,364,348	356	.598
AGENCY US BOND 30/360 2X	4	.2494	.14286	59,200,000	59,207,264	59,209,286	2,022	8.109
AGENCY US NOTES 30/360 2X	1	.3379	.00270	40,000,000	40,000,000	40,000,000		5.478
AGENCY US VARIABLE ACT/360 4X	2	.2294	.92227	41,000,000	41,016,491	41,009,900	-6,591	5.616
AGENCY US VAR 30/360 4X	1	.3140	.86580	50,000,000	50,012,127	49,972,000	-40,127	6.844
CORP US NOTE 30/360 2X	3	.2027	.31095	91,799,000	92,298,588	92,297,688	-900	12.640
CORP US FLOAT ACT/360 4X	4	.3637	.39873	56,700,000	56,752,162	56,783,649	31,487	7.777
MEDIUM-TERM NOTES	1	.3042	.80270	20,000,000	20,000,000	20,169,400	169,400	2.762
CORP US DISC ACT/ACT 365 DAY	2	.2931	.28863	38,240,000	38,207,518	38,217,469	9,951	5.234
CASH ACCOUNT	4	.1609		128,656,318	128,656,318	128,656,318		17.620
	27	.2260	.29621	729,443,318	730,015,209	730,182,201	166,992	100.000

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT

STATE OF NEW MEXICO

TREASURER'S OFFICE

RUN: 8/31/12 @ 15:27:14

BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)

AS-OF: 7/31/12

AMRTZD: BOOK VALUES AMORTIZED THROUGH 7/31/12

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
	42,896,153 WELLS FARGO CASH ACCOUNT	CASHCASH	.100		1.000000000	42,896,152.69	42,896,153.00
	2,357,824 WELLS FARGO SAVINGS	CASHCASH	.100		1.000000000	2,357,823.94	2,357,824.00
	78,316,162 BANK OF THE WEST	CASHCASH	.250		1.000000000	78,316,162.36	78,316,162.00
	5,086,179 US BANK	CASHCASH	.200		1.000000000	5,086,179.30	5,086,179.00
	128,656,318			.189		128,656,318.29	128,656,318.00

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

40,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MNU	5.250	8/01/12	100.000000000	40,000,000.00	40,000,000.00
150,000,000	DEUTSCHE BANK US TREASURY REPO	0731DBRP	.160	8/01/12	100.000000000	150,000,000.00	150,000,000.00
25,000,000	FEDERAL HOME LOAN BANKS	3133XYWB	.875	8/22/12	100.039091040	25,009,772.76	25,010,500.00
14,500,000	STRAIGHT-A FUNDING CP	86257YFM	.180	9/07/12	99.981500000	14,497,317.50	14,497,317.50
25,000,000	STRAIGHT-A FUNDING CP	86257YGA	.180	9/25/12	99.972500000	24,993,125.00	24,993,125.00
4,348,000	U.S. CENTRAL FEDERAL CREDIT UNIO	90345AAC	1.900	10/19/12	100.367803358	4,363,992.09	4,364,348.48
28,240,000	FDIC SSGN	22087WAB		10/25/12	99.936573584	28,222,088.38	28,229,268.80
38,589,000	WESTERN COPORATE FCU	95806AAB	1.750	11/02/12	100.392153153	38,740,327.98	38,739,882.99
20,910,000	CITIGROUP FUNDING TLGP	17313YAN	1.875	11/15/12	100.480759637	21,010,526.84	21,009,740.70
10,000,000	UNITED STATES TREAS NTS	912828PV	.500	11/30/12	100.103030900	10,010,303.09	10,011,700.00
2,700,000	GNAC LLC	36186CBG	.468	12/19/12	100.063294815	2,701,708.96	2,700,486.00
32,300,000	ALLY FINANCIAL INC	36186CBF	2.200	12/19/12	100.767043591	32,547,755.08	32,548,064.00
21,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31398A7F	.428	12/20/12	100.097838000	21,020,545.98	21,014,700.00
17,250,000	GENERAL ELECTRIC CAPITAL CORPORA	36967HAU	1.016	12/21/12	100.036449449	17,256,287.53	17,260,695.00
7,000,000	GENERAL ELECTRIC CAPITAL CORPORA	36967HAU	1.016	12/21/12	100.026666000	7,001,866.62	7,004,340.00
29,750,000	JPMORGAN CHASE FLOAT	481247AN	.497	12/26/12	100.142103597	29,792,275.82	29,818,127.50
466,587,000						467,167,893.63	467,202,295.97
							.052

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:27:14
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 7/31/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 7/31/12

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

=====
 POSITION-SIZ DESCRIPTION CUSIP# RATE MATURITY YIELD UNIT-BOOK CURRENT BK LOC-MKT-VALUE
 =====

====> 0016 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2012 <====

10,000,000	FDIC SSGN							
9,200,000	FEDERAL HOME LOAN BANKS	625475AB		1/07/13	.341	99.854611700	9,985,461.17	9,988,200.00
20,000,000	INTERNATIONAL FINANCE CORP	313379AA	.160	2/01/13	.218	99.972529565	9,197,472.72	9,198,436.00
50,000,000	FEDERAL FARM CREDIT BANKS	45950VBT	.300	5/20/13	.304	100.000000000	20,000,000.00	20,169,400.00
15,000,000	FEDERAL HOME LOAN BANKS	31331KF6	.111	6/12/13	.314	100.024009720	50,012,004.86	49,972,000.00
10,000,000	FEDERAL HOME LOAN BANKS	313379K8	.300	6/14/13	.304	100.000000000	15,000,000.00	15,000,750.00
		313379RU	.300	7/05/13	.304	100.000000000	10,000,000.00	9,999,600.00
114,200,000					.213		114,194,938.75	114,328,386.00

====> 0006 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2013 <====

20,000,000	FEDERAL HOME LOAN BANKS	3133804M	.273	1/23/14	.290	99.979281900	19,995,856.38	19,995,200.00
20,000,000					1.215		19,995,856.38	19,995,200.00

====> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2014 <====

729,443,318					.033		730,015,007.05	730,182,199.97
-------------	--	--	--	--	------	--	----------------	----------------

====> 0027 ITEMS IN SUBTOTAL FOR ==> FUND-NAME..... ==> LGIP FUND <====

STATE OF NEW MEXICO
Position Holdings
SETTLED POSITIONS HELD AS OF 7/31/12
 LGIP FUND (4101)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
17161	0731DBRP	9	4101	10	DEUTSCHE BANK US TREASURY REPO	.160	8/01/12	.160	150,000,000.00		150,000,000.00	8/01/12
1 Item in subtotal for: REPURCHASE AGREEMENTS (O/N) (Type 10)												
Market: 150,000,000.00 (1 priced @ cost)											20.543%	Total

Cpn: .160 Term: .003 S&P: N/R (1 not rated)
 Yld: .160 Dur: .003 Moody: N/R (1 not rated)

COMMERCIAL PAPER-DISCOUNT (22)

16797	86257YFM	9	4101	22	STRAIGHT-A FUNDING CP	.180	9/07/12	.180	14,500,000.00		14,497,317.50	6/11/12
16916	86257YGA	9	4101	22	STRAIGHT-A FUNDING CP	.180	9/25/12	.180	25,000,000.00		24,993,125.00	6/27/12
2 Items in subtotal for: COMMERCIAL PAPER-DISCOUNT BASED (Type 22)												
Market: 39,490,442.50 (2 priced @ cost)											5.408%	Total

Cpn: .180 Term: .135 S&P: N/R (1 not rated)
 Yld: .180 Dur: .135 Moody: N/R (1 not rated)

US TREASURY NOTE ACT/ACT (130)

16082	912828PV	1	4101	130	UNITED STATES TREAS NTS	.500	11/30/12	.188	10,000,000.00		10,010,305.60	2/15/12
1 Item in subtotal for: US TREASURY NOTE ACT/ACT 2X (Type 130)												
Market: 10,011,700.00											1.371%	Total

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12

LGIP FUND (4101)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
------	--------	----	-------	-----------	-------------	------	------------	-------	------------	---	------------	----------

Cpn: .500 Term: .334 S&P: N/R (1 not rated)
 Yld: .188 Dur: .334 Moody: N/R (1 not rated)

TEMP CORP CU STABILIZATIO (218)

16459	90345AAC	1	4101	218	U.S. CENTRAL FEDERAL CREDIT UNI	1.900	10/19/12	.194	4,348,000.00		4,363,992.09	4/19/12
1 Item in subtotal for: TEMP CORP CU STABILIZATION FND (Type 218)												
Market: 4,364,348.48											.598% Total	

Cpn: 1.900 Term: .219 S&P: N/R (1 not rated)
 Yld: .194 Dur: .219 Moody: N/R (1 not rated)

AGENCY US BOND 30/360 2X (260)

16727	313379AA	1	4101	260	FEDERAL HOME LOAN BANKS	.160	2/01/13	.215	9,200,000.00		9,197,484.13	6/04/12
16619	313379K8	1	4101	260	FEDERAL HOME LOAN BANKS	.300	6/14/13 @	.300	15,000,000.00		15,000,000.00	8/23/12
16752	313379RU	1	4101	260	FEDERAL HOME LOAN BANKS	.300	7/05/13 @	.300	10,000,000.00		10,000,000.00	6/18/12
15509	3133XYWB	1	4101	260	FEDERAL HOME LOAN BANKS	.875	8/22/12	.204	25,000,000.00		25,009,779.57	8/22/12
4 Items in subtotal for: AGENCY US BOND 30/360 2X (Type 260)												
Market: 59,209,286.00											8.109% Total	
											59,207,263.70	

Cpn: .160 Term: .219 S&P: N/R (1 not rated)
 Yld: .194 Dur: .219 Moody: N/R (1 not rated)

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12

LGIP FUND (4101)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MAFURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
					Cpn: .521	Term: .482 (OA .143)			S&P: N/R	(1 not rated)		
					Yld: .246 (OA .241)	Dur: .482			Moody: N/R	(1 not rated)		
15583	31359MNU	1	4101	270	FEDERAL NATIONAL MORTGAGE ASSOC	5.250	8/01/12	.333	40,000,000.00		40,000,000.00	8/01/12
1 Item in subtotal for: AGENCY US NOTES 30/360 2x (Type 270)												
Market: 40,000,000.00												
5.478% Total												
					Cpn: 5.250	Term: .003			S&P: N/R	(1 not rated)		
					Yld: .333	Dur: .003			Moody: N/R	(1 not rated)		
17087	3133804M	1	4101	284	FEDERAL HOME LOAN BANKS	.273	1/23/14	.286	20,000,000.00		19,995,903.46	7/23/12
15726	31398A7F	1	4101	284	FEDERAL NATIONAL MORTGAGE ASSOC	.428	12/20/12	.170	21,000,000.00		21,020,586.62	12/09/11
2 Items in subtotal for: AGENCY US VARIABLE ACT/360 4x (Type 284)												
Market: 41,009,900.00												
5.616% Total												
					Cpn: .352	Term: .922			S&P: N/R	(1 not rated)		
					Yld: .226	Dur: .920			Moody: N/R	(1 not rated)		

STATE OF NEW MEXICO
Position Holdings
SETTLED POSITIONS HELD AS OF 7/31/12
 LGIP FUND (4101)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
15667	31331KF6	1	4101	285	FEDERAL FARM CREDIT BANKS	.338	6/12/13	.310	50,000,000.00		50,012,126.78	11/22/11
AGENCY US VAR 30/360 4X (285) 1 Item in subtotal for: AGENCY US VAR 30/360 4X (Type 285) Market: 49,972,000.00 Cpn: .338 Term: .866 S&P: N/R (1 not rated) Yld: .310 Dur: .866 Moody: N/R (1 not rated)												
16310	17313YAN	1	4101	287	CITIGROUP FUNDING TLGP	1.875	11/15/12	.209	20,910,000.00		21,010,498.97	4/19/12
16095	36186CBF	1	4101	287	ALLY FINANCIAL INC	2.200	12/19/12	.197	32,300,000.00		32,547,807.90	5/16/12
16096	95806AAB	1	4101	287	WESTERN CORPORATE FCU	1.750	11/02/12	.197	38,589,000.00		38,740,280.39	5/31/12
CORP US NOTE 30/360 2X (287) 3 Items in subtotal for: CORP US NOTE 30/360 2X (Type 287) Market: 92,297,687.69 Cpn: 1.937 Term: .311 S&P: N/R (1 not rated) Yld: .200 Dur: .311 Moody: N/R (1 not rated)												

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12
LGIP FUND (4101)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
<u>CORP US FLOAT ACT/360 4X (288)</u>												
15688	36186CBG	1	4101	288	GMAC LLC	.468	12/19/12	.297	2,700,000.00		2,701,708.13	11/16/11
15514	36967HAU	1	4101	288	GENERAL ELECTRIC CAPITAL CORP	.468	12/21/12	.368	17,250,000.00		17,256,283.42	11/16/11
15560	36967HAU	1	4101	288	GENERAL ELECTRIC CAPITAL CORP	.468	12/21/12	.393	7,000,000.00		7,001,866.05	9/14/11
15582	481247AN	1	4101	288	JPMORGAN CHASE FLOAT	.712	12/26/12	.351	29,750,000.00		29,792,304.57	9/28/11
4 Items in subtotal for: CORP US FLOAT ACT/360 4X (Type 288)										56,700,000.00	56,752,162.17	
Market: 56,783,648.50										7.777% Total		
Cpn: .596										Term: .399	S&P: N/R (1 not rated)	
Yld: .359										Dur: .399	Moody: N/R (1 not rated)	
<u>MEDIUM-TERM NOTES (310)</u>												
16477	45950VBT	1	4101	310	INTERNATIONAL FINANCE CORP	.300	5/20/13	.300	20,000,000.00		20,000,000.00	5/02/12
1 Item in subtotal for: MEDIUM-TERM NOTES (Type 310)										20,000,000.00	20,000,000.00	
Market: 20,169,400.00										2.762% Total		
Cpn: .300										Term: .803	S&P: N/R (1 not rated)	
Yld: .300										Dur: .803	Moody: N/R (1 not rated)	

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12

LGIP FUND (4101)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/S	#	BOOK-VALUE	LAST-QTY
------	--------	----	-------	-----------	-------------	------	------------	-------	-------	---	------------	----------

CORP US DISC ACT/ACT 365 (1201)												
16376	22087WAB 1			4101 1201	FDIC SSGN		10/25/12	.272	28,240,000.00		28,222,059.98	7/12/12
16386	625475AB 1			4101 1201	FDIC SSGN		1/07/13	.336	10,000,000.00		9,985,458.29	4/11/12
2 Items in subtotal for: CORP US DISC ACT/ACT 365 DAY (Type 1201)											38,240,000.00	38,207,518.27

Market: 38,217,468.80
5.234% Total

Cpn:	.289	Term:	.289
Yld:	.289	Dur:	.289
		S&P:	N/R (1 not rated)
		Moody:	N/R (1 not rated)

CASH ACCOUNT (9300)												
16355	CASHCASH 1			4101 9300	WELLS FARGO CASH ACCOUNT	.100			42,896,152.69		42,896,152.69	8/31/12
16356	CASHCASH 1			4101 9300	WELLS FARGO SAVINGS	.100			2,357,823.94		2,357,823.94	7/31/12
16357	CASHCASH 1			4101 9300	BANK OF THE WEST	.200			78,316,162.36		78,316,162.36	8/31/12
16359	CASHCASH 1			4101 9300	US BANK	.100			5,086,179.30		5,086,179.30	7/31/12
4 Items in subtotal for: CASH ACCOUNT (Type 9300)											128,656,318.29	128,656,318.29

Market: 128,656,318.29
17.620% Total

27 Items in subtotal for: LGIP FUND (Fund 4101)												
											729,443,318.29	730,015,206.74
Market: 730,182,200.26 (3 priced @ cost)											100.000% Total	

STATE OF NEW MEXICO
Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12
 LGIP FUND (4101)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
	Cpn:		.950				Term:	.330	(OA .296)			S&P: N/R (1 not rated)
	Yld:		.237	(OA .236)		Dur:	.330					Moody: N/R (1 not rated)

Portfolio Summary – Tax Exempt Bond Proceeds Investment Pool

Summary

- The Tax Exempt Bond Proceeds Investment Pool closed the month of June at \$508mil vs. \$323mil at the end of May.
- As of July 31, the Tax-Exempt Bond Proceeds Investment Pool had a balance of \$370 Million
- The Pool had a temporary increase in market value as a result of deposits received to pay debt service. Debt service payments were made to bondholders on July 1.
- The Pool received \$69mil in proceeds from The State of NM Severance Tax Bond issuance in June.

Portfolio Mix

- 100% of the Tax-Exempt BPIP portfolio is invested in fixed income securities; 21% in TLGP Securities which are backed by the FDIC, 27% in Treasury and Agency Securities, and the balance, approximately 52%, held in cash equivalents.
- 64% of the portfolio is invested in securities that mature in one year, 8% in securities that mature from 1-2 years, 20% in securities that mature from 2-4 years and 7% in securities out to 5 years.
- The Tax-Exempt BPIP held positions in 24 securities.
- Weighted Average Life of the Tax Exempt BPIP was 1.6 years. The Weighted Average duration was 1.3 years.
- The maximum security term for the BPIP portfolio is 5 years.

Investment Earnings

- Unrealized gains in the Tax-Exempt BPIP Portfolio were \$1.2mil as of June 30th.
- Unrealized gains as of July 31st were \$1.36MM.
- Monthly Earnings on the portfolio for June were \$239,038.
- Monthly Earnings on the portfolio for July were \$197,343.

- Earnings for FY2012 were \$4.3MM
- Earnings on the Bond Proceeds Investment Pool are used to offset capital and debt service spending.

Investment Highlights

- On June 20, The BPIP Tax Exempt fund received approximately \$128mil from the STB Fund for debt service payable on July 2, 2012.
- On June 21, The BPIP Tax Exempt fund received approximately \$69mil in proceeds from The State of New Mexico Severance Tax Bond issuance.
- Due to the above mentioned deposits in June, the option adjusted duration of the BPIP TE fund decreased to 0.61 yrs vs. 1.40 yrs. for the new and improved benchmark.

Performance

- The purchase yield was 0.52% at the end of June vs. 1.03% for May. The yield-to-worst was 0.24%.
- The average term of the fund shortened as a result of the debt service payment deposits into the fund in late June.
- The Tax-Exempt BPIP returned 0.05% for the month of June and 0.28% for the three months ended June 30, 2012, vs. Index returns of 0.02% and 0.19% respectively. YTD the Pool returned 0.38% vs. 0.43% for the Index.

Investment Strategy

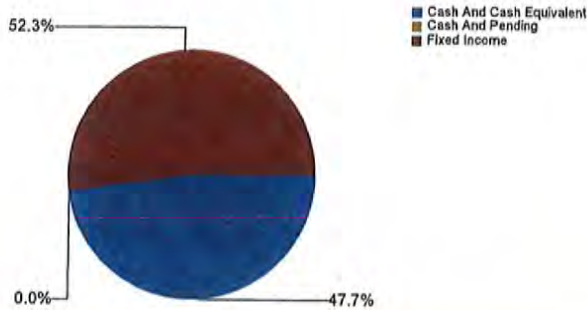
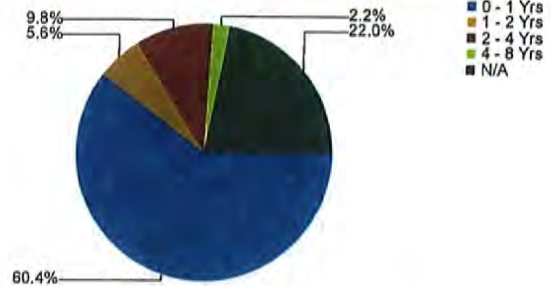
- The duration of the Tax-Exempt BPIP portfolio has been lengthening closer to the benchmark.
- Currently, the option adjusted duration of the portfolio is 1.34 yrs. vs. 1.40 yrs. for the benchmark.
- The Tax-Exempt BPIP purchased a 1yr IFC (World Bank/AAA/Aaa) MTN at 0.33%.
- Three to five year Treasury and Agency securities were purchased in July with yields ranging from 0.43% to 0.83%.

- NM municipals, \$8.4mil face amount of one to three year maturities, were purchased at attractive yields vs. Treasury and Agency securities.
- The Pool will continue to purchase NM municipal securities as they become available, specifically, as they are being sold from the General Fund. As a result, the portfolio duration will lengthen closer to the 1.40 yr. duration of the benchmark.
- The Pool has also begun to add NM bank collateralized CDs and will seek to increase its exposure. Yields on CDs are quite appealing from banks that are actually interested in issuing.

Portfolio Characteristics

Duration Mix

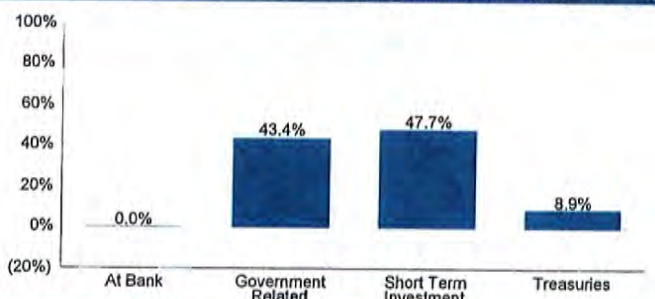
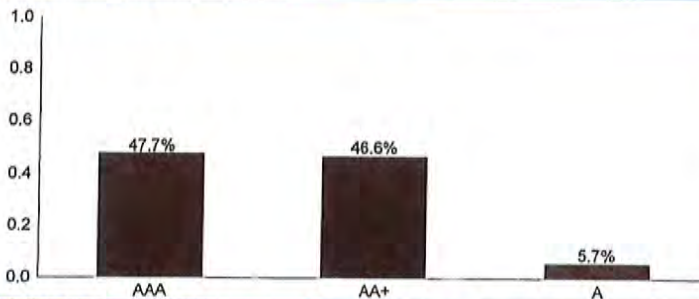
Total Net Assets (Millions) **457.7**
 Weighted Average Life (Years) **0.87**
 Weighted Avg. Effective Duration (Years) **0.70**
 Weighted Average Coupon (%) **1.30**
 Weighted Average Current Yield (%) **0.92**
 Weighted Average Yield to Maturity (%) **0.39**
 Weighted Average Rating **AA+**
 Number of Holdings **18**



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
892998X00	LGIP POOL PARTICIPANT	22.00%	0.18	
36967HAY3	GENERAL ELECTRIC CAPITAL CORP 2.625% BDS	11.06%	2.63	28/12/2012
17313YAJ0	CITICORP FUNDING INC 2.25% BDS 10/DEC/2012	11.04%	2.25	10/12/2012
99CI10130	REPO MITSUBISHI UFJ SECURITIES (USA),INC.	9.93%	0.35	2/7/2012
99CI10131	REPO MITSUBISHI UFJ SECURITIES (USA),INC.	6.82%	0.35	2/7/2012
31359MRK1	FED NATL MORT ASSC 4.625% NOTES 01/MAY/2013	5.70%	4.63	1/5/2013
99CI10127	REPO MITSUBISHI UFJ SECURITIES (USA),INC.	4.69%	0.35	2/7/2012
3137EACW7	FED HOME LOAN MTG 2% BDS 25/AUG/2016 USD1000	4.62%	2.00	25/8/2016
99CI10128	REPO MITSUBISHI UFJ SECURITIES (USA),INC.	4.09%	0.35	2/7/2012
912628KF6	US 1.87500 '14	3.36%	1.88	28/2/2014

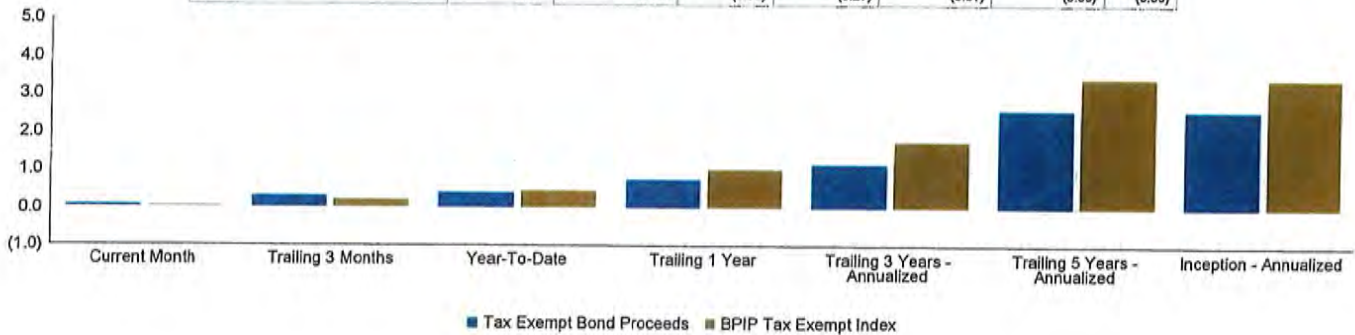
Quality/Rating Weightings

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	0.28	0.38	0.73	1.14	2.58	2.58
BPIP Tax Exempt Index	0.02	0.19	0.43	1.00	1.74	3.43	3.43
Excess	0.03	0.09	(0.05)	(0.27)	(0.61)	(0.85)	(0.85)



STATE OF NEW MEXICO

BOND PROCEEDS INV POOL1 TAX EX (4000)

Portfolio Classification Summary

Positions Held as of 6/30/12

TXN BASIS: SETTLEMENT
 MKT-SOURCE: IDC-PREFERRED+
 AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.3549	.00550	168,009,005	168,009,005	168,009,005		33.123
US TREASURY NOTE ACT/ACT 2X	3	.7333	1.06885	40,000,000	40,356,109	40,590,150	234,041	8.002
FED FARM CR BKS CALLABLE	1	1.1863	.45750	10,000,000	10,000,000	10,021,400	21,400	1.976
AGENCY US NOTES 30/360 2X	3	.8729	2.16262	55,000,000	56,539,106	56,962,600	423,494	11.230
FED NATL MORTGAGE ASSN DEBS	4	1.2771	2.22868	29,605,000	29,676,860	29,988,585	311,725	5.912
CORP US NOTE 30/360 2X	2	.7596	.47125	100,000,000	100,789,539	101,017,500	227,961	19.916
UNITS - INVESTMENT POOL 1	1			100,637,750	100,637,750	100,637,750		19.841
CASH ACCOUNT	1			-38	-38	-38		
	16	.5235	.69621	503,251,717	506,008,331	507,226,952	1,218,621	100.000

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT

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

RUN: 8/31/12 @ 15:25:34
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 6/30/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 6/30/12

PAGE: 1

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
38	CASH KEY	CASHCASH				1.000000000	38.06	38.00
100,637,750	UNITS - INVESTMENT POOL 1	UNITS001				.999999998	100,637,749.79	100,637,750.00
100,637,712					.342		100,637,711.73	100,637,712.00

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

168,009,005	OVERNIGHT REPO	0702RP	.350	7/02/12	.355	99.999999887	168,009,004.81	168,009,004.81
50,000,000	CITIGROUP FUNDING INC.	17313YAJ	2.250	12/10/12	.759	100.660323080	50,330,161.54	50,448,500.00
50,000,000	GENERAL ELECTRIC CAPITAL CORPORA	36967HAY	2.625	12/28/12	.759	100.918902180	50,459,451.09	50,569,000.00
268,009,005					.128		268,798,617.44	269,026,504.81

====> 0003 ITEMS IN SUBTOTAL FOR ===> FINAL-MATURITY.. ===> 2012 <===

10,000,000	UNITED STATES TREASURY NOTES	912828PR	.625	1/31/13	.377	100.144104900	10,014,410.49	10,025,400.00
15,000,000	UNITED STATES TREASURY NOTES	912828MX	1.750	4/15/13	.715	100.813121800	15,121,968.27	15,179,850.00
25,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MRK	4.625	5/01/13	.550	103.389550960	25,847,387.74	25,889,000.00
50,000,000					.675		50,983,766.50	51,094,250.00

====> 0003 ITEMS IN SUBTOTAL FOR ===> FINAL-MATURITY.. ===> 2013 <===

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:25:34
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 6/30/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 6/30/12

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
15,000,000	UNITED STATES TREASURY NOTES	912828XF	1.875	2/28/14	.986	101.464676400	15,219,701.46	15,384,900.00
15,000,000					2.260		15,219,701.46	15,384,900.00
====> 0001 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ==> 2014 <====								
6,110,000	FED NATL MORTGAGE ASSN DEBS	3136FTDU	1.125	10/26/15	1.045	100.029262357	6,111,787.93	6,124,175.20
10,000,000	FED FARM CR BKS CALLABLE	3133IK2S	1.170	12/14/15	1.186	100.000000000	10,000,000.00	10,021,400.00
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3FA	1.100	12/30/15	1.115	100.000000000	10,000,000.00	10,058,400.00
26,110,000					1.317		26,111,787.93	26,203,975.20
====> 0003 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ==> 2015 <====								
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	1.160	103.459140150	20,691,828.03	21,015,200.00
10,000,000	FEDERAL NATL MTG ASSN DEBS	3135GOES	1.375	11/15/16	1.227	100.700210000	10,070,021.00	10,235,000.00
10,000,000	FED NATL MORTGAGE ASSN DEBS	3136FTUZ	1.400	12/30/16	1.419	100.000000000	10,000,000.00	10,099,600.00
3,495,000	FED NATL MORTGAGE ASSN DEBS	3136FTUZ	1.400	12/30/16	1.419	100.000000000	3,495,000.00	3,529,810.20
43,495,000					.777		44,256,849.03	44,879,610.20
====> 0004 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ==> 2016 <====								
503,251,717					.068		506,008,434.09	507,226,952.21

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:25:34
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 6/30/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 6/30/12

STATE OF NEW MEXICO
 TREASURER'S OFFICE

PAGE: 3

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
--------------	-------------	--------	------	----------	-------	-----------	------------	---------------

====> 0016 ITEMS IN SUBTOTAL FOR ==> FUND-NAME..... ==> BOND PROCEEDS INV POOL1 TAX EX <

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 6/30/12

BOND PROCEEDS INV POOL1 TAX EX (4000)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
16944	0702RP	9	4000	10	OVERNIGHT REPO	.350	7/02/12	.350	168,009,004.81	168,009,004.81	168,009,004.81	7/02/12
1 Item in subtotal for: REPURCHASE AGREEMENTS (O/N) (Type 10)												
Market: 168,009,004.81 (1 priced @ cost)											33.123% Total	

Cpn: .350 Term: .005 S&P: N/R (1 not rated)
 Yld: .350 Dur: .005 Moody: N/R (1 not rated)

US TREASURY NOTE ACT/ACT (130)

14921	912828KF	1	4000	130	UNITED STATES TREASURY NOTES	1.875	2/28/14	.986	15,000,000.00	15,219,757.08	15,219,757.08	9/07/10
14923	912828MX	1	4000	130	UNITED STATES TREASURY NOTES	1.750	4/15/13	.715	15,000,000.00	15,121,923.30	15,121,923.30	9/07/10
15412	912828PR	1	4000	130	UNITED STATES TREASURY NOTES	.625	1/31/13	.377	10,000,000.00	10,014,429.06	10,014,429.06	7/08/11
3 Items in subtotal for: US TREASURY NOTE ACT/ACT 2X (Type 130)											40,000,000.00	40,356,109.44
Market: 40,590,150.00											8.002% Total	

Cpn: 1.516 Term: 1.069 S&P: N/R (1 not rated)
 Yld: .733 Dur: 1.064 Moody: N/R (1 not rated)

FED FARM CR BKS CALLABLE (233)

15738	31331K2S	1	4000	233	FED FARM CR BKS CALLABLE	1.170	12/14/15 @	1.170	10,000,000.00	10,000,000.00	10,000,000.00	12/14/11
-------	----------	---	------	-----	--------------------------	-------	------------	-------	---------------	---------------	---------------	----------

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 6/30/12
 BOND PROCEEDS INV POOL1 TAX EX (4000)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
------	--------	----	-------	-----------	-------------	------	------------	-------	------------	---	------------	----------

1 Item in subtotal for: FED FARM CR BKS CALLABLE (Type 233)

Market: 10,021,400.00

1.976% Total

10,000,000.00

10,000,000.00

Cpn: 1.170 Term: 3.455 (OA .458)
 Yld: 1.170 (OA 1.169) Dur: 3.397

S&P: N/R (1 not rated)
 Moody: N/R (1 not rated)

AGENCY US NOTES 30/360 2X (270)

15735	3134G3FA	1	4000	270	FEDERAL HOME LOAN MORTGAGE CORP	1.100	12/30/15	@	1.100	10,000,000.00	10,000,000.00	12/30/11
15494	31359MRK	1	4000	270	FEDERAL NATIONAL MORTGAGE ASSOC	4.625	5/01/13		.542	25,000,000.00	25,847,459.15	8/17/11
15558	3137EACW	1	4000	270	FEDERAL HOME LOAN MORTGAGE CORP	2.000	8/25/16		1.144	20,000,000.00	20,691,648.33	9/09/11

3 Items in subtotal for: AGENCY US NOTES 30/360 2X (Type 270)

Market: 56,962,600.00

11.230% Total

S&P: N/R (1 not rated)
 Moody: N/R (1 not rated)

Cpn: 3.030 Term: 2.526 (OA 2.163)
 Yld: .861 Dur: 2.458

FED NATL MORTGAGE ASSN DE (280)

15737	3135G0ES	1	4000	280	FEDERAL NATL MTG ASSN DEBS	1.375	11/15/16		1.210	10,000,000.00	10,070,079.87	12/14/11
-------	----------	---	------	-----	----------------------------	-------	----------	--	-------	---------------	---------------	----------

