



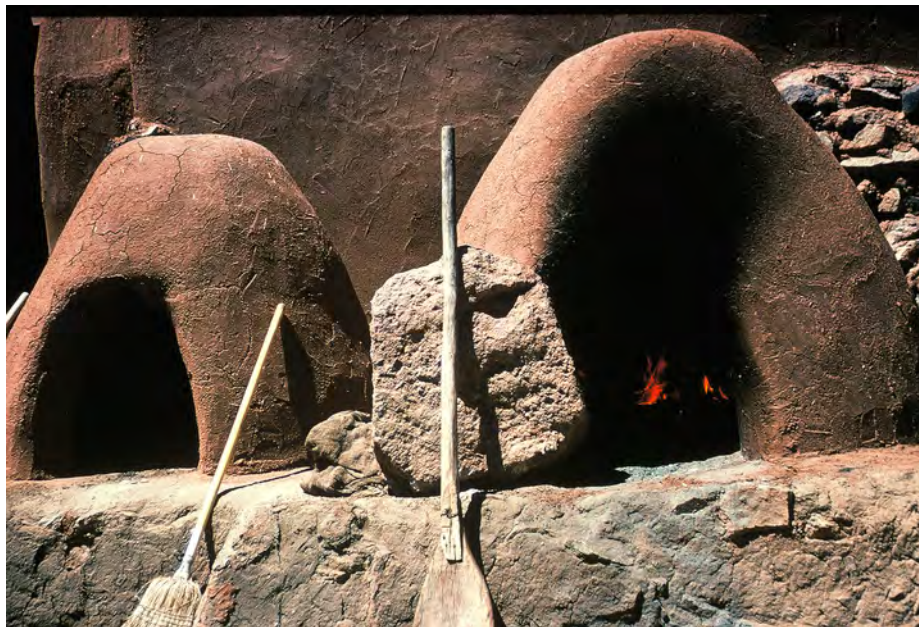
STATE OF NEW MEXICO
OFFICE OF THE TREASURER

THE HONORABLE TIM EICHENBERG
State Treasurer

SAMUEL K. COLLINS, JR.
Deputy State Treasurers

STATE TREASURER'S INVESTMENT COMMITTEE

State Treasurer's conference room



"Hornos in New Mexico" - New Mexico Tourism Department

Wednesday October 12, 2016
9:00am



1. Approval of October 12, 2016 Agenda



STATE OF NEW MEXICO
OFFICE OF THE TREASURER

Tim Eichenberg
The Honorable State Treasurer

Sam Collins
Deputy State Treasurer

STATE TREASURER'S INVESTMENT COMMITTEE
Treasurer's Conference Room
Wednesday, October 12, 2016 9:00 a.m.

MEETING AGENDA (5 Min)

Roll Call

1. Approval of October 12, 2016 Agenda
2. Approval of September 14, 2016 Minutes
3. Public Comments

Action
Action

INVESTMENT REPORTS (45 min)

Month Ended
August 31, 2016

4. Executive Summary (Vikki Hanges)
5. Investment Policy Compliance Report (Arsenio Garduño)
6. Investment Accounting Report (Steve Vigil)
7. Cash Projections (Arsenio Garduño)
8. Portfolio Summary -- General Fund Investment Pool (Vikki Hanges)
9. Portfolio Summary -- Local Government Investment Pool (LGIP) (Jeremy Landrum)
10. Portfolio Summary -- Tax-Exempt Bond Proceeds Investment Pool (Jeremy Landrum)
11. Portfolio Summary -- Taxable Bond Proceeds Investment Pool (Jeremy Landrum)
12. Portfolio Summary -- Severance Tax Bonding Fund (Vikki Hanges)
13. Broker Dealer Activities (Charmaine Cook)
14. Credit Investing

Informational
Informational
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CASH MANAGEMENT
& COLLATERAL REPORTS (10 Min)

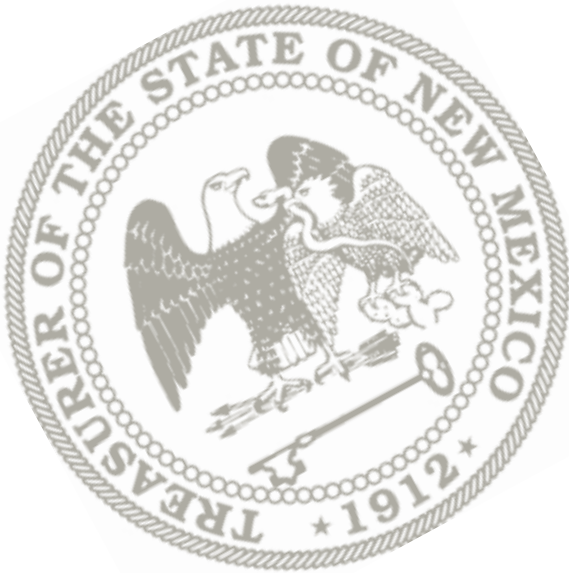
Month Ended
August 31, 2016

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

Informational
Informational

COMMITTEE REPORTS (5 min)

17. Next Meeting --Wednesday, November 9, 2016 9:00 am
18. Adjournment



2. Approval of September 14, 2016 Minutes

**New Mexico State Treasurer's Office
STIC Committee Meeting
Meeting Minutes
Wednesday, September 14, 2016**

ROLL CALL—QUORUM PRESENT:

A regular meeting of the New Mexico State Treasurer's Investment Committee (STIC) was called to order this date at 9:02 a.m. in the conference room of The State Treasurer's Office (STO), 2055 South Pacheco Street, Santa Fe, New Mexico 87505.

Members Present

Ms. Leila Burrows Kleats, Board of Finance Director
Mr. Mark Pike, Public Member
Mr. Paul Cassidy, Public Member
Ms. Charmaine Cook, State Cash Manager, on behalf of Treasurer Eichenberg

Staff Present

Mr. Samuel Collins, Deputy State Treasurer
Mr. Steve Vigil, Investment Accounting Bureau Chief
Ms. Vikki Hanges, Portfolio Manager
Mr. Jeremy Landrum, Portfolio Manager
Mr. Arsenio Garduño, Collateral Manager
Ms. Julie Filatoff, STIC Secretary

Guests Present

Ms. Donna Maestas, Board of Finance Deputy Director
Ms. Deanne Woodring, Government Portfolio Advisors (via telephone)

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

1. Approval of September 14, 2016, Agenda

Member Mark Pike moved approval of the agenda. Motion was seconded by Member Paul Cassidy and passed unanimously by voice vote.

2. Approval of August 10, 2016, Minutes

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

3. Public Comments

Deputy Treasurer Sam Collins noted that an article in the *Albuquerque Journal* stated that Moody's is considering downgrading the State's credit rating due to the FY16 shortfall. Member Pike asked how it would impact the portfolio and what STO's strategy is to fund those types of

deficits. Ms. Vikki Hanges noted that in August STO had to raise another \$100 million (for the core fund), and that we have been keeping the duration shorter than the benchmark. There is a high degree of treasuries (about 50%); those are always liquid. Member Cassidy noted that the FY17 deficit could be \$458 million. Moody's notified all the NM community colleges that it may downgrade the State's rating, but later decided not to do so. A downgrade could also impact public schools.

4. Executive Summary

Ms. Hanges presented highlights of the Executive Summary:

- At the end of July, STO managed \$3.4 billion in assets.
- During the month, STO earned approximately \$2.3 million on its investment positions.
- The total portfolios decreased \$1.9 million on a mark-to-market basis.
- Most of the maturities were higher; one-year is currently 12 basis points higher than July, 16 basis points higher for the three-year, close to 20 basis points higher for the five-year. This is in anticipation of the Federal Open Market Committee Meeting. There are 10 voting members, six doves and four hawks. Janet Yellen seems to be anticipating rate hikes soon. The market is calculating only a 20% chance for a rate hike by the end of September (50% chance by December). Shorter maturities are outperforming the longer maturities. Also, money market rules are changing in mid-October, which could be an unsettling event.

Member Cassidy noted that BRDMs (municipal variable rates) might be worth considering (up 40 or 50 points); for example, LIBOR and SIFMA (hard puts back). Ms. Hanges said that for municipal, STO invests within the state. Member Cassidy stated there are may be \$1 billion worth of New Mexico investments available. Ms. Hanges and Mr. Landrum are looking at the commercial paper market. Goldman Sachs says prime funds are very short (five days). The portfolio managers are investing in three- to six-month accounts.

Member Leila Burrows Kleats asked about the money market rule change. Ms. Hanges said prime funds (commercial paper and anything other than treasuries and agencies) must begin floating their Net Asset Value (NAV). To prevent a run on the fund, there is a limit on the amount of withdrawals. Many are avoiding the prime funds and investing in government funds instead. Mr. Landrum monitors BRDMs closely and doesn't see anything appropriate for the STO portfolios. Member Cassidy noted that a lot of it has been worked off and absorbed. NM examples include Presbyterian and the NMDOT, which are backed by an RBC letter of credit.

Member Cassidy gave kudos to the investment team for benefitting New Mexico.

5. Investment Policy Compliance Report

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

- Bond Purchases/Sales: Primary \$28,725,000 (11% of total) and secondary \$243,439,000 (89%).
- Variable Rate Notes: \$183,305,000 at the end of July (\$158,305,000 in LGIP and \$25,000,000 in Taxable BPIP). No structured notes.
- Inter-Portfolio Transactions: 0 in July.
- Realized Gains and Losses (5 sales in July): \$3,877.
- Purchase/Sales Activity (38 = 33 purchases, par value \$222,164,000, + 5 sales, par value \$50,000,000).
- During July there were no noted violations or breaches.

Member Kleats asked if the source of the cash for the \$222 million in purchases was bond proceeds from the June 30 sale. Mr. Landrum said yes, a large portion.

Member Cassidy asked about Farmer Mac. Ms. Hanges said STO has sold several of the short issues that we held in the General Fund, none at a loss. Member Pike noted that there is no secondary market for Farmer Mac. Ms. Hanges noted that S&P said the LGIP could put up to 33% into Farmer Mac, then gave STO a 90-day cure period to sell the issues.

6. Investment Accounting Report

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

- There were no material differences in July earnings between QED and JPMorgan.

Deputy Treasurer Collins excused Mr. Vigil from the rest of the meeting due to the need to work with external auditors at STO (approximately 9:36 am).

7. Cash Projections

Mr. Garduño presented highlights of Cash Projections:

- General Fund down -\$652,431,266 year-over-year (-31%):
 - Liquidity -\$77,570,134
 - Core -\$574,613,229
 - Fiscal agent -\$247,902
- GFIP cash flows, year-over-year:
 - High balance is down -35.47%
 - Low balance is down -49.61%
 - Average balance is down -41.46%

Member Pike asked if the cash projections excluded incorporating the Tobacco Settlement Fund. Member Kleats said the money is filling a hole, rather than adding to the General Fund balance.

8. Portfolio Summary—General Fund Investment Pool

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

- \$1.48 billion at close of July.
- The unrealized gains in the core were \$12,017,931.

Ms. Hanges said the portfolio managers have been very conservative with this fund.

Deputy Treasurer Collins noted that STO has discussed the GFIP with the LFC, and the emphasis is on meeting the liquidity need, not yield—keeping the duration shorter than the benchmark. The State is disbursing about \$50 million more than receipts per month. I don't think we want any comment about a special session on the record. Member Cassidy noted the policy was to keep 10% in reserves and asked what it is now. Member Kleats said it was 2%, so a downgrade is almost inevitable. Ratings agencies like to see 5%. Deputy Treasurer Collins said that going negative is imminent, if the State is not already there.

9. Portfolio Summary—Local Government Investment Pool

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

- Ending July market value for the LGIP was \$626 million, a decrease relative to June's reported closing value of \$750 million.
- The LGIP maintains an AAAM rating by Standard & Poor's.
- At the end of July the STO LGIP participant balance was \$117 million or 19% of the Pool.
- At the end of July the Judicial District Court LGIP participant balance was \$4.4 million or 0.7% of the Pool.
- In July (and FY17 YTD), the fund earned \$266,224.
- Gross yield on the LGIP was 0.445% at the end of July.
- Net yield to participants was 0.395%.
- For the LGIP, the WAM(R) of 56 days and WAM (F) of 105 days were within their maximums of 60 and 120 days respectively, well within mandates.
- The LGIP purchased \$111.77 million in U.S. agency securities maturing from 3 weeks to 1.5 years at yields between 0.30% and 0.61% (purchasing short discount notes if comparable to overnight repo).
- The LGIP sold \$50 million of short agency securities at gains.
- LGIP WAMs are currently 57 and 94 days for WAM(R) and WAM (F) respectively.

STO met with S&P for its annual review of how the fund is managed. Mr. Landrum praised Hannah Chavez, Victoria Hutchison, and Heather Lujan for assistance in preparing for the review. S&P leadership has changed; Peter Rizzo and Guyna Johnson will continue to be on the

team, but are in rotation with Peter Gargiulo as the new lead. There are no major, pressing issues. Ms. Cook noted how many questions S&P had on the other portfolios—credit approach, etc.—which STO was happy to address. Mr. Landrum thought this was because Mr. Gargiulo is new. S&P stated they had no reason to not affirm the AAAm rating (tentative finding). Member Pike asked if a change in the S&P lead is positive Vis a Vis staying with S&P. Ms. Hanges said Mr. Gargiulo seems more on top of the process, more responsive and diligent. Member Kleats asked if STO had abandoned the idea of using Fitch for a rating service. Ms. Cook noted that STO evaluated Fitch, Moody's, and S&P, but were unable to complete a contract with Fitch. STO will have the opportunity to evaluate rating services again next year.

10. Benchmark Review

Ms. Cook noted that STO believes the current benchmarks continue to be right for STO's activities and strategies. She asked for a vote of recommendation to the Treasure to approve the benchmarks.

Member Cassidy moved approval of the benchmarks for recommendation to the Treasure. Motion was seconded by Member Kleats and passed unanimously by voice vote.

11. Broker-Dealer Activities

Ms. Cook said that STO received a broker-dealer application packet from Morgan Stanley, and would like to add them to the Broker-Dealer List for FY17 as the 14th primary dealer. As part of our selection criteria, all primary Broker-Dealers who applied were accepted. Selection of Morgan Stanley puts STO in a stronger position.

Member Kleats asked why Morgan Stanley did not submit a package in a timely manner. Ms. Cook stated that they did not have all the compliance issues worked out. STO did not have a hard deadline (to our advantage); therefore, we are not treating them differently. No other primaries came after the fact. Member Kleats asked what the compliance issues were. Ms. Hanges said that when the MSRB rule went into effect, dealers notified public entities with bond proceeds that they could run into legal trouble because dealers cannot give advice. STO sent letters to the broker-dealers stating that we do not take advice and make our own investment decisions. We do not fall under the QIB rule, but do manage more than \$50 million. After reviewing this, Morgan Stanley determined it could do business with us. Member Cassidy noted that all firms want to know this because they want to preserve the ability to underwrite state and local bonds, but not be deemed an advisor; thus, STO's letter is very helpful.