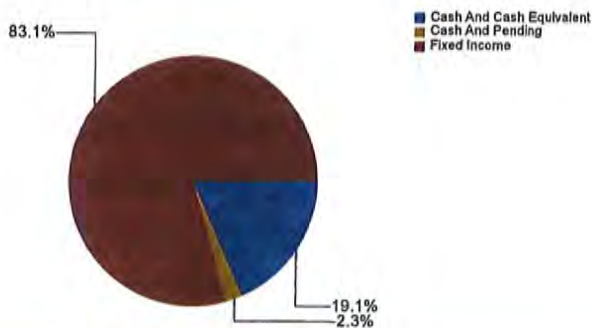
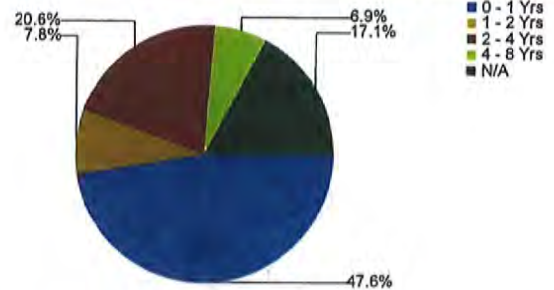
STATE OF NEW MEXICO
Position Holdings
SETTLED POSITIONS HELD AS OF 6/30/12
 BOND PROCEEDS INV POOL1 TAX EX (4000)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
1	Item in subtotal for: UNITS - INVESTMENT POOL 1 (Type 7110)											
					Market: 100,637,749.79			19.841%	Total		100,637,749.79	100,637,749.79
16340	CASHCASH	1	4000	9300	CASH KEY						-38.06	9/04/12
1	Item in subtotal for: CASH ACCOUNT (Type 9300)											
					Market: -38.06						-38.06	-38.06
16	Items in subtotal for: BOND PROCEEDS INV POOL1 TAX EX (Fund 4000)											
					Market: 507,226,951.94 (1 priced @ cost)			100.000%	Total		503,251,716.54	506,008,332.48
	Cpn:	1.443			Term:	.966	(OA .696)				S&P: N/R	(1 not rated)
	Yld:	.645			Dur:	.957					Moody: N/R	(1 not rated)

Portfolio Characteristics

Duration Mix

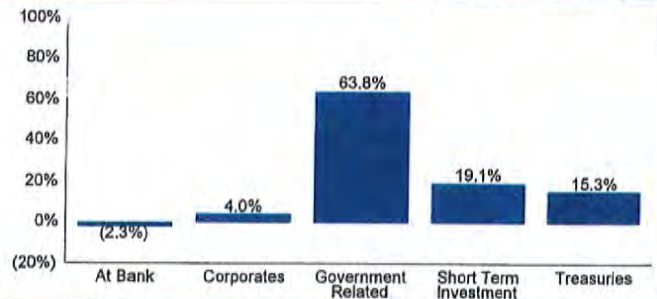
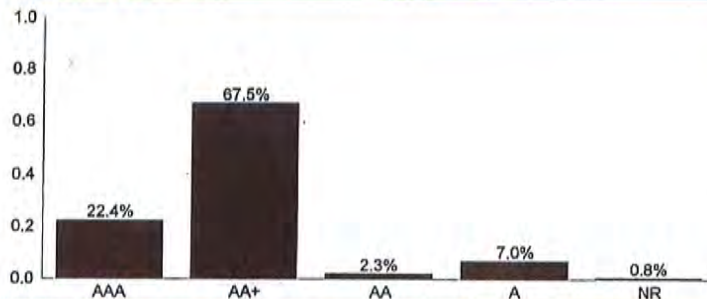
Total Net Assets (Millions)	371.7
Weighted Average Life (Years)	1.67
Weighted Avg. Effective Duration (Years)	1.34
Weighted Average Coupon (%)	1.67
Weighted Average Current Yield (%)	0.35
Weighted Average Yield to Maturity (%)	0.41
Weighted Average Rating	AA+
Number of Holdings	24



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
892998X00	LGIP POOL PARTICIPANT	16.74%	0.17	
36957HAY3	GENERAL ELECTRIC CAPITAL CORP 2.625% BDS	13.31%	2.62	28/12/2012
17313YAJ0	CITIGROUP FUNDING INC 2.25% BDS 10/DEC/2012	13.29%	2.25	10/12/2012
31359MRK1	FED NATL MORT ASSC 4.625% NOTES 01/MAY/2013	6.86%	4.62	1/5/2013
3137EACW7	FED HOME LOAN MTG 2% BDS 25/AUG/2016 USD1000	5.58%	2.00	25/8/2016
912828PM6	US 2.12500 '15	4.19%	2.12	31/12/2015
912828KF8	US 1.87500 '14	4.08%	1.88	28/2/2014
912828MX5	UNITED STATES TREAS NTS 1.75% 15/APR/2013	4.01%	1.75	15/4/2013
313379FW4	FEDERAL HOME LOAN BANKS 1% BDS 09/JUN/2017 USD5000	3.98%	1.00	9/6/2017
3134G3ZA1	FEDERAL HOME LOAN MORTGAGE CORP 0.5% BDS	3.95%	0.50	28/8/2015

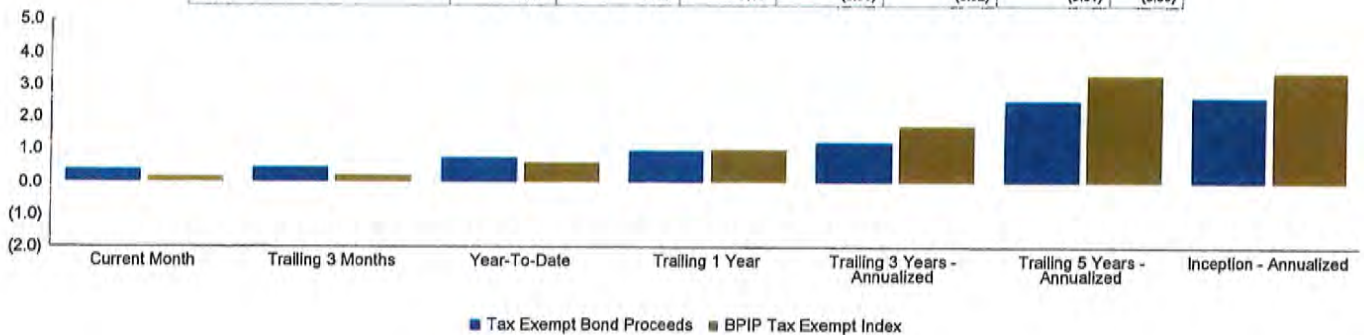
Quality/Rating Weightings

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	0.36	0.42	0.74	0.95	1.21	2.50	2.61
BPIP Tax Exempt Index	0.17	0.21	0.60	1.01	1.73	3.31	3.41
Excess	0.19	0.22	0.13	(0.06)	(0.52)	(0.81)	(0.80)



STATE OF NEW MEXICO

BOND PROCEEDS INV POOL 1 TAX EX (4000)

Portfolio Classification Summary

Positions Held as of 7/31/12

TXN BASIS: SETTLEMENT
MKT-SOURCE: IDC-PREFERRED+
AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.2231	.00270	4,496,914	4,496,914	4,496,914		1.213
CERTIFICATES OF DEPOSIT	2	.6000	1.93420	3,000,000	3,000,000	3,000,000		.809
US TREASURY NOTE ACT/ACT 2X	4	.6487	1.64729	55,000,000	56,188,615	56,480,100	291,485	15.240
FED FARM CR BKS CALLABLE	1	1.1863	.37260	10,000,000	10,000,000	10,022,700	22,700	2.704
AGENCY US BOND 30/360 2X	1	.8400	4.85750	15,000,000	15,122,158	15,115,950	-6,208	4.079
AGENCY US NOTES 30/360 2X	4	.7844	2.29121	70,000,000	71,466,447	71,917,800	451,353	19.405
FED NATL MORTGAGE ASSN DEBS	4	1.2771	2.14378	29,605,000	29,675,069	30,072,755	397,686	8.114
CORP US NOTE 30/360 2X	2	.7596	.38630	100,000,000	100,649,205	100,848,000	198,795	27.211
MEDIUM-TERM NOTES	1	.3346	1.00000	15,000,000	15,000,000	15,013,950	13,950	4.051
UNITS - INVESTMENT POOL 1	1			63,641,137	63,641,137	63,641,137		17.172
CASH ACCOUNT	1			1,005	1,005	1,005		
	22	.6479	1.49117	365,744,056	369,240,550	370,610,311	1,369,761	100.000

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:27:14
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 7/31/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 7/31/12

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
- 8,483,767	(TD)-CASH KEY	CASHCASH			1.000000000	- 8,483,767.22	- 8,483,767.00
63,641,137	UNITS - INVESTMENT POOL 1	UNITS001			.999999993	63,641,136.54	63,641,137.00
55,157,370				.441		55,157,369.32	55,157,370.00

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

4,496,914	OVERNIGHT REPO	0801RP	.220	8/01/12	.223	99.999992217	4,496,913.65	4,496,913.65
50,000,000	CITIGROUP FUNDING INC.	17313YAJ	2.250	12/10/12	.759	100.535565420	50,267,782.71	50,354,000.00
50,000,000	GENERAL ELECTRIC CAPITAL CORPORA	36967HAY	2.625	12/28/12	.759	100.762963940	50,381,481.97	50,494,000.00
104,496,914					.231		105,146,178.33	105,344,913.65

====> 0003 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2012 <====

10,000,000	UNITED STATES TREASURY NOTES	912828PR	.625	1/31/13	.377	100.123092100	10,012,309.21	10,023,000.00
15,000,000	UNITED STATES TREASURY NOTES	912828MX	1.750	4/15/13	.715	100.726082467	15,108,912.37	15,165,750.00
25,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MRK	4.625	5/01/13	.550	103.051127040	25,762,781.76	25,773,000.00
15,000,000	INTL FINANCE CORP	45950VEW	.330	8/01/13	.335	100.000000000	15,000,000.00	15,013,950.00
65,000,000					.369		65,884,003.34	65,975,700.00

====> 0004 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2013 <====

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:27:14
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 7/31/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 7/31/12

STATE OF NEW MEXICO
 TREASURER'S OFFICE

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
15,000,000	UNITED STATES TREASURY NOTES	912828KF	1.875	2/28/14	.986	101.391351600	15,208,702.74	15,391,350.00
2,000,000	FARMERS & STOCKMENS BANK	8521444	.600	7/07/14	.600	100.000000000	2,000,000.00	2,000,000.00
1,000,000	FARMERS & STOCKMENS BANK	8521448	.600	7/07/14	.600	100.000000000	1,000,000.00	1,000,000.00
18,000,000					1.335		18,208,702.74	18,391,350.00

====> 0003 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2014 <====

15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3ZA	.500	8/28/15	.450	100.170806200	15,025,620.93	15,013,500.00
6,110,000	FED NATL MORTGAGE ASSN DEBS	3136FTDU	1.125	10/26/15	1.045	100.021419640	6,111,308.74	6,121,120.20
10,000,000	FED FARM CR BKS CALLABLE	31331K2S	1.170	12/14/15	1.186	100.000000000	10,000,000.00	10,022,700.00
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3FA	1.100	12/30/15	1.115	100.000000000	10,000,000.00	10,075,100.00
15,000,000	UNITED STATES TREAS NTS	912828PM	2.125	12/31/15	.433	105.726091333	15,858,913.70	15,900,000.00
56,110,000					.426		56,995,843.37	57,132,420.20

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

20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	1.160	103.391536050	20,678,307.21	21,056,200.00
10,000,000	FEDERAL NATL MTG ASSN DEBS	3135G0ES	1.375	11/15/16	1.227	100.687087700	10,068,708.77	10,295,100.00
10,000,000	FED NATL MORTGAGE ASSN DEBS	3136FTUZ	1.400	12/30/16	1.419	100.000000000	10,000,000.00	10,119,700.00
3,495,000	FED NATL MORTGAGE ASSN DEBS	3136FTUZ	1.400	12/30/16	1.419	100.000000000	3,495,000.00	3,536,835.15
43,495,000					.549		44,242,015.98	45,007,835.15

====> 0004 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2016 <====

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:27:14
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 7/31/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 7/31/12

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
15,000,000	FEDERAL HOME LOAN BANKS	313379FW	1.000	6/09/17	.840	100.816721733	15,122,508.26	15,115,950.00
15,000,000					1.607		15,122,508.26	15,115,950.00

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

357,259,284

====> 0022 ITEMS IN SUBTOTAL FOR ==> FUND-NAME..... ==> BOND PROCEEDS INV POOL1 TAX EX <

.067

360,756,621.34 362,125,539.00

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12

BOND PROCEEDS INV POOL1 TAX EX (4000)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
17164	0801RP	9	4000	10	OVERNIGHT REPO	.220	8/01/12	.220	4,496,913.65		4,496,913.65	8/01/12
1 Item in subtotal for: REPURCHASE AGREEMENTS (O/N) (Type 10)										4,496,913.65		

Market: 4,496,913.65 (1 priced @ cost) 1.213% Total

Cpn: .220 Term: .003 S&P: N/R (1 not rated)
 Yld: .220 Dur: .003 Moody: N/R (1 not rated)

CERTIFICATES OF DEPOSIT (30)

16972	8521444	9	4000	30	FARMERS & STOCKMENS BANK	.600	7/07/14	.600	2,000,000.00		2,000,000.00	7/05/12
17103	8521448	9	4000	30	FARMERS & STOCKMENS BANK	.600	7/07/14	.600	1,000,000.00		1,000,000.00	7/20/12
2 Items in subtotal for: CERTIFICATES OF DEPOSIT (Type 30)										3,000,000.00		

Market: 3,000,000.00 (2 priced @ cost) .809% Total

Cpn: .600 Term: 1.934 S&P: N/R (1 not rated)
 Yld: .600 Dur: 1.989 Moody: N/R (1 not rated)

US TREASURY NOTE ACT/ACT (130)

14921	912828KF	1	4000	130	UNITED STATES TREASURY NOTES	1.875	2/28/14	.986	15,000,000.00		15,208,755.55	9/07/10
-------	----------	---	------	-----	------------------------------	-------	---------	------	---------------	--	---------------	---------

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12
 BOND PROCEEDS INV POOL1 TAX EX (4000)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MAFURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
14923	912828MX	1	4000	130	UNITED STATES TREASURY NOTES	1.750	4/15/13	.715	15,000,000.00		15,108,872.23	9/07/10
17032	912828PM	1	4000	130	UNITED STATES TREAS NTS	2.125	12/31/15	.433	15,000,000.00		15,858,663.12	7/16/12
15412	912828PR	1	4000	130	UNITED STATES TREASURY NOTES	.625	1/31/13	.377	10,000,000.00		10,012,325.06	7/08/11
4 Items in subtotal for: US TREASURY NOTE ACT/ACT 2x (Type 130)											55,000,000.00	56,188,615.96

Market: 56,480,100.00
 15.240% Total
 Cpn: 1.682 Term: 1.647 S&P: N/R (1 not rated)
 Yld: .649 Dur: 1.637 Moody: N/R (1 not rated)

FED FARM CR BKS CALLABLE (233)

15738	31331K2S	1	4000	233	FED FARM CR BKS CALLABLE	1.170	12/14/15 @	1.170	10,000,000.00		10,000,000.00	12/14/11
1 Item in subtotal for: FED FARM CR BKS CALLABLE (Type 233)											10,000,000.00	10,000,000.00

Market: 10,022,700.00
 2.704% Total
 Cpn: 1.170 Term: 3.370 (OA .373) S&P: N/R (1 not rated)
 Yld: 1.170 (OA 1.159) Dur: 3.312 Moody: N/R (1 not rated)

AGENCY US BOND 30/360 2X (260)

17059	313379FW	1	4000	260	FEDERAL HOME LOAN BANKS	1.000	6/09/17	.828	15,000,000.00		15,122,160.28	7/19/12
-------	----------	---	------	-----	-------------------------	-------	---------	------	---------------	--	---------------	---------

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12
 BOND PROCEEDS INV POOL1 TAX EX (4000)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
------	--------	----	-------	-----------	-------------	------	------------	-------	------------	---	------------	----------

1 Item in subtotal for: AGENCY US BOND 30/360 2X (Type 260)
 15,000,000.00 15,122,160.28

Market: 15,115,950.00 4.079% Total

Cpn: 1.000	Term: 4.858
Yld: .828	Dur: 4.749
	S&P: N/R (1 not rated)
	Moody: N/R (1 not rated)

AGENCY US NOTES 30/360 2X (270)

15735	3134G3FA	1	4000	270	FEDERAL HOME LOAN MORTGAGE CORP	1.100	12/30/15	@	1.100	10,000,000.00	10,000,000.00	12/30/11
17130	3134G3ZA	1	4000	270	FEDERAL HOME LOAN MORTGAGE CORP	.500	8/28/15		.444	15,000,000.00	15,025,471.46	7/30/12
15494	31359MRK	1	4000	270	FEDERAL NATIONAL MORTGAGE ASSOC	4.625	5/01/13		.542	25,000,000.00	25,762,845.96	8/17/11
15558	3137EACW	1	4000	270	FEDERAL HOME LOAN MORTGAGE CORP	2.000	8/25/16		1.144	20,000,000.00	20,678,131.10	9/09/11

4 Items in subtotal for: AGENCY US NOTES 30/360 2x (Type 270)
 70,000,000.00 71,466,448.52

Market: 71,917,800.00 19.405% Total

Cpn: 2.488	Term: 2.577 (OA 2.291)
Yld: .774	Dur: 2.519
	S&P: N/R (1 not rated)
	Moody: N/R (1 not rated)

FED NATL MORTGAGE ASSN DE (280)

15737	3135G0ES	1	4000	280	FEDERAL NATL MTG ASSN DEBS	1.375	11/15/16		1.210	10,000,000.00	10,068,766.55	12/14/11
-------	----------	---	------	-----	----------------------------	-------	----------	--	-------	---------------	---------------	----------

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12

BOND PROCEEDS INV POOL1 TAX EX (4000)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
15745	3136FTDU	1	4000	280	FED NATL MORTGAGE ASSN DEBS	1.125	10/26/15 @	1.031	6,110,000.00		6,111,302.32	12/16/11
15747	3136FTUZ	1	4000	280	FED NATL MORTGAGE ASSN DEBS	1.400	12/30/16 @	1.400	10,000,000.00		10,000,000.00	12/30/11
15749	3136FTUZ	1	4000	280	FED NATL MORTGAGE ASSN DEBS	1.400	12/30/16 @	1.400	3,495,000.00		3,495,000.00	12/30/11
4 Items in subtotal for: FED NATL MORTGAGE ASSN DEBS (Type 280)											29,605,000.00	29,675,068.87

Market: 30,072,755.35

8.114% Total

Cpn: 1.335 Term: 4.131 (OA 2.144) S&P: N/R (1 not rated)
 Yld: 1.260 (OA 1.257) Dur: 4.026 Moody: N/R (1 not rated)

<u>CORP US NOTE 30/360 2X (287)</u>												
14893	17313YAJ	1	4000	287	CITIGROUP FUNDING INC.	2.250	12/10/12	.749	50,000,000.00		50,267,774.13	8/26/10
14894	36967HAY	1	4000	287	GENERAL ELECTRIC CAPITAL CORP	2.625	12/28/12	.749	50,000,000.00		50,381,430.27	8/26/10
2 Items in subtotal for: CORP US NOTE 30/360 2X (Type 287)											100,000,000.00	100,649,204.40

Market: 100,848,000.00

27.211% Total

Cpn: 2.438 Term: .386 S&P: N/R (1 not rated)
 Yld: .749 Dur: .386 Moody: N/R (1 not rated)

<u>MEDIUM-TERM NOTES (310)</u>												
16998	45950VBW	1	4000	310	INTL FINANCE CORP	.330	8/01/13	.330	15,000,000.00		15,000,000.00	7/10/12

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12
BOND PROCEEDS INV POOL1 TAX EX (4000)

POS#	SEC-ID	\$ POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @ YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
------	--------	----------	-----------	-------------	------	------------------	------------	---	------------	----------

1 Item in subtotal for: MEDIUM-TERM NOTES (Type 310)

Market:	15,013,950.00		4.051% Total
---------	---------------	--	--------------

Cpn:	.330	Term:	1.000
Yld:	.330	Dur:	1.000

		S&P:	N/R (1 not rated)
		Moody:	N/R (1 not rated)

UNITS - INVESTMENT POOL 1 (7110)

16435 UNITS001 2 4000 7110 UNITS - INVESTMENT POOL 1

		63,641,136.54	63,641,136.54	8/31/12
--	--	---------------	---------------	---------

1 Item in subtotal for: UNITS - INVESTMENT POOL 1 (Type 7110)

Market:	63,641,136.54		17.172% Total
---------	---------------	--	---------------

CASH ACCOUNT (9300)

16340 CASHCASH 1 4000 9300 CASH KEY

		1,004.78	1,004.78	9/04/12
--	--	----------	----------	---------

1 Item in subtotal for: CASH ACCOUNT (Type 9300)

Market:	1,004.78		% Total
---------	----------	--	---------

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12

BOND PROCEEDS INV POOL1 TAX EX (4000)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
22 Items in subtotal for: BOND PROCEEDS INV POOL1 TAX EX (Fund 4000)												
											365,744,054.97	369,240,553.00
Market: 370,610,310.32 (3 priced @ cost) 100.000% Total												
Cpn:		1.934		Term:		1.851 (OA 1.491)		S&P:		N/R (1 not rated)		
Yld:		.774 (OA .773)		Dur:		1.823		Moody:		N/R (1 not rated)		

Portfolio Summary – Taxable Bond Proceeds Investment Pool

Summary

- The Taxable Bond Proceeds Investment Pool closed the month of June at \$647mil vs. \$548mil on May 31st.
- The Pool received close to \$110mil on June 28 from the Sponge Note deposit.
- As of July 31st, the Taxable Bond Proceeds Pool had \$627MM in assets.

Portfolio Mix

- 100% of the Taxable BPIP portfolio is invested in fixed income securities; 64% in US Treasury and Agency securities, 17% in securities that are backed by the FDIC, and the balance, approximately 19%, is held in cash equivalents.
- 49% of the portfolio is invested in securities that mature in one year, 27% in securities that mature from 1-2 years, 24% in securities that mature from 2-4 years.
- The Taxable BPIP held positions in 44 securities.
- Weighted Average Life of the Taxable BPIP is 2.0 years. The Weighted Average duration is 1.4 years.
- The maximum security term for the BPIP portfolio is 5 years.

Investment Earnings

- The unrealized gains in the Taxable BPIP Portfolio were \$3.5mil as of July 31st.
- Monthly earnings on the portfolio for June were \$486,602.
- Monthly earnings on the portfolio for July were \$512,462.
- For fiscal year 2012, the fund earned \$6.7mil.
- Earnings on the Bond Proceeds Investment Pool are used to offset capital and debt service spending.

Investment Highlights

- The BPIP Taxable fund received approximately \$110mil on June 28 from the issuance of short-term severance tax notes.

Performance

- Purchase Yield decreased slightly to 1.00% from 1.09%.
- Average Term of the fund shortened slightly to 1.71 years from 2.09 years as a result of the deposit.
- The Taxable BPIP returned 0.03% for the month of ~~May~~^{June} and 0.34% for the three months ended June 30, 2012, vs. Index returns of 0.02% and 0.19% respectively. YTD the Pool returned 0.53% vs. 0.43% for the Index.

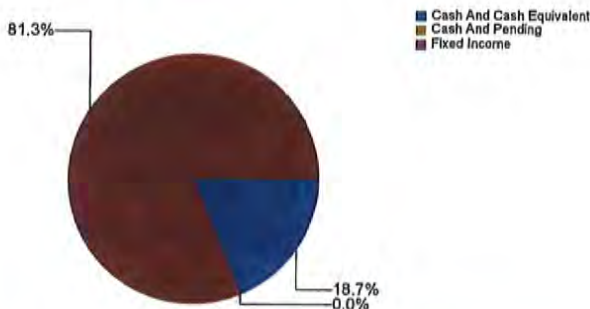
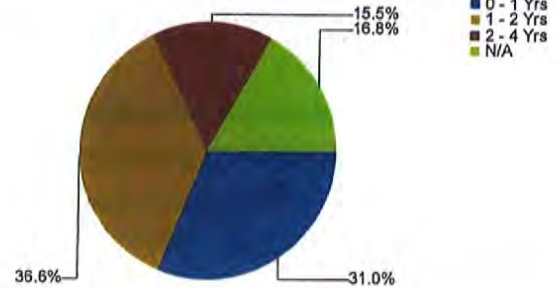
Investment Strategy

- The duration of the Taxable BPIP portfolio has been lengthening closer to the benchmark.
- Currently, the option adjusted duration of the portfolio is 1.40 yrs. vs. 1.40 yrs. for the benchmark.
- The Taxable BPIP purchased a 1yr IFC (World Bank/AAA/Aaa) MTN at 0.33%.
- Three to five year Treasury and Agency securities were purchased in July with yields ranging from 0.43% to 0.83%.
- The Pool has been able to roll over CD maturities with NM community banks. We have been successful in increasing the sizes of most of the reinvestments and lengthening maturities when possible.

Portfolio Characteristics

Duration Mix

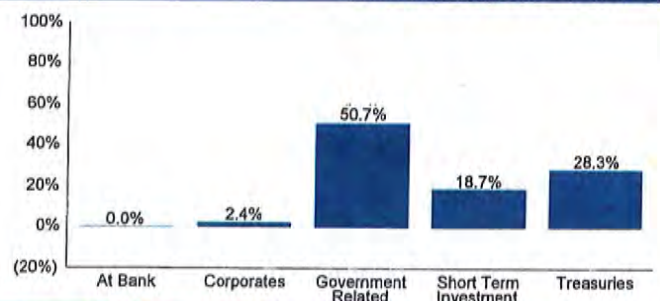
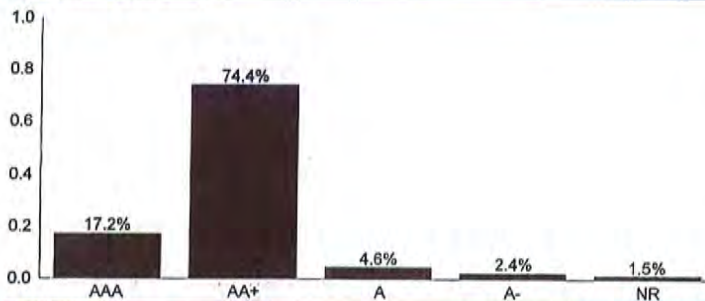
Total Net Assets (Millions)	648.6
Weighted Average Life (Years)	1.71
Weighted Avg. Effective Duration (Years)	1.16
Weighted Average Coupon (%)	1.49
Weighted Average Current Yield (%)	0.74
Weighted Average Yield to Maturity (%)	0.54
Weighted Average Rating	AA+
Number of Holdings	42



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
892998X00	LGIP POOL PARTICIPANT	16.86%	0.18	
812828KF8	US 1.87500 '14	6.37%	1.88	28/2/2014
812828NU0	US 0.75000 '13	4.66%	0.75	15/8/2013
3137EACW7	FED HOME LOAN MTG 2% BDS 25/AUG/2016 USD1000	4.08%	2.00	25/8/2016
36987HAV0	GENERAL ELECTRIC CAPITAL CORP SER'G'2.125% NTS	3.92%	2.12	21/12/2012
3136FR3N1	FEDERAL NATIONAL MORTGAGE ASSOC 1.35% NTS	3.88%	1.35	20/9/2016
31359MTP8	FED NATL MTG ASSN 5.12% 02/JAN/2014	3.83%	5.12	2/1/2014
31398A4M1	FED NATL MORT ASSC 1.625% BDS 26/OCT/2015 USD1000	3.20%	1.62	26/10/2015
3135G0AP8	FEDERAL NATIONAL MORTGAGE ASSOC 1.25% NTS	3.15%	1.25	27/2/2014
31398A2S0	FEDERAL NATIONAL MORTGAGE ASSOC 1% BDS 23/SEP/2013	3.12%	1.00	23/9/2013

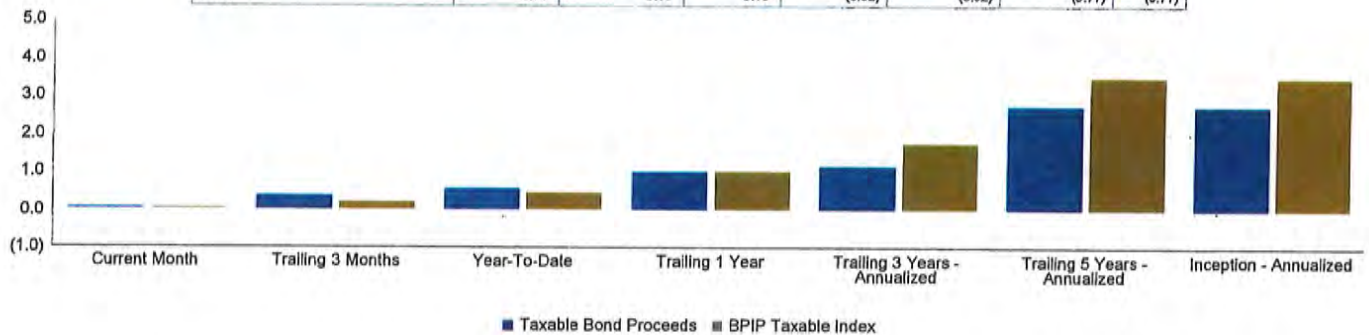
Quality/Rating Weightings

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	0.03	0.34	0.53	0.98	1.13	2.72	2.72
BPIP Taxable Index	0.02	0.19	0.43	1.00	1.75	3.49	3.49
Excess	0.01	0.15	0.10	(0.02)	(0.62)	(0.77)	(0.77)



STATE OF NEW MEXICO

BOND PROCEEDS INV POOL2 TAXABL (4002)

Portfolio Classification Summary

Positions Held as of 6/30/12

TXN BASIS: SETTLEMENT
 MKT-SOURCE: IDC-PREFERRED+
 AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.3549	.00550	1,989,027	1,989,027	1,989,027		.308
CERTIFICATES OF DEPOSIT	5	.7404	.12854	5,700,000	5,700,000	5,700,000		.883
LINKED-CERTIFICATE OF DEPOSIT	2	.5500	.07400	4,000,000	4,000,000	4,000,000		.620
US TREASURY NOTE ACT/ACT 2X	13	.7815	1.62087	180,000,000	181,514,526	182,736,500	1,221,974	28.314
TEMP CORP CU STABILIZATION FND	1	1.9488	.30410	20,000,000	19,998,715	20,100,800	102,085	3.115
FED FARM CR BKS CALLABLE	1	1.1928	.45750	4,365,000	4,364,048	4,374,341	10,293	.678
AGENCY US NOTES 30/360 2X	10	1.1772	1.88776	147,410,000	149,747,193	150,723,080	975,887	23.354
FED NATL MORTGAGE ASSN DEBS	5	.9818	1.78500	75,000,000	75,665,109	76,119,781	454,672	11.794
CORP US NOTE 30/360 2X	6	1.6409	.40865	90,155,000	90,553,087	90,846,286	293,199	14.076
UNITS - INVESTMENT POOL 1	1			109,292,564	109,292,564	109,292,564		16.934
CASH ACCOUNT	1			-488,425	-488,425	-488,425		-.076
	46	.9221	1.41854	637,423,166	642,335,844	645,393,954	3,058,110	100.000

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:25:34
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 6/30/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 6/30/12

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
-	488,425 CASH KEY	CASHCASH			1.000000000	488,425.10	488,425.00
	109,292,564 UNITS - INVESTMENT POOL 1	UNITS001			1.000000004	109,292,564.47	109,292,564.00
	108,804,139			.316		108,804,139.37	108,804,139.00

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

1,989,027	OVERNIGHT REPO	0702RP	.350	7/02/12	.355	99.9999986426	1,989,026.73	1,989,026.73
2,000,000	WESTERN BANK CLOVIS	15866000	.750	7/05/12	.750	100.000000000	2,000,000.00	2,000,000.00
600,000	WESTERN BANK CLOVIS	15894000	.750	7/19/12	.750	100.000000000	600,000.00	600,000.00
1,000,000	WESTERN BANK ALAMOGORDO	81186340	.750	7/22/12	.750	100.000000000	1,000,000.00	1,000,000.00
1,000,000	WESTERN BANK ALAMOGORDO	10000000	.750	7/26/12	.750	100.000000000	1,000,000.00	1,000,000.00
2,000,000	WESTERN COMMERCE BANK	20124770	.550	7/27/12	.550	100.000000000	2,000,000.00	2,000,000.00
2,000,000	WESTERN COMMERCE BANK	20124780	.550	7/27/12	.550	100.000000000	2,000,000.00	2,000,000.00
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MNU	5.250	8/01/12	.367	100.406550800	5,020,327.54	5,020,050.00
5,000,000	MORGAN STANLEY	617446V8	5.750	8/31/12	5.364	100.034880400	5,001,744.02	5,032,150.00
10,000,000	THE GOLDMAN SACHS GROUP, INC.	38141GCG	5.700	9/01/12	5.383	100.047930700	10,004,793.07	10,062,700.00
20,000,000	U.S. CENTRAL FEDERAL CREDIT UNIO	90345AAC	1.900	10/19/12	1.949	99.993576650	19,998,715.33	20,100,800.00
10,000,000	WESTERN COPORATE FCU	95806AAB	1.750	11/02/12	1.818	99.983915700	9,998,391.57	10,051,400.00
20,000,000	CITIGROUP FUNDING INC.	17313YAJ	2.250	12/10/12	.757	100.661210450	20,132,242.09	20,179,400.00
25,155,000	GENERAL ELECTRIC CAPITAL CORPORA	36967HAV	2.125	12/21/12	.758	100.647753488	25,317,942.39	25,371,836.10
1,100,000	WESTERN BANK ALAMOGORDO	08118544	.700	12/27/12	.700	100.000000000	1,100,000.00	1,100,000.00
20,000,000	CITIBANK, N.A.	17314JAT	1.750	12/28/12	.759	100.490299050	20,098,059.81	20,148,800.00
126,844,027					.270		127,261,242.55	127,656,162.83

====> 0016 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2012 <====

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT

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

RUN: 8/31/12 @ 15:25:34

BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 6/30/12

AMRTZD: BOOK VALUES AMORTIZED THROUGH 6/30/12

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
5,000,000	UNITED STATES TREAS NTS	912828QK	.625	2/28/13	.724	99.934241600	4,996,712.08	5,014,450.00
2,400,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136F9DU	4.000	4/15/13	4.136	99.934354583	2,398,424.51	2,470,440.00
20,000,000	UNITED STATES TREASURY NOTES	912828QZ	.500	5/31/13	.454	100.041929100	20,008,385.82	20,046,000.00
10,000,000	UNITED STATES TREASURY NOTES	912828RA	.375	6/30/13	.474	99.901617050	19,980,323.41	20,024,200.00
20,000,000	UNITED STATES TREASURY NOTES	912828NN	1.000	7/15/13	.914	100.088602700	10,008,860.27	10,076,200.00
10,000,000	UNITED STATES TREASURY NOTES	912828NU	.750	8/15/13	.789	99.956320250	19,991,264.05	20,107,000.00
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31398A2S	1.000	9/23/13	.946	99.781284600	9,978,128.46	10,053,500.00
5,000,000	UNITED STATES TREASURY NOTES	912828PB	.500	10/15/13	.575	100.532539150	20,106,507.83	20,166,600.00
112,400,000						99.903686800	4,995,184.34	5,013,650.00
							112,463,790.77	112,972,040.00

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

14,260,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MTP	5.125	1/02/14	.828	106.421330856	15,175,681.78	15,221,409.20
8,450,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MTP	5.125	1/02/14	.854	106.382476568	8,989,319.27	9,019,699.00
20,000,000	FED NATIONAL MTG ASSN DEB	3135G0AP	1.250	2/27/14	.725	100.878700650	20,175,740.13	20,175,740.13
40,000,000	UNITED STATES TREASURY NOTES	912828KF	1.875	2/28/14	1.007	101.429731775	40,571,892.71	41,026,400.00
10,000,000	UNITED STATES TREASURY NOTES	912828KN	1.875	4/30/14	1.298	101.040313700	10,104,031.37	10,281,300.00
10,000,000	UNITED STATES TREASURY NOTES	912828KV	2.250	5/31/14	1.346	101.703120800	10,170,312.08	10,364,100.00
10,000,000	UNITED STATES TREAS NTS	912828RV	.250	12/15/14	.330	99.804443900	9,980,444.39	9,974,200.00
112,710,000							115,167,421.73	116,062,848.33

====> 0007 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ==> 2014 <====

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:25:34
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 6/30/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 6/30/12

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
10,000,000	UNITED STATES TREAS NTS	912828NP	1.750	7/31/15	.453	103.965518600	10,396,551.86	10,396,100.00
20,000,000	FED NATL MORTGAGE ASSN DEBS	31398AAM	1.625	10/26/15	.870	102.504405350	20,500,881.07	20,716,200.00
4,365,000	FED FARM CR BKS CALLABLE	31331K2S	1.170	12/14/15	1.192	99.979610080	4,364,109.98	4,374,341.10
7,300,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3FA	1.100	12/30/15	1.115	100.000000000	7,300,000.00	7,342,632.00
41,665,000					.808		42,561,542.91	42,829,273.10

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

10,000,000	UNITED STATES TREAS NTS	912828QR	1.500	6/30/16	.656	103.324473000	10,332,447.30	10,359,400.00
25,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	1.295	102.912615520	25,728,153.88	26,269,000.00
25,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136FR3N	1.350	9/20/16	1.369	100.000000000	25,000,000.00	25,051,250.00
20,000,000	FEDERAL HOME LOAN MTG CORP	3134G3BT	1.625	11/23/16	1.658	99.957212950	19,991,442.59	20,075,400.00
20,000,000	FED HOME LOAN MORTGAGE CORP BDS	3134G3CB	1.625	12/05/16	1.196	100.188815600	20,037,763.12	20,086,600.00
10,000,000	FED NATL MORTGAGE ASSN DEBS	3136FTUZ	1.400	12/30/16	1.419	100.000000000	10,000,000.00	10,099,600.00
5,000,000	FED NATL MORTGAGE ASSN DEBS	3136FTUZ	1.400	12/30/16	1.419	100.000000000	5,000,000.00	5,049,800.00
115,000,000					.296		116,089,806.89	116,991,050.00

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

20,000,000	FED NATL MORTGAGE ASSN DEBS	3136FTYG	1.000	1/30/17	1.026	99.946249550	19,989,249.91	20,078,600.00
20,000,000					1.721		19,989,249.91	20,078,600.00

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

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:25:34
 BASIS: SETTLEMENT (SIC FROM OMARKET-LIBRARY)
 AS-OF: 6/30/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 6/30/12

STATE OF NEW MEXICO
 TREASURER'S OFFICE

PAGE: 7

=====
 POSITION-SIZ DESCRIPTION CUSIP# RATE MATURITY YIELD UNIT-BOOK CURRENT BK LOC-MKT-VALUE
 =====

637,423,166

.054

642,337,194.13 645,394,113.26

====> 0046 ITEMS IN SUBTOTAL FOR ==>> FUND-NAME..... ==>> BOND PROCEEDS INV POOL2 TAXABL <

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 6/30/12

BOND PROCEEDS INV POOL2 TAXABL (4002)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
16945	0702RP	9		4002	10 OVERNIGHT REPO	.350	7/02/12	.350	1,989,026.73		1,989,026.73	7/02/12

1 Item in subtotal for: REPURCHASE AGREEMENTS (O/N) (Type 10)

Market: 1,989,026.73 (1 priced @ cost) .308% Total

Cpn:	.350	Term:	.005	S&P:	N/R (1 not rated)
Yld:	.350	Dur:	.005	Moody:	N/R (1 not rated)

CERTIFICATES OF DEPOSIT (30)

15767	08118544	9		4002	30 WESTERN BANK ALAMOGORDO	.700	12/27/12	.700	1,100,000.00		1,100,000.00	12/27/11
15444	10000000	9		4002	30 WESTERN BANK ALAMOGORDO	.750	7/26/12	-.750	1,000,000.00		1,000,000.00	7/26/12
15409	15866000	9		4002	30 WESTERN BANK CLOVIS	.750	7/05/12	.750	2,000,000.00		2,000,000.00	7/05/12
15441	15894000	9		4002	30 WESTERN BANK CLOVIS	.750	7/19/12	.750	600,000.00		600,000.00	7/19/12
15430	81186340	9		4002	30 WESTERN BANK ALAMOGORDO	.750	7/22/12	.750	1,000,000.00		1,000,000.00	7/22/12

5 Items in subtotal for: CERTIFICATES OF DEPOSIT (Type 30)

Market: 5,700,000.00 (5 priced @ cost) .883% Total

Cpn:	.740	Term:	.129	S&P:	N/R (1 not rated)
Yld:	.740	Dur:	.129	Moody:	N/R (1 not rated)

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 6/30/12
 BOND PROCEEDS INV POOL2 TAXABL (4002)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
15445	20124770	9		4002	31 WESTERN COMMERCE BANK	.550	7/27/12	.550	2,000,000.00		2,000,000.00	7/27/12
15446	20124780	9		4002	31 WESTERN COMMERCE BANK	.550	7/27/12	.550	2,000,000.00		2,000,000.00	7/27/12
2 Items in subtotal for: LINKED-CERTIFICATE OF DEPOSIT (Type 31)											4,000,000.00	4,000,000.00

LINKED-CERTIFICATE OF DEP (31)

Market: 4,000,000.00 (2 priced @ cost) .620% Total

Cpn: .550 Term: .074 S&P: N/R (1 not rated)
 Yld: .550 Dur: .074 Moody: N/R (1 not rated)

US TREASURY NOTE ACT/ACT (I30)

14918	912828KF	1		4002	130 UNITED STATES TREASURY NOTES	1.875	2/28/14	1.007	40,000,000.00		40,571,774.52	1/20/11
15242	912828KN	1		4002	130 UNITED STATES TREASURY NOTES	1.875	4/30/14	1.298	10,000,000.00		10,104,114.85	3/29/11
15241	912828KV	1		4002	130 UNITED STATES TREASURY NOTES	2.250	5/31/14	1.346	10,000,000.00		10,170,243.58	3/29/11
15239	912828NN	1		4002	130 UNITED STATES TREASURY NOTES	1.000	7/15/13	.914	10,000,000.00		10,008,879.89	3/29/11
15806	912828NP	1		4002	130 UNITED STATES TREAS NTS	1.750	7/31/15	.453	10,000,000.00		10,396,533.31	1/17/12
14919	912828NU	1		4002	130 UNITED STATES TREASURY NOTES	.750	8/15/13	.789	20,000,000.00		19,991,250.50	9/07/10
15240	912828NU	1		4002	130 UNITED STATES TREASURY NOTES	.750	8/15/13	.946	10,000,000.00		9,978,136.67	3/29/11
15413	912828PB	1		4002	130 UNITED STATES TREASURY NOTES	.500	10/15/13	.575	5,000,000.00		4,995,214.51	7/08/11
15206	912828QK	1		4002	130 UNITED STATES TREAS NTS	.625	2/28/13	.724	5,000,000.00		4,996,727.28	6/09/11
15807	912828QR	1		4002	130 UNITED STATES TREAS NTS	1.500	6/30/16	.656	10,000,000.00		10,332,544.58	1/17/12

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 6/30/12
 BOND PROCEEDS INV POOL2 TAXABL (4002)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
15415	912828QZ	1	4002	130	UNITED STATES TREASURY NOTES	.500	5/31/13	.454	20,000,000.00		20,008,311.55	7/08/11
15414	912828RA	1	4002	130	UNITED STATES TREASURY NOTES	.375	6/30/13	.474	20,000,000.00		19,980,262.72	7/08/11
15805	912828RV	1	4002	130	UNITED STATES TREAS NTS	.250	12/15/14	.330	10,000,000.00		9,980,531.36	1/17/12
13 Items in subtotal for: US TREASURY NOTE ACT/ACT 2X (Type 130)											180,000,000.00	181,514,525.32
Market: 182,736,500.00											28.314% Total	
Cpn: 1.149											Term: 1.621	S&P: N/R (1 not rated)
Yld: .782											Dur: 1.609	Moody: N/R (1 not rated)
TEMP CORP CU STABILIZATIO (218)												
14318	90345AAC	1	4002	218	U.S. CENTRAL FEDERAL CREDIT UNI	1.900	10/19/12	1.922	20,000,000.00		19,998,715.33	10/19/09
1 Item in subtotal for: TEMP CORP CU STABILIZATION FND (Type 218)											20,000,000.00	19,998,715.33
Market: 20,100,800.00											3.115% Total	
Cpn: 1.900											Term: .304	S&P: N/R (1 not rated)
Yld: 1.922											Dur: .304	Moody: N/R (1 not rated)
FED FARM CR BKS CALLABLE (233)												
15744	31331K2S	1	4002	233	FED FARM CR BKS CALLABLE	1.170	12/14/15 @	1.176	4,365,000.00		4,364,047.51	12/16/11

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 6/30/12

BOND PROCEEDS INV POOL2 TAXABL (4002)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
------	--------	----	-------	-----------	-------------	------	------------	-------	------------	---	------------	----------

1 Item in subtotal for: FED FARM CR BKS CALLABLE (Type 233)

4,365,000.00 4,364,047.51

Market: 4,374,341.10 .678% Total

Cpn: 1.170 Term: 3.455 (OA .458) S&P: N/R (1 not rated)
 Yld: 1.176 (OA 1.218) Dur: 3.397 Moody: N/R (1 not rated)

AGENCY US NOTES 30/360 2X (270)

15693	3134G3BT	1	4002	270	FEDERAL HOME LOAN MTG CORP	1.625	11/23/16		1.635	20,000,000.00	19,991,062.78	11/23/11
15775	3134G3CB	1	4002	270	FED HOME LOAN MORTGAGE CORP BDS	1.625	12/05/16 @		1.180	20,000,000.00	20,037,795.54	1/09/12
15733	3134G3FA	1	4002	270	FEDERAL HOME LOAN MORTGAGE CORP	1.100	12/30/15 @		1.100	7,300,000.00	7,300,000.00	12/30/11
15585	31359MNU	1	4002	270	FEDERAL NATIONAL MORTGAGE ASSOC	5.250	8/01/12		.362	5,000,000.00	5,020,329.38	8/01/12
15492	31359MTP	1	4002	270	FEDERAL NATIONAL MORTGAGE ASSOC	5.125	1/02/14		.817	14,260,000.00	15,175,769.30	8/18/11
15495	31359MTP	1	4002	270	FEDERAL NATIONAL MORTGAGE ASSOC	5.125	1/02/14		.842	8,450,000.00	8,989,380.65	8/18/11
11995	3136F9DU	1	4002	270	FEDERAL NATIONAL MORTGAGE ASSOC	4.000	4/15/13		4.079	2,400,000.00	2,398,428.25	8/22/08
15569	3136FR3N	1	4002	270	FEDERAL NATIONAL MORTGAGE ASSOC	1.350	9/20/16 @		1.350	25,000,000.00	25,000,000.00	9/20/11
15517	3137EACW	1	4002	270	FEDERAL HOME LOAN MORTGAGE CORP	2.000	8/25/16		1.277	25,000,000.00	25,727,892.20	8/30/11
15421	31398A2S	1	4002	270	FEDERAL NATIONAL MORTGAGE ASSOC	1.000	9/23/13		.564	20,000,000.00	20,106,534.99	7/12/11

10 Items in subtotal for: AGENCY US NOTES 30/360 2X (Type 270)

147,410,000.00 149,747,193.09

Market: 150,723,080.20 23.354% Total

Cpn: 2.232 Term: 3.208 (OA 1.888) S&P: N/R (1 not rated)
 Yld: 1.161 Dur: 3.094 (OA 2.580) Moody: N/R (1 not rated)

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 6/30/12

BOND PROCEEDS INV POOL2 TAXABL (4002)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
FED NATL MORTGAGE ASSN DE (280)												
17172	3135G0AP	9	4002	280	FED NATIONAL MTC ASSN DEB	1.250	2/27/14	.715	20,000,000.00		20,175,581.18	7/12/11
15746	3136FTUZ	1	4002	280	FED NATL MORTGAGE ASSN DEBS	1.400	12/30/16 @	1.400	10,000,000.00		10,000,000.00	12/30/11
15750	3136FTUZ	1	4002	280	FED NATL MORTGAGE ASSN DEBS	1.400	12/30/16 @	1.400	5,000,000.00		5,000,000.00	12/30/11
15798	3136FTYG	1	4002	280	FED NATL MORTGAGE ASSN DEBS	1.000	1/30/17 @	1.012	20,000,000.00		19,988,951.64	1/30/12
15776	31398A4M	1	4002	280	FED NATL MORTGAGE ASSN DEBS	1.625	10/26/15	.858	20,000,000.00		20,500,575.02	1/09/12
5 Items in subtotal for: FED NATL MORTGAGE ASSN DEBS (Type 280)										75,000,000.00	75,665,107.84	
Market: 76,119,781.18 (1 priced @ cost)										11.794% Total		
Cpn:	1.313	Term:	3.452	(OA 1.785)	S&P:	N/R	(1 not rated)					
Yld:	.968	(OA .990)	Dur:	3.368	Moody:	N/R	(1 not rated)					

CORP US NOTE 30/360 2X (287)												
14897	17313YAJ	1	4002	287	CITIGROUP FUNDING INC.	2.250	12/10/12	.747	20,000,000.00		20,132,213.90	8/26/10
14896	17314JAT	1	4002	287	CITIBANK, N.A.	1.750	12/28/12	.749	20,000,000.00		20,098,034.70	8/26/10
14895	36967HAV	1	4002	287	GENERAL ELECTRIC CAPITAL CORP	2.125	12/21/12	.748	25,155,000.00		25,317,914.47	8/26/10
11194	38141GCG	1	4002	287	THE GOLDMAN SACHS GROUP, INC.	5.700	9/01/12	5.309	10,000,000.00		10,004,787.26	10/12/07
11195	617446V8	1	4002	287	MORGAN STANLEY	5.750	8/31/12	5.291	5,000,000.00		5,001,743.99	8/31/12
14347	95806AAB	1	4002	287	WESTERN CORPORATE FCU	1.750	11/02/12	1.793	10,000,000.00		9,998,392.44	11/02/09
6 Items in subtotal for: CORP US NOTE 30/360 2X (Type 287)										90,155,000.00	90,553,086.76	
Market: 90,846,286.10										14.076% Total		
Cpn:	2.626	Term:	.409	S&P:	N/R	(1 not rated)						

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 6/30/12

BOND PROCEEDS INV POOL2 TAXABL (4002)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @ YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
					Yld: 1.618						
					Dur: .409						
										Moody: N/R (1 not rated)	

UNITS - INVESTMENT POOL 1 (7110)

16436	UNITS001 2			4002	7110	UNITS - INVESTMENT POOL 1				109,292,564.47	8/16/12
1 Item in subtotal for: UNITS - INVESTMENT POOL 1 (Type 7110)											
										109,292,564.47	
Market: 109,292,564.47										109,292,564.47	
16.934% Total											

CASH ACCOUNT (9300)

16341	CASHCASH 1			4002	9300	CASH KEY				-488,425.10	9/04/12
1 Item in subtotal for: CASH ACCOUNT (Type 9300)											
										-488,425.10	
Market: -488,425.10										-488,425.10	
-.076% Total											

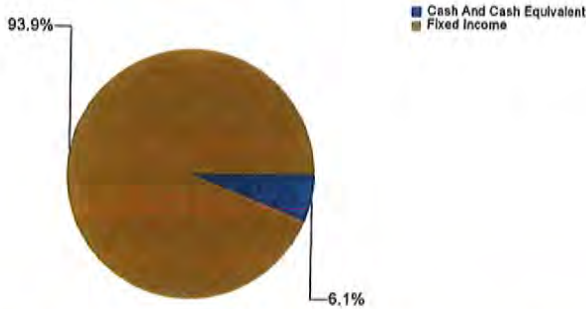
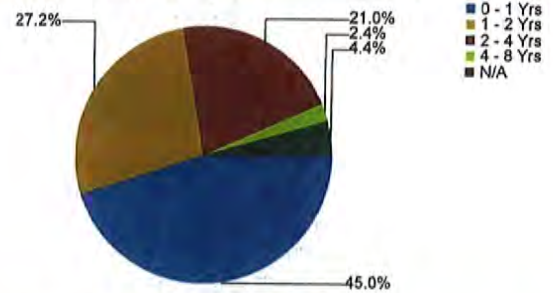
46 Items in subtotal for: BOND PROCEEDS INV POOL2 TAXABL (Fund 4002)

										637,423,166.10	
Market: 645,393,954.68 (9 priced @ cost)										100.000% Total	
										642,335,841.95	

Portfolio Characteristics

Duration Mix

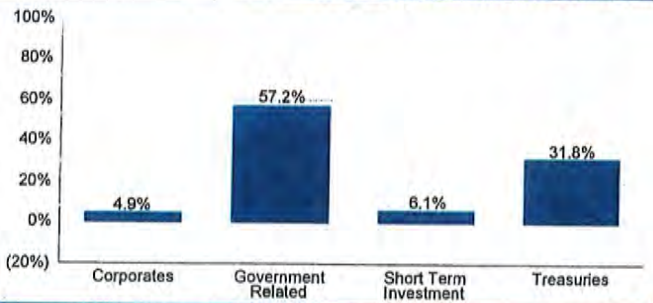
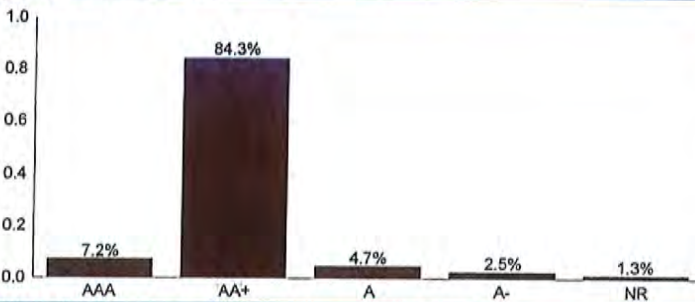
Total Net Assets (Millions) 627.0
Weighted Average Life (Years) 2.01
Weighted Avg. Effective Duration (Years) 1.40
Weighted Average Coupon (%) 1.61
Weighted Average Current Yield (%) 0.34
Weighted Average Yield to Maturity (%) 0.52
Weighted Average Rating AA
Number of Holdings 44



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
912828KFB	US 1.87500 '14	6.60%	1.88	28/2/2014
912828NU0	US 0.75000 '13	4.83%	0.75	15/8/2013
892998X00	LGIP POOL PARTICIPANT	4.35%	0.17	
3137EACW7	FED HOME LOAN MTG 2% BDS 25/AUG/2016 USD1000	4.23%	2.00	25/8/2016
36967HAV9	GENERAL ELECTRIC CAPITAL CORP SER'G 2.125% NTS	4.05%	2.12	21/12/2012
3136FR3N1	FEDERAL NATIONAL MORTGAGE ASSOC 1.35% NTS	4.01%	1.35	20/9/2016
31359MTP8	FED NATL MTG ASSN 5.12% 02/JAN/2014	3.88%	5.12	2/1/2014
31398A4M1	FED NATL MORT ASSC 1.625% BDS 28/OCT/2016 USD1000	3.33%	1.62	28/10/2016
3135G0AP8	FEDERAL NATIONAL MORTGAGE ASSOC 1.25% NTS	3.26%	1.25	27/2/2014
31398A280	FEDERAL NATIONAL MORTGAGE ASSOC 1% BDS 23/SEP/2013	3.23%	1.00	23/9/2013

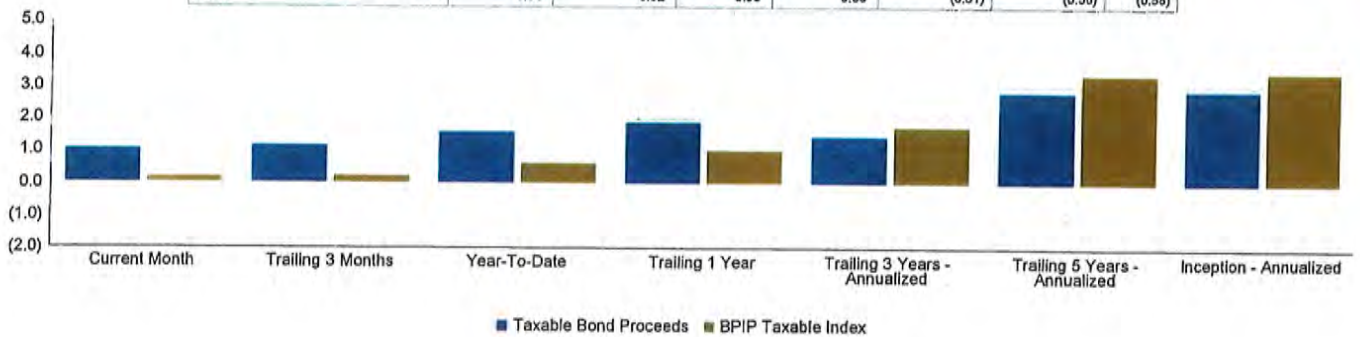
Quality/Rating Weightings

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	1.01	1.12	1.55	1.86	1.42	2.80	2.88
BPIP Taxable Index	0.17	0.21	0.60	1.01	1.73	3.36	3.46
Excess	0.84	0.92	0.95	0.85	(0.31)	(0.58)	(0.58)



STATE OF NEW MEXICO

BOND PROCEEDS INV POOL2 TAXABL (4002)

TXN BASIS: SETTLEMENT
 MKT-SOURCE: IDC-PREFERRED+
 AMTZ ADDED: NO

Portfolio Classification Summary
 Positions Held as of 7/31/12

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.2231	.00270	2,982,320	2,982,320	2,982,320		.476
CERTIFICATES OF DEPOSIT	5	.6177	.86668	6,200,000	6,200,000	6,200,000		.990
LINKED-CERTIFICATE OF DEPOSIT	2	.5000	1.46030	4,000,000	4,000,000	4,000,000		.639
US TREASURY NOTE ACT/ACT 2X	14	.7535	1.68086	195,000,000	197,318,442	198,820,450	1,502,008	31.757
TEMP CORP CU STABILIZATION FND	1	1.9488	.21920	20,000,000	19,999,077	20,075,200	76,123	3.207
FED FARM CR BKS CALLABLE	1	1.1928	.37260	4,365,000	4,364,062	4,374,909	10,847	.699
AGENCY US BOND 30/360 2X	1	.8367	4.85750	15,000,000	15,124,512	15,115,950	-8,562	2.414
AGENCY US NOTES 30/360 2X	11	1.1112	1.92023	162,410,000	164,643,410	165,759,012	1,115,602	26.476
FED NATL MORTGAGE ASSN DEBS	5	.9818	1.70010	75,000,000	75,644,169	76,228,961	584,792	12.176
CORP US NOTE 30/360 2X	6	1.6415	.32371	90,155,000	90,478,677	90,696,621	217,944	14.487
MEDIUM-TERM NOTES	1	.3346	1.00000	15,000,000	15,000,000	15,013,950	13,950	2.398
UNITS - INVESTMENT POOL 1	1			27,294,215	27,294,215	27,294,215		4.360
CASH ACCOUNT	1			-499,483	-499,483	-499,483		-.080
	50	1.0003	1.52754	616,907,052	622,549,401	626,062,105	3,512,704	100.000

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:27:14
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 7/31/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 7/31/12

STATE OF NEW MEXICO
 TREASURER'S OFFICE

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
-	499,483 CASH KEY					1.0000000000	499,483.37	499,483.00
-	27,294,215 UNITS - INVESTMENT POOL 1	CASHCASH UNITS001				.9999999987	27,294,214.65	27,294,215.00
-	26,794,732				.907		26,794,731.28	26,794,732.00

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

5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MNU	5.250	8/01/12	.367	100.0000000000	5,000,000.00	5,000,000.00
2,982,320	OVERNIGHT REPO	0801RP	.220	8/01/12	.223	99.999984911	2,982,319.55	2,982,319.55
5,000,000	MORGAN STANLEY	617446V8	5.750	8/31/12	5.364	100.0000498000	5,000,024.90	5,012,450.00
10,000,000	THE GOLDMAN SACHS GROUP, INC.	38141CGG	5.700	9/01/12	5.383	100.021978700	10,002,197.87	10,040,000.00
20,000,000	U.S. CENTRAL FEDERAL CREDIT UNIO	90345AAC	1.900	10/19/12	1.949	99.995386850	19,999,077.37	20,075,200.00
10,000,000	WESTERN COPORATE FCU	95806AAB	1.750	11/02/12	1.818	99.987227600	9,998,722.76	10,039,100.00
20,000,000	CITIGROUP FUNDING INC.	17313YAJ	2.250	12/10/12	.757	100.536286300	20,107,257.26	20,141,600.00
25,155,000	GENERAL ELECTRIC CAPITAL CORPORA	36967HAV	2.125	12/21/12	.758	100.533261976	25,289,142.05	25,336,870.65
1,100,000	WESTERN BANK ALAMOGORDO	08118544	.700	12/27/12	.700	100.000000000	1,100,000.00	1,100,000.00
20,000,000	CITIBANK, N.A.	17314JAT	1.750	12/28/12	.759	100.407006250	20,081,401.25	20,126,600.00
-	119,237,320				.203		119,560,143.01	119,854,140.20

====> 0010 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2012 <====

5,000,000	UNITED STATES TREAS NTS	912828QK	.625	2/28/13	.724	99.942576800	4,997,128.84	5,013,300.00
-----------	-------------------------	----------	------	---------	------	--------------	--------------	--------------

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT

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

RUN: 8/31/12 @ 15:27:14
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 7/31/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 7/31/12

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
2,400,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136F9DU	4.000	4/15/13	4.136	99.940709583	2,398,577.03	2,463,744.00
20,000,000	UNITED STATES TREASURY NOTES	912828QZ	.500	5/31/13	.454	100.038029100	20,007,605.82	20,053,200.00
20,000,000	UNITED STATES TREASURY NOTES	912828RA	.375	6/30/13	.474	99.909878600	19,981,975.72	20,036,000.00
10,000,000	UNITED STATES TREASURY NOTES	912828NN	1.000	7/15/13	.914	100.081389900	10,008,138.99	10,077,300.00
600,000	WESTERN BANK CLOVIS	15894	.600	7/15/13	.600	100.000000000	600,000.00	600,000.00
2,000,000	WESTERN BANK CLOVIS	15957	.600	7/15/13	.600	100.000000000	2,000,000.00	2,000,000.00
1,000,000	WESTERN BANK ALAMOGORDO	81186647	.600	7/22/13	.600	100.000000000	1,000,000.00	1,000,000.00
1,500,000	WESTERN BANK ALAMOGORDO	81186647	.600	7/22/13	.600	100.000000000	1,500,000.00	1,500,000.00
15,000,000	INTL FINANCE CORP	45950VBW	.330	8/01/13	.335	100.000000000	15,000,000.00	15,013,950.00
20,000,000	UNITED STATES TREASURY NOTES	912828NU	.750	8/15/13	.789	99.959692050	19,991,938.41	20,116,400.00
10,000,000	UNITED STATES TREASURY NOTES	912828NU	.750	8/15/13	.946	99.797870300	9,979,787.03	10,058,200.00
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31398A2S	1.000	9/23/13	.572	100.496528500	20,099,305.70	20,168,600.00
5,000,000	UNITED STATES TREASURY NOTES	912828PB	.500	10/15/13	.575	99.909985400	4,995,499.27	5,017,750.00
132,500,000					.183		132,559,956.81	133,118,444.00
===> 0014 ITEMS IN SUBTOTAL FOR ===> FINAL-MATURITY.. ===> 2013 <===								
14,260,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MTP	5.125	1/02/14	.828	106.066628051	15,125,101.16	15,225,544.60
8,450,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MTP	5.125	1/02/14	.854	106.029957515	8,959,531.41	9,022,149.50
2,000,000	WESTERN COMMERCE BANK	2012477	.500	1/15/14	.500	100.000000000	2,000,000.00	2,000,000.00
2,000,000	WESTERN COMMERCE BANK	2012634	.500	1/15/14	.500	100.000000000	2,000,000.00	2,000,000.00
20,000,000	FED NATIONAL MTG ASSN DEB	3135G0AP	1.250	2/27/14	.725	100.834807700	20,166,961.54	20,166,961.54
40,000,000	UNITED STATES TREASURY NOTES	912828KF	1.875	2/28/14	1.007	101.358175975	40,543,270.39	41,043,600.00
10,000,000	UNITED STATES TREASURY NOTES	912828KN	1.875	4/30/14	1.298	100.992892800	10,099,289.28	10,287,100.00

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:27:14
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 7/31/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 7/31/12

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
10,000,000	UNITED STATES TREASURY NOTES	912828KV	2.250	5/31/14	1.346	101.628388000	10,162,838.80	10,369,900.00
10,000,000	UNITED STATES TREAS NTS	912828RV	.250	12/15/14	.330	99.811149200	9,981,114.92	10,003,100.00
116,710,000					.204		119,038,107.50	120,118,355.64

====> 0009 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2014 <====

10,000,000	UNITED STATES TREAS NTS	912828NP	1.750	7/31/15	.453	103.856861100	10,385,686.11	10,431,300.00
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3ZA	.500	8/28/15	.450	100.170806200	15,025,620.93	15,013,500.00
20,000,000	FED NATL MORTGAGE ASSN DEBS	31398A4M	1.625	10/26/15	.870	102.442358050	20,488,471.61	20,805,400.00
4,365,000	FED FARM CR BKS CALLABLE	31331K2S	1.170	12/14/15	1.192	99.979904926	4,364,122.85	4,374,908.55
7,300,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3FA	1.100	12/30/15	1.115	100.000000000	7,300,000.00	7,354,823.00
15,000,000	UNITED STATES TREAS NTS	912828PM	2.125	12/31/15	.433	105.726091333	15,858,913.70	15,900,000.00
71,665,000					.331		73,422,815.20	73,879,931.55

====> 0006 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2015 <====

10,000,000	UNITED STATES TREAS NTS	912828QR	1.500	6/30/16	.656	103.255136800	10,325,513.68	10,413,300.00
25,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACW	2.000	8/25/16	1.295	102.855917760	25,713,979.44	26,320,250.00
25,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136FR3N	1.350	9/20/16	1.369	100.000000000	25,000,000.00	25,036,000.00
20,000,000	FEDERAL HOME LOAN MTG CORP	3134G3BT	1.625	11/23/16	1.658	99.957759300	19,991,551.86	20,072,000.00
20,000,000	FED HOME LOAN MORTGAGE CORP BDS	3134G3CB	1.625	12/05/16	1.196	100.151634050	20,030,326.81	20,082,400.00