Member Cassidy moved approval of adding Morgan Stanley to the Broker-Dealer List. Motion was seconded by Member Kleats and passed unanimously by voice vote.

(Member Kleats and Ms. Maestas left at approximately 10:09 am.)

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

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

- Ended July at \$655 million vs. \$820 million at the end of June.
- Received \$51.94 million in draw requests for capital spending during the month and paid out \$29.77 million for capital projects.
- Unrealized gains in the Tax-Exempt BPIP portfolio were \$1,499,929 on July 31.
- Monthly (and FY17 YTD) net earnings on the portfolio for July were \$437,234.
- The duration of the Tax-Exempt BPIP at the end of July was 1.06 years vs. 1.42 years for the benchmark.
- The option-adjusted duration of the Tax-Exempt BPIP portfolio is currently 1.29 years vs. 1.36 years for the benchmark.
- The portfolio managers made the first credit purchases in July (in part inside the Tax-Exempt portfolio): \$5 million in 6-month Toyota paper and 6-month U.S. Bank paper at attractive rates.
- The purchase yield was 0.82% at the end of July vs. 0.72% reported for the previous month.
- The Tax-Exempt BPIP returned 0.01% for the month of July and 0.31% for the three months ended July 31, 2016, vs. Index returns of (0.03)% and 0.34% respectively. For the trailing 12 months, the Pool returned 0.89% vs. 0.95% for the benchmark. (Currently at 90% of the benchmark.)

Mr. Landrum asked Member Cassidy if he had heard of the potential ratings downgrade explicitly from rating agencies. Member Cassidy said yes, and if the State goes to AA1, schools will go to AA2. (Jal Schools are already at AA2 due to debt.) UNM gets 30% of its funding from the State; NMSU is a bit more, and community colleges more still. DFA makes payments for public schools if the school cannot do so.

13. Portfolio Summary—Taxable Bond Proceeds Investment Pool

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

- The Taxable BPIP closed the month of July at \$656 million vs. \$679 million at the end of June.
- The Pool received \$26.9 million in draw requests for capital spending during the month and paid out \$22.5 million for capital projects.
- The unrealized gains in the Taxable BPIP were \$2,335,918 as of July 31.
- Monthly (and FY17 YTD) net earnings on the portfolio for July were \$436,421.

- The duration of the Taxable BPIP at the end of July was 1.10 years vs. the benchmark at 1.42 years. We did receive proceeds from the bond sale and were working it off.
- The Pool purchased \$62 million in 1.5- to 5-year U.S. agency securities, \$5 million in 6-month commercial paper (U.S. Bank), and \$5 million in 1- to 2-year local CDs.
- Purchase yield at the end of July was 0.85% relative to 0.77% at the end of the prior month.
- The Taxable BPIP returned 0.01% for the month of July and 0.32% for the three months ended July 31, 2016, vs. Index returns of (0.03)% and 0.34% respectively. For the trailing 12 months the Pool returned 0.91% vs. 0.95% for the benchmark.
- The option-adjusted duration of the portfolio is currently 1.24 years vs. 1.36 years for the benchmark.

Member Pike asked: For both the taxable and tax-exempt pools, does STO look at trend analysis for draw activity—that is, stable, declining, or decreasing. Mr. Landrum stated that the trend is erratic. He strived to look at data, but it is wide-ranging. There's no centralized capital projects system inside the State. In the last four months it feels as though draws are higher, but September has been smaller. Deputy Treasurer Collins noted that each agency is responsible for funding the draw. As the General Fund gets lower, DFA pushes the agencies to get that reimbursement quickly from the BPIP to replenish the General Fund, not subsidize the disbursements endlessly. Member Pike said the pressure to get projects funded and going is out there. Accurate tracking of capital projects would be a useful barometer of economic activity in the State. Even warnings of taking back money has not spurred activity. Deputy Treasurer Collins noted that according to Senator Carlos Cisneros, LFC could sweep all unused project funds. Member Pike heard that it could be as much as \$60 million swept in capital projects funding.

14. Portfolio Summary—Severance Tax Bonding Fund

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

- Closed July at \$38.5 million. (May not have enough for sponge note.)
- Net earnings were \$6,902 for July.

Member Cassidy noted that oil companies are moving employees from New Mexico to the Permian Basin in Texas.

15. Credit Investing

Ms. Cook noted that the STIC binder contains lists of medium-term note/corporate bond issuers that are approved for activity.

16. State Agency Deposit Balances

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

- No financial institutions exceeded the statutory limitations on equity capital and deposit ratios for the month ending July 31, 2016.
- State Funds: 192 accounts totaling \$393,016,372. The Public School Insurance Authority and Workforce Solutions contributed to the higher number.
- Non-State Funds: 154 accounts totaling \$46,301,543.
- Total: \$439,317,915 in 346 accounts.
- Opened two accounts for the 13th Judicial Account (litigant funds) and closed two (13th Judicial District Court and the NMDOT).

17. Collateral Report on Agency Deposits & CDs

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

- As of July 31, one depository institution holding state funds was deficient in its collateral requirements (Bank of the Southwest, by \$8,913). Once notified, the bank pledged additional collateral.
- The over-collateralization for US Bank is due to a one-year letter of credit pledged (\$35 million).

18. LGIP Stakeholder Meeting

Ms. Cook gave a report of the LGIP Stakeholder Meeting, held on August 26, 2016, in Taos. The meeting was in conjunction with the New Mexico Association of Counties' Treasurers' Affiliate meeting. There were approximately 85 attendees and STO received very positive feedback. Member Pike has been asked about rates by municipalities, and he has suggested they look at participating in the LGIP. Mr. Landrum noted that the City of Hobbs has pulled out a large amount for a cash-funded community center. Los Alamos County will rejoin the LGIP soon.

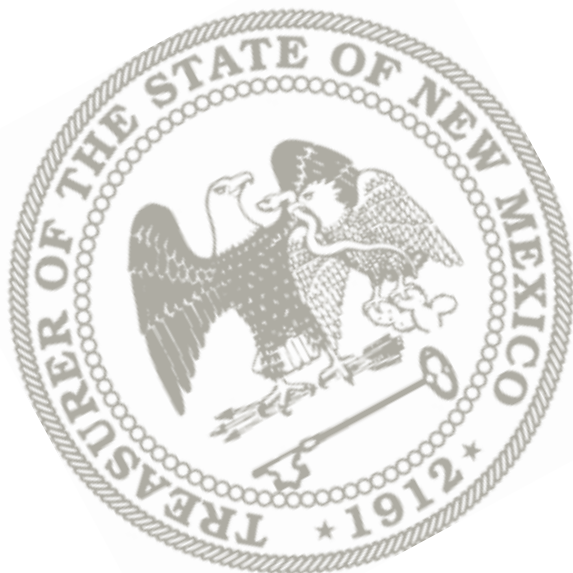
Ms. Deanne Woodring noted that one LGIP participant (at the Stakeholder Meeting) asked for greater transparency, and that putting the holdings on the STO website would be important.

19. Next Meeting—Wednesday, October 12, 2016, 9:00 am.

20. Adjournment

Meeting adjourned at 10:40 am.

Minutes were taken by Ms. Julie Filatoff.



3. Public Comments



4. Executive Summary

Executive Summary

- At the end of August, the State Treasurer managed \$3.4 billion in assets.
- During the month, the office earned approximately \$2.5 million on its investment positions.
- On a mark-to-market basis the portfolios decreased \$4.6 million.
- US equity markets were slightly lower in August, with the S&P 500 Index down 0.12%.
- US Treasury yields moved higher in August as the nonfarm payroll employment report showed an increase of 255,000 jobs, greater than expected. The unemployment rate was unchanged at 4.9%.
- A few Fed officials kicked up the rhetoric for a possible rate hike at the September meeting.
- Oil prices rose by 7.5% during the month of August, closing at \$44.70/barrel.
- The US dollar was fairly flat vs. the euro.

Table 1 – Comparative Interest Rates

US Treasury Yields

			Monthly
<u>Maturity</u>	<u>7/31/2016</u>	<u>8/31/2016</u>	<u>Change</u>
3-Month	0.25%	0.33%	0.08%
6-Month	0.37%	0.46%	0.09%
1-Year	0.49%	0.59%	0.10%
2-Year	0.65%	0.80%	0.15%
3-Year	0.75%	0.92%	0.17%
5-Year	1.02%	1.19%	0.17%
10-Year	1.45%	1.58%	0.13%
30-Year	2.18%	2.23%	0.05%

Source: Bloomberg LP

Portfolio Mark-to-Market and Monthly Change

With higher market yields, the STO portfolios all had negative results on a mark-to-market basis for the month of August.

Table 2 - Unrealized Gains and Losses

<u>Fund</u>	<u>Unrealized Gain/Loss¹</u>	<u>Monthly Change in Unrealized Gain/Loss²</u>
<i>General Funds</i>	\$9.0 million	Decreased \$3.0 million
<i>Bond Proceeds Funds</i>	\$2.3 million	Decreased \$1.6 million
<i>Local Government Investment Pool</i>	Not Material	Not Material
<i>Severance Tax Bonding Fund</i>	Not Material	Not Material
<i>Source: QED</i>		

Portfolio Purchase Yields and Durations

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

Table 3 - Portfolio Purchase Yields and Durations

<u>Fund</u>	<u>Purchase Yield⁴</u>	<u>Effective Duration³</u>		
		<u>Portfolio</u>	<u>Benchmark</u>	<u>Percentage</u>
<i>General Fund Liquidity</i>	0.30%	0.01 Years		
<i>General Fund CORE</i>	1.31%	2.03 Years	2.14 Years	95%
<i>Bond Proceeds – Tax Exempt</i>	0.87%	1.21 Years	1.34 Years	90%
<i>Bond Proceeds – Taxable</i>	0.91%	1.20 Years	1.34 Years	90%
<i>Local Government Investment Pool</i>	0.45%	0.15 Years		
<i>Severance Tax Bonding Fund</i>	0.27%	0.01 Years		

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

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

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

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

Benchmark Performance Comparisons

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

Table 4 - Relative Performance of STO Funds

<i><u>Fund</u></i>	<i>Performance⁵</i>	
	<i><u>3 Months</u></i>	<i><u>12 Months</u></i>
<i>General Fund Liquidity</i>	0.07%	0.24%
S&P Government Pools Index (Gross)	<u>0.11%</u>	<u>0.32%</u>
Relative Performance (BPs)	(0.04)%	(0.08)%
 <i>General Fund CORE</i>	 0.51%	 1.43%
BAML 0-5 US Treasury	<u>0.51%</u>	<u>1.57%</u>
Relative Performance (BPs)	0.00%	(0.14)%
 <i>Bond Proceeds - Tax Exempt</i>	 0.28%	 0.88%
BAML 0-3 US Treasury	<u>0.31%</u>	<u>0.87%</u>
Relative Performance (BPs)	(0.03)%	0.01%
 <i>Bond Proceeds - Taxable</i>	 0.29%	 0.88%
BAML 0-3 US Treasury	<u>0.31%</u>	<u>0.87%</u>
Relative Performance (BPs)	(0.02)%	0.01%
 <i>Local Government Investment Pool</i>	 0.12%	 0.38%
S&P Government Pools Index (Gross)	<u>0.11%</u>	<u>0.32%</u>
Relative Performance (BPs)	0.01%	0.06%
 <i>Severance Tax Bonding Fund</i>	 0.09%	 0.31%
S&P Government Pools Index (Gross)	<u>0.11%</u>	<u>0.32%</u>
Relative Performance (BPs)	(0.02)%	(0.01)%

Source: JPMorgan, STO Calculations

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

⁵ Relative performance is periodic total return compared to the return of the portfolio benchmarks.

Earnings

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

Table 5 - Investment Earnings – Periods ended August, 2016

<i>Fund</i>	<i>Investment Net Earnings⁶</i>		
	<i>Aug FY'17</i>	<i>FY'17 YTD</i>	<i>FY'16 YTD</i>
<i>General Funds</i>	\$1,291,014	\$2,400,510	\$2,832,021
<i>Bond Proceeds Funds</i>	\$912,280	\$1,785,934	\$1,433,254
<i>Local Government Investment Pool⁷</i>	\$261,783	\$528,094	\$231,947
<i>Severance Tax Bonding Fund</i>	\$13,008	\$19,910	\$10,445

Source: QED

- The General Funds investment earnings decreased by about \$400,000 in FY2017 vs. the same period in FY2016 as a result of the decline in the total assets falling from \$2.0 billion to \$1.5 billion.
- Bond Proceeds funds have increased investment earnings by over \$300,000 as a result of higher absolute balances and higher interest rates.
- The LGIP increased investment earnings vs. the same period in FY2016 as a result of higher interest rates.
- Severance tax deposits into the fund have been coming in lower during the current fiscal year vs. last year, however short term interest rates are higher as the Fed raised short term interest rates during FY2016.

Compensating Balances at Fiscal Agent Bank

During August, STO maintained Average Daily Collected Balances at the Fiscal Agent Bank of approximately \$27 million. This balance earned a credit against processing fees assessed by the bank.

Table 6 - Compensating Balances at Fiscal Agent Bank

<i>Average Collected Balance</i>	\$27,130,789
<i>Earnings Credit Rate</i>	0.50%
<i>Monthly Earnings</i>	\$11,490
<i>Estimated Fiscal YTD Earnings</i>	\$25,702

Source: Wells, Fargo & Co.

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

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

Monthly Investment Outlook

US Treasury yields were higher in August reflecting a change in sentiment from the flight-to-quality experienced after the Brexit vote. With employment numbers comfortably back on track and a September Federal Open Market Committee meeting looming, bond investors chose to take some chips off the table. In addition, a few Fed officials had raised the volume on a possible rate hike or two in 2016, putting the markets on notice.

Alas, the Fed left interest rates unchanged in September, choosing to wait for further data to indicate whether goals were getting closer to being met, with inflation still particularly sticky. There were three dissenters among the Fed officials eligible to vote, creating the view that some discomfort was beginning to develop in the ranks. Heading for the presidential election in November, it would seem that the Fed will have its hands tied until their scheduled meeting in December.

STO portfolios continue to be conservatively structured vs. benchmarks as cash needs, specifically within the General Fund, have continued to be demanding. As always the investment philosophy employed is to maintain safety, liquidity and yield, in that order.