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:27:14
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 7/31/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 7/31/12

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
10,000,000	FED NATL MORTGAGE ASSN DEBS	3136FTUZ	1.400	12/30/16	1.419	100.0000000000	10,000,000.00	10,119,700.00
5,000,000	FED NATL MORTGAGE ASSN DEBS	3136FTUZ	1.400	12/30/16	1.419	100.0000000000	5,000,000.00	5,059,850.00
115,000,000					.209		116,061,371.79	117,103,500.00

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

20,000,000	FED NATL MORTGAGE ASSN DEBS	3136FTYG	1.000	1/30/17	1.026	99.947366050	19,989,473.21	20,077,200.00
15,000,000	FEDERAL HOME LOAN BANKS	313379FW	1.000	6/09/17	.836	100.831037467	15,124,655.62	15,115,950.00
35,000,000					.692		35,114,128.83	35,193,150.00

====> 0002 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2017 <====

616,907,052

 622,551,254.42 626,062,253.39

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

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12
 BOND PROCEEDS INV POOL2 TAXABL (4002)

POS#	SEC-ID	\$	POOL#	FUND	TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
17165	0801RP	9	4002	10	OVERNIGHT REPO		.220	8/01/12	.220	2,982,319.55		2,982,319.55	8/01/12
1 Item in subtotal for: REPURCHASE AGREEMENTS (O/N) (Type 10)													
Market: 2,982,319.55 (1 priced @ cost)													
.476% Total													

Cpn: .220 Term: .003 S&P: N/R (1 not rated)
 Yld: .220 Dur: .003 Moody: N/R (1 not rated)

CERTIFICATES OF DEPOSIT (30)

15767	08118544	9	4002	30	WESTERN BANK ALAMOGORDO		.700	12/27/12	.700	1,100,000.00		1,100,000.00	12/27/11
17077	15894	9	4002	30	WESTERN BANK CLOVIS		.600	7/15/13	.600	600,000.00		600,000.00	7/19/12
17022	15957	9	4002	30	WESTERN BANK CLOVIS		.600	7/15/13	.600	2,000,000.00		2,000,000.00	7/12/12
17035	81186647	9	4002	30	WESTERN BANK ALAMOGORDO		.600	7/22/13	.600	1,000,000.00		1,000,000.00	7/13/12
17128	81186647	9	4002	30	WESTERN BANK ALAMOGORDO		.600	7/22/13	.600	1,500,000.00		1,500,000.00	7/26/12
5 Items in subtotal for: CERTIFICATES OF DEPOSIT (Type 30)													
Market: 6,200,000.00 (5 priced @ cost)													
.990% Total													

Cpn: .618 Term: .867 S&P: N/R (1 not rated)
 Yld: .618 Dur: .867 Moody: N/R (1 not rated)

STATE OF NEW MEXICO
Position Holdings
SETTLED POSITIONS HELD AS OF 7/31/12
 BOND PROCEEDS INV POOL2 TAXABL (4002)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
17140	2012477	9	4002	31	WESTERN COMMERCE BANK	.500	1/15/14	.500	2,000,000.00		2,000,000.00	7/27/12
17141	2012634	9	4002	31	WESTERN COMMERCE BANK	.500	1/15/14	.500	2,000,000.00		2,000,000.00	7/27/12
2 Items in subtotal for: LINKED-CERTIFICATE OF DEPOSIT (Type 31)												
Market: 4,000,000.00 (2 priced @ cost)												.639% Total

Cpn: .500 Term: 1.460 S&P: N/R (1 not rated)
 Yld: .500 Dur: 1.495 Moody: N/R (1 not rated)

US TREASURY NOTE ACT/ACT (130)

14918	912828KF	1	4002	130	UNITED STATES TREASURY NOTES	1.875	2/28/14	1.007	40,000,000.00		40,543,158.18	1/20/11
15242	912828KN	1	4002	130	UNITED STATES TREASURY NOTES	1.875	4/30/14	1.298	10,000,000.00		10,099,368.95	3/29/11
15241	912828KV	1	4002	130	UNITED STATES TREASURY NOTES	2.250	5/31/14	1.346	10,000,000.00		10,162,773.32	3/29/11
15239	912828NN	1	4002	130	UNITED STATES TREASURY NOTES	1.000	7/15/13	.914	10,000,000.00		10,008,157.01	3/29/11
15806	912828NP	1	4002	130	UNITED STATES TREAS NTS	1.750	7/31/15	.453	10,000,000.00		10,385,668.08	1/17/12
14919	912828NU	1	4002	130	UNITED STATES TREASURY NOTES	.750	8/15/13	.789	20,000,000.00		19,991,925.88	9/07/10
15240	912828NU	1	4002	130	UNITED STATES TREASURY NOTES	.750	8/15/13	.946	10,000,000.00		9,979,794.63	3/29/11
15413	912828PB	1	4002	130	UNITED STATES TREASURY NOTES	.500	10/15/13	.575	5,000,000.00		4,995,527.48	7/08/11
17033	912828PM	1	4002	130	UNITED STATES TREAS NTS	2.125	12/31/15	.433	15,000,000.00		15,858,663.12	7/16/12
15206	912828QK	1	4002	130	UNITED STATES TREAS NTS	.625	2/28/13	.724	5,000,000.00		4,997,142.13	6/09/11

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12
BOND PROCEEDS INV POOL2 TAXABL (4002)

POS#	SEC-ID	\$	POOL#	FUND	TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
15807	912828QR	1	4002	130	UNITED STATES TREAS NTS	1.500	6/30/16	.656	10,000,000.00	10,325,608.91	1/17/12		
15415	912828QZ	1	4002	130	UNITED STATES TREASURY NOTES	.500	5/31/13	.454	20,000,000.00	20,007,538.41	7/08/11		
15414	912828RA	1	4002	130	UNITED STATES TREASURY NOTES	.375	6/30/13	.474	20,000,000.00	19,981,920.14	7/08/11		
15805	912828RV	1	4002	130	UNITED STATES TREAS NTS	-.250	12/15/14	-.330	10,000,000.00	9,981,198.90	1/17/12		
14 Items in subtotal for: US TREASURY NOTE ACT/ACT 2X (Type 130)										195,000,000.00		197,318,445.14	

Market: 198,820,450.00 31.75% Total

Cpn: 1.224 Term: 1.681 S&P: N/R (1 not rated)
Yld: .753 Dur: 1.670 Moody: N/R (1 not rated)

TEMP CORP CU STABILIZATIO (218)

14318	90345AAC	1	4002	218	U.S. CENTRAL FEDERAL CREDIT UNI	1.900	10/19/12	1.922	20,000,000.00	19,999,077.37	10/19/09	
1 Item in subtotal for: TEMP CORP CU STABILIZATION FND (Type 218)										20,000,000.00		19,999,077.37

Market: 20,075,200.00 3.20% Total

Cpn: 1.900 Term: .219 S&P: N/R (1 not rated)
Yld: 1.922 Dur: .219 Moody: N/R (1 not rated)

FED FARM CR BKS CALLABLE (233)

15744	31331K2S	1	4002	233	FED FARM CR BKS CALLABLE	1.170	12/14/15 @	1.176	4,365,000.00	4,364,061.85	12/16/11	
-------	----------	---	------	-----	--------------------------	-------	------------	-------	--------------	--------------	----------	--

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12
 BOND PROCEEDS INV POOL2 TAXABL (4002)

POS#	SEC-ID	\$ POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
------	--------	----------	-----------	-------------	------	------------	-------	------------	---	------------	----------

1 Item in subtotal for: FED FARM CR BKS CALLABLE (Type 233)

Market: 4,374,908.55	4,365,000.00	4,364,061.85
.699% Total		

Cpn: 1.170	Term: 3.370 (OA .373)	S&P: N/R (1 not rated)
Yld: 1.176 (OA 1.217)	Dur: 3.312	Moody: N/R (1 not rated)

17058 313379FW 1 4002 260 FEDERAL HOME LOAN BANKS

AGENCY US BOND 30/360 2X (.260)
 1.000 6/09/17

1 Item in subtotal for: AGENCY US BOND 30/360 2X (Type 260)

Market: 15,115,950.00	.825 15,000,000.00	15,124,513.95
2.414% Total		

Cpn: 1.000	Term: 4.858	S&P: N/R (1 not rated)
Yld: .825	Dur: 4.749	Moody: N/R (1 not rated)

15693 3134G3BT 1 4002 270 FEDERAL HOME LOAN MTG CORP

AGENCY US NOTES 30/360 2X (.270)
 1.625 11/23/16

1 Item in subtotal for: AGENCY US NOTES 30/360 2X (Type 270)

Market: 19,991,178.99	1.635 20,000,000.00	19,991,178.99
-----------------------	---------------------	---------------

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12
 BOND PROCEEDS INV POOL2 TAXABL (4002)

POS#	SEC-ID	\$	POOL#	FUND	TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
15775	3134G3CB	1	4002	270	FED HOME LOAN MORTGAGE CORP BDS	1.625	12/05/16 @	1.180	20,000,000.00	20,030,352.97	1/09/12		
15733	3134G3FA	1	4002	270	FEDERAL HOME LOAN MORTGAGE CORP	1.100	12/30/15 @	1.100	7,300,000.00	7,300,000.00	12/30/11		
17131	3134G3ZA	1	4002	270	FEDERAL HOME LOAN MORTGAGE CORP	.500	8/28/15	.444	15,000,000.00	15,025,471.46	7/30/12		
15585	31359MNU	1	4002	270	FEDERAL NATIONAL MORTGAGE ASSOC	5.250	8/01/12	.362	5,000,000.00	5,000,000.00	8/01/12		
15492	31359MTP	1	4002	270	FEDERAL NATIONAL MORTGAGE ASSOC	5.125	1/02/14	.817	14,260,000.00	15,125,183.76	8/18/11		
15495	31359MTP	1	4002	270	FEDERAL NATIONAL MORTGAGE ASSOC	5.125	1/02/14	.842	8,450,000.00	8,959,589.34	8/18/11		
11995	3136F9DU	1	4002	270	FEDERAL NATIONAL MORTGAGE ASSOC	4.000	4/15/13	4.079	2,400,000.00	2,398,580.39	8/22/08		
15569	3136FR3N	1	4002	270	FEDERAL NATIONAL MORTGAGE ASSOC	1.350	9/20/16 @	1.350	25,000,000.00	25,000,000.00	9/20/11		
15517	3137EACW	1	4002	270	FEDERAL HOME LOAN MORTGAGE CORP	2.000	8/25/16	1.277	25,000,000.00	25,713,722.97	8/30/11		
15421	31398A2S	1	4002	270	FEDERAL NATIONAL MORTGAGE ASSOC	1.000	9/23/13	.564	20,000,000.00	20,099,331.01	7/12/11		
11 Items in subtotal for: AGENCY US NOTES 30/360 2X (Type 270)										162,410,000.00		164,643,410.89	
Market: 165,759,011.10										26.476% Total			

Market: 165,759,011.10

26.476% Total

Cpn: 2.072 Term: 3.118 (OA 1.920) S&P: N/R (1 not rated)
 Yld: 1.096 (OA 1.090) Dur: 3.020 (OA 2.552) Moody: N/R (1 not rated)

FED NATL MORTGAGE ASSN DE (280)

17172	3135G0AP	9	4002	280	FED NATIONAL MTG ASSN DEB	1.250	2/27/14	.715	20,000,000.00	20,166,810.59	7/12/11	
15746	3136FTUZ	1	4002	280	FED NATL MORTGAGE ASSN DEBS	1.400	12/30/16 @	1.400	10,000,000.00	10,000,000.00	12/30/11	
15750	3136FTUZ	1	4002	280	FED NATL MORTGAGE ASSN DEBS	1.400	12/30/16 @	1.400	5,000,000.00	5,000,000.00	12/30/11	
15798	3136FTYG	1	4002	280	FED NATL MORTGAGE ASSN DEBS	1.000	1/30/17 @	1.012	20,000,000.00	19,989,180.25	1/30/12	
15776	31398A4M	1	4002	280	FED NATL MORTGAGE ASSN DEBS	1.625	10/26/15	.858	20,000,000.00	20,488,173.23	1/09/12	
5 Items in subtotal for: FED NATL MORTGAGE ASSN DEBS (Type 280)										75,000,000.00		75,644,164.07
Market: 76,228,960.59 (1 priced @ cost)										12.176% Total		

Market: 76,228,960.59 (1 priced @ cost)

12.176% Total

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12
 BOND PROCEEDS INV POOL2 TAXABL (4002)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
------	--------	----	-------	-----------	-------------	------	------------	-------	------------	---	------------	----------

Cpn: 1.313 Term: 3.367 (OA 1.700) S&P: N/R (1 not rated)
 Yld: .968 (OA .994) Dur: 3.291 Moody: N/R (1 not rated)

CORP US NOTE 30/360 2X (287)

14897	17313YAJ	1	4002	287	CITIGROUP FUNDING INC.	2.250	12/10/12	.747	20,000,000.00		20,107,234.35	8/26/10
14896	17314JAT	1	4002	287	CITIBANK, N.A.	1.750	12/28/12	.749	20,000,000.00		20,081,380.37	8/26/10
14895	36967HAV	1	4002	287	GENERAL ELECTRIC CAPITAL CORP	2.125	12/21/12	.748	25,155,000.00		25,289,119.03	8/26/10
11194	38141GCG	1	4002	287	THE GOLDMAN SACHS GROUP, INC.	5.700	9/01/12	5.309	10,000,000.00		10,002,194.94	10/12/07
11195	617446V8	1	4002	287	MORGAN STANLEY	5.750	8/31/12	5.291	5,000,000.00		5,000,024.89	8/31/12
14347	95806AAB	1	4002	287	WESTERN COPORATE FCU	1.750	11/02/12	1.793	10,000,000.00		9,998,723.42	11/02/09

6 Items in subtotal for: CORP US NOTE 30/360 2X (Type 287)

90,155,000.00 90,478,677.00

Market: 90,696,620.65

14.487% Total

Cpn: 2.626 Term: .324 S&P: N/R (1 not rated)
 Yld: 1.619 Dur: .324 Moody: N/R (1 not rated)

MEDIUM-TERM NOTES (310)

16999	45950VBW	1	4002	310	INTL FINANCE CORP	.330	8/01/13	.330	15,000,000.00		15,000,000.00	7/10/12
-------	----------	---	------	-----	-------------------	------	---------	------	---------------	--	---------------	---------



STATE OF NEW MEXICO
QUARTERLY STIC REPORT
JUNE 2012

Davidson Fixed Income Management, Inc.
Deanne Woodring, CFA, Managing Director
(866) 999-2374 dwoodring@dadco.com



Contents



- **Executive Summary**
- **Market Overview**
- **Portfolio Summaries**
 - Portfolio Summary**
 - Performance Summary**
- **Year End Reconciliation of Earnings and Holdings**
- **Economic Report**

Executive Summary

Total Portfolio Summary

LGIP - Funds are invested at the maximum maturity of 60 days. The portfolio remains in high quality securities and is achieving market rates of return.

General Fund - Liquidity balances ended the quarter at a high point due to the normal cyclical flows for revenues for the State. STO will continue to monitor revenue expectations and incorporate them into investment strategy. The appropriate balances will be worked into the core investment fund over the next month.

BPIP Funds- Variable cash flows continue to impact the duration and balance of liquidity/investments components in these portfolios. The portfolio manager continues to focus on value on the curve while managing liquidity requirements.

Total Portfolio Performance

Investment Performance

The performance returns of the portfolios outperformed the benchmarks this quarter. The new benchmarks will be implemented beginning 7/1/12. Performance attribution was primarily provided by the exposure in agency securities. Fiscal year performance for the general fund core was at 1.45%, the Tax Exempt fund at 0.73% and the Taxable fund at 0.98%.

Total Portfolio

Investment Activity

The portfolio managers added small positions in credit to sustain earnings rates. Local municipal securities were purchased in the general fund to diversify the portfolio and add exposure in the 2-4 year sector. Local municipalities have been allowable under Investment Policy, however, it was identified this quarter, that the NMSA statute is not specific on allowing STO to purchase local governments. A legal opinion and staff are reviewing the situation and will make a decision on how the portfolio should be positioned in regards to municipal exposure.

Specific Investment Fund Performance

PERFORMANCE REPORT

PERIOD	Beginning		Total Return		Total Return	
	3/31/2012	6/30/2012	6/30/2012	6/30/2012	6/30/11-6/30/12	6/30/11-6/30/12
Portfolio Name	Duration - End	Quarter Return	Fiscal YTD Return	Earnings Yield-End	Percent	
LGIP * Net Yield	0.16	0.20%	0.20%	0.175%	21.98%	
Fund Benchmark Net Yield	0.12	0.02%	0.06%			
Portfolio Name	Duration - End	Quarter Return	Fiscal YTD Return	Earnings Yield-End	Percent	
General Fund Liquidity	0.05	0.07%	0.19%	0.35%	21.40%	
Fund Benchmark	0.12	0.02%	0.06%			
Portfolio Name	Duration - End	Quarter Return	Fiscal YTD Return	Earnings Yield-End	Percent	
General Fund Core	2.27	0.64%	1.45%	1.07%	29.63%	
Fund Benchmark	2.07	0.38%	1.69%			
Portfolio Name	Duration - End	Quarter Return	Fiscal YTD Return	Earnings Yield-End	Percent	
BPIP Tax Exempt	0.7	0.28%	0.73%	0.52%	11.17%	
Fund Benchmark	1.61	0.19%	1.00%			
Portfolio Name	Duration - End	Quarter Return	Fiscal YTD Return	Earnings Yield-End	Percent	
BPIP Taxable	1.16	0.34%	0.98%	0.92%	15.83%	
Fund Benchmark	1.61	0.19%	1.00%			
TOTAL STO FUNDS	0.793	0.281%	0.631%	0.546%		

* Data Source: JP Morgan Custodial Reports

* Performance Report at JP Includes Pending Cash and Accrued Interest

* Does not include reserve fund balances

Davidson Fixed Income Management, Inc.

Specific Investment Fund Allocation

ALLOCATION REPORT

Portfolio Name	Market Value- End	% Fund	Repo	Bank Deposits	Treasury	Agency	Corp/CP	Other
Total LGIP	\$ 874,676,290.18	100%	34.30%	16.54%	22.87%	19.48%	6.82%	
Liquidity	\$ 444,628,321.00	51%						
Investments	\$ 430,047,969.18	49%						
Portfolio Name	Market Value	% Fund	Repo	CD/Other	Treasury	Agency	Corp/CP	LGIP
Total General Fund	\$ 2,038,528,222.00	100%						
Liquidity	\$ 829,301,822.00	41%	84.84%	4.24%		6.30%		4.62%
Investment Core	\$ 1,209,226,400.00	59%		-0.77%	33.13%	56.42%	2.92%	8.303%
Portfolio Name	Market Value	% Fund	Repo	LGIP	Treasury	Agency	TLGP	Other
Total Tax Exempt	\$ 508,444,045.00	100%	33.04%	19.79%	7.98%	19.07%	19.87%	0.24%
Liquidity	\$ 269,863,848.00	53%						
Investments	\$ 238,580,197.00	47%	0.19%	1.00%				
Portfolio Name	Market Value	% Fund	Repo	LGIP	Treasury	Agency	TLGP	Other
Total Taxable	\$ 647,182,187.00	100%	0.31%	16.89%	28.24%	38.83%	14.04%	1.70%
Liquidity	\$ 142,870,624.00	22%						
Investments	\$ 504,311,563.00	78%	0.19%	1.00%				
TOTAL STO FUNDS	\$ 4,068,830,744.18							

* Data Source: QED -Timing discrepancies between moving funds between liquidity and results in a \$50MM variance from the JP report in both accounts.

* QED is showing market value without accrued interest

* QED includes the reserve fund assets at \$7.322M

Davidson Fixed Income Management, Inc.

YEAR END REVIEW

This quarter's market movements were primarily driven by three factors:

- Greece - It seems strange that the Greek economy, which is no larger than the State of Washington and accounts for less than 1% of the global trade, can play such havoc on the international markets. It is all tied to fear and concern that while it may be manageable in Greece, if it moves on to Spain and Italy, the financial damage may be extremely unstable for banks around the globe.
- Moody's downgrade of global banks - Moody's announced in February that it would be reviewing the top tier of global banks both in the United States and in Europe. It was highly anticipated in the market that most of the banks would be downgraded and the pricing of this occurred months ago, therefore, the pricing depreciation was minimal when the downgrades actually occurred. When the market is given time to adjust and digest significant information it can move in an orderly fashion.
- "Operation Twist" was extended in June - The Federal Reserve extended its purchases of longer-term Treasury securities with the proceeds of the sale of short-term Treasuries, also, in accordance with expectations. The Fed has limited options to influence rates, and this alternative has been working, therefore, extending was a relatively easy choice. The risk of this action to investors is the timing of when the Fed decides to reverse the twist. They eventually will need to do a double reverse operation twist, but it is not likely to occur in the near future.

UPCOMING INFLUENTIAL EVENTS:

1) The Elections:

In theory, a republican win for President, House and Senate – would most likely result in an increase in rates.

In theory, if the current administration stays in control – most likely we would see higher tax rates and slower economic growth, which will result in lower rates for a sustained period of time.

2) The “fiscal cliff” created by expiring tax and government spending cuts scheduled for January, 1st, 2013:

If the tax cuts are allowed to expire, it would most likely be damaging to the economy, resulting in lower yields for a longer period of time.

Market Overview

FED COMMITTEE COMMENTS – June 20th Statements

On inflation: The Fed flip-flopped on inflation, which likely gave it room to extend the Twist, as they noted "inflation has declined" rather than climbed thanks to "lower prices of crude oil and gasoline." In the second paragraph they entirely eliminated "the increase in oil and gas prices earlier this year is expected to affect inflation only temporarily," as it was no longer relevant. However, thanks to the deterioration in financial conditions in Europe and consequent growth downgrades, the Fed was able to continue to claim that "inflation over the medium-term will run at or below the rate that it judges most consistent with its dual mandate."

Summary of Economic Projections showed downward GDP growth revisions that were a bit larger than expected, alongside aggressive downward revisions in the official PCE chain price estimates that likely assume further commodity price declines this year -- presumably due to marked-down forecasts for world growth. The PCE core chain price figures were trimmed a bit despite recent firmness, presumably on the assumption that headline weakness and slower GDP growth will trickle-down to reduced core price pressure. The jobless rate estimates were raised aggressively, due both to the expected impact of recent slower job growth and likely additional upward pressure from the big downward GDP adjustments

Policy horizon intact: "To support a stronger economic recovery and to help ensure that inflation, over time, is at the rate most consistent with its dual mandate, the Committee expects to maintain a highly accommodative stance for monetary policy. In particular, the Committee decided today to keep the target range for the federal funds rate at 0 to 1/4 percent and currently anticipates that economic conditions--including low rates of resource utilization and a subdued outlook for inflation over the medium run--are likely to warrant exceptionally low levels for the federal funds rate at least through late 2014."

Source: Action Economics



Economic Data

<u>Indicator</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012 est</u>	<u>2013 est</u>
Real GDP	0.40	-2.40	2.80	1.70	2.10	2.20
CPI (YOY)	3.85	-0.30	1.60	3.17	2.00	2.00
Unemployment	5.80	9.30	9.70	9.00	8.20	7.90

Interest Rate Data

<u>Maturity</u>	<u>2010</u>	<u>2011</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Q1</u>	<u>Q2</u>
	<u>Ending</u>	<u>Ending</u>	<u>2012</u>	<u>2012</u>	<u>2012 est</u>	<u>2012 est</u>	<u>2013 est</u>	<u>2013 est</u>
Fed Bank Rate	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
2 Year	0.60	0.24	0.33	0.30	0.30	0.38	0.48	0.52
10 Year	3.33	1.92	2.21	1.65	1.78	1.94	2.12	2.30

Source: Bloomberg Fed Forecasts

Davidson Fixed Income Management, Inc.

STRATEGY RECOMMENDATIONS:

- Continue to keep liquidity balances in the lower range.
- Resolve the question regarding STO General Funds holding New Mexico municipal securities.
- Look for opportunities to use the yield curve if the market begins to move upwards.
- The general fund has been extended, focus on allowing the duration to shift shorter than the new benchmark of 2.25 years.
- Buy spread product in the 2 year and longer sector.

Changes in the Treasury Market:

	<u>12/31/10</u>	<u>12/31/11</u>	<u>3/31/12</u>	<u>6/30/12</u>	<u>Change Last Qtr</u>
3-month bill	0.13	0.01	0.06	0.08	+0.02
6-month bill	0.18	0.05	0.13	0.16	+0.03
2-year note	0.59	0.25	0.32	0.30	-0.02
5-year note	2.00	0.87	1.02	0.71	-0.31

Source: Bloomberg

Davidson Fixed Income Management, Inc.

New Mexico LGIP

10

Portfolio Summary

The portfolio is rated AAAm from S&P and meets their investment quality criteria. The portfolio manager continues to diversify the portfolio in allowable investments. A significant shift of asset allocation occurred this quarter as funds were moved out of bank deposit holdings and into repurchase agreements. The intent of this shift was to protect against the LGIP exposure to the European crisis through bank holdings. The bank deposit allocation was reduced from 46.62% to 16.54%. Floating rate notes continue to provide value through yield spread. The current WAM is at the maximum of 60 days and the WAL is 85% of the maximum (120 days) at 102 days.

Portfolio Performance

The performance of the pool declined 3 basis points due to the reduced exposure in bank deposits and the lower rates in repo. It is expected for the yield to continue to be between .15% and .25%.

Portfolio Activity

Bank deposits were reduced and repo's were increased. All repurchase collateral is delivered and held at the LGIP custodial bank and is in government securities.

New Mexico LGIP

11

LIQUIDITY VS INVESTMENT	MARKET VALUE	% FUND
Overnight Liquidity	\$ 444,628,321	50.83%
Invested Component	\$ 430,047,969	49.17%
Total Fund	\$ 874,676,290	100%
ASSET ALLOCATION	MARKET VALUE	% FUND
Bank Deposits - 5 Banks	\$ 144,628,321	16.54%
Money Market Funds	\$ -	0.00%
Bank CDs	\$ -	0.00%
Repurchase Agreements	\$ 300,000,000	34.30%
Commercial Paper	\$ 39,483,062	4.51%
US Treasury Notes/Bills	\$ 20,017,200	2.29%
GSE Agency Issues	\$ 170,365,054	19.48%
TLGP Notes/Variable Municipals	\$ 180,023,853	20.58%
Corporate Bonds	\$ 20,158,800	2.30%
Total Fund	\$ 874,676,290	100.00%
WAM (Reset)	MAXIMUM	% OF MAXIMUM
Days	60	100%
WAL	MAXIMUM	% OF MAXIMUM
Days	120	83.1
		69%

COMPARISON OF LGIP HOLDINGS TO THE BENCHMARK

As of 6/30/12

LGIP	% Allocation	S&P GIP Pools	% Allocation	Difference
Agency *includes TLGP, Discos	40.06%	Agency	41.52%	-1.46%
Bank Deposits	16.54%	Bank Deposits	11.17%	5.37%
Corporates/Supranational	2.30%	Corporates	0.00%	2.30%
Commercial Paper	4.51%	Commercial Paper	0.34%	4.17%
Money Market Funds	0.00%	Money Market Funds	1.10%	-1.10%
Municipal Debt	0.00%	Municipal Debt	0.43%	-0.43%
Asset Backed Securities	0.00%	Asset Backed Securities	0.16%	0.16%
Treasury	2.29%	Treasury	8.75%	-6.46%
Repurchase Securities	34.30%	Repurchase Securities	36.54%	-2.24%
Average Maturity to Reset	60	Average Maturity	46	14

PERFORMANCE ANALYSIS FOR PERIOD

	6/30/2012	Quarter	Prev. Quarter	12 month
LGIP - Gross 30 day	0.25%	0.25%	0.25%	0.25%
LGIP - Net 30 day	0.20%	0.20%	2.00%	0.20%
S&P GIP Govt - Gross	0.16%	0.10%	0.15%	0.17%
S&P GIP Govt - Net	0.06%	0.01%	0.06%	0.08%
T Bill 3 month	0.10%	0.06%	0.01%	0.04%

* Source QED & S&P

Portfolio Review – General Fund

13

TOTAL PORTFOLIO

LIQUIDITY VS INVESTMENT

Component	3/31/2012		6/30/2012		Difference
	Market Value	% Fund	Market Value	% Fund	
Liquidity Component	\$ 479,819,968	30%	\$ 829,301,822	41%	\$ 349,481,854
Invested Component	\$ 1,107,026,585	70%	\$ 1,209,226,400	59%	\$ 102,199,815
Total Portfolio	\$ 1,586,846,552		\$ 2,038,528,222		\$ 451,681,670

CORE FUND

ASSET ALLOCATION

Security Type	3/31/2012		6/30/2012		Difference
	Market Value	% Fund	Market Value	% Fund	
Treasuries	\$ 385,812,589	34.9%	\$ 400,613,600	33.1%	\$ 14,801,011
Agencies	\$ 628,680,455	56.8%	\$ 682,208,716	56.4%	\$ 53,528,261
Corporates	\$ 20,806,397	1.9%	\$ 35,308,950	2.9%	\$ 14,502,553
Municipals	\$ 71,460,761	6.5%	\$ 100,407,166	8.3%	\$ 28,946,405
Cash Settlement	\$ -	0.0%	\$ (13,845,406)	-1.1%	\$ (13,845,406)
Cash and Cash	\$ 266,382	0.0%	\$ 4,533,374	0.4%	\$ 4,266,992
Total Fund	\$ 1,107,026,585		\$ 1,209,226,400		\$ 102,199,815

Portfolio Review – General Fund

CORE FUND

MATURITY

	3/31/2012	6/30/2012	Difference
Effective Duration	2.46	2.27	19%
Benchmark Duration	1.86	2.07	-0.02
WAM	2.76	2.21	0.29
	% Fund	% Fund	
	132%	110%	

PERFORMANCE

Earnings Yield

Earnings Yield General Total	0.79%	0.85%
Earnings Yield Core	1.22%	1.07%

Total Return

Return of Total Portfolio	0.06%	0.47%
Return of Core Investments	0.10%	0.64%
Return of Benchmark	0.29%	0.38%

* Benchmark - 15% -0-1 year/70% 1-5 Agency Bullet / 15% 1-5 Callable Agency

New Benchmark starting 6/30/12 is the BofA Merrill 0-5 year

Return of New Benchmark	0.47%
-------------------------	-------

Source: JP Morgan Data and QED

Portfolio Review – Taxable

15

TAXABLE PORTFOLIO

LIQUIDITY VS INVESTMENT

Component	3/31/2012		6/30/2012	
	Market Value	% Fund	Market Value	% Fund
Liquidity Component	\$ 43,826,715	8%	\$ 111,281,591	17%
Invested Component	\$ 527,519,006	92%	\$ 535,900,596	83%
Total Portfolio	\$ 571,345,721		\$ 647,182,187	

ASSET ALLOCATION

Security Type	3/31/2012		6/30/2012	
	Market Value	% Fund	Market Value	% Fund
Treasuries	\$ 183,258,072	32.07%	\$ 182,736,500	28.24%
Agencies	\$ 328,900,930	57.57%	\$ 251,318,002	38.83%
TLGP	\$ 15,360,004	2.69%	\$ 90,846,286	14.04%
CD's			\$ 9,700,000	1.50%
LGIP			\$ 109,292,564	16.89%
Reserve MMF		0.00%	\$ 1,788,233	0.28%
Cash Settlement Account	\$ -	0.00%	\$ (488,425)	-0.08%
Repo	\$ 43,826,715	7.67%	\$ 1,989,027	0.31%
Total Fund	\$ 571,345,721		\$ 647,182,187	

Portfolio Review – Taxable

16

MATURITY

	3/31/2012	6/30/2012	% Fund
Effective Duration	1.72	1.16	72%
Benchmark Duration	1.66	1.61	
WAM	2.21	1.41	

PERFORMANCE

Earnings Yield

Earnings Yield Taxable Total

3/31/2012 This Quarter	6/30/2012 This Quarter
1.05%	0.92%

Total Return

Return of Taxable Portfolio

Return of Benchmark

3/31/2012 This Quarter	6/30/2012 This Quarter
0.19%	0.34%
0.25%	0.19%

* Benchmark - 10% -0-3 Treasury/90% 1-3 Agency Total

Source: JP Morgan Data & QED

Portfolio Review – Tax Exempt

17

MATURITY

	3/31/2012	6/30/2012	% Benchmark
Effective Duration	1.09	0.70	43%
Benchmark Duration	1.66	1.61	
WAM	1.27	0.69	

PERFORMANCE

Earnings Yield

Earnings Yield Tax Exempt

3/31/2012
This Quarter

6/30/2012
This Quarter

1.14%

0.52%

Total Return

Return of Tax Exempt Portfolio

3/31/2012
This Quarter

6/30/2012
This Quarter

0.09%

0.28%

Return of Benchmark

0.25%

0.19%

* Benchmark - 10% -0-3 year/90% 1-3 Agency All
Source: JP Morgan Data and QED Reports from STO

Portfolio Review – Tax Exempt

TAX EXEMPT PORTFOLIO

LIQUIDITY VS INVESTMENT

Component	3/31/2012		6/30/2012	
	Market Value	% Fund	Market Value	% Fund
Liquidity Component	\$ 6,914,044	2%	\$ 268,646,755	53%
Invested Component	\$ 371,686,129	98%	\$ 239,797,328	47%
Total Portfolio	\$ 378,600,173		\$ 508,444,083	