Vikki Hanges
Portfolio Manager

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

General Fund				Performance				Monthly Earnings			YTD Earnings		
Holdings													
<i>Sub-Account</i>	<i>Cost Basis</i>	<i>Market Value</i>	<i>Unrealized Gain/Loss</i>	<i>12-Month Total Return</i>	<i>Benchmark</i>	<i>Index Return</i>	<i>Relative Performance</i>	<i>Earnings</i>	<i>Change in Market Value</i>	<i>Total</i>	<i>Earnings</i>	<i>Change in Market Value</i>	<i>Total</i>
Cash Balances	\$ 32,788,662	\$ 32,788,662	\$ -										
Liquidity	565,987,593	565,987,593	-	0.24%	S&P LGIP Gross	0.32%	-0.08%	\$ 89,816	\$ -	\$ 89,816	\$ 183,369	\$ -	\$ 183,369
CORE	901,191,381	910,186,008	8,994,627	1.43%	ML Treasury 0-5	1.57%	-0.14%	1,201,199	(3,023,304)	(1,822,105)	2,217,142	(4,089,557)	(1,872,415)
TRAN	-	-	-	0.00%	All-In Tran TIC	0.00%	0.00%	-	-	-	-	-	-
Totals	\$ 1,499,967,636	\$ 1,508,962,263	\$ 8,994,627	0.97%	Blended	1.09%	-0.12%	\$ 1,291,014	\$ (3,023,304)	\$ (1,732,290)	\$ 2,400,510	\$ (4,089,557)	\$ (1,689,047)

Bond Proceeds Investment Pool (BPIP)													
<i>Sub-Account</i>	<i>Cost Basis</i>	<i>Market Value</i>	<i>Unrealized Gain/Loss</i>	<i>12-Month Total Return</i>	<i>Benchmark</i>	<i>Index Return</i>	<i>Relative Performance</i>	<i>Earnings</i>	<i>Change in Market Value</i>	<i>Total</i>	<i>Earnings</i>	<i>Change in Market Value</i>	<i>Total</i>
Tax-Exempt	\$ 597,407,113	\$ 598,095,138	\$ 688,025	0.88%	ML Treasury 0-3	0.87%	0.01%	\$ 459,247	\$ (811,904)	\$ (352,657)	\$ 896,481	\$ (1,179,911)	\$ (283,430)
Taxable	597,903,032	599,470,416	1,567,384	0.88%	ML Treasury 0-3	0.87%	0.01%	453,033	(768,534)	(315,501)	\$ 889,454	(1,201,092)	(311,638)
Totals	\$ 1,195,310,145	\$ 1,197,565,554	\$ 2,255,409	0.88%	Blended	0.87%	0.01%	\$ 912,280	\$ (1,580,438)	\$ (668,158)	\$ 1,785,934	\$ (2,381,003)	\$ (595,069)

Local Government Investment Pool (LGIP)													
<i>Sub-Account</i>	<i>Cost Basis</i>	<i>Market Value</i>	<i>Unrealized Gain/Loss</i>	<i>12-Month Total Return</i>	<i>Benchmark</i>	<i>Index Return</i>	<i>Relative Performance</i>	<i>Earnings</i>	<i>Change in Market Value</i>	<i>Total</i>	<i>Earnings</i>	<i>Change in Market Value</i>	<i>Total</i>
LGIP (See Note 5)	\$ 692,716,685	\$ 692,806,851	\$ 90,166	0.38%	S&P LGIP Gross	0.32%	0.06%	\$ 261,783	\$ (26,300)	\$ 235,483	\$ 528,094	\$ (15,073)	\$ 513,021

Severance Tax Bonding Fund													
<i>Sub-Account</i>	<i>Cost Basis</i>	<i>Market Value</i>	<i>Unrealized Gain/Loss</i>	<i>12-Month Total Return</i>	<i>Benchmark</i>	<i>Index Return</i>	<i>Relative Performance</i>	<i>Earnings</i>	<i>Change in Market Value</i>	<i>Total</i>	<i>Earnings</i>	<i>Change in Market Value</i>	<i>Total</i>
STBF	\$ 46,961,506	\$ 46,961,506	\$ -	0.31%	S&P LGIP Gross	0.32%	-0.01%	\$ 13,008	\$ 3	\$ 13,011	\$ 19,910	\$ (501)	\$ 19,409
<i>Estimated Totals (all funds)</i>		\$ 3,446,296,174	\$ 11,340,202					\$ 2,478,085	\$ (4,630,039)	\$ (2,151,954)	\$ 4,734,449	\$ (6,486,134)	\$ (1,751,685)

Notes:

- (1) These figures are generated using a combination of accrued earnings, realized gains and losses and unrealized gains and losses. They are unaudited and may be subject to revision
- (2) Account balances fluctuate during the month, holdings are calculated as of month-end. Performance includes adjustments for fund flows during the month
- (3) Holdings are reported on a "Trade Basis".
- (4) Cash Balances are month-end cash balances at Fiscal Agent Bank (Wells Fargo).
- (5) LGIP Conforms to GASB 31, as such accounting and earnings are reported to participants on an amortized basis.
- (6) Source: STO Records, Fiscal Agent Bank Statements, QED Financial Systems, JPMorgan Custody Reporting.

9/29/2016

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5. Investment Policy Compliance Report

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

Investment Compliance Review

Primary and Secondary Bond Purchases/ Sales

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

Table 1 - Primary/Secondary Market Volume – August 2016

Primary Bond Volume	\$51,975,000	12%
Secondary Bond Volume	<u>\$338,881,000</u>	<u>88%</u>
Total	\$390,856,000	100%

Source: QED

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

Commissions Paid

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

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

Variable Rate and Structured Note Holdings

At the end of August, total holdings of Variable Rate Notes were \$171,805,000.

Table 2 - Variable Rate Note Holdings – August 2016

General Fund	-
Taxable BPIP	- \$25,000,000
Tax Exempt BPIP	-
LGIP	<u>\$146,805,000</u>
Total Holdings	\$171,805,000

Source: QED

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

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

Transaction Variances and Inter-Portfolio Transactions

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

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

There were 0 inter-portfolio trades during the month.

Unrealized Gains and Losses

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

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

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

Realized Gains and Losses

Realized gains/losses are a result of a difference between amortized cost and the sale proceeds for each position at the time of sale. This amount is booked against investment earnings in the respective accounting period. There were 15 sales which resulted in realized gains/losses.

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

Trade Date	Account	Par Amount	Security	Realized G/L
8/2/2016	LGIP	10,000,000	FHLB 2.000 9/9/16	1,180.03
8/5/2016	BPIP TE	10,000,000	T 1.000 10/31/16	2,611.29
8/8/2016	BPIP TE	5,000,000	FHLMC 2.000 8/25/16	2,007.38
8/8/2016	BPIP TX	5,000,000	FHLMC 2.000 8/25/17	2,305.66
8/9/2016	LGIP	10,000,000	FHLB .422 11/16/16	3,111.54
8/11/2016	GF CORE	9,000,000	FAMAC .980 4/10/17	25,377.53
8/11/2016	GF CORE	8,000,000	FAMAC .930 5/01/17	17,110.69
8/11/2016	GF CORE	15,000,000	FAMAC .440 10/05/16	1,649.18
8/12/2016	GF CORE	4,500,000	FAMAC 1.150 9/18/17	15,537.01
8/12/2016	GF CORE	9,000,000	FAMAC 3.020 7/14/17	20,969.47
8/12/2016	GF CORE	20,000,000	FHLMC .875 10/14/16	17,063.28
8/15/2016	GF CORE	20,000,000	FHLMC 1.125 4/15/19	125,122.34
8/30/2016	BPIP TE	10,000,000	FNMA 1.000 2/26/19	22,840.13
8/31/2016	BPIB TX	5,000,000	T 1.000 9/30/16	1,033.14
8/31/2016	BPIP TE	7,500,000	FHLMC 1.240 3/29/19	3,075.00
Total Realized gain (loss)				<u>260,993.67</u>

Trade Documentation

Purchase/Sales Activity¹

There were a total of 52 security trades tracked during the month of August by the Trade Compliance Officer in the Investment Division.

Table 2 – Securities Trades – August 2016

	Quantity	Par-Value	Cost/Proceeds	Realized Gain/Loss
Purchases	37	242,856,000	243,717,565	0
Sales	15	148,000,000	148,425,929	260,934
Totals:	52	390,856,000	392,143,494	260,934

¹ Excludes daily repurchase agreement transactions.

Trade documentation and Investment Processing Compliance

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

During the month of August, there were a no noted violations or breaches.

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

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 8/01/16 Through 8/31/16

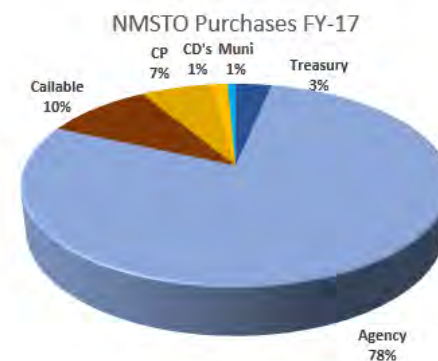
TXN-DATE	CUSIP#	ASSET-TYPE	INVST#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
<u>PURCHASE TRANSACTIONS</u>													
8/29/16	59515ML8	COMMERCIAL PAPE	26222	MICROSOFT CO	.505	11/08/16	.5055	BARCLAYS	4000	13,585,000.00	13,571,660.28		
8/29/16	59515ML8	COMMERCIAL PAPE	26223	MICROSOFT CO	.505	11/08/16	.5055	BARCLAYS	4001	1,250,000.00	1,248,772.57		
8/08/16	912828VE	US TREASURY NOT	26094	UNITED STATES TREASURY	1.000	5/31/18	.7190	UBS	4000	5,000,000.00	5,025,195.31		
8/08/16	912828VE	US TREASURY NOT	26093	UNITED STATES TREASURY	1.000	5/31/18	.7190	UBS	4002	5,000,000.00	5,025,195.31		
8/19/16	912828P2	US TREASURY NOT	26180	UNITED STATES TREASURY	.750	1/31/18	.7226	DEUTSCHE BANK S	4000	5,000,000.00	5,001,953.13		
8/05/16	313378J7	AGENCY US BOND	26086	FEDERAL HOME LOAN BANKS	1.875	3/13/20	1.0663	INTL FCSTONE PA	4000	10,000,000.00	10,284,700.00		
8/05/16	313379DT	AGENCY US BOND	26084	FEDERAL HOME LOAN BANKS	1.250	6/08/18	.8402	KEYBANC CAPITAL	4000	5,000,000.00	5,037,200.00		
8/05/16	313379DT	AGENCY US BOND	26085	FEDERAL HOME LOAN BANKS	1.250	6/08/18	.8402	KEYBANC CAPITAL	4002	5,000,000.00	5,037,200.00		
8/09/16	3130A92E	AGENCY US BOND	26102	FEDERAL HOME LOAN BANK	.625	8/11/17	.6782	CITIGROUP GLOBA	4101	10,000,000.00	9,994,710.00		
8/15/16	880591DS	AGENCY US BOND	26140	TENNESSEE VALLEY AUTHOR	4.875	12/15/16	.4403	TD SECURITIES	4101	7,685,000.00	7,797,400.81		
8/16/16	3130A8RY	AGENCY US BOND	26148	FEDERAL HOME LOAN BANKS	.750	1/19/18	.8124	INTL FCSTONE PA	4002	5,000,000.00	4,995,600.00		
8/18/16	3133XUKV	AGENCY US BOND	26178	FEDERAL HOME LOAN BANKS	3.750	9/09/16	.3442	BANK OF OKLAHOM	4101	540,000.00	541,019.81		
8/19/16	3133807A	AGENCY US BOND	26181	FEDERAL HOME LOAN BANKS	1.060	5/30/18	.8502	BOSC, INC	4000	1,000,000.00	1,003,683.22		
8/23/16	3130A4G8	AGENCY US BOND	26196	FEDERAL HOME LOAN BANKS	1.650	9/24/19	.6503	BANK OF OKLAHOM	4002	2,000,000.00	2,011,622.01		3/24/17
8/25/16	3130A9AE	AGENCY US BOND	26212	FEDERAL HOME LOAN BANKS	.875	10/01/18	.9078	STIFFEL NICOLAU	1001	5,000,000.00	4,996,600.00		
8/25/16	3130A9AE	AGENCY US BOND	26213	FEDERAL HOME LOAN BANKS	.875	10/01/18	.9078	CASTLEOAK SECUR	4000	5,000,000.00	4,996,600.00		
8/25/16	3130A9AE	AGENCY US BOND	26214	FEDERAL HOME LOAN BANKS	.875	10/01/18	.9078	WELLS FARGO SEC	4002	5,000,000.00	4,996,600.00		
8/15/16	313312P6	AGENCY US DISC	26144	FEDERAL FARM CREDIT BAN	.300	11/15/16	.3002	FTN FINANCIAL S	4101	6,100,000.00	6,095,374.17		
8/16/16	880592D9	AGENCY US DISC	26146	TENNESSEE VALLEY AUTHOR		8/30/16	.2800	JEFFRIES & CO	4101	40,000,000.00	39,995,644.44		
8/24/16	313396G8	AGENCY US DISC	26204	FEDERAL HOME LOAN MORTG		9/22/16	.2651	GUGGENHEIM SECU	4101	25,000,000.00	24,994,663.19		
8/03/16	3130A8Y7	AGENCY 30/360 2	26062	FEDERAL HOME LOAN BANK	.875	8/05/19	.9400	WELLS FARGO SEC	4000	7,500,000.00	7,485,600.00		
8/03/16	3130A8Y7	AGENCY 30/360 2	26063	FEDERAL HOME LOAN BANK	.875	8/05/19	.9400	WELLS FARGO SEC	4002	7,500,000.00	7,485,600.00		
8/03/16	3136FPYB	AGENCY US NOTES	26064	FEDERAL NATIONAL MORTGA	2.050	5/23/17	.6205	BOSC, INC	4101	2,310,000.00	2,336,402.61		
8/09/16	3136G0E5	AGENCY US NOTES	26103	FEDERAL NATIONAL MORTGA	1.625	3/27/20	1.0974	INTL FCSTONE PA	4000	1,265,000.00	1,288,693.45		
8/09/16	3137EADU	AGENCY US NOTES	26105	FEDERAL HOME LOAN MORTG	.500	1/27/17	.4891	INTL FCSTONE PA	4101	5,000,000.00	5,000,250.00		
8/17/16	3134G32U	AGENCY US NOTES	26164	FEDERAL HOME LOAN MORTG	.875	6/26/18	.8739	INTL FCSTONE PA	4002	7,750,000.00	7,750,155.00		
8/18/16	3135G0ZB	AGENCY US NOTES	25249	FEDERAL NATIONAL MORTGA	.750	4/20/17	.5311	JEFFRIES & CO	4101	15,000,000.00	15,022,005.00		
8/18/16	3135G0ZB	AGENCY US NOTES	25249	FEDERAL NATIONAL MORTGA	.750	4/20/17	.5366	WELLS FARGO SEC	4101	1,270,000.00	1,271,816.10		
8/19/16	3135G0ZB	AGENCY US NOTES	25249	FEDERAL NATIONAL MORTGA	.750	4/20/17	.5366	JEFFRIES & CO	4101	10,000,000.00	10,014,063.20		
8/29/16	3135G0GY	AGENCY US NOTES	26224	FEDERAL NATIONAL MORTGA	1.250	1/30/17	.4608	BMO CAPTIAL MAR	4101	10,000,000.00	10,032,800.00		
8/30/16	880591EA	AGENCY US NOTES	26241	TENNESSEE VALLEY AUTH	5.500	7/18/17	.7039	CANTOR FITZGERA	4101	5,961,000.00	6,212,315.76		
8/10/16	077581QC	MUNI US 30/360	26114	Belen Consolidated Scho	2.000	8/01/17	.8009	ROBERT W BAIRD	4002	160,000.00	161,684.80		
8/10/16	077581QE	MUNI US 30/360	26115	NO 2 TO 07/01/1945	2.000	8/01/19	1.0502	ROBERT W BAIRD	4002	315,000.00	323,473.50		
8/10/16	077581QT	MUNI US 30/360	26116	NO 2 TO 07/01/1945	2.000	8/01/19	1.0502	ROBERT W BAIRD	4002	535,000.00	549,391.50		
8/31/16	647200L2	MUNI US 30/360	26258	NEW MEXICO MTG FIN AUTH	3.700	3/01/17	.6516	ROBERT W BAIRD	4000	130,000.00	131,920.10		
8/16/16	CMSG016M	MUNICIPAL BOND	26188	CARLSBAD MUNICIPAL SCHO	.560	9/22/16	.5584	ISSUER DIRECT	1000	4,000,000.00	4,000,000.00		
8/30/16	GISDGO16	MUNICIPAL BOND	26240	GADSDEN SCHOOL DISTRICT	.580	10/20/16	.5783	ISSUER DIRECT	1000	2,000,000.00	2,000,000.00		
37 PURCHASES DURING PERIOD TOTAL.....										242,856,000.00	243,717,565.27		

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 8/01/16 Through 8/31/16

TXN-DATE	CUSIP#	ASSET-TYPE	INVST#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
<u>SALE TRANSACTIONS</u>													
8/05/16	912828RM	US TREASURY NOT	19026	UNITED STATES TREASURY	1.000	10/31/16		BARCLAYS	4000	10,000,000.00	10,015,625.00	2,611.29	
8/31/16	912828RJ	US TREASURY NOT	21095	UNITED STATES TREASURY	1.000	9/30/16	.4261	WELLS FARGO SEC	4002	5,000,000.00	5,002,343.75	1,033.14	
8/09/16	3130A8JE	AGENCY US FLOAT	25741	FEDERAL HOME LOAN BANK	.422	11/16/16		BARCLAYS	4101	10,000,000.00	10,002,770.00	3,111.54	
8/02/16	313370TW	AGENCY US BOND	24769	FEDERAL HOME LOAN BANKS	2.000	9/09/16		INTL FCSTONE PA	4101	10,000,000.00	10,016,400.00	1,180.03	
8/11/16	31315PS2	AGENCY US BOND	21181	FARMER MAC	.980	4/10/17		WELLS FARGO SEC	1001	9,000,000.00	9,023,283.00	25,377.53	
8/11/16	31315PY8	AGENCY US BOND	21302	FARMER MAC	.930	5/01/17		MIZUHO SECURITI	1001	8,000,000.00	8,014,800.00	17,110.69	
8/08/16	3137EACW	AGENCY US NOTES	15558	FEDERAL HOME LOAN MORTG	2.000	8/25/16		JEFFRIES & CO	4000	5,000,000.00	5,003,885.00	2,007.38	
8/08/16	3137EACW	AGENCY US NOTES	15517	FEDERAL HOME LOAN MORTG	2.000	8/25/16	.2493	JEFFRIES & CO	4002	5,000,000.00	5,003,885.00	2,305.66	
8/11/16	3132X0CG	AGENCY US NOTES	25178	FEDERAL AGRICULTURAL MO	.440	10/05/16	.3823	JEFFRIES & CO	1001	15,000,000.00	15,001,260.00	1,649.18	
8/12/16	31315P3K	AGENCY US NOTES	22092	FEDERAL AGRICULTURAL MO	1.150	9/18/17	.8522	BANK OF OKLAHOM	1001	4,500,000.00	4,514,532.34	15,537.01	
8/12/16	31315PDT	AGENCY US NOTES	21680	FEDERAL AGRICULTURAL MO	3.020	7/14/17		MIZUHO SECURITI	1001	9,000,000.00	9,181,260.00	20,969.47	
8/12/16	3137EADS	AGENCY US NOTES	19746	FEDERAL HOME LOAN MORTG	.875	10/14/16		DEUTSCHE BANK S	1001	20,000,000.00	20,017,420.00	17,063.28	
8/12/16	3137EADZ	AGENCY US NOTES	25183	FREDDIE MAC	1.125	4/15/19	.8981	DEUTSCHE BANK S	1001	20,000,000.00	20,119,300.00	125,122.34	
8/30/16	3135G0J5	AGENCY US NOTES	25569	FEDERAL NATIONAL MORTGA	1.000	2/26/19		BARCLAYS	4000	10,000,000.00	10,006,090.00	22,840.13	
8/31/16	3134G8RW	AGENCY US NOTES	25133	FREDDIE MAC	1.240	3/29/19	.7089	INTL FCSTONE PA	4000	7,500,000.00	7,503,075.00	3,075.00	9/29/16
15 SALES DURING PERIOD TOTAL.....										148,000,000.00	148,425,929.09	260,993.67	
=== GRAND-TOTAL ==>										390,856,000.00	392,143,494.36	260,993.67	
*** END-OF-REPORT ***													

NM STO Trade Activity FY 2017			Aug-16	
Purchase	Volume	Trades	Volume	Trades
Treasury	15,000,000	3	15,000,000	3
Agency	359,855,000	43	205,881,000	26
Callable	44,465,000	6	-	-
CP	29,835,000	5	14,835,000	2
Corporate	-	0	-	-
CD's	6,600,000	3	-	-
Muni	3,265,000	8	6,140,000	6
Total Purchase	459,020,000	68	241,856,000	37
Sale	Volume	Trades	Volume	Trades
Treasury	15,000,000	2	15,000,000	2
Agency	175,500,000	17	125,500,000	12
Callable	7,500,000	1	7,500,000	1
Muni	-	-	-	-
Total Sale	198,000,000	20	148,000,000	15
Total Volume	657,020,000	88	389,856,000	52

LGIP Repo			LGIP Repo	
Overnight	2,515,000,000	54	1,095,000,000	24
Term	850,000,000	17	500,000,000	10
	3,365,000,000	71	1,595,000,000	34



	GF LIQUIDITY (1000)		GF CORE (1001)		BPIP TE (4000)		BPIP TX (4002)		STB (4001)		LGIP (4101)	
Purchase	Volume	Trades	Volume	Trades	Volume	Trades	Volume	Trades	Volume	Trades	Volume	Trades
Treasury					10,000,000	2	5,000,000	1				
Agency			5,000,000	1	29,765,000	6	32,250,000	6			138,866,000	13
Callable												
CP					13,585,000	1			1,250,000	1		
Corporate												
CD's												
Muni	6,000,000	2			130,000	1	1,010,000	3				
Total Purchase	6,000,000	2	5,000,000	1	53,480,000	10	38,260,000	10	1,250,000	1	138,866,000	13
Sale	Volume	Trades	Volume	Trades	Volume	Trades	Volume	Trades	Volume	Trades	Volume	Trades
Treasury					10,000,000	1	5,000,000	1				
Agency			85,500,000	7	15,000,000	2	5,000,000	1			20,000,000	2
Callable					7,500,000	1						
Muni												
Total Sale	-	0	85,500,000	7	32,500,000	4	10,000,000	2	-	0	20,000,000	2
Total Volume	6,000,000	2	90,500,000	8	85,980,000	14	48,260,000	12	1,250,000	1	158,866,000	15

LGIP

Overnight											1,095,000,000	24
Term											500,000,000	10
	-	-	-	-	-	-	-	-	-	-	1,595,000,000	34

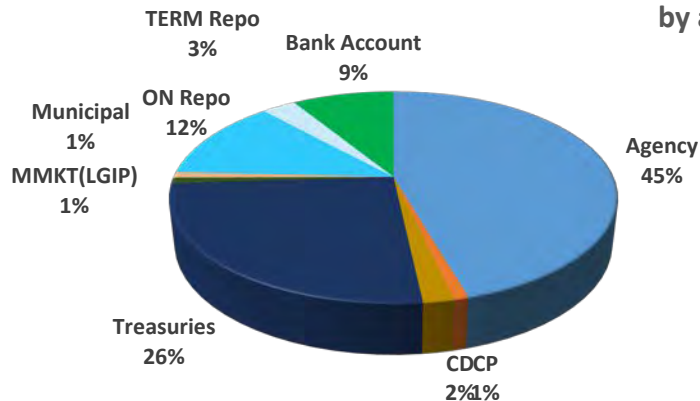
NM State Treasurer Office Security Holding by Portfolio

August 31, 2016

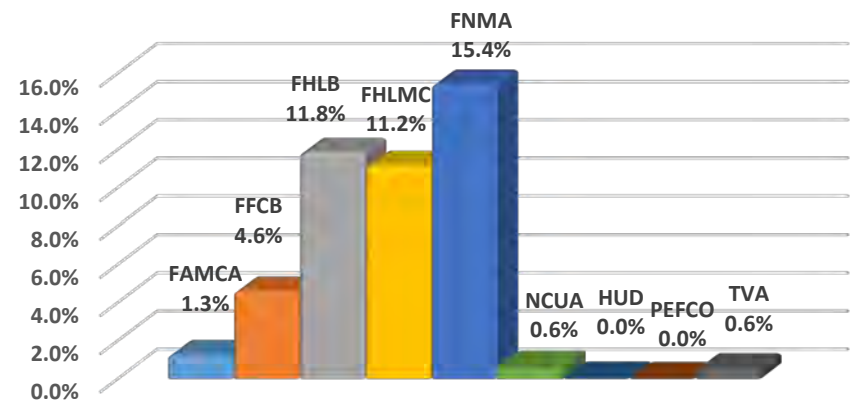
Values are based on position holdings

Portfolio Balance	GF LIQ	GF CORE	BPIP TE	BPIP TX	STB	LGIP	STO Holdings	
	565,987,594	899,910,896	596,126,205	596,929,093	46,962,699	692,205,764	3,398,122,252	
Agency	-	377,441,000	358,539,000	317,415,000	-	493,105,000	1,546,500,000	45.5%
FAMCA	-	38,000,000	5,000,000	-	-	-	43,000,000	1.3%
FFCB	-	8,000,000	24,000,000	10,500,000	-	113,905,000	156,405,000	4.6%
FHLB	-	44,500,000	83,085,000	115,000,000	-	159,860,000	402,445,000	11.8%
FHLMC	-	100,000,000	133,470,000	53,915,000	-	92,079,000	379,464,000	11.2%
FNMA	-	186,941,000	95,654,000	128,000,000	-	113,615,000	524,210,000	15.4%
NCUA	-	-	10,000,000	10,000,000	-	-	20,000,000	0.6%
HUD	-	-	1,325,000	-	-	-	1,325,000	0.0%
PEFCO	-	-	-	-	-	-	-	0.0%
TVA	-	-	6,005,000	-	-	13,646,000	19,651,000	0.6%
CP	-	-	23,585,000	5,000,000	1,250,000	-	29,835,000	0.9%
CD	-	50,750,000	3,000,000	10,200,000	-	-	63,950,000	1.9%
Treasuries	-	462,750,000	179,000,000	233,500,000	-	-	875,250,000	25.8%
Municipal	-	2,695,000	21,850,000	4,580,000	475,000	-	29,600,000	0.9%
MMKT(LGIP)	-	-	8,088,531	21,380,407	157,782	-	29,626,720	0.9%
ON Repo	315,075,007	6,274,896	2,063,674	4,853,687	45,013,097	50,000,000	423,280,362	12.5%
TERM Repo	-	-	-	-	-	100,000,000	100,000,000	2.9%
Bank Account	250,912,586	-	-	-	66,819	49,100,764	300,080,170	8.8%

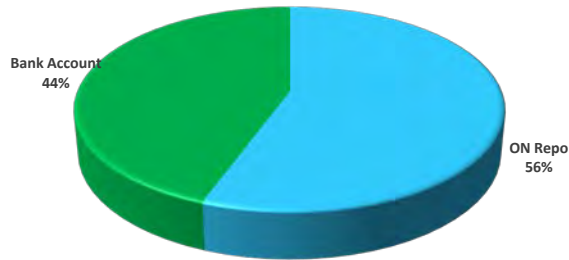
**STO Holdings
by asset type**



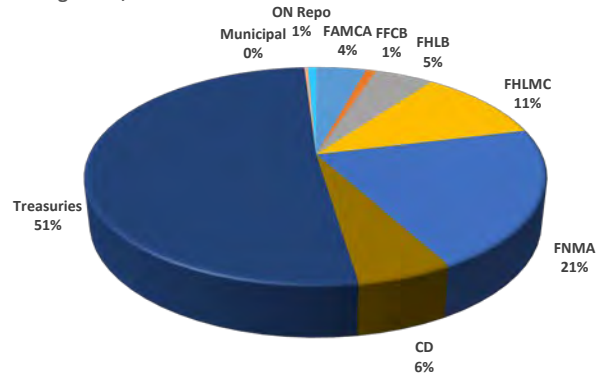
STO US Agency Holdings



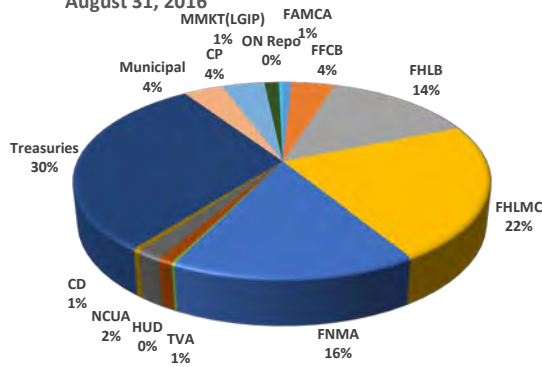
GF Liquidity Holdings
August 31, 2016



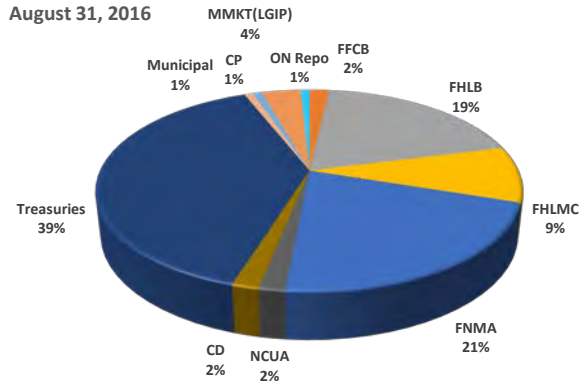
GF CORE Holdings
August 31, 2016



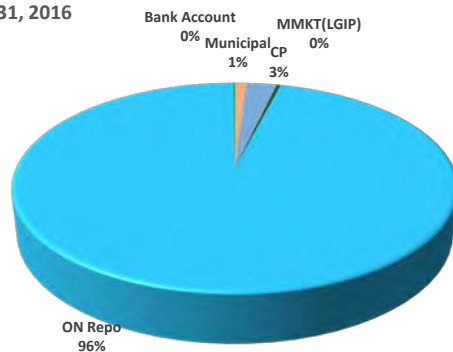
BPPI Tax-Exempt Holdings
August 31, 2016