ASSET ALLOCATION

Security Type	3/31/2012		6/30/2012	
	Market Value	% Fund	Market Value	% Fund
Treasuries	\$ 40,861,289	10.79%	\$ 40,590,150	7.98%
TLGP			\$ 101,017,500	19.87%
Agencies	\$ 330,824,840	87.38%	\$ 96,972,585	19.07%
Corporates	\$ -	0.00%	\$ -	0.00%
Reserve MM			\$ 1,217,093	0.24%
Municipals	\$ -	0.00%	\$ -	0.00%
LGIP	\$ -	0.00%	\$ 100,637,750	19.79%
Repo	\$ 6,914,044	1.83%	\$ 168,009,005	33.04%
Total Fund	\$ 378,600,173		\$ 508,444,083	

INTEREST EARNINGS - RECONCILIATION

For the Month 6/30/2012

Year End Reconciliation

	QED	QED	JP Morgan	Difference	QED Rate QED
LGIP					
Interest Earned	\$ 560,611.98	\$	\$ 581,225.44	\$ (20,613.46)	
Amorization	\$ (401,599.58)	\$	\$ (397,843.02)	\$ (3,756.56)	
	\$ 159,012.40	\$	\$ 183,382.42	\$ (24,370.02)	0.2293%
Repo					
Interest Earned	\$ 30,019.98	\$	\$ 40,786.40	\$ (10,766.42)	
Amorization	\$	\$	\$ 40,786.40	\$ (10,766.42)	0.2480%
General Fund Liquir					
Interest Earned	\$ 128,305.00	\$	\$ 128,602.40	\$ (297.40)	
Amorization	\$ (7,145.32)	\$	\$ (7,259.84)	\$ 114.52	
Other	\$	\$	\$ 4,279.53	\$ (4,279.53)	
	\$ 121,159.68	\$	\$ 125,622.09	\$ (4,462.41)	0.2982%
General Fund Core					
Interest Earned	\$ 1,780,428.83	\$	\$ 1,779,842.62	\$ 586.21	
Amorization	\$ (716,559.20)	\$	\$ (752,895.08)	\$ 36,335.88	
	\$ 1,063,869.63	\$	\$ 1,026,947.54	\$ 36,922.09	1.0704%
BPIP Taxable					
Interest Earned	\$ 763,882.18	\$	\$ 765,581.65	\$ (1,699.47)	
Amorization	\$ (277,325.81)	\$	\$ (274,344.35)	\$ (2,981.46)	
	\$ 486,556.37	\$	\$ 491,237.30	\$ (4,680.93)	1.8950%
BPIP Tax-Exempt					
Interest Earned	\$ 495,306.56	\$	\$ 494,357.64	\$ 948.92	
Amorization	\$ (269,599.38)	\$	\$ (268,529.00)	\$ (1,070.38)	
	\$ 225,707.18	\$	\$ 225,828.64	\$ (121.46)	0.7992%
Difference in Earnings Total				\$ (7,479.15)	

Reconciliation

HOLDINGS RECONCILIATION		For the Month		6/30/2012
	Par Value	Book Value	Market Value	
LGIP				
JP Morgan	\$ 873,625,320.56	\$ 874,539,794.69	\$ 874,516,509.74	
QED	\$ 873,625,321.00	\$ 874,532,112.00	\$ 874,677,468.00	
Difference	\$ (0.44)	\$ 7,682.69	\$ (160,958.26)	
NOTES: Difference in Market				
Repo				
JP Morgan	\$ 166,318,474.25	\$ 166,318,474.25	\$ 166,318,474.25	
QED	\$ 120,633,059.00	\$ 120,633,059.00	\$ 120,633,059.00	
Difference	\$ 45,685,415.25	\$ 45,685,415.25	\$ 45,685,415.25	
NOTES: Difference in Repo				
General Fund Liquid				
JP Morgan	\$ 879,590,022.64	\$ 879,698,225.42	\$ 879,636,822.64	
QED	\$ 829,255,022.00	\$ 829,362,959.00	\$ 829,301,822.00	
Difference	\$ 50,335,000.64	\$ 50,335,266.42	\$ 50,335,000.64	
NOTES: Difference in Repo				
General Fund Core				
JP Morgan	\$ 1,183,137,444.55	\$ 1,201,348,050.22	\$ 1,209,721,096.25	Unrealized Gain/ Loss 8,373,046.03
QED	\$ 1,182,903,968.00	\$ 1,200,837,625.00	\$ 1,209,226,400.00	8,388,774.00
Difference	\$ 233,476.55	\$ 510,425.22	\$ 494,696.25	(15,727.97)
NOTES : Difference in Cash Balance				
BPIP Taxable				
JP Morgan	\$ 639,211,299.20	\$ 643,915,140.28	\$ 647,083,066.60	Unrealized Gain/ Loss 3,167,926.32
QED	\$ 639,211,399.00	\$ 644,124,073.00	\$ 647,182,187.00	3,058,114.00
Difference	\$ (99.80)	\$ (208,932.72)	\$ (99,120.40)	(109,812.32)
NOTES: Difference in Book and Market				
BPIP Tax-Exempt				
JP Morgan	\$ 454,283,274.58	\$ 456,894,356.14	\$ 458,109,082.99	Unrealized Gain/ Loss 1,214,726.85
QED	\$ 504,468,810.00	\$ 507,225,422.00	\$ 508,444,045.00	1,218,623.00
Difference	\$ (50,185,535.42)	\$ (50,331,065.86)	\$ (50,334,962.01)	(3,896.15)
NOTES : Difference in Repo				

Davidson Fixed Income Management, Inc.

Disclosure Statement

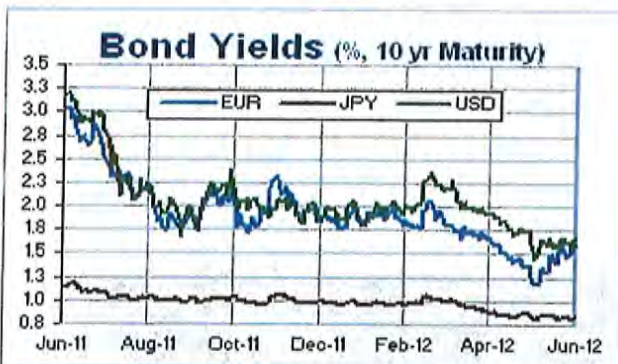
- The reconciliation report is un-audited and provided to provide a high level review of the comparison of JP Morgan information relative to QED.
- This report is provided for the purpose of assisting in the monitoring of the portfolios.
- The data is provided by JP Morgan and STO internal reports from QED.
- Additional, data is used from reports provided by STO reports.
- The information contained herein has been obtained from, or is based upon, sources believed by us to be reliable but no representation or warranty is made as to its accuracy or completeness.
- Opinions expressed are solely those of DFIM and its employees.

U.S. Economic and Fixed Income Market Review for Q2 2012

Prepared July 6, 2012

Central Banks Knocked Off Fence by Europe

The stubbornly bullish bond market was vindicated as Europe continued to wrestle with its sclerosis, which spread back from the periphery to the core. Greek elections were a large hurdle for the quarter, along with the Growth Pact, Spanish bailout request, G20 coordination vows and funding for the ERM (rescue mechanism). But the Libor fixing scandal and synchronous decline of economic indicators brought the European quandary between austerity and growth back home to the U.S. with a thud. Fresh low yields were struck for the Eurozone and U.S. during the quarter before basing. The seriousness of the situation brought the Fed back off the fence to extend Op-Twist to its limits through year-end, after which it will run out of short-dated paper to sell against long-end purchases.



The ECB was also shoved off the fence as well, not only easing collateral rules again, but following up with a quarter point rate cut to 0.75% and dropping the deposit rate to zero. This came hot on the heels of another rate cut in China and the Bank of England embarking on QE4. Both the Fed and ECB read the signs in eroding growth and slowing inflation and took the modest corrective half-measures to keep the growth-inflation ratio from flat-lining.

Equities responded with a growing sense of unease over the spinning vortex in Europe as it threatened to drag Asia and the U.S. back down with it, despite these fresh monetary props. Fed economic forecasts turned more pessimistic, warning that unemployment "remains elevated" while inflation "has declined." Moreover, "strains in global markets continue to pose significant downside risks to the economic outlook." Markets had been anticipating that the Fed would rekindle asset purchases with QE3 operations favoring MBS purchases, but it simply said that it is "prepared to take further action." Bernanke is keeping his powder dry for now, but could offer further policy hints in Jackson Hole in August.



S&P 500 futures continued to roll over from April highs near 1,415 to mark a low in June near 1,266 before recovering to 1,370 in early July after the EU Summit caught pessimistic investors off guard. In early April, the VIX equity volatility index was hovering around 20 before ramping over 26.0 as stocks swooned in early June, then tumbling back down to 17 again as they recovered. The Facebook IPO brought some excitement to the market, but its mishandling and subsequent declines merely brought a sense of "déjà vu all over again."



The dollar index rallied sharply in Q2 as the credibility of the Eurozone was undermined by the centrifugal forces pulling it apart, notwithstanding some temporary relief here and there. But like the proverbial Dutch boy plugging leaks in the debt dike, they continue to spring up elsewhere. Starting the quarter near 80.0, the index eased under 79.0 in late April, only to vault above 83.50 in May. Averaging 82.0 in June as some progress in Europe on Greek elections and Spanish bank debt restructuring, the index has surged back above 83.0 again of late as the ECB eased and the crisis deepened. Ever since the single currency was rolled out, the resentful FX market has been skeptical about its structural underpinnings and longevity. Just like the bond market continuing to express reservations about health of the U.S. economy even as we face elections this fall and the “fiscal cliff” shortly thereafter.

Of course, much of the index gains have been led by euro weakness, as the yen has also benefitted from its safety features away from the crisis. EUR-USD dove from the \$1.32 area at the start of the quarter to a 2-year low under \$1.23 by the first week of July – nearly a 10 cent plunge. In contrast, USD-JPY sank from the 83.0 area to a low under 78.0 in by June before ambling back up to the 80.0 area as the dollar resumed its ascent. It still appears to be the case of the one-eyed man being king in the land of the blind, however, as Europe’s woes outweigh fractious U.S. electioneering and impending fiscal doom at year-end. Indeed, the strengthening dollar provides a transmission mechanism for European recession spreading to the U.S. as double-whammy for exports. Yet even that FX flexibility is not afforded to the weaker EU links.

Americas - Market Quotes					
7/6/2012	current level	Chg Over			
		1 wk	4 wks	13 wks	1 year
S&P 500	1354.7	-0.5%	3.0%	-3.2%	0.1%
Dow Indust.	12772.5	-0.6%	2.9%	-2.3%	0.4%
Nasdaq Comp.	2937.3	0.1%	3.3%	-4.3%	2.3%
S&P/TSE Comp.	11660.0	0.5%	0.2%	-4.3%	-13.0%
Max Bolsa	39831.7	-0.9%	6.9%	1.1%	8.9%
US 1yr yld	1.07	0.00	-0.00	0.02	0.33
Canada 1yr yld	2.05	0.01	0.01	0.13	0.19
US 10yr yld	1.55	-0.10	-0.11	-0.67	-1.59
Canada 10yr yld	1.89	-0.05	-0.12	-0.44	-1.37
USD-MXP	13.39	0.2%	-4.5%	4.7%	16.0%
USD-CAD	1.020	0.3%	-0.6%	2.3%	6.4%

Commodity Declines Ease Inflation Risk

Commodity prices retreated significantly in the quarter and helped the central banks justify further policy relaxation on the margin. The RJ/CRB index began the quarter near 312 before sinking to lows of 266 in June, then snapping back to 295 in early July as escalation of U.S. navy deployment in the Gulf of Arabia followed Iran threats of blockades in the Straights of Hormuz. Indeed, the Fed said specifically that “inflation had declined thanks to lower prices of crude oil and gasoline” as half of the rationale for its Op-Twist extension. Risk proxy and inflation hedge gold lost some shine from highs of \$1680 in April to lows of \$1527 in May before recovering to average around \$1600 of late. Gold seemed to recouple with commodity deleveraging as the global economy began to miss on all cylinders.

Commodities - Market Quotes					
7/6/2012	current level	Chg Over			
		1 wk	4 wks	13 wks	1 year
CRB	286.9	1.0%	4.8%	-5.9%	-17.1%
GSCI	605.2	1.0%	2.0%	-11.5%	-12.4%
Oil	84.45	-0.6%	-0.7%	-16.8%	-14.4%
Gold	1583.75	-0.9%	-2.2%	-2.3%	3.4%
Copper	351.45	-0.1%	1.8%	-9.7%	-19.9%

In terms of the tail and the dog, it is entirely possible that past excesses in commodity prices have contributed to subsequent declines in economic activity. That negative correlation in turn fed back into the weaker commodity markets in Q2, providing a little cushion for growth. But the damage may have already been done and with

This publication was authored by a third party, Action Economics, LLC. This article does not necessarily reflect the expertise of Davidson Fixed Income Management, Inc. or its employees.

central banks now pushing on a string at the zero bound on interest rates, any further commodity rout could spread the slowdown to emerging market countries. That could reinforce the vicious global cycle, rather than end it.

JOC, CRB, GSCI Commodity Indexes
(mth avg, rebased to 100 = Oct. 2001)



Yields to Twisted Until Fed Runs Out of Ammo

Having skirted a potential liquidity disaster at the end of 2011, equities resumed their gains in the spring and the 2-year yield nudged up to 2012 highs over 0.40% as the Fed seemed to be backing away toward the exits on ultra-easy policy. But that view quickly was quickly drowned out by fresh stress in Europe and another round of declining yields followed. The 2-year yield eased back into a comfortable 0.25-0.35% corridor, wandering that range depending on the level of risk tolerance in the markets. Moreover, the Fed jump-started its Operation Twist through year-end, which it had previously appeared likely to let expire in June. Oddly, this will keep a floor under short-yields, as the Fed continues to be a persistent seller there.

2-yr Note: Constant Maturity Yield



The 10-year yield probed 2.40% after the March FOMC meeting turned less dovish and made another burst higher in early April as the FOMC minutes confirmed this more upbeat tone. But the Chairman downplayed progress on unemployment in a speech on the topic and remained an anchor of skepticism about the fragile recovery. From there, it was a one-way slide lower as Bernanke was vindicated by deteriorating confidence and a brace of weakening economic indicators that culminated with spread widening in Europe and fears that Spain and Italy would join Greece in virtual default. The 10-year based at historic lows of 1.45% on the first trading day of June before rebounding and roaming in a 1.72-1.55% trading zone for the balance of Q2.

10-yr Note: Constant Maturity Yield



The 30-year bond likewise took a swing at 3.50% after the March FOMC meeting, probing 3.45% again on the FOMC minutes of that meeting. It subsequently migrated over 100 basis points lower

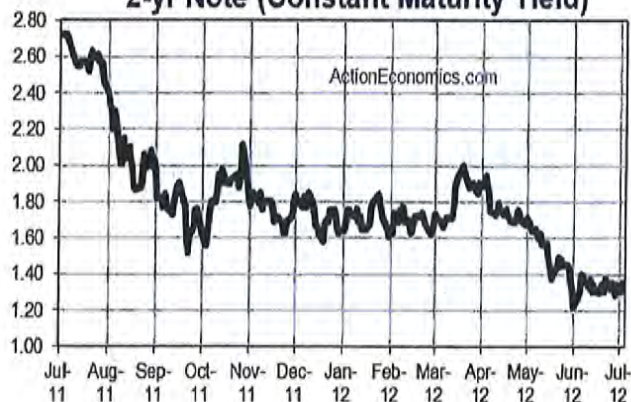
This publication was authored by a third party, Action Economics, LLC. This article does not necessarily reflect the expertise of Davidson Fixed Income Management, Inc. or its employees.

to lows of 2.52% in early June before rebounding to the 2.70% area. The reversal in commodity prices to the downside gave the Fed some additional leeway. In addition, the forecast shifted to inflation trending over the medium-term “at or below the rate that it judges most consistent with its dual mandate;” in other words, at or below 2%. That appeared to sanctify the market’s apparent comfort in holding long-term paper despite the looming fiscal cliff and extraordinarily accommodative policy. Of course, the Fed splurging on \$-billions of 10s and bonds didn’t hurt either.

30-yr Bond: Constant Maturity Yield



Spread of 10-yr Yield vs. 2-yr Note (Constant Maturity Yield)



Treasury Yield Curve (Constant Maturities)

	current level	Chg Over			
		1 wk	4 wks	13 wks	1 year
3-mth	0.08	-0.01	-0.01	0.01	0.05
6-mth	0.15	-0.01	0.01	0.01	0.08
1-yr	0.19	-0.02	0.00	0.00	0.02
2-yr	0.28	-0.05	0.00	-0.04	-0.09
5-yr	0.68	-0.04	-0.03	-0.21	-0.81
10-yr	1.62	-0.05	-0.03	-0.45	-1.32
30-yr	2.72	-0.04	-0.05	-0.49	-1.48

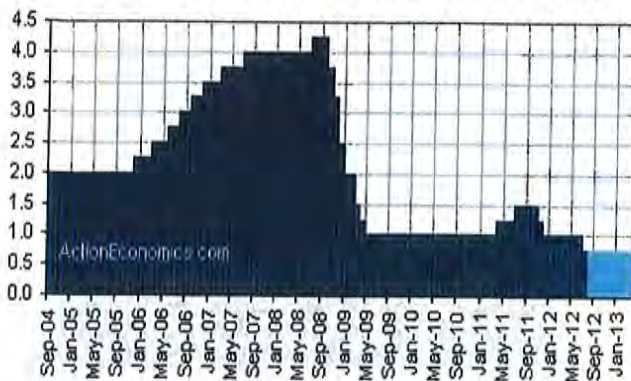
Along with the surge in stocks and decline in Fed dovishness early in the quarter, the Treasury curve hit its steepest point near +200 basis points (bp) as it appeared that Op-Twist would die an early death. But the persistence of Fed buying at the long-end, deterioration of U.S. economic fundamentals and slow train wreck in Europe capped the spread there. Successively weak payrolls prints in March, April and May confirmed that the economy was reaching a stall speed in Q2 after a stronger Q1. The looming expiration of tax cuts at year-end and winnowing of fiscal stimulus near-term appeared to be a toxic combination along with the partisan stalemate in Congress. The curve flattened from there, probing toward +120 bp narrows in the quarter before leveling off near +130 bp. The 2s-30s spread hit wides near +305 bp before narrowing to +230 bp, then settling at +240 bp.

Synchronized Slowdown Trips Coordinated Ease

Though denied, it looked like a coordinated central bank move last week, especially after the recent G20 meeting. China's rate cut was followed up by the announcement of further QE from the BoE and a rate cut from the ECB. The moves reflected the increasingly gloomy outlook for the world economy. Policy measures so far may have helped to prevent an even worse outcome, but have done little to convincingly boost sentiment. In a situation of heightened uncertainty, central bank moves sometimes seem to have a negative impact, as they only seem to confirm that the outlook is bad. So it remains to be seen if the latest round of easing will do much to change the gloomy picture or circumvent the deepening debt trap.

This publication was authored by a third party, Action Economics, LLC. This article does not necessarily reflect the expertise of Davidson Fixed Income Management, Inc. or its employees.

ECB Refi Rate: Actual and Forecast



The ECB cut the refi rate by a further 25 bp to a historic low of 0.75%, with the deposit rate dropped to zero, as Germany joins its neighbors facing an ever gloomier growth outlook. Just a year ago central bankers still argued against cutting the deposit rate to zero, which effectively sets the floor for the interbank market, arguing that that would hamper the market. However, it seems the persistent hoarding of most of the ECB's liquidity injections at the ECB's deposit facility caused a rethink. Overnight rates were already considerably below the refi rate at around 0.33% ahead of today's move and are now likely to fall further. The step should make hoarding cash with the ECB less attractive. At the same time the reduction in the refi rate will also reduce the cost of previously lending via the LTROs.

The ECB "did not discuss" further non-standard measures at the meeting, hardly a surprise as it seemed very unlikely that the central bank would announce further measures alongside a rate cut. Chief Draghi actually said bond buying and new bond loans were not discussed, because "it is not obvious that there are measures that can be effective in a highly fragmented" eurozone economic environment.

With the deposit rate now at zero the room for further cuts is also limited, although the ECB could narrow the band between the policy rates if it wanted to prevent the deposit rate from going into negative territory. Draghi refused to comment on the theoretical option of negative deposit rates when asked about it during the press conference, though there are precedents for such in Switzerland and Denmark.

So that leaves the ECB no more real options, something Draghi denied, however, and he said "there is not such a feeling that we are running low on our policy options" adding that "we still have all of our artillery ready". Although what that could be he did not elaborate on. Draghi said in the important [introductory statement](#) that inflationary pressures have dampened further as previously identified downside risks to growth materialized. The underlying pace of monetary expansion remains subdued. Inflation pressures remain anchored but economic growth remains weak, "with heightened uncertainty weighing on confidence and sentiment"- a gloomy picture.

The central bank admitted that indicators point to a renewed weakening of growth and heightened uncertainty. The ECB still expects a gradual recovery, but with dampened momentum due to the ongoing tensions on some eurozone debt markets and their impact on credit conditions, ongoing balance sheets adjustment and high unemployment. This was the first time the ECB directly referred to a worsening of credit conditions and high unemployment, which highlights the extent to which the central bank has adjusted its assessment of the economic situation.

Draghi in the press conference suggested that, unlike last month, all countries are now experiencing slowing growth; as such, the decision was addressed at ALL eurozone countries. This suggests that the change in the German situation played a key role in the decision, which was unanimous. For a while it had seemed as though Germany would manage to continue to post robust growth despite the weakening in the rest of the eurozone, but data over the past month have made very clear that this is not the case and German orders data, while rebounding somewhat over the month, highlighted the sharp decline in demand compared to a year ago. Even German unemployment is now creeping higher and with inflation falling faster than previously expected the ECB obviously saw room for another rate change.

Turning to inflation, the ECB expected the headline rate to come down further and fall below the 2% upper limit for price stability in 2013. With inflation

This publication was authored by a third party, Action Economics, LLC. This article does not necessarily reflect the expertise of Davidson Fixed Income Management, Inc. or its employees.

expectations well anchored and growth to be modest underlying inflation pressures should remain moderate according to the ECB. Even taking today's decision into account, the risks to inflation are judged to be broadly balanced.

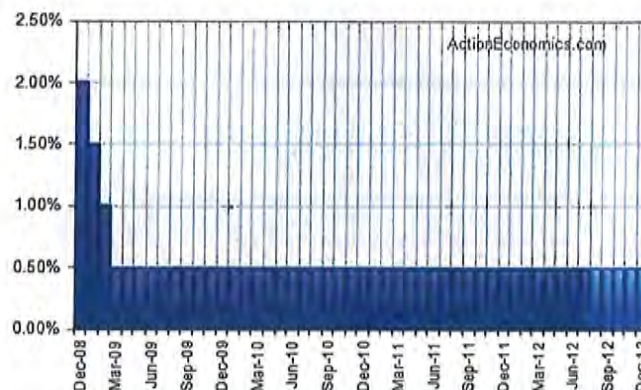
At the same time money supply remains subdued and annual growth rates for loans to both non-financial corporations and households declined in May, with monthly loan flows to non-financial corporations actually negative that month. The central bank still attributes weak loan growth to a large extent to subdued demand, with heightened risk aversion and balance sheet adjustments obviously playing a role. However, Draghi also once again called on banks to strengthen their resilience as "the soundness of banks' balance sheets will be a key factor" in facilitating both an appropriate provision of credit to the economy and the normalization of all funding channels.

All in all, the ECB did what market expected, and there were no hints of further measures in the pipeline, which may have disappointed some. The take away message was that there may not be further ultra-long LTRO tenders as Draghi seemed to question their effectiveness. What else the ECB could do aside from cutting rates further is an open question. Government bond buying clearly is not on the agenda, as the ECB has reached its aim to get the ESM take on that role. Draghi clearly didn't like the idea of giving the ESM a bank license, however, in order to increase its firepower, as has been suggested in some quarters. For now it's likely wait and see for the ECB over the summer in hopes that the situation will improve.

BoE Commemorates Queen's Diamond Jubilee

The BoE embarked on QE4, raising QE by GBP 50 bln while leaving the repo rate unchanged at 0.5%, as was widely anticipated. This will bring the QE total to GBP 375 bln. The BoE will be executing its latest QE program through early November, having decided to commence with "QE4" at its July policy meeting. We don't expect any changes over the interim period, though the central bank said it will continue to monitor market conditions and trends in the economy over this period, and would, if necessary, modify the magnitude of QE. The market consensus is for total QE to eventually reach GBP 400 bln.

BoE Base Rate: Actual & Forecast



The repo rate remains at its historical low of 0.5%, in place since March 2009, where it is expected to remain throughout the policy cycle. The BoE is concerned about the impact on building societies (the U.K.'s version of savings and loans institutions) should the repo rate fall below 0.5%, and has stated that it would rather focus on the QE policy option.

The minutes to the July meeting will be published on Wednesday, Jul-18, where we expect a near unanimous vote in favor of the QE decision, though the statement will have already stolen the thunder from the minutes release (the BoE only issues statements following policy changes).

The statement welcomed new liquidity initiatives, such as Funding for Lending Scheme, but stated that "... the background of continuing tight credit conditions and fiscal consolidation, the increased drag from the heightened tensions within the euro area meant that, without additional monetary stimulus, it was more likely than not that inflation would undershoot the target in the medium term."

Governor King had warned of a self-fulfilling downturn if businesses postpone investment decisions, and spoke of the importance of heading-off a big drop in broad money supply in the U.K. He also stressed that there is no guarantee that the new liquidity schemes will increase bank lending.

One final note on QE: A Reuters survey on Jun-21 found mixed opinions about the ongoing effectiveness of QE, with 25 of 43 economists saying that more QE would be effective and 18 saying it wouldn't. However, an article in the latest BoE Quarterly [Bulletin](#) concluded that QE remains an effective tool.

June Jobs Shortfall Masked Underlying Net Gain

The U.S. job report revealed a modest June payroll underperformance via a downside service sector surprise. Yet, upside surprises across the workweek, hours-worked, hourly earnings, and labor force data raised our estimates for the remaining June reports despite the headline payroll disappointment. The report on net was better than assumed, though the headline payroll growth path remains anemic.

A June up-tick in the workweek to 34.5 allowed a surprisingly large 0.4% June rise in hours-worked, and hourly-earnings posted a solid 0.3% June gain following upward back-revisions that eliminated the recent downward tilt to y/y wage gains. Though the jobless rate remained at 8.2%, we saw moderate civilian employment and labor force gains of 128k and 156k respectively.

Total and Private Payroll Changes (1000s)



Payrolls rose just 80k overall with an 84k private payroll rise and a 4k government payroll drop, following a tiny net downward payroll back-revision of just 1k despite a 21k net boost to the private payroll figures thanks to a big 22k downward back-revision for government employment.

Average Monthly Payroll Change/Qtr (thsd's)



Goods employment matched assumptions with a 13k June rise that included an 1k rise for manufacturing likely thanks to an elevated vehicle assembly rate, though construction jobs rose by only 2k, and mining jobs were flat. Hours-worked for the goods sector rose, with June gains of 0.4% for goods overall, 0.3% for factories and 0.7% for mining, though we saw a flat construction figure.

Jobs Data and Q2

For the quarterly outlook, our Q2 GDP growth forecast will remain at 1.6% following the 1.9% Q1 clip that leaves a 1.8% average rate for the first half of 2012, alongside the 0.4% Q2 hours-worked growth clip that followed a surprisingly firm 3.8% Q1 pace to leave a respectable 2.1% first-half pace. For Q3, we expect 2% growth for both real GDP and hours-worked.

Real GDP vs Hours Worked Growth



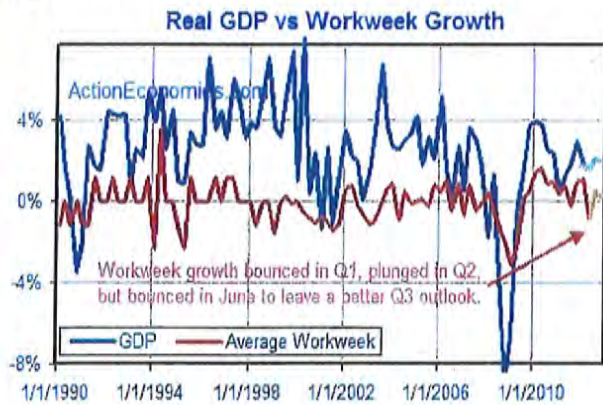
Our Q2 GDP forecast implies a 1.5% productivity growth rate that follows the 0.9% Q1 drop to leave

This publication was authored by a third party, Action Economics, LLC. This article does not necessarily reflect the expertise of Davidson Fixed Income Management, Inc. or its employees.

a sluggish 0.3% average thus far in 2012. For Q3, we assume a 0.5% productivity gain. Payroll growth proved strong in Q1 relative to GDP growth, as shown below, though we gave back that upside payroll overshoot in Q2.



The workweek has climbed from the 33.8 cyclical bottom in October of 2009 and the 34.1 level in December of 2008 when the last recession began, though we are still below the February blip to a cycle-high 34.6.



Jobs Data and the June Forecasts

For the other June reports, we expect a 0.4% personal income gain that follows 0.2% gains in both April and May. Our forecast is consistent with Q2 growth of 3.6% for total income and 3.2% for disposable income, versus respective Q1 rates of 3.8% and 3.3%. For Q3, we assume growth of 4.1% for income and 3.6% for disposable income.

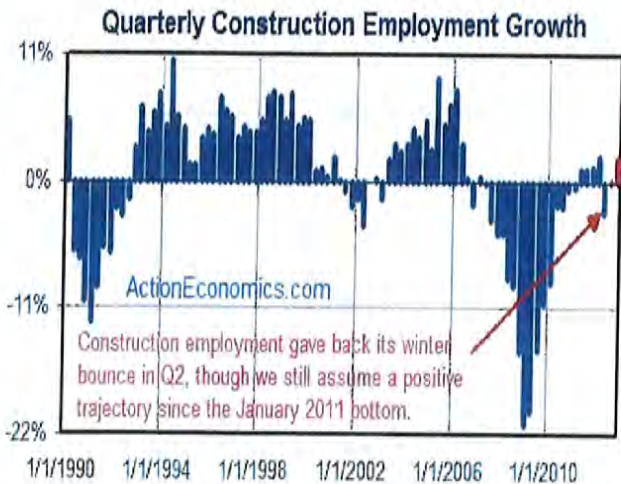
Consumption vs. Disposable Income Growth



Industrial production should post a 0.5% June gain alongside hours-worked increases of 0.3% for factories and 0.7% for mining, following the 0.1% May drop but 1.0% April pop. The heat-wave of the past three weeks should allow a utilities boost to June output, and the vehicle assembly rate likely climbed by 1% to a 10.5 mln clip that leaves the same 10.5 mln Q2 average, versus the lower 10.1 mln average in Q1. Our industrial production forecast for June would leave a 3.5% Q2 growth clip, versus 5.6% growth in Q1 and a 4.1% pace for 2011 as a whole, as shown below.



For construction, hours-worked were flat in June with a small 2k construction payroll gain, and we assume a 0.3% June construction spending gain that follows larger prior gains of 0.9% in May and 0.6% in April.



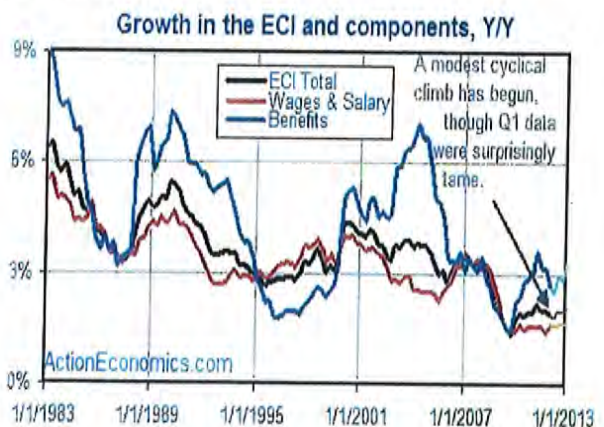
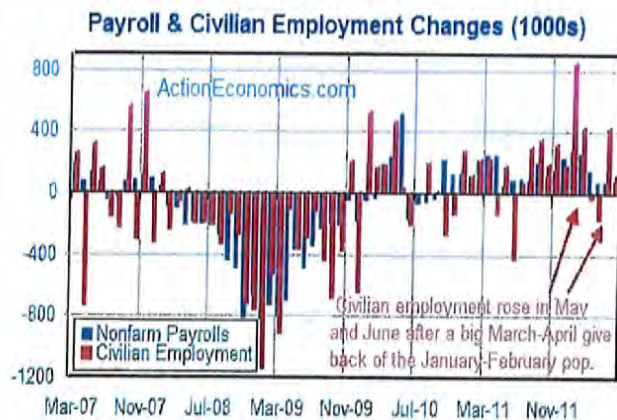
February and March, versus the 1.7% cycle-low seen in September, November, and December of 2010, as shown below.



The June Household Data

For the household data, we saw June gains of 128k for civilian employment and 156k for the labor force that extended the respective May pops of 422k and 642k, versus prior declines of 169k and 342k in April and 31k and 164k in March, as shown below.

The y/y figures should fluctuate at or below 2% through 2012 as wage gains likely take about five years to reclaim the 3.8% peak in June of 2007. We have a slight cyclical climb in total labor costs as gauged by the quarterly [ECI](#) figures thanks to firmness in benefit costs, though benefit costs failed to reveal the typical pop in Q1. ECI growth sits at 1.9% y/y with benefit costs at 2.7% y/y, versus respective cycle-lows back in Q4 of 2009 of 1.4% and 1.5%.