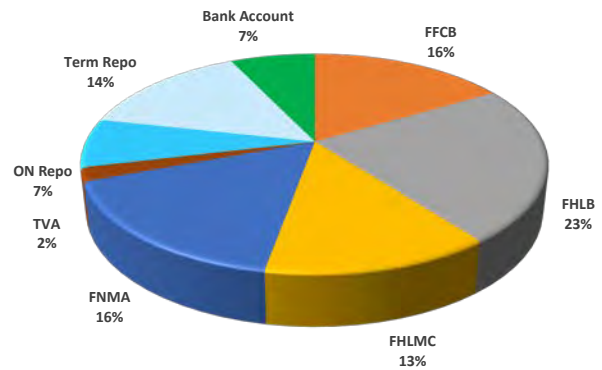
BPPI Taxable Holdings
August 31, 2016



STB Holdings
August 31, 2016



LGIP Holdings
August 31, 2016





6. Investment Accounting Report

KEY

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



STATE OF NEW MEXICO
OFFICE OF THE TREASURER

THE HONORABLE TIM EICHENBERG
State Treasurer

SAMUEL K. COLLINS, JR
Deputy State Treasurer

Memorandum

Date: September 8, 2016
To: Charmaine Cook, Chief Investment Officer & Investment Division Director
From: Steve Vigil, Investment Accounting Bureau Chief *SV*
CC: STO Investments Division, Leo Marquez II, STO Chief Financial Officer
Subject: August 2016 Investment Reconciliation

August 2016 Investments Reconciliation

The August 2016 investment reconciliation included the following to verify the completeness and accuracy of the JP Morgan reporting:

1. Net asset values of all investment accounts.
2. Change in transaction activity between July 31st and August 31st.
3. Cash transaction activity proofs.
4. Earned income proofs.
5. Proof of change in cost.
6. Duplicate cash activity.
7. JP Morgan to QED inventory reconciliation.
8. JP Morgan to QED income reconciliation.

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

Earned interest materiality threshold is ½ basis point of the total market value of a JP Morgan account. The JPM-QED income reconciliation has no material differences. Please refer to the JPM-QED income reconciliation.

JP Morgan to QED Inventory Reconciliations
For Accounting Period Ended August 31, 2016

W/P Ref
503

Market Value Reconciliation

JPM Account	Market Value	QED Fund #	Name	Market Value	Difference	BPS Dollar Threshold *
P 09336	571,987,619.80	1000	GF Liquidity	571,987,593.80	26.00	285,993.81
P 09337	910,189,293.84	1001	GF Core	910,186,007.56	3,286.28	455,094.65
P 09334	37,719,638.17	1101	ONREPO	37,735,761.80	(16,123.63)	18,859.82
P 89523	46,961,760.02	4001	STB	46,961,471.76	288.26	23,480.88
P 09335	590,678,147.78	4000	BPIP#1	590,673,118.26	5,029.52	295,339.07
P 09339	600,483,955.70	4002	BPIP#2	600,499,154.24	(15,198.54)	300,241.98
P 09333	692,806,476.64	4101	LGIP	692,806,847.44	(370.80)	346,403.24
Total	3,450,826,891.95			3,450,849,954.86	(23,062.91)	1,725,413.45

Cost Reconciliation

JPM Account	Cost	QED Fund #	Name	Cost	Difference	BPS Dollar Threshold *
P 09336	571,987,619.80	1000	GF Liquidity	571,987,593.80	26.00	285,993.81
P 09337	905,939,838.89	1001	GF Core	905,939,660.82	178.07	452,969.92
P 09334	37,719,638.17	1101	ONREPO	37,735,761.80	(16,123.63)	18,859.82
P 89523	46,966,521.49	4001	STB	46,966,521.51	(0.02)	23,483.26
P 09335	591,912,651.40	4000	BPIP#1	591,912,651.40	-	295,956.33
P 09339	600,976,900.21	4002	BPIP#2	600,976,900.20	0.01	300,488.45
P 09333	693,097,085.70	4101	LGIP	693,097,085.70	-	346,548.54
Total	3,448,600,255.66			3,448,616,175.23	(15,919.57)	1,724,300.13

Position Reconciliation

JPM Account	Position Size	QED Fund #	Name	Position Size	Difference	BPS Dollar Threshold *
P 09336	571,987,619.80	1000	GF Liquidity	571,987,593.80	26.00	18,859.82
P 09337	899,910,895.99	1001	GF Core	899,910,895.99	-	285,993.81
P 09334	37,719,638.17	1101	ONREPO	37,735,761.80	(16,123.63)	449,955.45
P 89523	46,962,699.19	4001	STB	46,962,699.19	-	23,481.35
P 09335	588,756,205.43	4000	BPIP#1	588,756,205.43	-	294,378.10
P 09339	597,939,093.39	4002	BPIP#2	597,939,093.39	-	298,969.55
P 09333	692,205,764.06	4101	LGIP	692,205,764.06	-	346,102.88
Total	3,435,481,916.03			3,435,498,013.66	(16,097.63)	1,717,740.96

*Basis Point (BPS)Dollar Threshold

JPM Market Value x 5 BPS

JPM Cost x 5 BPS

JPM Position Size x 5 BPS

0.0005

JP Morgan to QED Income Reconciliation
For Accounting Period Ended August 31, 2016

W/P Ref
504

JPM Account	Earned Interest	QED Fund #	Name	Earned Interest	Difference	BPS Dollar Thresold *
P 09336	99,139.12	1000	GF Liquidity	89,815.68	9,323.44	28,599.38
P 09337	1,162,484.07	1001	GF Core	1,162,399.97	84.10	45,509.46
P 09334	19,530.46	1101	ONREPO	17,915.17	1,615.29	1,885.98
P 89523	14,509.11	4001	STB	14,343.31	165.80	2,348.09
P 09335	612,947.94	4000	BPIP#1	604,335.50	8,612.44	29,533.91
P 09339	623,856.61	4002	BPIP#2	610,056.39	13,800.22	30,024.20
P 09333	386,798.46	4101	LGIP	386,800.21	(1.75)	34,640.32
Total	2,919,265.77			2,885,666.23	33,599.54	172,541.34

JP Morgan to QED Amortization/Accretion Reconciliation

JPM Account	Amortization/Accretion	QED Fund #	Name	Amortization/Accretion	Difference
P 09336	-	1000	GF Liquidity	-	-
P 09337	(146,048.79)	1001	GF Core	(184,030.79)	37,982.00
P 09334	-	1101	ONREPO	-	-
P 89523	(1,340.23)	4001	STB	(1,335.22)	(5.01)
P 09335	(153,165.85)	4000	BPIP#1	(172,547.76)	19,381.91
P 09339	(144,542.81)	4002	BPIP#2	(160,362.13)	15,819.32
P 09333	(125,660.72)	4101	LGIP	(129,308.86)	3,648.14
Total	(570,758.40)			(647,584.76)	76,826.36

* BPS Dollar Threshold

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

Note: QED uses multiple methods (referenced below) to compute amortization/accretion where the configuration is matched with an asset type. JP Morgan uses, but is not limited to, the pro rata, straight line, and level yield methods for amortization/accretion. Therefore, the 76,826.36 difference stems from the accounting method JP Morgan uses to compute amortization/accretion vs. QED.

```

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

```

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 8/01/16 Through 8/31/16

TXN-DATE	CUSIP#	ASSET-TYPE	INVST#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
<u>PURCHASE TRANSACTIONS</u>													
8/29/16	59515ML8	COMMERCIAL PAPE	26222	MICROSOFT CO	.505	11/08/16	.5055	BARCLAYS	4000	13,585,000.00	13,571,660.28		
8/29/16	59515ML8	COMMERCIAL PAPE	26223	MICROSOFT CO	.505	11/08/16	.5055	BARCLAYS	4001	1,250,000.00	1,248,772.57		
8/08/16	912828VE	US TREASURY NOT	26094	UNITED STATES TREASURY	1.000	5/31/18	.7190	UBS	4000	5,000,000.00	5,025,195.31		
8/08/16	912828VE	US TREASURY NOT	26093	UNITED STATES TREASURY	1.000	5/31/18	.7190	UBS	4002	5,000,000.00	5,025,195.31		
8/19/16	912828P2	US TREASURY NOT	26180	UNITED STATES TREASURY	.750	1/31/18	.7226	DEUTSCHE BANK S	4000	5,000,000.00	5,001,953.13		
8/05/16	313378J7	AGENCY US BOND	26086	FEDERAL HOME LOAN BANKS	1.875	3/13/20	1.0663	INTL FCSTONE PA	4000	10,000,000.00	10,284,700.00		
8/05/16	313379DT	AGENCY US BOND	26084	FEDERAL HOME LOAN BANKS	1.250	6/08/18	.8402	KEYBANC CAPITAL	4000	5,000,000.00	5,037,200.00		
8/05/16	313379DT	AGENCY US BOND	26085	FEDERAL HOME LOAN BANKS	1.250	6/08/18	.8402	KEYBANC CAPITAL	4002	5,000,000.00	5,037,200.00		
8/09/16	3130A92E	AGENCY US BOND	26102	FEDERAL HOME LOAN BANK	.625	8/11/17	.6782	CITIGROUP GLOBA	4101	10,000,000.00	9,994,710.00		
8/15/16	880591DS	AGENCY US BOND	26140	TENNESSEE VALLEY AUTHOR	4.875	12/15/16	.4403	TD SECURITIES	4101	7,685,000.00	7,797,400.81		
8/16/16	3130A8RY	AGENCY US BOND	26148	FEDERAL HOME LOAN BANKS	.750	1/19/18	.8124	INTL FCSTONE PA	4002	5,000,000.00	4,995,600.00		
8/18/16	3133XUKV	AGENCY US BOND	26178	FEDERAL HOME LOAN BANKS	3.750	9/09/16	.3442	BANK OF OKLAHOM	4101	540,000.00	541,019.81		
8/19/16	3133807A	AGENCY US BOND	26181	FEDERAL HOME LOAN BANKS	1.060	5/30/18	.8502	BOSC, INC	4000	1,000,000.00	1,003,683.22		
8/23/16	3130A4G8	AGENCY US BOND	26196	FEDERAL HOME LOAN BANKS	1.650	9/24/19	.6503	BANK OF OKLAHOM	4002	2,000,000.00	2,011,622.01		3/24/17
8/25/16	3130A9AE	AGENCY US BOND	26212	FEDERAL HOME LOAN BANKS	.875	10/01/18	.9078	STIFFEL NICOLAU	1001	5,000,000.00	4,996,600.00		
8/25/16	3130A9AE	AGENCY US BOND	26213	FEDERAL HOME LOAN BANKS	.875	10/01/18	.9078	CASTLEOAK SECUR	4000	5,000,000.00	4,996,600.00		
8/25/16	3130A9AE	AGENCY US BOND	26214	FEDERAL HOME LOAN BANKS	.875	10/01/18	.9078	WELLS FARGO SEC	4002	5,000,000.00	4,996,600.00		
8/15/16	313312P6	AGENCY US DISC	26144	FEDERAL FARM CREDIT BAN	.300	11/15/16	.3002	FTN FINANCIAL S	4101	6,100,000.00	6,095,374.17		
8/16/16	880592D9	AGENCY US DISC	26146	TENNESSEE VALLEY AUTHOR		8/30/16	.2800	JEFFRIES & CO	4101	40,000,000.00	39,995,644.44		
8/24/16	313396G8	AGENCY US DISC	26204	FEDERAL HOME LOAN MORTG		9/22/16	.2651	GUGGENHEIM SECU	4101	25,000,000.00	24,994,663.19		
8/03/16	3130A8Y7	AGENCY 30/360 2	26062	FEDERAL HOME LOAN BANK	.875	8/05/19	.9400	WELLS FARGO SEC	4000	7,500,000.00	7,485,600.00		
8/03/16	3130A8Y7	AGENCY 30/360 2	26063	FEDERAL HOME LOAN BANK	.875	8/05/19	.9400	WELLS FARGO SEC	4002	7,500,000.00	7,485,600.00		
8/03/16	3136FPYB	AGENCY US NOTES	26064	FEDERAL NATIONAL MORTGA	2.050	5/23/17	.6205	BOSC, INC	4101	2,310,000.00	2,336,402.61		
8/09/16	3136G0E5	AGENCY US NOTES	26103	FEDERAL NATIONAL MORTGA	1.625	3/27/20	1.0974	INTL FCSTONE PA	4000	1,265,000.00	1,288,693.45		
8/09/16	3137EADU	AGENCY US NOTES	26105	FEDERAL HOME LOAN MORTG	.500	1/27/17	.4891	INTL FCSTONE PA	4101	5,000,000.00	5,000,250.00		
8/17/16	3134G32U	AGENCY US NOTES	26164	FEDERAL HOME LOAN MORTG	.875	6/26/18	.8739	INTL FCSTONE PA	4002	7,750,000.00	7,750,155.00		
8/18/16	3135G0ZB	AGENCY US NOTES	25249	FEDERAL NATIONAL MORTGA	.750	4/20/17	.5311	JEFFRIES & CO	4101	15,000,000.00	15,022,005.00		
8/18/16	3135G0ZB	AGENCY US NOTES	25249	FEDERAL NATIONAL MORTGA	.750	4/20/17	.5366	WELLS FARGO SEC	4101	1,270,000.00	1,271,816.10		
8/19/16	3135G0ZB	AGENCY US NOTES	25249	FEDERAL NATIONAL MORTGA	.750	4/20/17	.5366	JEFFRIES & CO	4101	10,000,000.00	10,014,063.20		
8/29/16	3135G0GY	AGENCY US NOTES	26224	FEDERAL NATIONAL MORTGA	1.250	1/30/17	.4608	BMO CAPTIAL MAR	4101	10,000,000.00	10,032,800.00		
8/30/16	880591EA	AGENCY US NOTES	26241	TENNESSEE VALLEY AUTH	5.500	7/18/17	.7039	CANTOR FITZGERA	4101	5,961,000.00	6,212,315.76		
8/10/16	077581QC	MUNI US 30/360	26114	Belen Consolidated Scho	2.000	8/01/17	.8009	ROBERT W BAIRD	4002	160,000.00	161,684.80		
8/10/16	077581QE	MUNI US 30/360	26115	NO 2 TO 07/01/1945	2.000	8/01/19	1.0502	ROBERT W BAIRD	4002	315,000.00	323,473.50		
8/10/16	077581QT	MUNI US 30/360	26116	NO 2 TO 07/01/1945	2.000	8/01/19	1.0502	ROBERT W BAIRD	4002	535,000.00	549,391.50		
8/31/16	647200L2	MUNI US 30/360	26258	NEW MEXICO MTG FIN AUTH	3.700	3/01/17	.6516	ROBERT W BAIRD	4000	130,000.00	131,920.10		
8/16/16	CMSG016M	MUNICIPAL BOND	26188	CARLSBAD MUNICIPAL SCHO	.560	9/15/16	.5584	ISSUER DIRECT	1000	4,000,000.00	4,000,000.00		
8/30/16	GISDGO16	MUNICIPAL BOND	26240	GADSDEN SCHOOL DISTRICT	.580	10/20/16	.5783	ISSUER DIRECT	1000	2,000,000.00	2,000,000.00		
37 PURCHASES DURING PERIOD TOTAL.....										242,856,000.00	243,717,565.27		

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 8/01/16 Through 8/31/16

TXN-DATE	CUSIP#	ASSET-TYPE	INVST#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
<u>SALE TRANSACTIONS</u>													
8/05/16	912828RM	US TREASURY NOT	19026	UNITED STATES TREASURY	1.000	10/31/16		BARCLAYS	4000	10,000,000.00	10,015,625.00	2,611.29	
8/31/16	912828RJ	US TREASURY NOT	21095	UNITED STATES TREASURY	1.000	9/30/16	.4261	WELLS FARGO SEC	4002	5,000,000.00	5,002,343.75	1,033.14	
8/09/16	3130A8JE	AGENCY US FLOAT	25741	FEDERAL HOME LOAN BANK	.422	11/16/16		BARCLAYS	4101	10,000,000.00	10,002,770.00	3,111.54	
8/02/16	313370TW	AGENCY US BOND	24769	FEDERAL HOME LOAN BANKS	2.000	9/09/16		INTL FCSTONE PA	4101	10,000,000.00	10,016,400.00	1,180.03	
8/11/16	31315PS2	AGENCY US BOND	21181	FARMER MAC	.980	4/10/17		WELLS FARGO SEC	1001	9,000,000.00	9,023,283.00	25,377.53	
8/11/16	31315PY8	AGENCY US BOND	21302	FARMER MAC	.930	5/01/17		MIZUHO SECURITI	1001	8,000,000.00	8,014,800.00	17,110.69	
8/08/16	3137EACW	AGENCY US NOTES	15558	FEDERAL HOME LOAN MORTG	2.000	8/25/16		JEFFRIES & CO	4000	5,000,000.00	5,003,885.00	2,007.38	
8/08/16	3137EACW	AGENCY US NOTES	15517	FEDERAL HOME LOAN MORTG	2.000	8/25/16	.2493	JEFFRIES & CO	4002	5,000,000.00	5,003,885.00	2,305.66	
8/11/16	3132X0CG	AGENCY US NOTES	25178	FEDERAL AGRICULTURAL MO	.440	10/05/16	.3823	JEFFRIES & CO	1001	15,000,000.00	15,001,260.00	1,649.18	
8/12/16	31315P3K	AGENCY US NOTES	22092	FEDERAL AGRICULTURAL MO	1.150	9/18/17	.8522	BANK OF OKLAHOM	1001	4,500,000.00	4,514,532.34	15,537.01	
8/12/16	31315PDT	AGENCY US NOTES	21680	FEDERAL AGRICULTURAL MO	3.020	7/14/17		MIZUHO SECURITI	1001	9,000,000.00	9,181,260.00	20,969.47	
8/12/16	3137EADS	AGENCY US NOTES	19746	FEDERAL HOME LOAN MORTG	.875	10/14/16		DEUTSCHE BANK S	1001	20,000,000.00	20,017,420.00	17,063.28	
8/12/16	3137EADZ	AGENCY US NOTES	25183	FREDDIE MAC	1.125	4/15/19	.8981	DEUTSCHE BANK S	1001	20,000,000.00	20,119,300.00	125,122.34	
8/30/16	3135G0J5	AGENCY US NOTES	25569	FEDERAL NATIONAL MORTGA	1.000	2/26/19		BARCLAYS	4000	10,000,000.00	10,006,090.00	22,840.13	
8/31/16	3134G8RW	AGENCY US NOTES	25133	FREDDIE MAC	1.240	3/29/19	.7089	INTL FCSTONE PA	4000	7,500,000.00	7,503,075.00	3,075.00	9/29/16
15 SALES DURING PERIOD TOTAL.....										148,000,000.00	148,425,929.09	260,993.67	
=== GRAND-TOTAL ==>										390,856,000.00	392,143,494.36	260,993.67	
*** END-OF-REPORT ***													

From: Vigil, Steve, STO
To: [Gonzales, Steve A., DFA](#)
Cc: [Collins, Sam, STO](#); [Cook, Charmaine, STO](#); [Marquez, Leo, STO](#); [Burrows, Leila K, DFA](#); [Clark, Jon](#)
Subject: SGF Distribution
Date: Monday, September 12, 2016 10:16:00 AM
Attachments: [image005.png](#)

Good morning Steve,

STO is unable to make a distribution to the State General Fund for August 2016 due to the unrealized loss of \$3 million in the General Fund Core portfolio. Below is the FY17 distribution summary.

Aug-16				
State General Fund Distribution Worksheet				
Section 6-10-2.1 Distribution Methodology				
	General Fund Liquidity	General Fund Core	Self-Earnings	
(Includes Accretion/Amortization)				
Component	Amount	Amount	Amount	Total
Earned Income*	\$ 99,139.12	\$ 1,016,435.28	\$ (260,341.25)	\$ 855,233.15
Realized Gains/(Losses)		222,671.57		222,671.57
Unrealized Gains/(Losses)		(3,067,998.34)		(3,067,998.34)
Distribution Total	\$ 99,139.12	\$ (1,828,891.49)	\$ (260,341.25)	\$ (1,990,093.62)
* Earned Income is accrued investment income +/- accretion/amortization				

Fiscal Year 2017 SGF Distribution

Month	Amount
Jul-16	(212,520.71)
Aug-16	(1,990,093.62)
Sep-16	-
Oct-16	-
Nov-16	-
Dec-16	-
Jan-17	-
Feb-17	-
Mar-17	-
Apr-17	-
May-17	-
Jun-17	-
Total	(2,202,614.33)

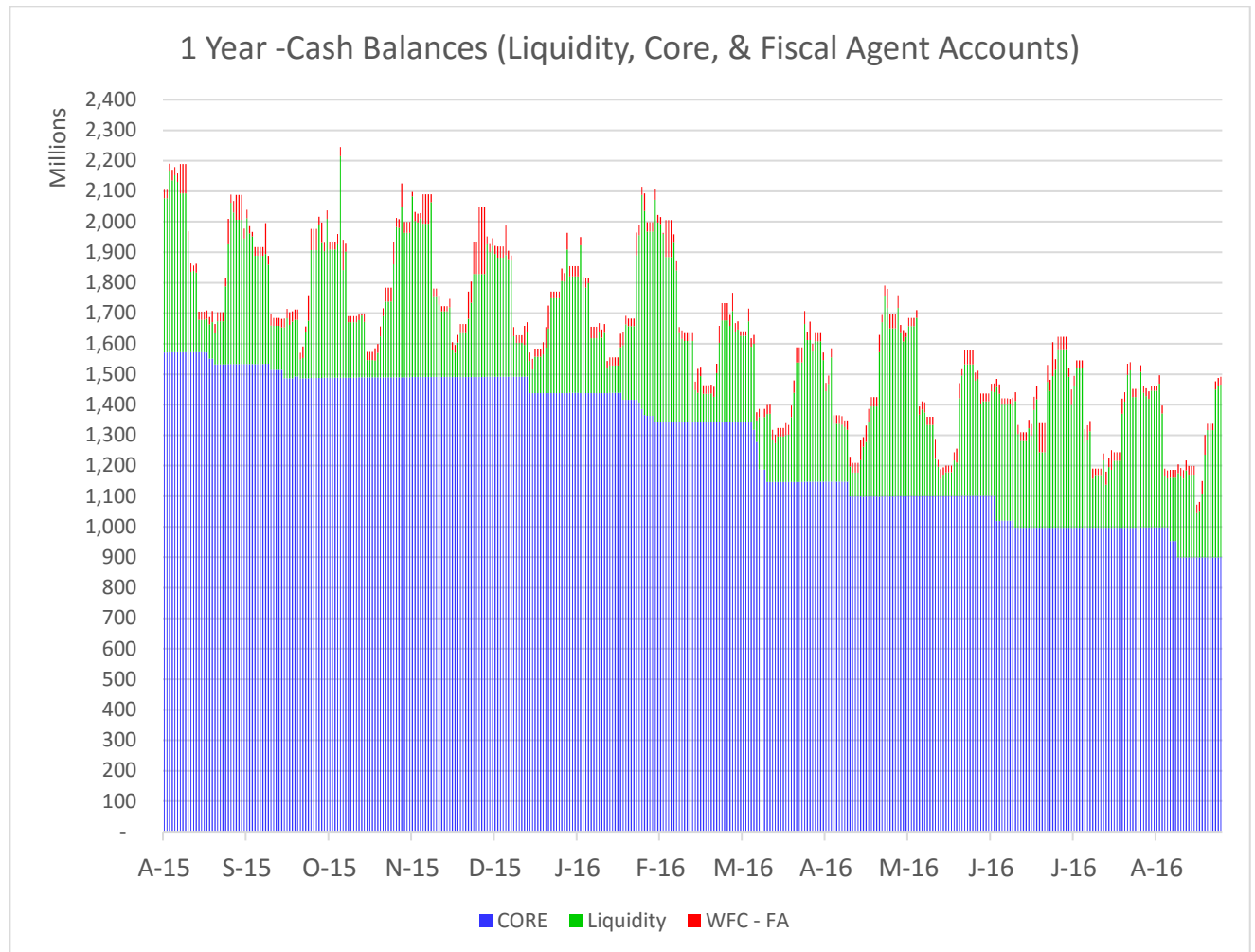
Should you have any questions, feel free to contact me. Thanks.

Steve

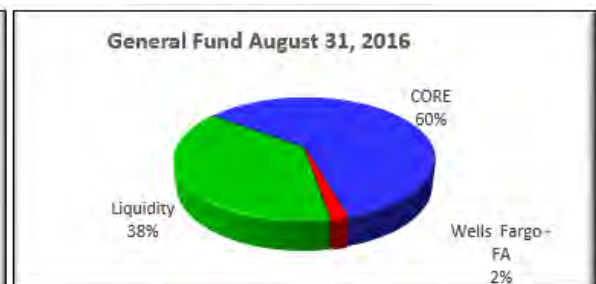
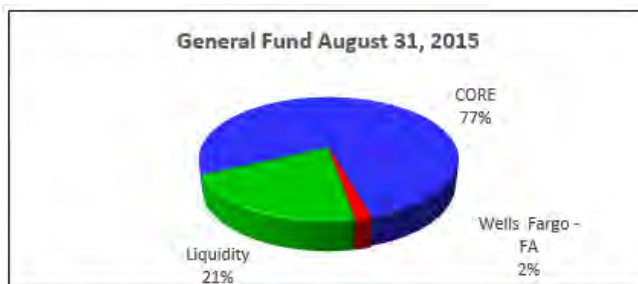