The jobless rate sustained the May rise to 8.2% from 8.1% in April but the same 8.2% in March, versus a 9.0% rate as recently as September. The labor force participation rate sustained the May rise to 63.8% from a 63.6% figure in April that marked the lowest rate since 1981.

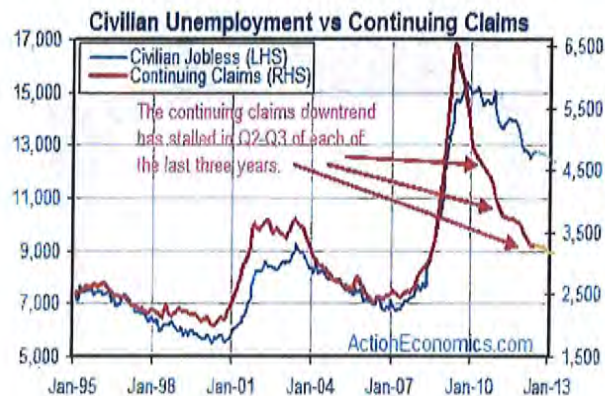
For the cycle as a whole we've seen a downward ratcheting in labor force participation that has allowed only a tiny rise of 363k since the cyclical peak back in May of 2009, which reflects a 0.2% labor force gain. This has occurred despite ongoing 1%-1.5% annual growth in the working age population that leaves a "hole" of about 4%. Presumably these workers will reappear as job growth gains steam in this cycle, and the labor force

The 0.3% June average hourly earnings gain followed a 0.2% (was 0.1%) May increase and an upward April nudge that still left a 0.1% gain, versus 0.2% gains in February and March. The y/y wage gain rose to 2.0% from 1.8% (was 1.7%) in May and 1.9% (was 1.8%) in April, hence leaving the same 2.0% gain as seen in

This publication was authored by a third party, Action Economics, LLC. This article does not necessarily reflect the expertise of Davidson Fixed Income Management, Inc. or its employees.

re-acceleration will provide a headwind for jobless rate declines.

and 2010, alongside the stalling in the pace of decline in the jobless rate, as shown below.



Payrolls vs Other June Labor Market Indicators

The lean June payroll gain following the disappointing April and May reports seemed to reflect fears associated with the deteriorating Q2 [initial claims](#) trajectory and declines in both consumer and producer sentiment. The payroll gain underperformed the big 176k ADP pop for June, though that upside surprise did help to signal the broader workweek and hours-worked strength in today's report, as did greater firmness in the employment components of the various producer sentiment surveys than seen in the headlines.

The as-reported ADP figures are now showing a modest 12k average upside bias thus far in 2012, thanks largely to the big June overshoot, following downward prior biases of 16k in 2011 and 66k in 2010. We will assume no net ADP bias in our July forecasts.

The June rise in [initial claims](#) re-established the backtracking in April to leave a clear stalling in the pace of labor market tightening since February, with claims averaging 385k in June to mark the highest monthly average since the 392k November figure.

Private Nonfarm Payroll Changes vs ADP



Nonfarm Payroll Changes vs Initial Claims



Nearly all of the major factory sentiment surveys declined in June to extend the sentiment drop-back from Q1 peaks that were mostly just short of the Q1 peaks from last year -- before the tsunami-lull last Q2. The graph below shows the [ISM](#) figures, and the associated ISM-adjusted figures for the [Chicago ISM](#), [Empire State Philly Fed](#) and [ISM-NMI](#) reports.

The continuing claims data are exhibiting the same Q2-Q3 stalling in the pace of improvement as seen in 2011

This publication was authored by a third party, Action Economics, LLC. This article does not necessarily reflect the expertise of Davidson Fixed Income Management, Inc. or its employees.

ISM and Related "ISM Adjusted" Indexes



The data from [AutoNews](#) suggest a 1% assembly rate rise to a 10.5 mln June clip that matches the Q2 average rate, versus a 10.1 mln rate in Q1 and a 9.2 mln rate in Q4, as last year's supply chain disruptions have now dissipated.

Vehicle Sales & Output (Mln Unit Rates)



The lean June payroll figures but firm hours-worked data are consistent with the Fed's downgraded growth forecasts revealed after the [June 19-20 FOMC meeting](#) following the prior downward dips in April and January. We expect 2012 GDP growth of 1.9% that sits at the low-end of the Fed's 1.9%-2.4% central tendency.

The 8.2% jobless rate is roughly consistent with the Fed's 2012 central tendency of 8.0%-8.2%, given an assumed modest down-trend. We expect an 8.1% Q4 jobless rate that's in the middle of the Fed's range.

As for inflation, the collapse in European financial conditions and associated commodity price drop since April allowed downward revisions in the Fed's inflation forecasts at the June meeting to leave a central tendency

for forecasts of the 2012 PCE chain price gain of 0.2%-1.7%. We peg the 2012 gain at 1.9%, which remains above the official Fed forecasts, and we continue to see the Fed's future inflation forecasts that converge on a 2% rate as overly optimistic given the highly accommodative global monetary policy trajectory.

Yet this still leaves room for a fourth consecutive downward revision in the official forecasts at the next official review at the October 23-24 Fed meeting -- two weeks before November elections. The Fed may choose to adopt QE3 or some other policy accommodation at that meeting to push back the "monetary cliff" of an expiring twist program at the same time as the January 1 "fiscal cliff."

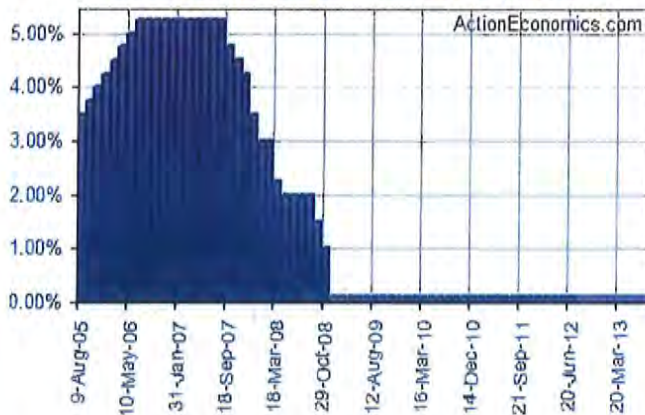
Fed QE3 to Push Back "Monetary Cliff"?

The Fed spoon-fed the hungry markets just enough pessimism on the economy June 20th to justify extending Op-Twist until year-end, while at the same time holding some ammunition in reserve to leave the Fed "prepared to take further action" should the situation in Europe deteriorate rapidly and get away from officials there. Growth has begun to stagnate again, and the unemployment decline has stalled, which marked two sufficient conditions for the modest action.

Though the Fed extended Operation Twist for another 6-months until year-end, the size of that campaign was limited by the dwindling supply of short-term Treasuries in its portfolio that should ensure that this move is the last of its kind. The act was a low-cost option to placate the doves, while avoiding an outright balance sheet enlargement that could have upset the hawks. Richmond Fed hawk Lacker did object to the Twist extension, however, much as he dissented from the extended policy language previously, which was kept intact to reference "late-2014."

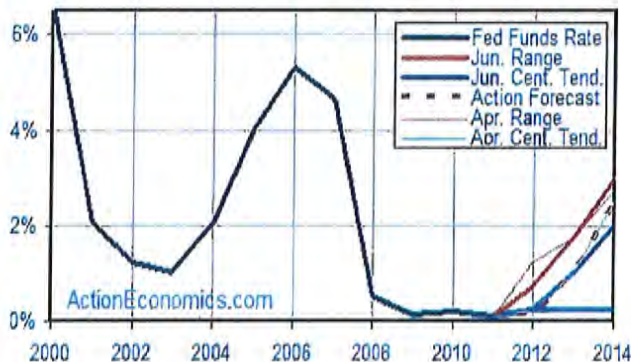
This publication was authored by a third party, Action Economics, LLC. This article does not necessarily reflect the expertise of Davidson Fixed Income Management, Inc. or its employees.

Fed Funds Targets at FOMC Meeting Dates



Fed gets more "Twisted:" The FOMC left rates unchanged and extended the Twist by \$267 bln through year end, according to its [policy statement](#). That was a smaller amount, but a longer time frame than many in the market expected. The Fed added that it will buy in the 6- to 30-year maturities at the "current pace," and will sell or redeem an "equal amount" of debt maturing 3-year or less. It expects "This continuation of the maturity extension program should put downward pressure on longer-term interest rates and help to make broader financial conditions more accommodative." It would seem now that outright MBS purchases are being reserved in case of emergency and further balance sheet expansion is required.

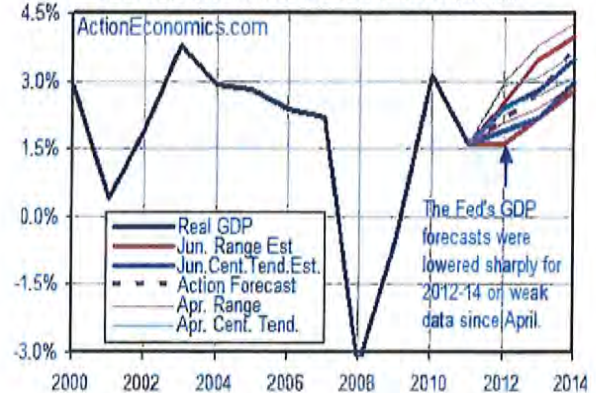
U.S. Fed Funds Rate & Fed Forecasts



Stronger action held in reserve: The Fed was very explicit in the wake of the G20 meetings that it plans to do its part to maintain growth, akin to the ECB "closely monitoring" the situation in Europe: *"The Committee is prepared to take further action as appropriate to promote a stronger economic recovery and sustained improvement in labor market conditions in a context of*

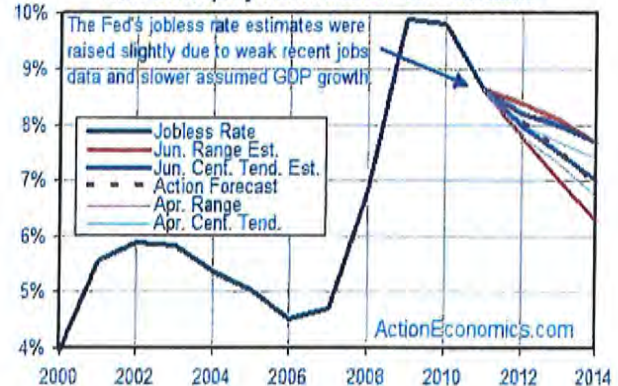
price stability."

U.S. Real GDP Growth & Fed Forecasts, Q4/Q4



Policy horizon intact: *"To support a stronger economic recovery and to help ensure that inflation, over time, is at the rate most consistent with its dual mandate, the Committee expects to maintain a highly accommodative stance for monetary policy. In particular, the Committee decided today to keep the target range for the federal funds rate at 0 to 1/4 percent and currently anticipates that economic conditions--including low rates of resource utilization and a subdued outlook for inflation over the medium run--are likely to warrant exceptionally low levels for the federal funds rate at least through late 2014."*

U.S. Unemployment Rate & Fed Forecasts



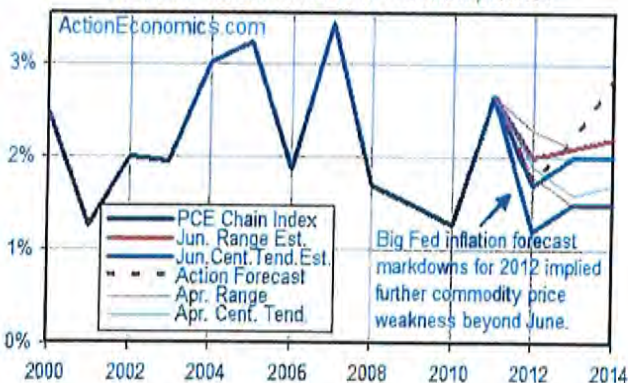
On the economy: the Fed reiterated that the economy expanded at a moderate pace, but said "growth in employment has slowed in recent months, and the unemployment rate remains elevated" (reversed from labor conditions "have improved"). Consumption was also downgraded to: "Household spending appears to be rising at a somewhat slower pace than earlier in the year" (vs

This publication was authored by a third party, Action Economics, LLC. This article does not necessarily reflect the expertise of Davidson Fixed Income Management, Inc. or its employees.

"continued to advance"). Housing remained "depressed" and inflation was downgraded to "has declined" (from picked up somewhat). On the outlook, the Fed emphasized, "the Committee expects growth to remain moderate and then to pick up *very gradually*" (adding 'very'). On unemployment it also underscored, "the unemployment rate will decline *only slowly*" (adding 'only').

To wit: "Consistent with its statutory mandate, the Committee seeks to foster maximum employment and price stability. The Committee expects economic growth to remain moderate over coming quarters and then to pick up *very gradually*. Consequently, the Committee anticipates that the unemployment rate will decline *only slowly* toward levels that it judges to be consistent with its dual mandate. Furthermore, strains in global financial markets continue to pose significant downside risks to the economic outlook. The Committee anticipates that inflation over the medium term will run at or below the rate that it judges most consistent with its dual mandate."

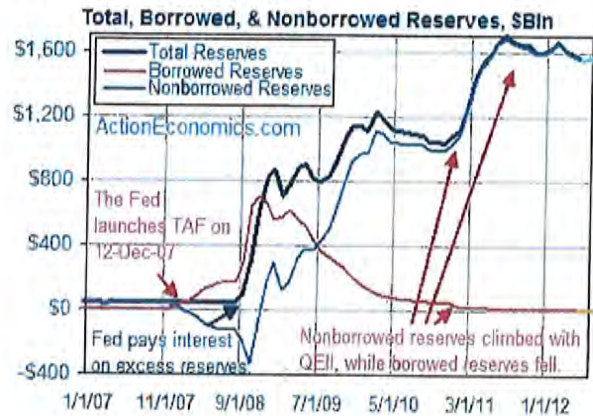
U.S. PCE Inflation & Fed Forecasts, Q4/Q4



On inflation: The Fed flip-flopped on inflation, which likely gave it room to extend the Twist, as they noted "inflation has declined," rather than climbed thanks to "lower prices of crude oil and gasoline." In the second paragraph they entirely eliminated "the increase in oil and gas prices earlier this year is expected to affect inflation only temporarily," as it was no longer relevant. However, thanks to the deterioration in financial conditions in Europe and consequent growth downgrades, the Fed was able to continue to claim that "inflation over the medium-term will run at or below the rate that it judges most consistent with its dual mandate." Also intact is the view that "longer-term inflation expectations remained stable." This

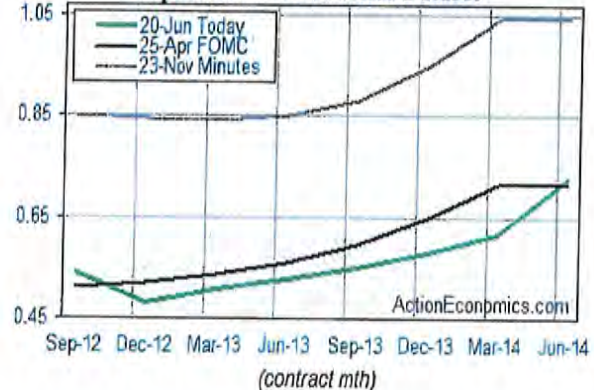
This publication was authored by a third party, Action Economics, LLC. This article does not necessarily reflect the expertise of Davidson Fixed Income Management, Inc. or its employees.

downgrade of inflation risks was reflected in the updated economic projections, and seemed to fit with the much stronger closing language that "the Committee is prepared to take further action" to promote the recovery, should these disinflationary trends continue.



Summary of Economic Projections showed downward GDP growth revisions that were a bit larger than expected, alongside aggressive downward revisions in the official PCE chain price estimates that likely assume further commodity price declines this year -- presumably due to marked-down forecasts for world growth. The PCE core chain price figures were trimmed a bit despite recent firmness, presumably on the assumption that headline weakness and slower GDP growth will trickle-down to reduced core price pressure. The jobless rate estimates were raised aggressively, due both to the expected impact of recent slower job growth and likely additional upward pressure from the big downward GDP adjustments.

Implied Yield: Eurodollar Futures



Fed fund target forecasts reshuffled: For the Fed

funds rate, the distribution of forecasts for policy firming across years show that the addition of the two new board members coincided with two new estimates of tightening in 2015. The distribution of point-estimates show some "push back" of the start of tightening in terms of Fed funds rate levels, though the high-end Fed funds rate estimate for 2014 was raised to 3.0%. Specifically, 6 members see a policy firming this year or next (same), 7 anticipate a move by 2014 (same) and 6 members look for firming in 2015 (up from 4 in April as a function of the two new Fed Board members). At the end of 2014 11 see a sub-1% target rate (vs 7 previously); 4 forecast it between 1-2% (vs 3); 3 look for 2-3% (vs 7) and 1 lonely hawk is looking for a 3% target (Lacker).

The average Fed funds forecast for 2014 dipped to 1.1% from 1.32%. The FOMC still shows a consensus view of tightening starting in late-2013 or 2014, aside from 6 out of 19 stragglers that see tightening after 2014, despite the Fed commitment to exceptionally low rates for the Fed funds rate until "at least" late-2014.

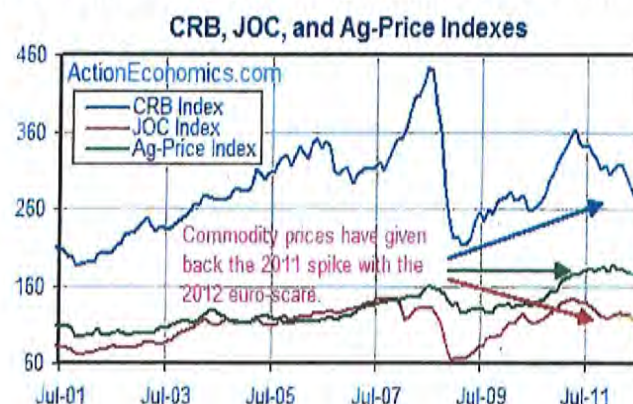
FOMC Projections at the Jun 19-20 Meeting vs Apr 24-25, 2012 Revealed at the Jun 20 Press Conference, vs Our Own Forecasts									
Q4/Q4 Figures	Fed Fore.		Fed Cent.		Apr. '12		Apr. '12		Action
	Range	Tendency	Range	Cent. Tend.	Range	Cent. Tend.	Fore.		
2012									
Real GDP	1.6% 2.6%	1.9% 2.4%	2.1% 3.0%	2.4% 2.9%	1.9%				
Unemp. Rate (Q4)	7.8% 8.4%	8.0% 8.2%	7.8% 8.2%	7.8% 8.0%	8.1%				
PCE Prices	1.2% 2.0%	1.2% 1.7%	1.8% 2.3%	1.9% 2.0%	1.9%				
PCE Core Prices	1.7% 2.0%	1.7% 2.0%	1.7% 2.0%	1.8% 2.0%	1.8%				
Fed Funds Rate*	0.2% 0.7%	0.2% 0.2%	0.2% 1.2%	0.2% 0.2%	0.2%				
2013									
Real GDP	2.2% 3.5%	2.2% 2.8%	2.4% 3.8%	2.7% 3.1%	2.7%				
Unemp. Rate (Q4)	7.0% 8.1%	7.6% 8.0%	7.0% 8.1%	7.3% 7.7%	7.6%				
PCE Prices	1.5% 2.1%	1.6% 2.0%	1.5% 2.1%	1.6% 2.0%	2.2%				
PCE Core Prices	1.4% 2.1%	1.6% 2.0%	1.6% 2.1%	1.7% 2.0%	1.9%				
Fed Funds Rate*	0.2% 1.7%	0.2% 1.0%	0.2% 1.7%	0.2% 1.0%	1.0%				
2014									
Real GDP	2.8% 4.0%	3.0% 3.6%	2.0% 4.3%	3.1% 3.6%	3.7%				
Unemp. Rate (Q4)	6.3% 7.7%	7.0% 7.7%	6.3% 7.7%	6.7% 7.4%	7.0%				
PCE Prices	1.5% 2.2%	1.6% 2.0%	1.5% 2.2%	1.7% 2.0%	2.9%				
PCE Core Prices	1.5% 2.2%	1.8% 2.0%	1.7% 2.2%	1.8% 2.0%	2.1%				
Fed Funds Rate*	0.2% 3.0%	0.2% 2.0%	0.2% 2.7%	0.2% 2.5%	2.5%				
Longer Run									
Real GDP	2.2% 3.0%	2.3% 2.5%	2.2% 3.0%	2.3% 2.6%	2.6%				
Unemp. Rate (Avg)	4.9% 6.3%	5.2% 6.0%	4.9% 6.0%	5.2% 6.0%	6.4%				
PCE Prices	2.0%	2.0%	2.0%	2.0%	3.0%				
Fed Funds Rate*	3.0% 4.5%	4.0% 4.5%	3.5% 4.5%	4.0% 4.5%	4.5%				

Action Economics, LLC. Red = Upward Rev. Blue = Downward Rev.
* Ranges and Central Tendencies that are "backed out" of the graph provided in the Fed report on the official projections.

Intermeeting economic conditions: the global economy really began to stall in Q2 as the eurozone flu spread to Asia and then back to the states again. The key variable for the Fed is likely the lack follow-

through gains on employment from earlier in the year. Nonfarm payroll growth peaked in January at 275k and ground steadily lower to 69k in June. Likewise, the unemployment rate backed up to 8.21% in June from lows of 8.10% in April, which leaves the rate virtually back to the 8.26% January level, though as an indicator of the health of the jobs market this rate has been suspect for a while given attrition in the labor force.

The labor market softening has been mirrored by weakening GDP growth, as it has been all downhill from the Q4-2011 growth clip of 3.0%, as Q1-2012 eased to 1.9% and Q2 settled at an estimated 1.8%. Bernanke has been keenly aware of the risk of the economy hitting "stall speed" again just as the policy tools in his arsenal dwindle and just before the abrupt post-election "fiscal-monetary cliff." Back-revisions on housing starts put the housing data on a slightly stronger footing, though falling 4.8% in May. Existing home sales have climbed steadily higher and new home sales have been consolidating late-2011 gains. Consumer confidence has eroded below recent highs under 70.0, while retail sales growth has turned negative the past 2-months. PCE price gains have fallen back below the 2.0% y/y Fed target from 2.7% last fall.



Risk indicators: U.S. swap spreads blew out during the intermeeting period as troubles in Greece spread to Spain and Italy, while repeat elections there and spread widening to untenable levels saw dollar swap spreads sustain some volatility. From the +28 basis point area at the time of the previous FOMC meeting, the 2-year swap spread lurched out 10 basis points to clear +38 basis points by mid-May before rotating all the way back down to +24 basis

This publication was authored by a third party, Action Economics, LLC. This article does not necessarily reflect the expertise of Davidson Fixed Income Management, Inc. or its employees.

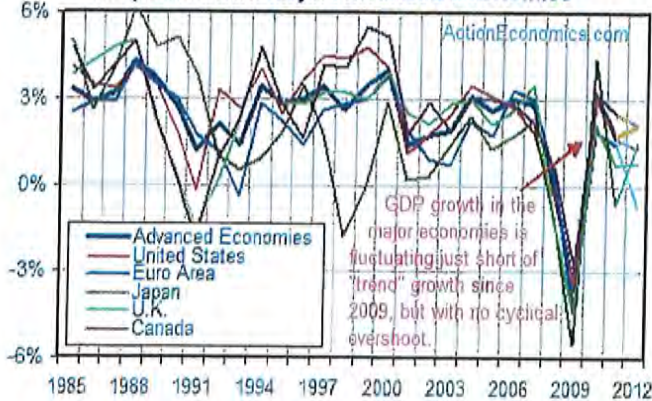
points as the prospects of EU rescue packages and Fed stimulus dampened them. The 10-year swap spread likewise rebounded from +10 basis points on April 25 to clear +21 basis points by late-May, then easing back to +14.5 basis points currently.

New Home Sales and Starts Data, in Mlns

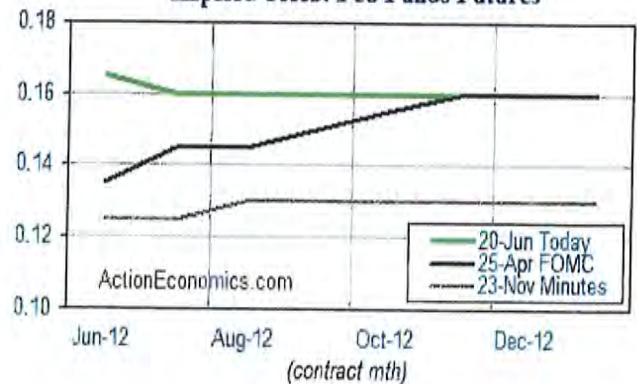


Market benchmarks: the intermeeting period saw the Dow plunge from late-April highs of 13,338 to an early-June low of 12,035, only to spring back over its 50% retracement to clear 12,800 ahead of the meeting. Stocks had been buoyed by the more upbeat tone in the last FOMC statement along with the pledge to hold rates low, but unraveling of global growth, acrimony over austerity and the shift to the Left in Europe all weighed on investors in May. The Nasdaq Comp stalled at 3,085 in late-April and extended its slide to lows of 2,726 in early June before snapping above 2,900 on Fed easing hopes. The Facebook IPO fiasco and JPM London Whale \$2-\$5 bln hedging loss didn't help detoxify sentiment either.

Output Growth: Major Advanced Economies

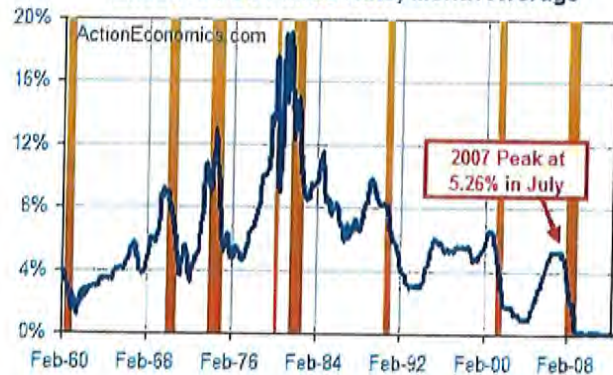


Implied Yield: Fed Funds Futures



Fed fund futures: Fed funds and euro\$ futures dipped very slightly on the FOMC policy statement. Sources said the Fed disappointed on a few fronts. There had been some market hopes (albeit modest) for QE, of which there was no sign. The size of Twist was smaller than the \$300 bln to \$400 bln many had projected (Bernanke acknowledged it has no more shorter securities for the Twist after this one). The Fed also didn't extend its forward language beyond "late 2014," nor did it commit to purchasing MBS, as rumored. Some had thought the FOMC could move out into 2015. Nevertheless, the uptick in implied yields was fractional. Implied futures are pricing in the first rate hike in March of 2015.

Effective Fed Funds Rate, Month Average



Bernanke press conference highlights: on balance he revealed nothing that wasn't already imbedded in the FOMC's policy statement or in the economic projections. He did say categorically that the Fed won't be purchasing European sovereign debt. He also indicated the FOMC is monitoring the BoE's programs. Equities headed lower through his

This publication was authored by a third party, Action Economics, LLC. This article does not necessarily reflect the expertise of Davidson Fixed Income Management, Inc. or its employees.

comments -- investors shouldn't have been hoping for any indications of QE3 at this point, but obviously couldn't help themselves. *The Chairman reiterated over and over that the Fed stands ready to do more if necessary, which was the major take-away.*

This publication was authored by a third party, Action Economics, LLC. This article does not necessarily reflect the expertise of Davidson Fixed Income Management, Inc. or its employees.

This publication was authored by a third party, Action Economics, LLC. This article does not necessarily reflect the expertise of Davidson Fixed Income Management, Inc. or its employees.

This publication, including the content and any attachments, is not, and should not, be construed as a recommendation or solicitation to buy or sell any security, futures contract, option on futures, or any other financial instrument mentioned in it. This publication has been prepared by Action Economics, LLC either from publicly available information or is based on the opinions of the author. Information contained in this document is believed to be reliable but may not have been independently verified. Neither Davidson Fixed Income Management, Inc. or Action Economics, LLC guarantees, represents or warrants, or accepts any responsibility or liability as to the accuracy, completeness or appropriateness of the information contained in this document. Information contained herein may not be current due to, among other things, changes in the financial markets or economic environment.

Opinions reflected in the materials are subject to change without notice. Past performance should not be taken as an indication or guarantee of future performance. Forecasts of future performance represent estimates; actual performance may vary. This document does not constitute, and should not be construed as a substitute for tax, legal or investment advice.

Copyright 2011 Action Economics, LLC. All Rights Reserved. This document may not be altered, reproduced or redistributed, in whole or in part, without the prior consent of Action Economics, LLC.

U.S. Economic Calendar July 2012

DAVIDSON
COMPANIES

Davidson Fixed Income Management

REGISTERED INVESTMENT ADVISER

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday																																																																																			
1	2 10:00 AM ISM (Mfg) JUN 10:00 AM Construction Spending MAY Tsy Auctions 3&6 Mth Bills Tsy Announces 4-Wk Bills Canada Day Observed CAN Markets Closed	3 7:45 AM ICSC-Goldman Sachs 06/30 8:15 AM ADP Employment Survey JUN 8:55 AM Redbook 06/30 10:00 AM Factory Orders MAY Unit Vehicle Sales JUN Tsy Auctions 4-Wk Bills	4 Independence Day U.S. Markets Closed	5 7:00 AM MBA Mortgage Applications 06/29 7:30 AM Challenger JUN 8:30 AM Initial Claims 06/30 9:45 AM Bloomberg Consumer Comfort 07/01 10:00 AM ISM-NMI JUN 11:00 AM EIA Crude Oil Stocks 06/29 4:30 PM Weekly Money Supply 06/25 Tsy Announces 3-Yr Notes Tsy Announces 3&6 Mth Bills Reopen Tsy Announces 10-Yr Notes Reopen Tsy Announces 30-Yr Bonds Reopen	6 6:00 AM Monster Employment Index JUN 8:30 AM Employment Report JUN	7																																																																																			
8	9 3:00 PM Consumer Credit MAY Tsy Auctions 3&6 Mth Bills Tsy Announces 4-Wk Bills	10 7:45 AM ICSC-Goldman Sachs 07/07 8:55 AM Redbook 07/07 10:00 AM JOLTS Job Openings MAY Tsy Auctions 4-Wk Bills Tsy Auctions 3-Yr Notes	11 7:00 AM MBA Mortgage Applications 07/06 8:30 AM U.S. Trade MAY 10:00 AM Wholesale Trade MAY 10:30 AM EIA Crude Oil Stocks 07/06 2:00 PM FOMC Minutes for Jun 19-20 Meeting (economic projections) Tsy Auctions 10-Yr Notes Reopen	12 8:30 AM Trade Price Indexes JUN 8:30 AM Initial Claims 07/07 9:45 AM Bloomberg Consumer Comfort 07/08 2:00 PM Treasury Budget JUN 4:30 PM Weekly Money Supply 07/02 Tsy Auctions 30-Yr Bonds Reopen* Tsy Announces 3&6 Mth Bills Tsy Announces 10-Yr TIPS	13 8:30 AM PPI JUN 9:55 AM Consumer Sentiment Pre JUL	14																																																																																			
15	16 8:30 AM Retail Sales JUN 8:30 AM Empire State Index JUL 10:00 AM Business Inventories MAY Tsy Auctions 3&6 Mth Bills Tsy Announces 4-Wk Bills Marine Day JPN Markets Closed	17 7:45 AM ICSC-Goldman Sachs 07/14 8:30 AM CPI JUN 8:55 AM Redbook 07/14 9:00 AM Treasury Int'l Capital MAY 9:15 AM Industrial Production JUN 1:00 PM NAHB Housing Market Index JUL Tsy Auctions 4-Wk Bills	18 7:00 AM MBA Mortgage Applications 07/13 8:30 AM Housing Starts JUN 10:30 AM EIA Crude Oil Stocks 07/13 2:00 PM Beige Book for Jul 31 FOMC Meeting Monetary Policy Report	19 8:30 AM Initial Claims 07/14 9:45 AM Bloomberg Consumer Comfort 07/16 10:00 AM Philadelphia Fed Index JUL 10:00 AM Existing Home Sales JUN 10:00 AM Leading Indicators JUN* 4:30 PM Weekly Money Supply 07/09 Tsy Auctions 10-Yr TIPS Tsy Announces 3&6 Mth Bills Tsy Announces 52-Wk Bills Tsy Announces 2, 5 & 7-Yr Notes*	20	21																																																																																			
22	23 Tsy Auctions 3&6 Mth Bills Tsy Announces 4-Wk Bills	24 7:45 AM ICSC-Goldman Sachs 07/21 8:55 AM Redbook 07/21 10:00 AM Richmond Fed Index JUL Tsy Auctions 4-Wk Bills Tsy Auctions 52-Wk Bills Tsy Auctions 2-Yr Notes	25 7:00 AM MBA Mortgage Applications 07/20 10:00 AM New Home Sales JUN 10:30 AM EIA Crude Oil Stocks 07/20 Tsy Auctions 5-Yr Notes	26 8:30 AM Durable Orders JUN 8:30 AM Initial Claims 07/21 9:45 AM Bloomberg Consumer Comfort 07/22 10:00 AM Pending Home Sales Index JUN 4:30 PM Weekly Money Supply 07/16 Tsy Auctions 7-Yr Notes Tsy Announces 3&6 Mth Bills	27 8:30 AM GDP Advance Q2 9:55 AM Consumer Sentiment Fin JUL	28																																																																																			
29	30 10:30 AM Dallas Fed Index JUL Tsy Auctions 3&6 Mth Bills Tsy Announces 4-Wk Bills	31 7:45 AM ICSC-Goldman Sachs 07/28 8:30 AM Employment Cost Index Q2 8:30 AM Personal Income & PCE JUN 8:55 AM Redbook 07/28 9:00 AM S&P/Case-Shiller Home Price Index MAY 9:45 AM Chicago ISM JUL 10:00 AM Consumer Confidence JUL FOMC 2-day meeting Starts 3:00 PM Agricultural Prices JUL Tsy Auctions 4-Wk Bills	<div style="display: flex; justify-content: space-around;"> <table border="1"> <caption>June</caption> <thead> <tr><th>S</th><th>M</th><th>T</th><th>W</th><th>T</th><th>F</th><th>S</th></tr> </thead> <tbody> <tr><td></td><td></td><td></td><td></td><td>1</td><td>2</td><td></td></tr> <tr><td>3</td><td>4</td><td>5</td><td>6</td><td>7</td><td>8</td><td>9</td></tr> <tr><td>10</td><td>11</td><td>12</td><td>13</td><td>14</td><td>15</td><td>16</td></tr> <tr><td>17</td><td>18</td><td>19</td><td>20</td><td>21</td><td>22</td><td>23</td></tr> <tr><td>24</td><td>25</td><td>26</td><td>27</td><td>28</td><td>29</td><td>30</td></tr> </tbody> </table> <table border="1"> <caption>August</caption> <thead> <tr><th>S</th><th>M</th><th>T</th><th>W</th><th>T</th><th>F</th><th>S</th></tr> </thead> <tbody> <tr><td></td><td></td><td></td><td></td><td>1</td><td>2</td><td>3</td></tr> <tr><td>4</td><td>5</td><td>6</td><td>7</td><td>8</td><td>9</td><td>10</td></tr> <tr><td>11</td><td>12</td><td>13</td><td>14</td><td>15</td><td>16</td><td>17</td></tr> <tr><td>18</td><td>19</td><td>20</td><td>21</td><td>22</td><td>23</td><td>24</td></tr> <tr><td>25</td><td>26</td><td>27</td><td>28</td><td>29</td><td>30</td><td>31</td></tr> </tbody> </table> </div>		S	M	T	W	T	F	S					1	2		3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	S	M	T	W	T	F	S					1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	
S	M	T	W	T	F	S																																																																																			
				1	2																																																																																				
3	4	5	6	7	8	9																																																																																			
10	11	12	13	14	15	16																																																																																			
17	18	19	20	21	22	23																																																																																			
24	25	26	27	28	29	30																																																																																			
S	M	T	W	T	F	S																																																																																			
				1	2	3																																																																																			
4	5	6	7	8	9	10																																																																																			
11	12	13	14	15	16	17																																																																																			
18	19	20	21	22	23	24																																																																																			
25	26	27	28	29	30	31																																																																																			

This publication was authored by a third party, Action Economics, LLC. This article does not necessarily reflect the expertise of Davidson Fixed Income Management, Inc. or its employees.