7. Cash Projections

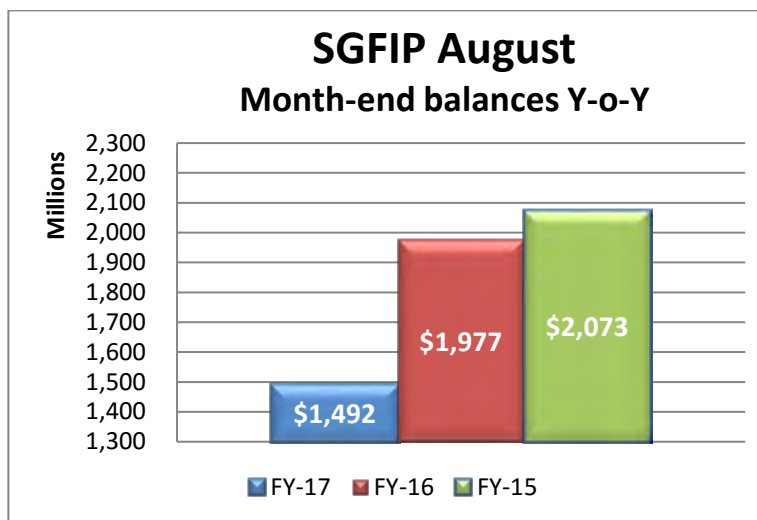
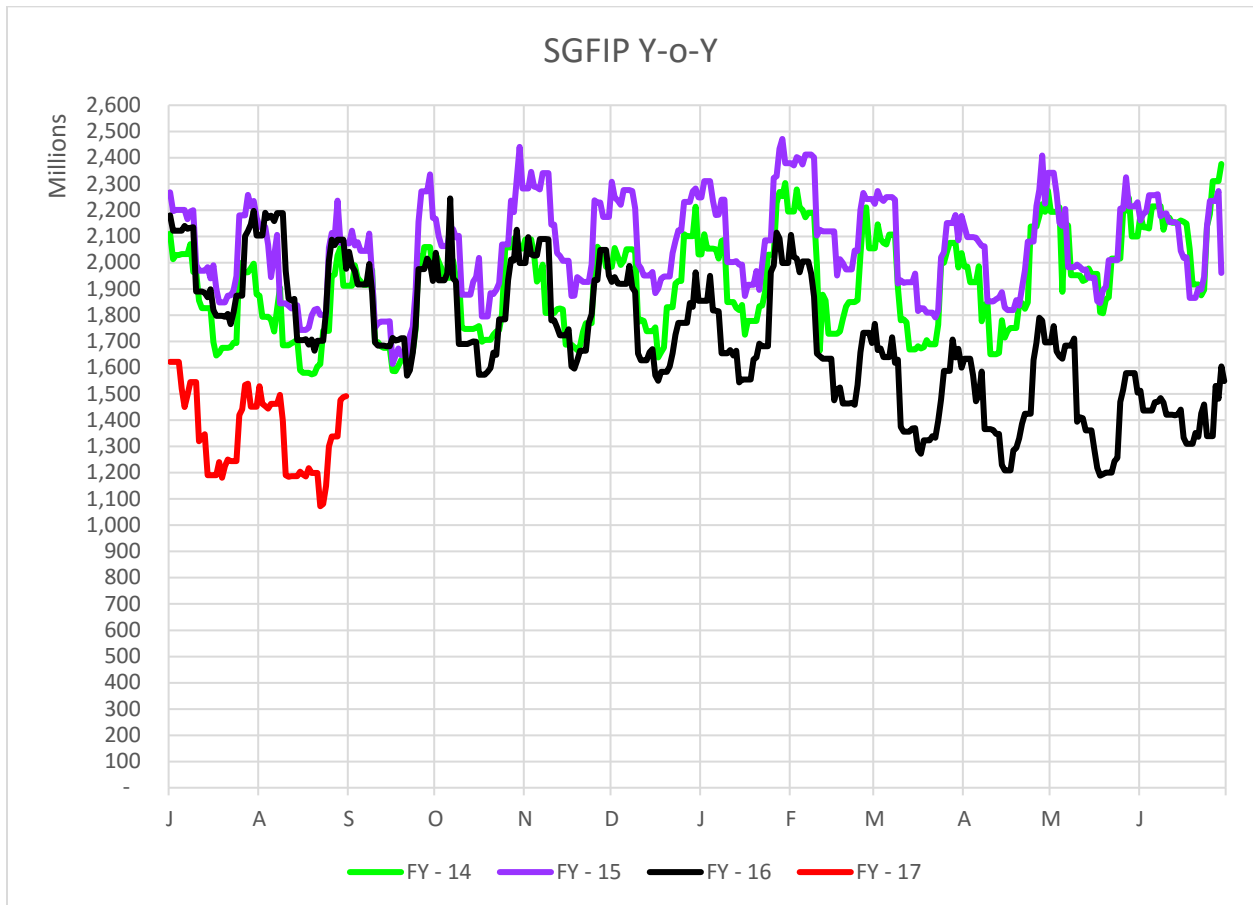
GFIP Cash Flows



GENERAL FUND	Aug-15	Jul-16	Aug-16	Y-o-Y Change	M-o-M Change
Liquidity	410,813,057	428,156,673	565,987,593	155,174,537	137,830,921
CORE	1,533,821,884	996,994,346	899,910,896	(633,910,988)	(97,083,450)
Wells Fargo - FA	32,770,644	26,720,550	26,063,748	(6,706,896)	(656,802)
	1,977,405,584	1,451,871,569	1,491,962,237	(485,443,347)	40,090,669



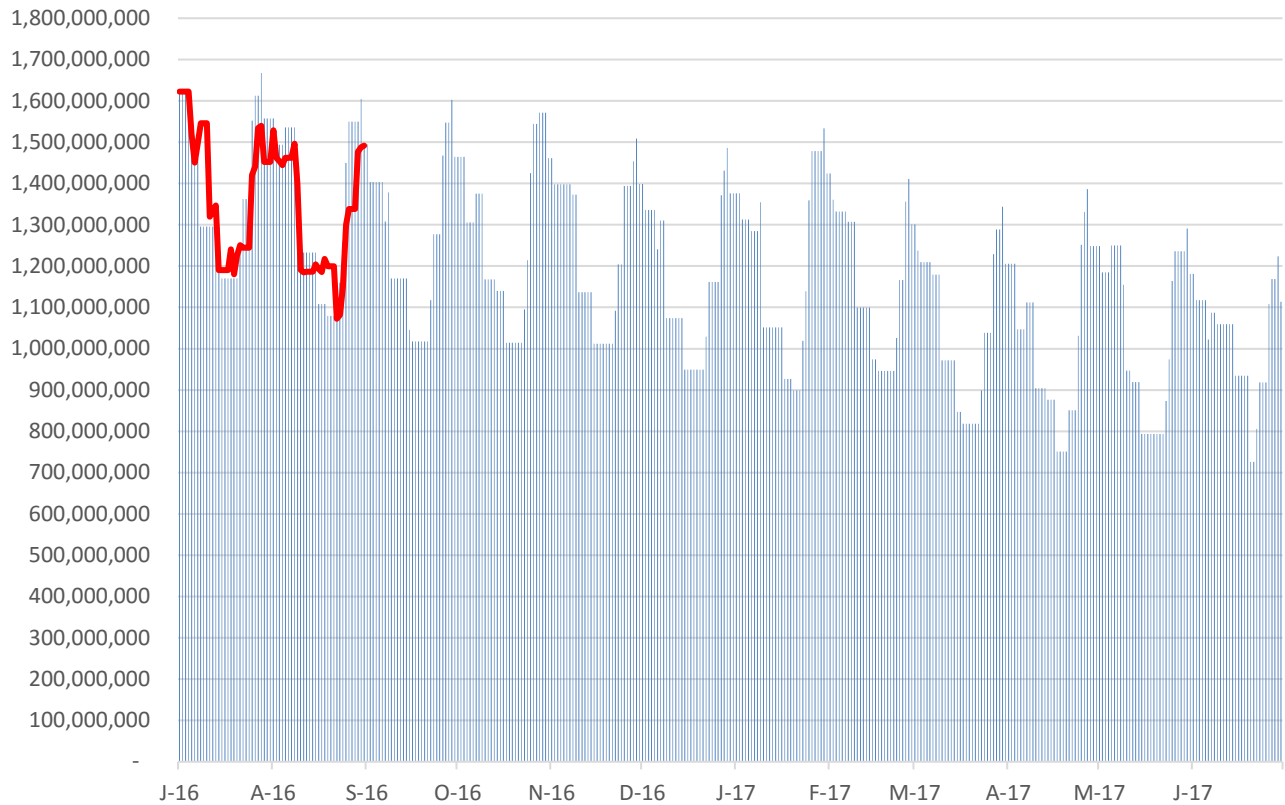
GFIP Cash Flows



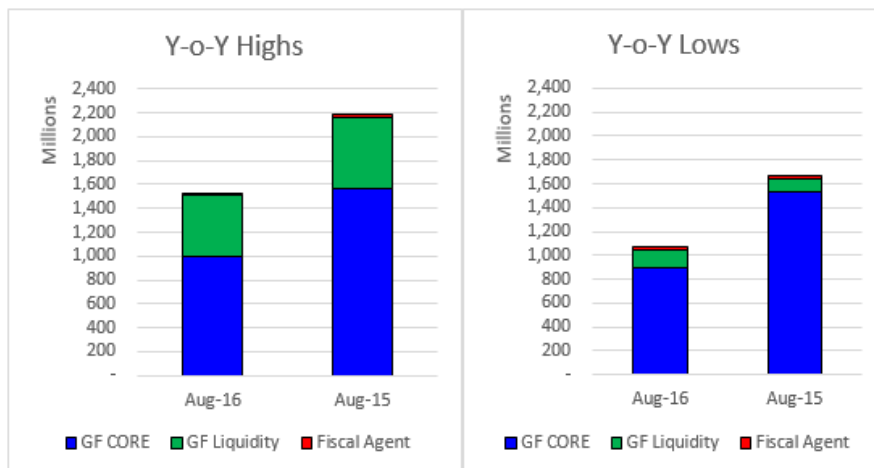
The balance as of August 31, 2016 of the State General Fund Investments Pool (SGFIP) Y-o-Y has decreased -24.6% from August 31, 2015 and -28.0% decrease from August 31, 2014 . M-o-M SGFIP balances increased to \$1.492 billion at August 31, 2016 from \$1.452 billion at July 31, 2016 a increase of \$40 million or 2.8%.

GFIP Cash Flows

FY - 17 SGFIP Balance Projections

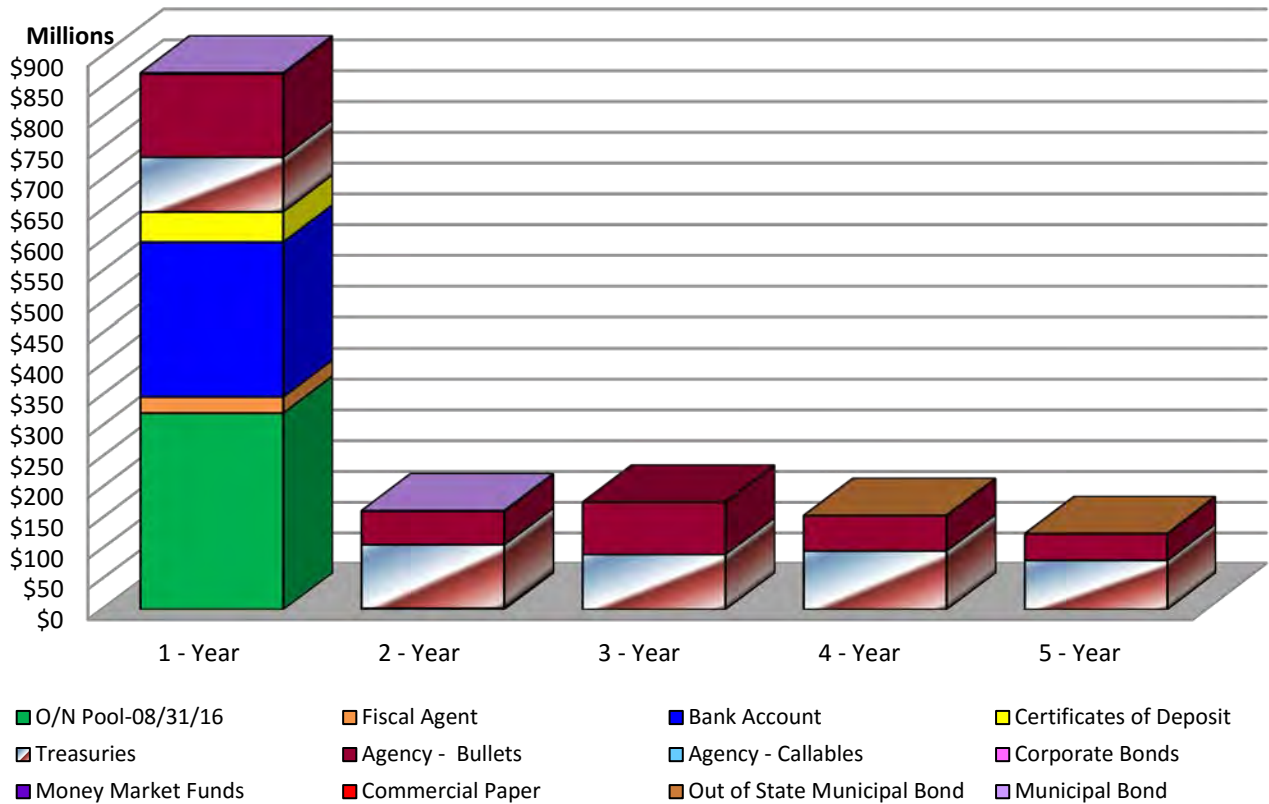


	Aug-16	Aug-15	Change
High	1,529,145,692.89	2,189,778,999.97	-43.20%
Low	1,072,385,658.46	1,664,712,125.94	-55.23%
Average	1,309,051,511.50	1,943,319,043.59	-48.45%