This publication was authored by a third party, Action Economics, LLC. This article does not necessarily reflect the expertise of Davidson Fixed Income Management, Inc. or its employees.

FIXED INCOME BENCHMARK RETURNS

June 30, 2012

	<u>Duration</u>	<u>Month Ending</u> <u>6/30/2012</u>	<u>Quarter Ending</u> <u>6/30/2012</u>	<u>Last</u> <u>Year</u>	<u>Last</u> <u>3 Years</u>	<u>Last</u> <u>5 Years</u>	<u>Last</u> <u>10 Years</u>
<u>U.S. TREASURY BENCHMARKS</u>							
US Treasury 90 Day Bill	0.24	0.01	0.03	0.06	0.33	0.98	1.87
US Treasury 0-1 Year	0.52	0.00	0.04	0.17	0.33	1.48	2.09
US Treasury 0-3 Year	1.46	-0.04	0.15	0.59	1.24	2.67	2.70
US Treasury 1-3 Year	1.90	-0.06	0.19	0.79	1.60	3.27	3.02
US Treasury 0-5 Year	2.26	-0.07	0.47	1.76	2.32	3.73	3.31
US Treasury 1-5 Year	2.74	-0.09	0.59	2.22	2.83	4.45	3.72
US Treasury 1-10 Year	4.08	-0.19	1.71	5.64	4.72	5.98	4.62
<u>TIPS BENCHMARKS</u>							
TIPS 1-3 Year	0.31	-0.27	-0.85	0.27	3.15	3.78	N/A
TIPS 1-5 Year	1.01	-0.32	-0.41	1.78	4.77	5.08	N/A
TIPS 3-5 Year	0.93	-0.36	-0.02	3.06	6.15	6.96	5.43
TIPS 1-10 Year	1.87	-0.43	1.32	6.37	7.44	6.96	6.26
<u>AGENCY BENCHMARKS</u>							
US Agency 1-3 Year	1.62	0.03	0.19	1.04	1.80	3.57	3.30
US Agency 1-5 Year	2.24	0.08	0.43	1.94	2.54	4.28	3.78
US Agency 1-10 Year	2.71	0.08	0.79	3.22	3.47	5.13	4.43
<u>AGENCY BULLET</u>							
US Agency 1-3 Year Bullet	1.76	0.02	0.19	1.10	1.97	3.91	3.52
US Agency 1-5 Year Bullet	2.49	0.08	0.47	2.15	2.82	4.77	4.07
US Agency 3-5 Year Bullet	3.83	0.22	1.11	5.08	5.22	6.94	5.44
US Agency 1-10 Year Bullet	3.02	0.08	0.90	3.63	3.87	5.73	4.79
<u>AGENCY CALLABLE</u>							
US Agency 1-3 Year Callable	1.14	0.05	0.19	0.81	1.16	2.49	2.60
US Agency 1-5 Year Callable	1.30	0.05	0.26	1.06	1.47	2.78	2.85
US Agency 3-5 Year Callable	1.70	0.07	0.47	1.76	2.37	3.50	3.39
US Agency 1-10 Year Callable	1.38	0.05	0.31	1.34	1.80	3.17	3.21
<u>CORPORATE</u>							
1-3 Year Corp A-AAA	1.96	0.34	0.35	2.02	4.24	4.08	3.90
1-5 Year Corp A-AAA	2.75	0.47	0.69	3.14	5.68	4.86	4.53
1-10 Year Corp A-AAA	4.29	0.62	1.59	5.97	8.08	5.80	5.33

Data source: Merrill Lynch Global Index System on Bloomberg.



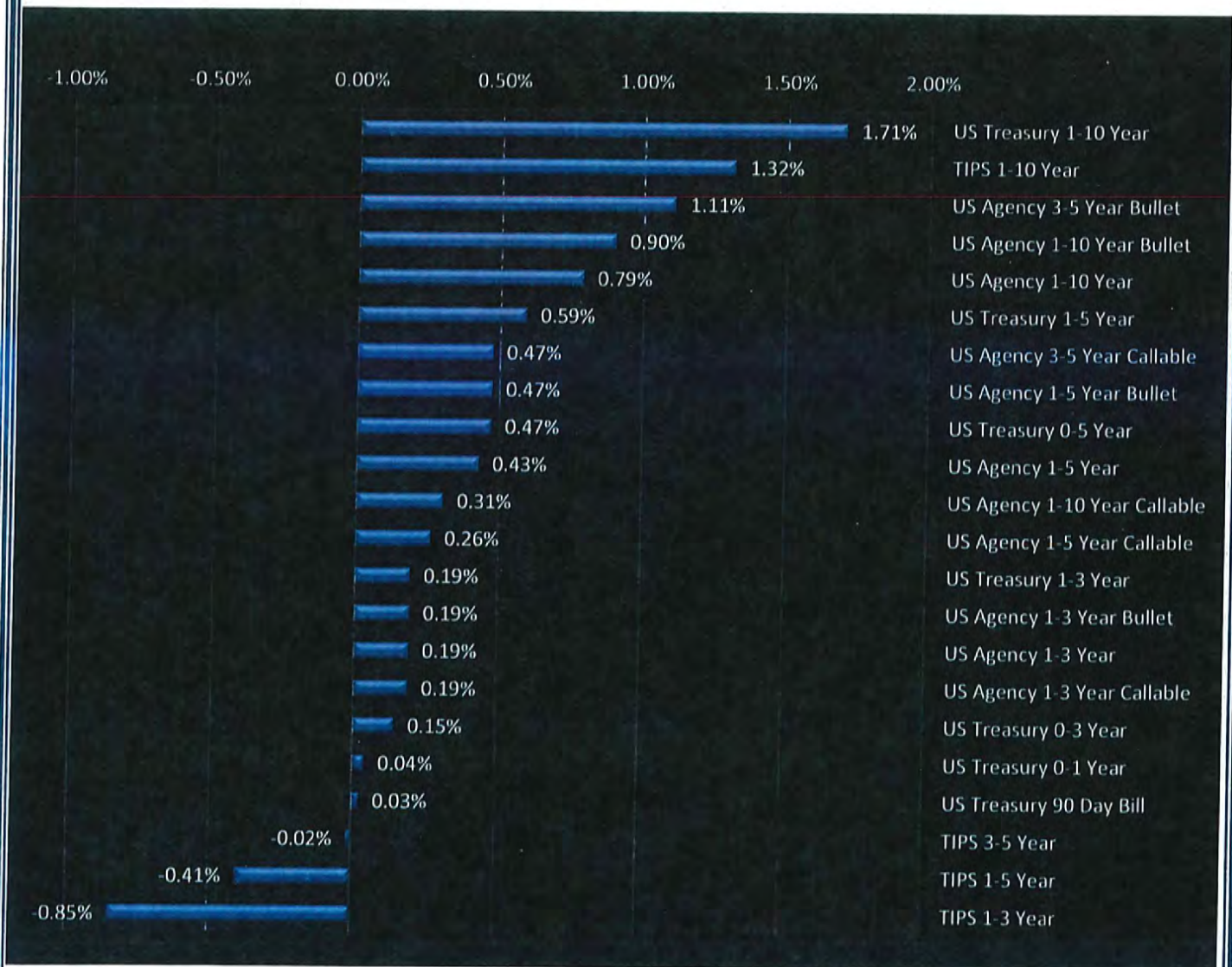
Davidson Fixed Income Management

REGISTERED INVESTMENT ADVISER

WHAT'S HOT AND WHAT'S NOT

QUARTERLY PERFORMANCE RANKINGS

June 30, 2012



Data source: Merrill Lynch Global Index System on Bloomberg.

STATE OF NEW MEXICO
Position Holdings
SETTLED POSITIONS HELD AS OF 7/31/12
 BOND PROCEEDS INV POOL2 TAXABL (4002)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
------	--------	----	-------	-----------	-------------	------	------------	-------	------------	---	------------	----------

1 Item in subtotal for: MEDIUM-TERM NOTES (Type 310)
 Market: 15,013,950.00
 2.398% Total

Cpn: .330	Term: 1.000	S&P: N/R (1 not rated)
Yld: .330	Dur: 1.000	Moody: N/R (1 not rated)

UNITS - INVESTMENT POOL 1 (7110)

16436 UNITS001 2 4002 7110 UNITS - INVESTMENT POOL 1

1 Item in subtotal for: UNITS - INVESTMENT POOL 1 (Type 7110)

27,294,214.65	27,294,214.65	8/16/12
<u>27,294,214.65</u>	<u>27,294,214.65</u>	

Market: 27,294,214.65
 4.360% Total

CASH ACCOUNT (9300)

16341 CASHCASH 1 4002 9300 CASH KEY

1 Item in subtotal for: CASH ACCOUNT (Type 9300)

-499,483.37	-499,483.37	9/04/12
<u>-499,483.37</u>	<u>-499,483.37</u>	

Market: -499,483.37
 -.080% Total

STATE OF NEW MEXICO

Position Holdings

SETTLED POSITIONS HELD AS OF 7/31/12
 BOND PROCEEDS INV POOL2 TAXABL (4002)

POS#	SEC-ID	\$ POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @ YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
50 Items in subtotal for: BOND PROCEEDS INV POOL2 TAXABL (Fund 4002)										
				Market: 626,062,101.72 (9 priced @ cost)			100.000% Total			
				Cpn: 1.661	Term: 2.091 (OA 1.528)			S&P: N/R (1 not rated)		
				Yld: 1.035 (OA 1.036)	Dur: 2.052 (OA 1.923)			Moody: N/R (1 not rated)		
							616,907,050.83	622,549,401.10		

Portfolio Summary – Severance Tax Bonding Fund

Summary

- The Severance Tax Bonding Fund closed the month of June at \$120 Million.
- After debt service transfers and transfers to the Severance Tax Permanent Fund, the July 31st balances were \$17MM
- Due to a delay in timing, Severance Tax Bonding Fund deposits for July were not received until August.
- The Severance Tax Bonding Fund earned \$376,970 during FY2012.

Portfolio Mix

- Severance Tax Bonding Fund Proceeds are invested in the LGIP and the overnight repurchase agreement pool.
- Severance Taxes are remitted to the Treasury on a monthly basis and are approximately \$35MM per month.
- Severance Tax Bonding Fund holdings are pledged and used to pay debt service on Severance Tax and Supplemental Severance Tax Bonds.
- Once debt service needs are met, the balance in the Severance Tax Bonding Fund is transferred to the Severance Tax Permanent Fund.
- STBF balances will be decreased at the end of December to meet Debt Service Costs and also transferred to the Severance Tax Permanent Fund managed by the State Investment Council.

Investment Strategy

- We continue to utilize the LGIP for STBF proceeds.
- Due to its short-term nature, investments of three to six month maturities are viable investments for the STBF pool.

STATE OF NEW MEXICO

STB FUND (4001)

Portfolio Classification Summary

Positions Held as of 6/30/12

TXN BASIS: SETTLEMENT
 MKT-SOURCE: IDC-PREFERRED+
 AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REFURCHASE AGREEMENTS (O/N)	1	.3549	.00550	104,280,161	104,280,161	104,280,161		86.444
UNITS - INVESTMENT POOL 1	1			16,352,898	16,352,898	16,352,898		13.556
	2	.3068	.00550	120,633,059	120,633,059	120,633,059		100.000

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:25:34
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 6/30/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 6/30/12

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

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
16,352,898	UNITS - INVESTMENT POOL 1	UNITS001				1.000000028	16,352,898.46	16,352,898.00
16,352,898					2.104		16,352,898.46	16,352,898.00

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

104,280,161	OVERNIGHT REPO	0702RP	.350	7/02/12	.355	99.999999578	104,280,160.56	104,280,160.56
104,280,161					.330		104,280,160.56	104,280,160.56

====> 0001 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2012 <====

120,633,059					.285		120,633,059.02	120,633,058.56
-------------	--	--	--	--	------	--	----------------	----------------

====> 0002 ITEMS IN SUBTOTAL FOR ====> FUND-NAME..... ====> STB FUND <====

STATE OF NEW MEXICO
Position Holdings
SETTLED POSITIONS HELD AS OF 6/30/12
 STB FUND (4001)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
16943	0702RP	9	4001	10 OVERNIGHT REPO		.350	7/02/12	.350	104,280,160.56	104,280,160.56	104,280,160.56	7/02/12
1 Item in subtotal for: REPURCHASE AGREEMENTS (O/N) (Type 10)												
Market: 104,280,160.56 (1 priced @ cost)						86.444% Total						
Cpn:	.350	Term:		.005	S&P:		N/R	(1 not rated)				
Yld:	.350	Dur:		.005	Moody:		N/R	(1 not rated)				

UNITS - INVESTMENT POOL 1 (7110)

16469	UNITS001 2	4001	7110	UNITS - INVESTMENT POOL 1					16,352,898.46	16,352,898.46	16,352,898.46	8/01/12
1 Item in subtotal for: UNITS - INVESTMENT POOL 1 (Type 7110)												
Market: 16,352,898.46						13.556% Total						

2 Items in subtotal for: STB FUND (Fund 4001)

Market: 120,633,059.02 (1 priced @ cost)						100.000% Total						
Cpn:	.350	Term:		.005	S&P:		N/R	(1 not rated)				
Yld:	.350	Dur:		.005	Moody:		N/R	(1 not rated)				
Market: 120,633,059.02						120,633,059.02						
Market: 120,633,059.02						120,633,059.02						

STATE OF NEW MEXICO

STB FUND (4001)

Portfolio Classification Summary

Positions Held as of 7/31/12

TXN BASIS: SETTLEMENT
 MKT-SOURCE: IDC-PREFERRED+
 AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.2231	.00270	912,086	912,086	912,086		5.277
UNITS - INVESTMENT POOL 1	1			16,372,657	16,372,657	16,372,657		94.723
	2	.0118	.00270	17,284,743	17,284,743	17,284,743		100.000

SOURCE: VisualQED
 MODEL: INVENTORY
 USER: WRIGHT
 RUN: 8/31/12 @ 15:27:14
 BASIS: SETTLEMENT (SIC FROM QMARKET-LIBRARY)
 AS-OF: 7/31/12
 AMRTZD: BOOK VALUES AMORTIZED THROUGH 7/31/12

STATE OF NEW MEXICO
 TREASURER'S OFFICE

POSITION-SIZ	DESCRIPTION	CUSIP#	RATE	MATURITY	YIELD	UNIT-BOOK	CURRENT BK	LOC-MKT-VALUE
16,372,657	UNITS - INVESTMENT POOL 1	UNITS001				.999999996	16,372,656.94	16,372,657.00
16,372,657					1.484		16,372,656.94	16,372,657.00

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

912,086	OVERNIGHT REPO	0801RP	.220	8/01/12	.223	99.9999961627	912,085.65	912,085.65
912,086					26.642		912,085.65	912,085.65

====> 0001 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2012 <====

17,284,743					1.406		17,284,742.59	17,284,742.65
------------	--	--	--	--	-------	--	---------------	---------------

====> 0002 ITEMS IN SUBTOTAL FOR ====> FUND-NAME..... ====> STB FUND <====

STATE OF NEW MEXICO
Position Holdings
SETTLED POSITIONS HELD AS OF 7/31/12
 STB FUND (4001)

POS#	SEC-ID	\$	POOL#	FUND TYPE	DESCRIPTION	RATE	MATURITY @	YIELD	PAR/SHARES	#	BOOK-VALUE	LAST-QTY
17163	0801RP	9	4001	10	OVERNIGHT REPO	.220	8/01/12	.220	912,085.65		912,085.65	8/01/12
1 Item in subtotal for: REPURCHASE AGREEMENTS (O/N) (Type 10)												
Market: 912,085.65 (1 priced @ cost)						5.277% Total						
Cpn:		.220		Term:		.003		S&P:		N/R (1 not rated)		
Yld:		.220		Dur:		.003		Moody:		N/R (1 not rated)		

UNITS - INVESTMENT POOL 1 (7110)

16469	UNITS001	2	4001	7110	UNITS - INVESTMENT POOL 1							
1 Item in subtotal for: UNITS - INVESTMENT POOL 1 (Type 7110)												
Market: 16,372,656.94						94.723% Total						
										16,372,656.94	8/01/12	
										16,372,656.94	16,372,656.94	

2 Items in subtotal for: STB FUND (Fund 4001)

Market: 17,284,742.59 (1 priced @ cost)						100.000% Total						
Cpn:		.220		Term:		.003		S&P:		N/R (1 not rated)		
Yld:		.220		Dur:		.003		Moody:		N/R (1 not rated)		
										17,284,742.59	17,284,742.59	

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
2012-2013

Volume at Par (\$ in thousands)

Broker/Dealer:	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	YTD Total	YTD Percent
Arbor Research and Trading	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Bank of America/MLPFS	25,000	-	-	-	-	-	-	-	-	-	-	-	25,000	5.5%
Bank of Oklahoma (Bk ABC)	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Barclays	41,790	-	-	-	-	-	-	-	-	-	-	-	41,790	9.2%
BB&T/Scott & Stringfellow	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
BNP Paribas	101,100	-	-	-	-	-	-	-	-	-	-	-	101,100	22.2%
Centor Fitzgerald	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Citigroup	25,000	-	-	-	-	-	-	-	-	-	-	-	25,000	5.5%
Credit Suisse Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Deutsche Bank	90,000	-	-	-	-	-	-	-	-	-	-	-	90,000	19.8%
FTN Financial	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
George K. Baum & Company	8,400	-	-	-	-	-	-	-	-	-	-	-	8,400	1.8%
Goldman Sachs	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Great Pacific Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
HSBC	60,000	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Jefferies	20,000	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Lawson Financial	-	-	-	-	-	-	-	-	-	-	-	-	60,000	13.2%
Mitsubishi UFJ (Repo)	-	-	-	-	-	-	-	-	-	-	-	-	20,000	4.4%
Morgan Keegan	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Morgan Stanley	10,000	-	-	-	-	-	-	-	-	-	-	-	10,000	2.2%
Muriel Siebert & Co.	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Nomura Securities	10,500	-	-	-	-	-	-	-	-	-	-	-	10,500	2.3%
Northern Trust	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Piper Jaffrey	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
RW Pressprich	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Raymond James & Associates	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Robert W. Baird & Co.	5,000	-	-	-	-	-	-	-	-	-	-	-	5,000	1.1%
South Street (Repo Only)	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Southwest Securities	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Stifel Financial	100	-	-	-	-	-	-	-	-	-	-	-	100	0.0%
UBS Financial Services	40,000	-	-	-	-	-	-	-	-	-	-	-	40,000	8.8%
Vining Sparks	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Wedbush Securities	6,470	-	-	-	-	-	-	-	-	-	-	-	6,470	1.4%
Williams Capital Group	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Direct Purchase Interfund	12,100	-	-	-	-	-	-	-	-	-	-	-	12,100	2.7%
Total	455,460												455,460	100.0%

Market type:	Column1	Column2	Column3	Column4	Column5	Column6	Column7	Column8	Column9	Column10	Column11	Column12	Column13	Column14	Column15
Primary Market	6,470	-	-	-	-	-	-	-	-	-	-	-	-	6,470	1.4%
Secondary Market	448,990	-	-	-	-	-	-	-	-	-	-	-	-	448,990	98.6%
Total	455,460													455,460	100.0%

Security type:	Column1	Column2	Column3	Column4	Column5	Column6	Column7	Column8	Column9	Column10	Column11	Column12	Column13	Column14	Column15
CDs	12,100	-	-	-	-	-	-	-	-	-	-	-	-	12,100	2.7%
Corporate Bonds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
TLGP	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Agencies	236,790	-	-	-	-	-	-	-	-	-	-	-	-	236,790	52.0%
Commercial Paper	140,000	-	-	-	-	-	-	-	-	-	-	-	-	140,000	30.7%
MBS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Treasuries	51,600	-	-	-	-	-	-	-	-	-	-	-	-	51,600	11.3%
Municipal/Sponge	14,970	-	-	-	-	-	-	-	-	-	-	-	-	14,970	3.3%
ABS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Money Markets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0%
Total	455,460													455,460	100.0%

STATE OF NEW MEXICO

Summary of Fixed-Income Purchases and Sales

TRADES During The Period 6/01/12 Through 6/30/12

TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKS/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	EXT-CALL
PURCHASE TRANSACTIONS													
6/11/12	8625TYFM	COMMERCIAL PAPER	16797	STRAIGHT-A FUNDING CP	.180	9/07/12	.1801	BANK OF AMERICA	4101	14,500,000.00	14,493,620.00		
6/21/12	8625TYGA	COMMERCIAL PAPER	16916	STRAIGHT-A FUNDING CP	.180	9/25/12	.1801	BANK OF AMERICA	4101	25,000,000.00	24,988,750.00		
6/06/12	15955	CERTIFICATES OF	16763	WESTERN BANK CLOVIS	.300	6/06/13	.3000	SYSTEM - UNIDEN	1000	500,000.00	500,000.00		
6/29/12	17099247	CERTIFICATES OF	16949	CENTURY BAN SANTA FE	.350	6/28/13	.3500	SYSTEM - UNIDEN	1000	8,000,000.00	8,000,000.00		
6/01/12	313379AA	AGENCY US BOND	16727	FEDERAL HOME LOAN BANKS	.160	2/01/13	.2148	HSSC	4101	9,200,000.00	9,196,688.00		
6/05/12	313379RU	AGENCY US BOND	16762	FEDERAL HOME LOAN BANKS	.300	7/05/13	.3000	BNP PARIBAS	1000	10,000,000.00	10,000,000.00		9/18/12
6/05/12	313379RU	AGENCY US BOND	16752	FEDERAL HOME LOAN BANKS	.300	7/05/13	.3000	BNP PARIBAS	4101	10,000,000.00	10,000,000.00		9/18/12
6/12/12	313376UF	AGENCY US BOND	16807	FED NATL MORTGAGE ASSN	.375	1/29/14	.3189	GOLDMAN SACHS	1001	20,000,000.00	20,018,140.00		
6/21/12	013595RD	MUNI US 30/360	16807	FED NATL MORTGAGE ASSN	.500	7/02/15	.5428	NOMURA	1001	20,000,000.00	19,974,100.00		
6/21/12	013595RE	MUNI US 30/360	16882	ALBUQUERQUE, NM MSD 12	2.000	8/01/13	.3104	STIFFEL NICOLAU	1001	4,430,000.00	4,504,468.30		
6/21/12	013595RF	MUNI US 30/360	16880	ALBUQUERQUE, NM MSD 12	3.000	8/01/14	.4702	STIFFEL NICOLAU	1001	5,570,000.00	5,849,781.10		
6/21/12	189414HR	MUNI US 30/360	16881	ALBUQUERQUE, NM MSD 12	3.000	8/01/15	.6500	STIFFEL NICOLAU	1001	870,000.00	930,586.80		
6/28/12	STB12SA	MUNI US 30/360	16914	SEV TAX BOND 2012SA	.293	6/29/12	.2923	VINING SPARKS	1001	275,000.00	294,593.75		
6/28/12	STB12SB	MUNI US 30/360	16915	SEV TAX BOND 2012SB	.293	6/29/12	.2923	SYSTEM - UNIDEN	1000	59,775,000.00	59,775,000.00		
6/21/12	647310Q3	MUNICIPAL BOND	16879	NM ST SEVERANCE TAX BON	5.000	7/01/15	.5701	FIRST TENNESSEE	1001	50,025,186.00	50,025,186.00		
										240,145,186.00	240,813,833.95		
16 PURCHASES DURING PERIOD TOTAL.....													
SALE TRANSACTIONS													
6/04/12	06050BAA	CORP US NOTE 30	14116	BANK OF AMERICA	3.125	6/15/12		GOLDMAN SACHS	4000	25,000,000.00	25,021,000.00	13,232.00	
										25,000,000.00	25,021,000.00	13,232.00	
										265,145,186.00	265,834,833.95	13,232.00	
1 SALES DURING PERIOD TOTAL.....													
== GRAND-TOTAL ==>													
*** END-OF-REPORT ***													

STATE OF NEW MEXICO

Summary of Fixed-Income Purchases and Sales

TRADES During The Period 7/01/12 Through 7/31/12

TRN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MAURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NMT-CALL
PURCHASE TRANSACTIONS													
7/20/12	0556N0GT	COMMERCIAL PAPER	17089	BNP PARIBAS	.190	7/27/12	.1900	BNP PARIBAS	4101	35,000,000.00	34,998,706.94		
7/20/12	25153JGT	COMMERCIAL PAPER	17090	DEUTSCHE BANK FINL LLC	.190	7/27/12	.1900	DEUTSCHE BANK S	4101	35,000,000.00	34,998,707.10		
7/27/12	0556N0CX	COMMERCIAL PAPER	17152	BNP PARIBAS FINANCE INC	.160	7/31/12	.1600	BNP PARIBAS	4101	35,000,000.00	34,999,377.78		
7/27/12	25153JGX	COMMERCIAL PAPER	17151	DEUTSCHE BANK FINL LIS	.160	7/31/12	.1600	DEUTSCHE BANK S	4101	35,000,000.00	34,999,377.70		
7/05/12	8521444	CERTIFICATES OF INTEREST	16972	FARMERS & STOCKMENS BAN	.600	7/07/14	.6000	SYSTEM - UNIDEN	4000	2,000,000.00	2,000,000.00		
7/12/12	15957	CERTIFICATES OF INTEREST	17022	WESTERN BANK CLOVIS	.600	7/15/13	.6000	SYSTEM - UNIDEN	4002	2,000,000.00	2,000,000.00		
7/13/12	81186647	CERTIFICATES OF INTEREST	17035	WESTERN BANK ALAMOGORDO	.600	7/22/13	.6000	SYSTEM - UNIDEN	4002	1,000,000.00	1,000,000.00		
7/19/12	15894	CERTIFICATES OF INTEREST	17077	WESTERN BANK CLOVIS	.600	7/15/13	.6000	SYSTEM - UNIDEN	4002	600,000.00	600,000.00		
7/20/12	8521448	CERTIFICATES OF INTEREST	17103	FARMERS & STOCKMENS BAN	.600	7/07/14	.6000	SYSTEM - UNIDEN	4000	1,000,000.00	1,000,000.00		
7/26/12	81186647	CERTIFICATES OF INTEREST	17128	WESTERN BANK ALAMOGORDO	.600	7/22/13	.6000	SYSTEM - UNIDEN	4002	1,500,000.00	1,500,000.00		
7/27/12	2012477	LINKED-CERTIFIC	17140	WESTERN COMMERCE BANK	.500	1/15/14	.5000	SYSTEM - UNIDEN	4002	2,000,000.00	2,000,000.00		
7/27/12	2012654	LINKED-CERTIFIC	17141	WESTERN COMMERCE BANK	.500	1/15/14	.5000	SYSTEM - UNIDEN	4002	2,000,000.00	2,000,000.00		
7/11/12	912828EE	US TREASURY NOTE	17021	UNITED STATES TREAS NTS	4.250	8/15/15	.4047	BNP PARIBAS	1001	6,450,000.00	7,211,654.30		
7/12/12	912828EM	US TREASURY NOTE	17092	UNITED STATES TREAS NTS	2.125	12/31/15	.4335	HSBC	4000	15,000,000.00	15,869,531.25		
7/12/12	912828EM	US TREASURY NOTE	17033	UNITED STATES TREAS NTS	2.125	12/31/15	.4335	HSBC	4002	15,000,000.00	15,869,531.25		
7/12/12	912828EM	US TREASURY NOTE	17069	UNITED STATES TREASURY	.250	7/15/15	.3196	NCMURA	1001	10,500,000.00	10,478,261.72		
7/26/12	912828EE	US TREASURY NOTE	17021	UNITED STATES TREAS NTS	4.250	8/15/15	.3204	BNP PARIBAS	1001	4,650,000.00	5,204,548.83		
7/02/12	313376UF	AGENCY US BOND	16808	FED HOME LOAN BANKS	1.000	6/09/17	.3178	MORGAN STANLEY	1001	10,000,000.00	10,008,970.00		
7/16/12	313379FW	AGENCY US BOND	17059	FEDERAL HOME LOAN BANKS	1.000	6/09/17	.8252	CITI GROUP	4000	5,000,000.00	5,039,430.00		
7/16/12	313379FW	AGENCY US BOND	17059	FEDERAL HOME LOAN BANKS	1.000	6/09/17	.8252	CITI GROUP	4000	10,000,000.00	10,083,600.00		
7/02/12	3137EADH	AGENCY US NOTES	16960	FEDERAL HOME LN MTG COR	1.000	6/29/17	.9213	JEFFERIES & CO	1001	20,000,000.00	20,076,580.00		
7/17/12	3135G0LN	AGENCY US NOTES	17068	FEDERAL NATIONAL MORTGA	.500	7/02/15	.4553	BNP PARIBAS	1001	20,000,000.00	20,026,200.00		
7/17/12	3137EADA	AGENCY US NOTES	17130	FEDERAL HOME LOAN MORTG	.625	12/29/14	.5889	BANK OF AMERICA	1001	20,000,000.00	20,129,540.00		
7/26/12	3134G3ZA	AGENCY US NOTES	17131	FEDERAL HOME LOAN MORTG	.500	8/28/15	.4443	BARCLAYS	4000	15,000,000.00	15,025,500.00		
7/26/12	3134G3ZA	AGENCY US NOTES	17131	FEDERAL HOME LOAN MORTG	.500	8/28/15	.4443	BARCLAYS	4002	15,000,000.00	15,025,500.00		
7/02/12	3135G0LN	FED NATL MORTGA	16807	FED NATL MORTGAGE ASSN	.273	7/02/15	.5142	DEUTSCHE BANK S	1001	20,000,000.00	19,991,560.00		
7/11/12	3133804M	AGENCY US VARIA	17088	FEDERAL HOME LOAN BANKS	.273	1/23/14	.2858	UBS	1000	20,000,000.00	19,995,840.00		
7/20/12	3133804M	AGENCY US VARIA	17087	FEDERAL HOME LOAN BANKS	.273	1/23/14	.2858	UBS	4101	20,000,000.00	19,995,840.00		
7/09/12	45950VEM	MEDIUM-TERM NOTE	16998	INTL FINANCE CORP	.330	8/01/13	.3300	HSBC	4000	15,000,000.00	15,000,000.00		
7/12/12	843789FG	MUNI US 30/360	17043	SOUTHERN SANDOVAL CNTY	2.000	8/01/13	.6001	WEDBUSH SECURIT	1001	50,000.00	51,389.50		
7/12/12	843789FG	MUNI US 30/360	17044	SOUTHERN SANDOVAL CNTY	2.000	8/01/13	.7002	WEDBUSH SECURIT	1001	25,000.00	25,963.00		
7/13/12	647310F6	MUNI US 30/360	17053	NEW MEXICO ST SEVERANCE	4.000	7/01/13	.3804	STIFFEL NICOLAU	1001	100,000.00	103,439.00		
7/19/12	798355JP	MUNI US 30/360	17100	SAN JUAN CNTY N MEX CEN	3.000	8/01/13	.3000	WEDBUSH SECURIT	1001	1,700,000.00	1,727,234.00		
7/19/12	798355JP	MUNI US 30/360	17101	SAN JUAN CNTY N MEX CEN	3.000	8/01/13	.5002	WEDBUSH SECURIT	1001	2,195,000.00	2,301,040.45		
7/19/12	798355JR	MUNI US 30/360	17102	SAN JUAN CNTY N MEX CEN	3.000	8/01/13	.6003	WEDBUSH SECURIT	1001	2,350,000.00	2,514,335.50		
7/27/12	013595FQ	MUNI US 30/360	17169	ALBUQUERQUE N MEX MUN S	1.000	8/01/13	.2958	GEORGE K. BAIM	4000	7,350,000.00	7,397,628.00		

STATE OF NEW MEXICO

Summary of Fixed-Income Purchases and Sales

TRADES During The Period 7/01/12 Through 7/31/12

TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
7/27/12	013595RR	MUNI US 30/360	17171	ALBUQUERQUE N MEX MUN S	2.000	8/01/14	.4603	GEORGE K. BAUM	4000	500,000.00	514,715.00		
7/27/12	013595RS	MUNI US 30/360	17170	ALBUQUERQUE N MEX MUN S	2.000	8/01/15	.5903	GEORGE K. BAUM	4000	550,000.00	572,429.00		
7/12/12	843789FF	MUNICIPAL BOND	17045	SOUTHERN SANDOVAL CNTY	2.000	8/01/13	.2705	WEDBUSH SECURIT	1001	150,000.00	152,589.00		
7/12/12	22087MAB	CORP US DISC AC	16376	FDIC SSEN		10/25/12	.2448	BARCLAYS	4101	11,790,000.00	11,781,829.53		
42 PURCHASES DURING PERIOD TOTAL.....										450,460,000.00	454,396,248.85		
7/23/12 20772JBS MUNI US 30/360 15319 CONNECTICUT STATE										5,000,000.00	5,053,200.00	24,058.72	
1 SALES DURING PERIOD TOTAL.....										5,000,000.00	5,053,200.00	24,058.72	
== GRAND-TOTAL ==>										455,460,000.00	459,449,448.85	24,058.72	

SALE TRANSACTIONS

ROBERT W BAIRD 1001

1.720 5/15/13

*** END-OF-REPORT ***




James B. Lewis
State Treasurer

STATE OF NEW MEXICO
OFFICE OF THE TREASURER

Mark F. Valdes
Deputy State Treasurer

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

Date: August 27, 2012
To: James B. Lewis, State Treasurer
For: Governor Martinez and Members of the State Board of Finance
From: Samuel K. Collins, Jr., State Cash Manager 
Subject: State Fund Deposit Activity for the months ending June 30, 2012 and July 31, 2012

Pursuant to section 8-6-3.1 NMSA 1978, the State Cash Manager shall submit to the State Board of Finance a report showing state fund balances in each Financial Institution. Attached for your review is a summary of State fund balances in each institution through the months ending June 30, 2012 and July 31, 2012.

Additionally, the State Treasurer's Office is required to report to the State Board of Finance any Financial Institution that exceeds certain equity capital and deposit ratios and notify all state agencies who maintain State fund deposits within those institutions of the violation. 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 months ending June 30, 2012 and July 31, 2012.

(Attachments)

Depository Account Summary by Agency

June 2012

STATE FUNDS

NON-STATE FUNDS

AGENCY	# OF ACCTS.	BALANCE
AOC (fines, fees etc.)	50	\$3,151,111
BERN. CO. METRO COURT	2	\$140,773
1-13 DISTRICT ATTORNEY	6	\$49,417
EDUCATION RETIREMENT BOARD	1	\$22,936
TAXATION & REVENUE DEPT.	30	\$193,310
PUBLIC SCHOOL INS. AUTHORITY	6	\$15,159,824
PUBLIC DEFENDER	1	\$860
SECRETARY OF STATE	1	\$0
STATE TREASURER (JDC)	29	\$197,334
STATE TREASURER (OTHER INVEST)	0	\$0
NM RACING COMMISSION	7	\$152,092
SPACEPORT AUTHORITY	1	\$1,562,737
DEPT. OF GAME & FISH	2	\$80,861
SOUTHWEST REGION ED.	1	\$1,942,500
ENERGY & MINERALS	4	\$627,941
COMMISSION PUBLIC LAND	2	\$12,221
STATE ENGINEER'S OFFICE	3	\$75,066
IRRG WKS CONST	1	\$252,236
COMMISSION FOR THE BLIND	2	\$63,719
HUMAN SERVICES DEPT.	6	\$23,940
WORKFORCE SOLUTIONS	6	\$1,828,397
DIVISION OF VOCATIONAL REHAB	1	\$89,691
MINER'S HOSPITAL	1	\$1,316,246
DEPARTMENT OF HEALTH	75	\$914,250
ENVIRONMENT DEPARTMENT	1	\$0
CORRECTIONS DEPARTMENT	5	\$1,427
DEPT. OF PUBLIC SAFETY	2	\$58,666
HIGHWAY & TRANSPORTATION	5	\$1,608
CENTRAL REGIONAL CO-OP	1	\$580,560

Total: 252 \$28,499,723

AGENCY	# OF ACCTS.	BALANCE
AOC (Bonds)	55	
1ST JUDICIAL DIST. COURT	3	\$1,052,157
2ND JUDICIAL DIST. COURT	2	\$1,091,277
3RD JUDICIAL DIST. COURT	2	\$1,311,303
4TH JUDICIAL DIST. COURT	4	\$125,728
5TH JUDICIAL DIST. COURT	3	\$1,445,981
6TH JUDICIAL DIST. COURT	3	\$143,324
7TH JUDICIAL DIST. COURT	4	\$144,799
8TH JUDICIAL DIST. COURT	4	\$598,188
9TH JUDICIAL DIST. COURT	4	\$569,089
10TH JUDICIAL DIST. COURT	2	\$642,446
11TH JUDICIAL DIST. COURT	10	\$1,259,528
12TH JUDICIAL DIST. COURT	8	\$814,263
13TH JUDICIAL DIST. COURT	59	\$6,022,849
BERNALILLO CO. METRO COURT	2	\$927,801
6TH DISTRICT ATTORNEY	3	\$34,958
7TH DISTRICT ATTORNEY	1	\$1,717
10TH DISTRICT ATTORNEY	1	\$0
11TH JUDICIAL DIST. ATTORNEY	1	\$11,939
ATTORNEY GENERAL	1	\$9,104
LGIP	4	\$144,628,321
PUBLIC REG. COMMISSION	2	\$628,272
NM STATE FAIR	5	\$1,630,368
SOUTHWEST REGION ED.	1	\$15
COMM STATUS OF WOMEN	0	\$0
COMM FOR THE BLIND	1	\$60,522
WORKFORCE SOLUTIONS	0	\$0
MINER'S HOSPITAL	1	\$1,989
DEPARTMENT OF HEALTH	11	\$914,856
CHILDREN, YOUTH & FAMILIES	6	\$79,934
CORRECTIONS DEPARTMENT	11	\$2,008,658
DEPT. OF PUBLIC SAFETY	2	\$27,563
CENTRAL REGION CO-OP	1	\$403,578

Total: 157 \$166,590,527

Total Depository Balances: \$195,090,250

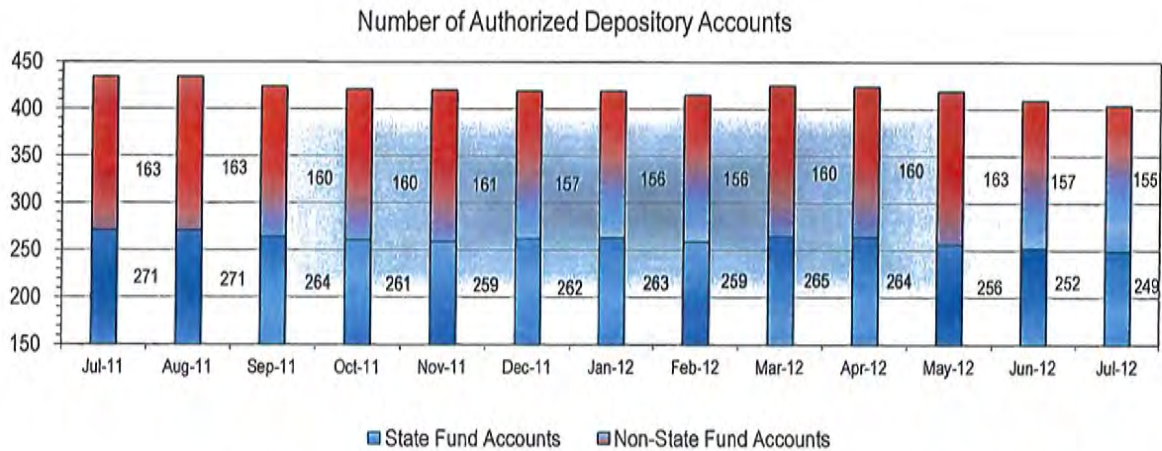
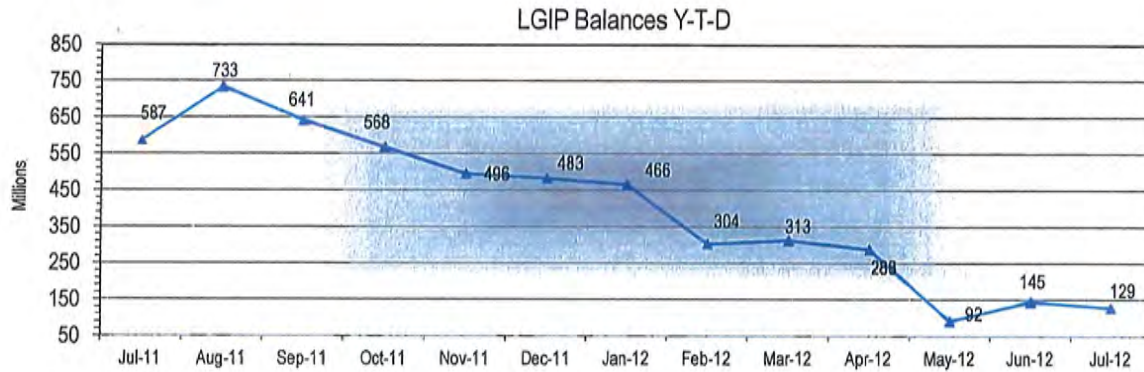
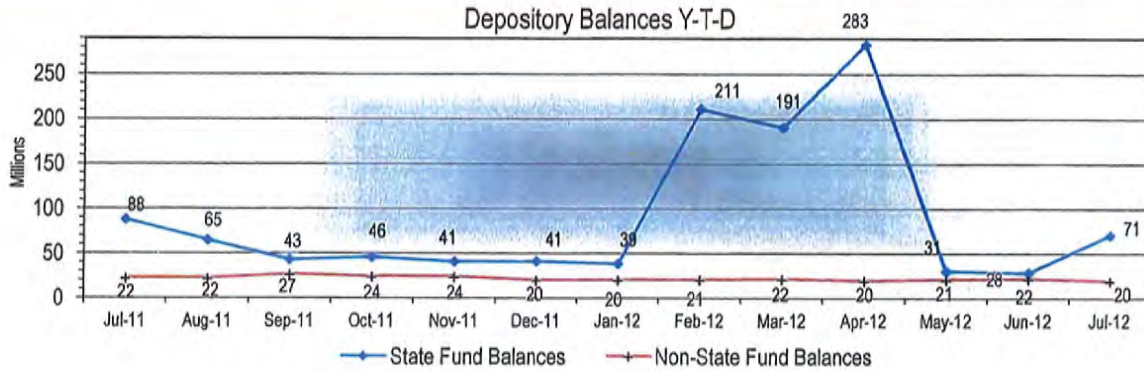
Total Depository Accounts: 409

State Fund Balances by Financial Institution

June - 2012

Bank 34/Alamogordo	0
Century Bank/Santa Fe	0
First National Bank/Alamogordo	130,169
Bank of America/Albuquerque	2,873,657
Wells Fargo Bank/Albuquerque	19,868,693
Compass Bank/Albuquerque	2,099,172
Bank of the West/Albuquerque	585
First American Bank/Artesia	46,416
My Bank/Belen	6,463
Carlsbad National Bank/Carlsbad	1,757
Western Commerce Bank/Carlsbad	81,892
Farmers/Stockmens Bank/Clayton	18,754
First National Bank/Clayton	1,345,856
Bank of Clovis/Clovis	0
Citizens Bank/Clovis	31,354
NM Bank & Trust/Albuquerque	251,598
Community Bank/Santa Fe	2,531
Valley National Bank/Espanola	500
Pinnacle Bank/Gallup	1,640
Grants State Bank/Grants	150
Lea County State Bank/Hobbs	119,808
Citizens Bank/Las Cruces	0
Southwest Capitol/Las Vegas	140,123
Community 1st Bank/Las Vegas	743,779
Western Bank/Lordsburg	86,356
Los Alamos National Bank/Los Alamos	18,570
James Polk Stone National Bank/Portales	44,586
International Bank/Raton	35,202
Valley Bank of Commerce/Roswell	82,504
First National Bank of Santa Fe/Santa Fe	0
First State Bank/Socorro	12,014
Centinel Bank/Taos	88,988
US Bank/Albuquerque	160,940
Bank of the Southwest/Roswell	154,744
People's Bank	21,838
AmBank	29,084
Total:	\$28,499,723

Depository Account Summary - July 2012



Depository accounts authorized in July 2012 pursuant to Section 6-1-13 NMSA :
 1 9th Judicial District Court
 1 Commission of the Blind

Depository accounts closed in July 2012:
 2 9th Judicial District Court
 1 13th Judicial District Court
 1 Tax & Rev
 1 HSD
 1 Dept of Health
 1 Trans. Dept

Depository Account Summary by Agency

July 2012

STATE FUNDS

NON-STATE FUNDS

AGENCY	# OF ACCTS.	BALANCE
AOC (lines, fees etc.)	50	\$3,140,884
BERN. CO. METRO COURT	2	\$388,999
1-13 DISTRICT ATTORNEY	6	\$49,080
EDUCATION RETIREMENT BOARD	1	\$22,152
TAXATION & REVENUE DEPT.	29	\$213,047
PUBLIC SCHOOL INS. AUTHORITY	6	\$52,372,887
PUBLIC DEFENDER	1	\$660
SECRETARY OF STATE	1	\$0
STATE TREASURER (JDC)	29	\$197,622
STATE TREASURER (OTHER INVEST)	0	\$0
NM RACING COMMISSION	7	\$214,850
SPACEPORT AUTHORITY	1	\$1,544,249
DEPT. OF GAME & FISH	2	\$83,428
SOUTHWEST REGION ED.	1	\$1,850,333
ENERGY & MINERALS	4	\$619,697
COMMISSION PUBLIC LAND	2	\$17,700
STATE ENGINEER'S OFFICE	3	\$74,814
IRRG WKS CONST	1	\$252,236
COMMISSION FOR THE BLIND	3	\$41,298
HUMAN SERVICES DEPT.	5	\$24,631
WORKFORCE SOLUTIONS	6	\$7,561,799
DIVISION OF VOCATIONAL REHAB	1	\$89,703
MINER'S HOSPITAL	1	\$1,117,528
DEPARTMENT OF HEALTH	75	\$250,066
ENVIRONMENT DEPARTMENT	1	\$0
CORRECTIONS DEPARTMENT	5	\$1,499
DEPT. OF PUBLIC SAFETY	2	\$58,641
HIGHWAY & TRANSPORTATION	5	\$1,202
CENTRAL REGIONAL CO-OP	1	\$349,220

AGENCY	# OF ACCTS.	BALANCE
AOC (Bonds)	55	
1ST JUDICIAL DIST. COURT	3	\$1,074,411
2ND JUDICIAL DIST. COURT	2	\$975,455
3RD JUDICIAL DIST. COURT	2	\$1,325,505
4TH JUDICIAL DIST. COURT	4	\$128,072
5TH JUDICIAL DIST. COURT	3	\$1,456,516
6TH JUDICIAL DIST. COURT	3	\$326,219
7TH JUDICIAL DIST. COURT	4	\$144,004
8TH JUDICIAL DIST. COURT	4	\$603,186
9TH JUDICIAL DIST. COURT	3	\$635,820
10TH JUDICIAL DIST. COURT	2	\$417,991
11TH JUDICIAL DIST. COURT	10	\$1,212,793
12TH JUDICIAL DIST. COURT	8	\$891,900
13TH JUDICIAL DIST. COURT	58	\$3,532,522
BERNALILLO CO. METRO COURT	2	\$864,475
6TH DISTRICT ATTORNEY	3	\$41,124
7TH DISTRICT ATTORNEY	1	\$1,665
10TH DISTRICT ATTORNEY	1	\$17
11TH JUDICIAL DIST. ATTORNEY	1	\$12,218
ATTORNEY GENERAL	1	\$9,078
LGIP	4	\$128,656,205
PUBLIC REG. COMMISSION	2	\$627,204
NM STATE FAIR	5	\$1,696,871
SOUTHWEST REGION ED.	1	\$15
COMM STATUS OF WOMEN	0	\$0
COMM FOR THE BLIND	1	\$220,915
WORKFORCE SOLUTIONS	0	\$0
MINER'S HOSPITAL	1	\$1,985
DEPARTMENT OF HEALTH	11	\$851,699
CHILDREN, YOUTH & FAMILIES	6	\$91,577
CORRECTIONS DEPARTMENT	11	\$2,055,561
DEPT. OF PUBLIC SAFETY	2	\$28,394
CENTRAL REGION CO-OP	1	\$472,030

Total: 251 \$70,538,225

Total: 160 \$148,355,427

Total Depository Balances: \$218,893,652

Total Depository Accounts: 411

State Fund Balances by Financial Institution

July - 2012

Bank 34/Alamogordo	0
Century Bank/Santa Fe	0
First National Bank/Alamogordo	121,093
Bank of America/Albuquerque	2,604,805
Wells Fargo Bank/Albuquerque	62,931,699
Compass Bank/Albuquerque	2,078,325
Bank of the West/Albuquerque	585
First American Bank/Artesia	65,558
My Bank/Belen	6,167
Carlsbad National Bank/Carlsbad	2,504
Western Commerce Bank/Carlsbad	84,833
Farmers/Stockmens Bank/Clayton	21,016
First National Bank/Clayton	1,134,812
Bank of Clovis/Clovis	0
Citizens Bank/Clovis	41,390
NM Bank & Trust/Albuquerque	294,620
Community Bank/Santa Fe	4,487
Valley National Bank/Espanola	381
Pinnacle Bank/Gallup	2,370
Grants State Bank/Grants	100
Lea County State Bank/Hobbs	139,592
Citizens Bank/Las Cruces	0
Southwest Capitol/Las Vegas	143,373
Community 1st Bank/Las Vegas	70,950
Western Bank/Lordsburg	95,961
Los Alamos National Bank/Los Alamos	20,763
James Polk Stone National Bank/Portales	50,428
International Bank/Raton	55,083
Valley Bank of Commerce/Roswell	69,283
First National Bank of Santa Fe/Santa Fe	0
First State Bank/Socorro	16,012
Centinel Bank/Taos	100,087
US Bank/Albuquerque	168,841
Bank of the Southwest/Roswell	165,595
People's Bank	21,877
AmBank	25,635
Total:	\$70,538,225



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

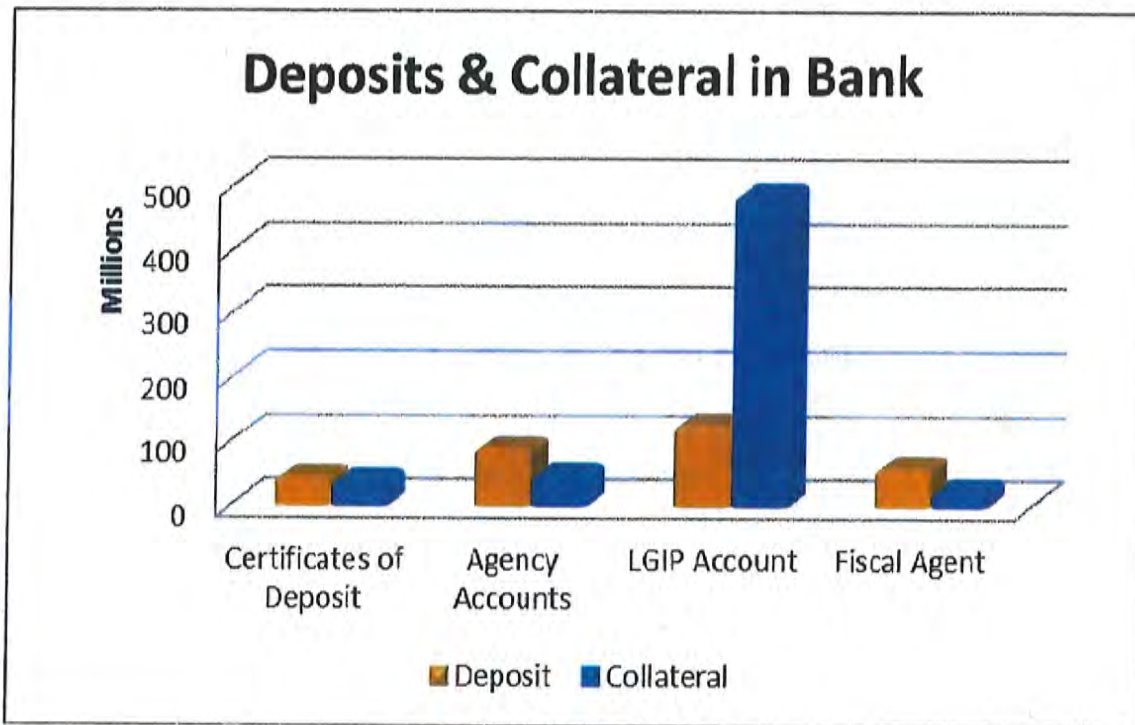
FINANCIAL INSTITUTION	%	TOTAL DEPOSITS	FDIC / NCUA INSURANCE	LESS INSURANCE COVERAGE	SUBJECT TO BE COLLATERALIZED	COLLATERAL PLEDGED	EXCESS (UNDER)
First National - Alamogordo	50%	562,837	250,000	312,837	156,419	473,459	317,040
Western - Alamogordo	75%	3,600,000	250,000	3,350,000	2,512,500	2,985,302	472,802
Bank of America	50%	3,246,923	1,290,909	1,956,014	978,007	6,774,181	5,796,175
Bank of the West	50%	79,638,602	250,585	79,388,017	39,694,009	190,554,566	150,860,557
BBVA Compass	102%	2,078,339	2,078,339	0	0	5,000,000	5,000,000
US Bank	50%	6,596,356	378,104	6,218,252	3,109,126	5,917,673	2,808,547
Wells Fargo	50%	120,658,285	12,877,198	107,781,087	53,890,543	320,827,535	266,936,992
First American	50%	65,558	65,558	0	0	0	0
My Bank	102%	2,441,309	255,895	2,185,414	2,229,122	2,295,000	65,878
Carlsbad National	50%	2,504	2,504	0	0	0	0
Western Commerce	50%	4,084,833	290,178	3,794,655	1,897,328	3,054,218	1,156,890
Farmers & Stockmen	75%	3,229,055	266,971	2,962,084	2,221,563	3,588,284	1,366,721
First National - Clayton	50%	1,134,812	250,000	884,812	442,406	2,214,557	1,772,151
Bank of Clovis	50%	477,534	250,000	227,534	113,767	477,534	363,767
Citizens - Clovis	50%	41,291	41,291	0	0	0	0
NM Bank & Trust	50%	294,621	250,000	44,621	22,310	250,000	227,690
Western - Clovis	50%	3,100,000	250,000	2,850,000	1,425,000	1,604,507	179,507
Valley National	102%	381	381	0	0	0	0
Pinnacle	50%	2,370	2,370	0	0	0	0
Grants State	50%	89,456	89,456	0	0	0	0
Lea County State	50%	139,592	139,592	0	0	0	0
Citizens - Las Cruces	50%	3,588	3,588	0	0	0	0
Southwest Capital	50%	5,697,797	278,923	5,418,874	2,709,437	4,766,458	2,057,021
Community 1st - Las Vegas	50%	70,950	70,950	0	0	1,000,000	1,000,000
Western - Lordsburg	50%	118,230	118,230	0	0	0	0
Los Alamos National	75%	20,763	20,763	0	0	0	0
James Polk Stone Communi	50%	522,458	522,458	0	0	0	0
International	50%	138,447	138,447	0	0	450,000	450,000
Bank of the Southwest	50%	390,262	255,718	134,543	67,272	277,964	210,692
Valley Commerce	50%	69,283	69,283	0	0	0	0
Century	50%	24,627,204	250,000	24,377,204	12,188,602	21,380,000	9,191,398
Community	102%	152,076	152,076	0	0	0	0
First National - Santa Fe	50%	0	0	0	0	0	0
First State	50%	58,165	58,165	0	0	0	0
AM	50%	25,635	25,635	0	0	0	0
Centinel	50%	100,087	100,087	0	0	0	0
Peoples	75%	21,877	21,877	0	0	0	0
BANK'34	102%	158,057	158,057	0	0	0	0
Union Savings	50%	0	0	0	0	0	0
Guadalupe Credit	50%	250,000	250,000	0	0	0	0
		263,909,537	22,023,589	241,885,948	123,657,410	573,891,236	450,235,727

Office of the Treasurer

Collateral Summary Review

July 31, 2012

All depository institutions holding public funds for the month ending July 2012 met the minimum collateral requirements. The required ratio of collateral for each depository institution holding public funds is determined by a statutorily defined quarterly risk assessment and is not intended as an opinion as to the financial health of the subject institution.



Balances

	<u>Deposit</u>	<u>Collateral</u>	<u>Percentage</u>
Certificate of Deposit	\$ 45.0 Million	\$ 39.1 Million	86.9%
Agency Deposit	89.7 Million	48.1 Million	53.6%
LGIP Deposits	128.7 Million	486.8 Million	378.4%
Fiscal Agent	60.1 Million	25.4 Million	42.2%
Totals →	323.3 Million	599.4 Million	185.4%



Office of the Treasurer
Collateral Review
 Accumulated Total by Institution
 June 30, 2012

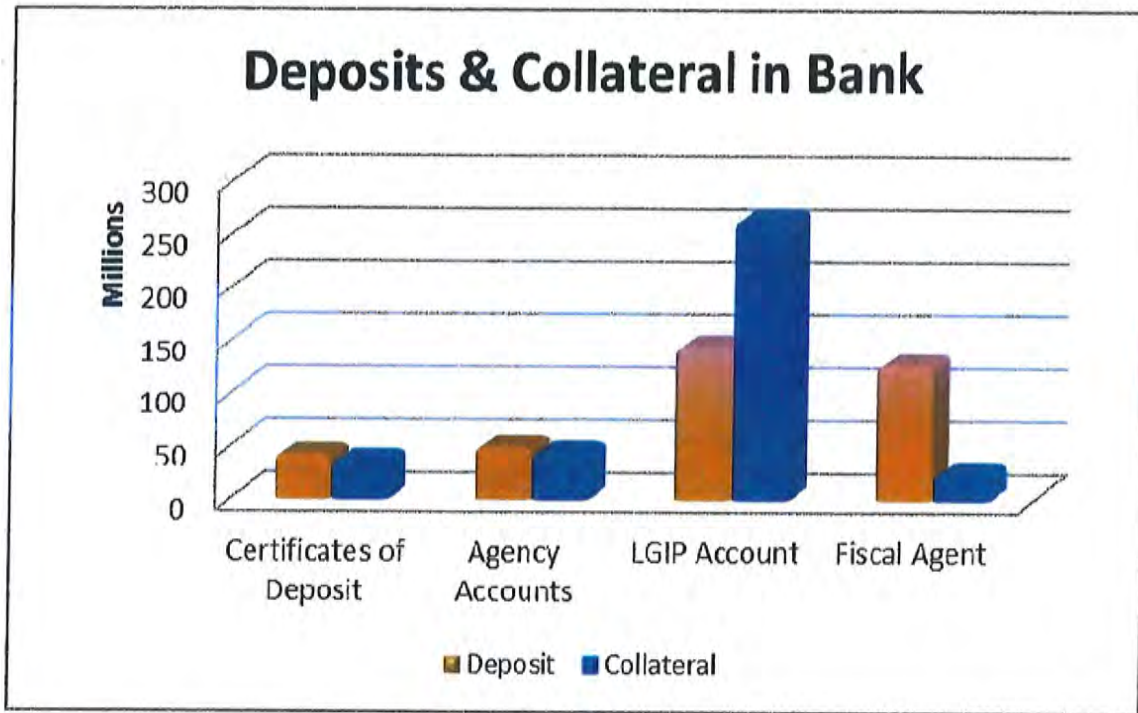
FINANCIAL INSTITUTION	%	TOTAL DEPOSITS	FDIC / NCUA INSURANCE	LESS INSURANCE COVERAGE	SUBJECT TO BE COLLATERALIZED	COLLATERAL PLEDGED	EXCESS (UNDER)
First National - Alamogordo	50%	576,413	250,000	326,413	163,206	512,449	349,243
Western - Alamogordo	75%	3,100,000	250,000	2,850,000	2,137,500	3,020,227	882,727
Bank of America	50%	3,516,542	1,282,068	2,234,474	1,117,237	7,024,978	5,907,741
Bank of the West	50%	75,593,153	250,387	75,342,766	37,671,383	204,007,074	166,335,691
BBVA Compass	102%	2,110,041	2,110,041	0	0	5,293,710	5,293,710
US Bank	50%	6,579,884	318,366	6,261,518	3,130,759	5,285,627	2,154,868
Wells Fargo	50%	47,101,918	7,615,400	39,486,518	19,743,259	165,592,340	145,849,081
First American	50%	46,415	46,415	0	0	0	0
My Bank	102%	2,441,795	255,895	2,185,900	2,229,618	2,530,000	300,382
Carlsbad National	50%	1,757	1,757	0	0	0	0
Western Commerce	50%	4,081,892	286,046	3,795,846	1,897,923	3,192,940	1,295,018
Farmers & Stockmen	75%	1,229,744	472,577	757,167	567,875	1,987,669	1,419,794
First National - Clayton	50%	1,345,856	250,000	1,095,856	547,928	2,318,919	1,770,991
Bank of Clovis	50%	415,005	250,000	165,005	82,502	415,005	332,502
Citizens - Clovis	50%	31,352	31,352	0	0	0	0
NM Bank & Trust	50%	251,598	250,000	1,598	799	250,000	249,201
Western - Clovis	50%	3,100,000	250,000	2,850,000	1,425,000	1,807,048	382,048
Valley National	102%	500	500	0	0	0	0
Pinnacle	50%	1,640	1,640	0	0	0	0
Grants State	50%	89,500	89,500	0	0	0	0
Lea County State	50%	119,808	119,808	0	0	0	0
Citizens - Las Cruces	50%	3,588	3,588	0	0	0	0
Southwest Capital	50%	5,719,964	299,236	5,420,728	2,710,364	3,270,310	559,946
Community 1st - Las Vegas	50%	743,779	743,779	0	0	1,000,000	1,000,000
Western - Lordsburg	50%	103,403	103,403	0	0	0	0
Los Alamos National	75%	18,570	18,570	0	0	0	0
James Polk Stone Communi	50%	448,164	448,164	0	0	0	0
International	50%	118,169	118,169	0	0	450,000	450,000
Bank of the Southwest	50%	401,656	273,961	127,695	63,848	279,474	215,626
Valley Commerce	50%	82,504	82,504	0	0	0	0
Century	50%	24,628,272	250,000	24,378,272	12,189,136	21,380,000	9,190,864
Community	102%	147,603	147,603	0	0	0	0
First National - Santa Fe	50%	0	0	0	0	0	0
First State	50%	56,047	56,047	0	0	0	0
AM	50%	29,084	29,084	0	0	0	0
Centinel	50%	88,988	88,988	0	0	0	0
Peoples	75%	21,838	21,838	0	0	0	0
BANK'34	102%	158,030	158,030	0	0	0	0
Union Savings	50%	0	0	0	0	0	0
Guadalupe Credit	50%	250,000	250,000	0	0	0	0
		184,754,470	17,474,716	167,279,754	85,678,337	429,617,769	343,931

Office of the Treasurer

Collateral Summary Review

June 30, 2012

All depository institutions holding public funds for the month ending June 2012 met the minimum collateral requirements. The required ratio of collateral for each depository institution holding public funds is determined by a statutorily defined quarterly risk assessment and is not intended as an opinion as to the financial health of the subject institution.



Balances

	<u>Deposit</u>	<u>Collateral</u>	<u>Percentage</u>
Certificate of Deposit	\$ 42.5 Million	\$ 36.5 Million	86.1%
Agency Deposit	49.8 Million	44.1 Million	88.6%
LGIP Deposits	144.6 Million	264.1 Million	182.6%
Fiscal Agent	127.3 Million	25.4 Million	19.9%
Totals →	364.3 Million	370.1 Million	101.6%