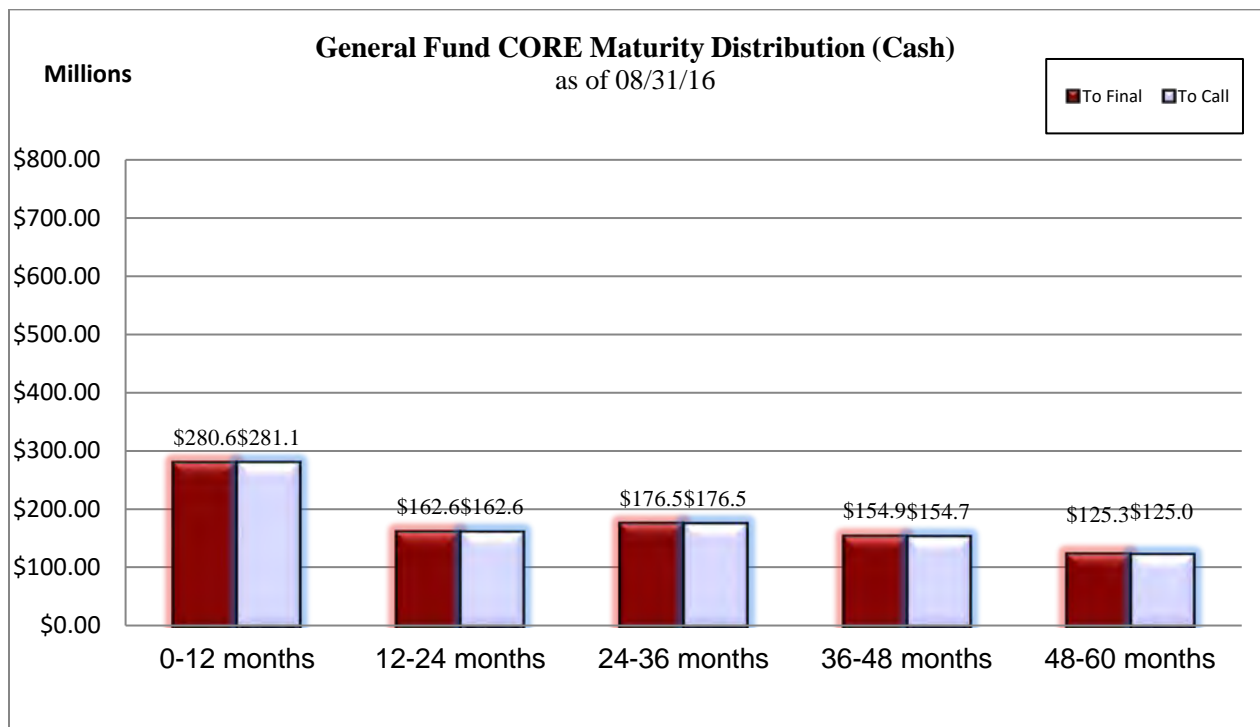
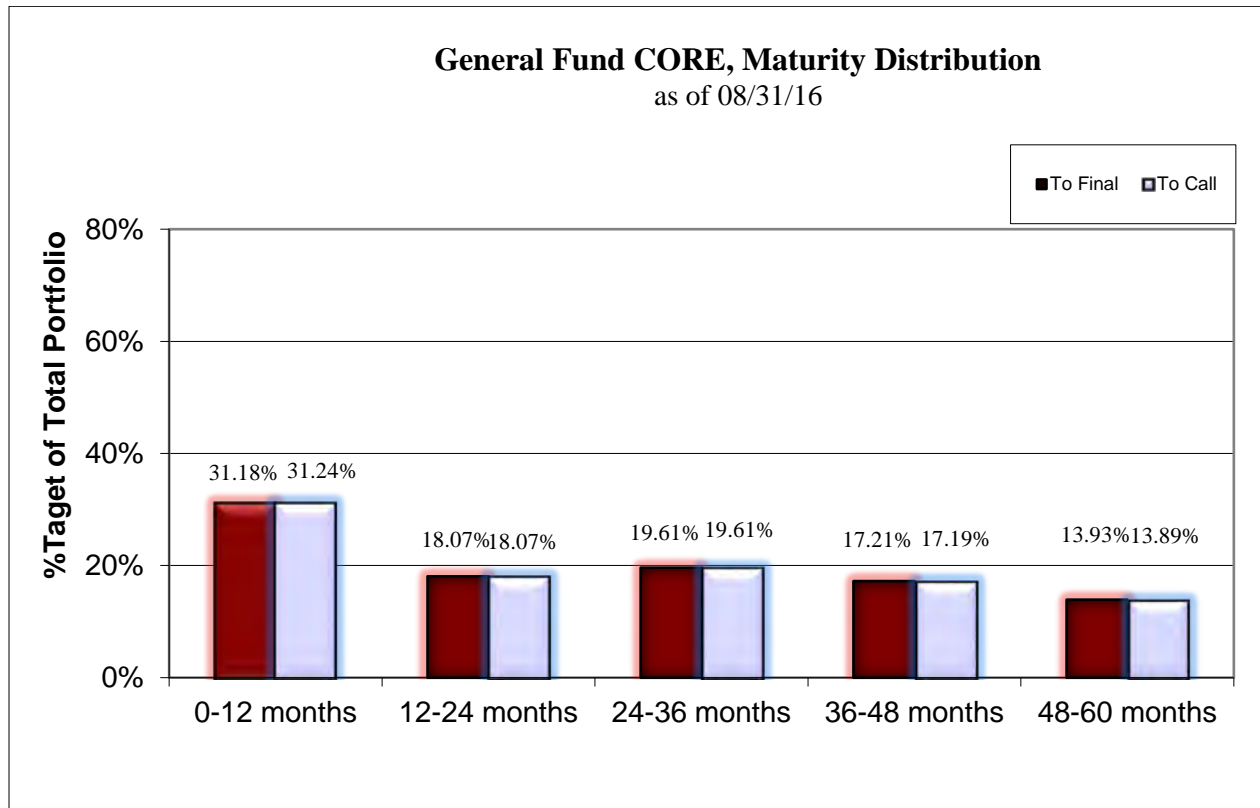
GFIP Cash Flows

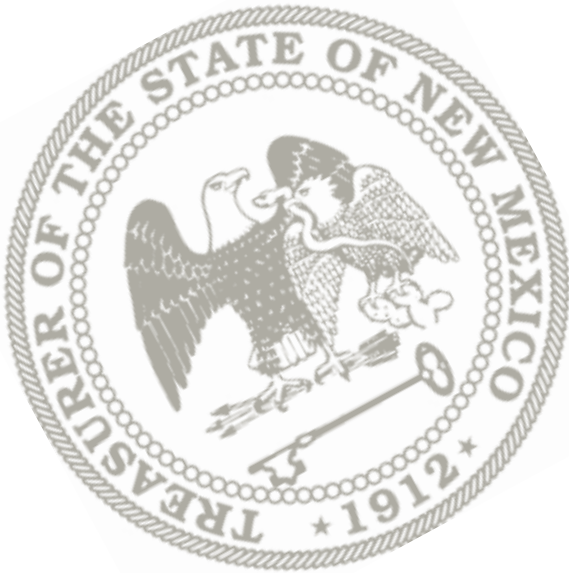
General Fund Maturity Ladder by Year & Asset Type
as of August 31, 2016



Asset Allocation	1 - Year	2 - Year	3 - Year	4 - Year	5 - Year	Total	%
Agency - Bullets	135,000,000	55,000,000	85,500,000	57,941,000	44,000,000	377,441,000	25%
Agency - Callables						0	0%
Corporate Bonds						0	0%
Money Market Funds						0	0%
Certificates of Deposit	48,750,000	2,000,000				50,750,000	3%
Municipal Bond	1,550,000	630,000				2,180,000	0%
Out of State Municipal Bond				175,000	340,000	515,000	0%
Commercial Paper						0	0%
Treasuries	89,000,000	105,000,000	91,000,000	96,750,000	81,000,000	462,750,000	31%
Bank Account	250,912,586					250,912,586	17%
Fiscal Agent	26,063,748					26,063,748	2%
O/N Pool-08/31/16	321,349,903					321,349,903	22%
Total:	872,626,238	162,630,000	176,500,000	154,866,000	125,340,000	1,491,962,238	100%
% of Total:	58%	11%	12%	10%	8%		

GFIP Cash Flows





8. Portfolio Summary- General Fund Investment Pool

Portfolio Summary – General Fund Investment Pool

Summary

- The General Fund Investment Pool (Bank balances, Liquidity and Core Portfolios) closed the month of August at \$1.5 Billion.

Portfolio Mix

- At month end, 100% of the General Fund CORE portfolio was invested in fixed income securities; 52% in US Government Securities; 42% in Government Related Securities (Municipal Bonds and Agency Securities), and the balance ~6% in cash and cash equivalents.
- 31% of the portfolio was invested in securities that mature in one year; 21% in securities that mature from 1-2 years; 39% in 2-4 years and 9% within 5 years.
- The General Fund Core portfolio held positions in 64 securities at the end of August.
- The Weighted Average Life of the CORE portion of the General Fund was 2.11 years. The Weighted Average duration was 2.03 years.
- The benchmark duration for the CORE portfolio was 2.14 years.
- The maximum security term for the CORE portfolio is 5 years.

Performance

- For the last 3 months, the General Fund matched its benchmark, returning 0.51% vs. 0.51%.
- For the last 12 months, the General Fund underperformed its benchmark. The General Fund gained 1.43% while the benchmark rose 1.57%.

Market Value and Investment Earnings

- Unrealized gains/losses in the Core Portfolio at the end of August were \$8,994,627.
- Over the month, the unrealized value of the portfolio decreased \$3.0 million due to an increase in relative interest rates.
- Monthly net earnings for August on the General Fund Portfolios were \$1.3 million.
- Total monthly earnings including mark-to-market were \$(1,732,290).
- Year-to-date net earnings were \$2.4 million.
- Total year-to-date earnings including mark-to-market were \$(1,689,047).
- Earnings on the General Fund are used to offset General Fund Spending.

Investment Highlights

- The portfolio remained shorter than the benchmark duration to preserve principal in anticipation of liquidity needs.
- The Core portfolio will move closer to the benchmark duration as opportunities arise.
- Liquidity needs continue unabated, with \$100 million transferred from GF Core to GF Liquidity in August.

STATE OF NEW MEXICO
GENERAL FUND (1000)
Portfolio Classification Summary
Positions Held as of 8/31/16 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	2	.2781	.00270	315,075,007	315,075,007	315,075,007		55.668
MUNICIPAL BOND REVENUE	2	.5729	.08587	6,000,000	6,000,000	6,000,000		1.060
CASH ACCOUNT	2			244,912,586	244,912,586	244,912,586		43.272
	<u>6</u>	<u>.1609</u>	<u>.00425</u>	<u>565,987,593</u>	<u>565,987,593</u>	<u>565,987,593</u>		<u>100.000</u>

STATE OF NEW MEXICO
GENERAL FUND CORE (1001)
Portfolio Classification Summary
Positions Held as of 8/31/16 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.2636	.00270	6,274,896	6,274,896	6,274,896		.689
CERTIFICATES OF DEPOSIT	9	.7631	.47383	50,750,000	50,750,000	50,750,000		5.576
US TREASURY NOTE ACT/ACT 2X	23	1.3286	2.48354	462,750,000	464,692,324	469,710,070	5,017,746	51.606
AGENCY US BOND 30/360 2X	5	1.4803	4.06516	52,500,000	52,284,280	52,829,500	545,220	5.804
AGENCY 30/360 2X	2	1.0869	.82467	30,000,000	29,991,817	30,023,050	31,233	3.299
AGENCY US BOND 30/360 ZERO CPN	1	2.2015	3.10410	22,941,000	21,006,781	21,981,378	974,597	2.415
AGENCY US NOTES 30/360 2X	12	1.4044	1.65666	217,000,000	218,433,977	220,753,250	2,319,273	24.254
FED NATL MORTGAGE ASSN DEBS	3	1.0495	.45203	55,000,000	55,035,255	55,141,050	105,795	6.058
MUNI US 30/360 2X	8	.8488	.83230	2,695,000	2,722,051	2,722,814	763	.299
	64	1.3103	2.07720	899,910,896	901,191,381	910,186,008	8,994,627	100.000

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 8/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 8/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
- 6,000,000	(TD)-CASH KEY	CASHCASH				1.00000	- 6,000,000.00	- 6,000,000.00	
250,912,586	BANK OF THE WEST	CASHCASH				1.00000	250,912,586.34	250,912,586.00	- .34
							244,912,586.34	244,912,586.00	- .34

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

150,000,000	OVERNIGHT REPO	0901RP	.290	9/01/16	.290	1.00000	150,000,000.00	150,000,000.00	
165,075,007	OVERNIGHT REPO	0901RP	.260	9/01/16	.260	1.00000	165,075,007.46	165,075,007.46	
4,000,000	CARLSBAD MUNICIPAL SCHOOLS	CMG016M	.560	9/22/16	.558	100.00000	4,000,000.00	4,000,000.00	
2,000,000	GADSDEN SCHOOL DISTRICT 2016	GISDG016	.580	10/20/16	.578	100.00000	2,000,000.00	2,000,000.00	
							321,075,007.46	321,075,007.46	

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

565,987,593							565,987,593.80	565,987,593.46	- .34
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====> 0006 ITEMS IN SUBTOTAL FOR ====> FUND NAME..... ====> GENERAL FUND <====

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 8/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 8/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
6,274,896	OVERNIGHT REPO	0901RP	.260	9/01/16	.260	1.00000	6,274,895.99	6,274,895.99	
170,000	GRANTS / CIBOLA CNTY N MEX SCHDI	388240GW	2.000	10/01/16	.650	100.11197	170,190.35	170,173.40	- 16.95
10,000,000	FIRST NATIONAL SANTA FE	84000530	.600	10/10/16	.600	1.00000	10,000,000.00	10,000,000.00	
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADS	.875	10/14/16	.862	100.00126	10,000,126.04	10,006,200.00	6,073.96
10,000,000	SOUTHWEST CAPITAL BANK	1623575	.780	12/13/16	.780	1.00000	10,000,000.00	10,000,000.00	
3,000,000	CENTURY BANK SANTA FE	17099254	.600	12/16/16	.600	1.00000	3,000,000.00	3,000,000.00	
39,444,896							39,445,212.38	39,451,269.39	6,057.01

====> 0006 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ====> 2016 <====

25,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PN8	1.100	1/26/17	1.100	100.00000	25,000,000.00	25,049,500.00	49,500.00
40,000,000	FED NATL MORTGAGE ASSN DEBS	3135GOGY	1.250	1/30/17	1.054	100.08018	40,032,073.43	40,125,600.00	93,526.57
40,000,000	FED HOME LOAN MORTGAGE CORP DBS	3137EADC	1.000	3/08/17	1.019	99.99028	39,996,111.94	40,086,000.00	89,888.06
250,000	GUADALUPE CREDIT UNION	35605000	1.000	3/26/17	1.000	1.00000	250,000.00	250,000.00	
20,000,000	FIRST NATIONAL SANTA FE	84000531	.850	4/10/17	.850	1.00000	20,000,000.00	20,000,000.00	
3,000,000	FARMERS AND STOCKMENS	8521625	.700	4/21/17	.700	1.00000	3,000,000.00	3,000,000.00	
10,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0JA	1.125	4/27/17	1.049	100.04911	10,004,910.54	10,034,200.00	29,289.46
2,000,000	FARMERS & STOCKMENS BANK	8521016	.650	4/28/17	.650	1.00000	2,000,000.00	2,000,000.00	
20,000,000	UNITED STATES TREASURY NOTES	912828SY	.625	5/31/17	1.009	99.71533	19,943,066.04	20,000,800.00	57,733.96
1,080,000	LAS CRUCES N MEX JT UTIL REV	517496EL	2.000	6/01/17	.750	100.93250	1,090,071.05	1,090,951.20	880.15
500,000	WESTERN BANK CLOVIS	15981000	.750	6/02/17	.750	1.00000	500,000.00	500,000.00	
20,000,000	UNITED STATES TREASURY NOTES	912828TB	.750	6/30/17	1.028	99.77062	19,954,124.20	20,017,200.00	63,075.80
9,000,000	UNITED STATES TREASURY NOTES	912828WT	.875	7/15/17	.966	99.92153	8,992,937.47	9,016,200.00	23,262.53
20,000,000	UNITED STATES TREASURY NOTES	912828NR	2.375	7/31/17	1.122	101.13492	20,226,983.25	20,307,000.00	80,016.75
300,000	SAN JUAN CNTY N MEX CENT CONS IN	798359KS	1.000	8/01/17	.751	100.22735	300,682.04	300,183.00	- 499.04
20,000,000	UNITED STATES TREASURY NOTES	912828HA	4.750	8/15/17	1.027	103.52395	20,704,790.56	20,772,000.00	67,209.44
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EAAY	5.500	8/23/17	1.072	104.29564	10,429,563.54	10,468,900.00	39,336.46
10,000,000	UNITED STATES TREASURY NOTES	912828D9	1.000	9/15/17	1.058	99.94036	9,994,035.85	10,030,500.00	36,464.15
15,000,000	FNMA	3135G0ZL	1.000	9/27/17	1.118	99.87452	14,981,178.22	15,047,100.00	65,921.78
25,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0PQ	.875	10/26/17	1.164	99.66992	24,917,480.06	25,042,750.00	125,269.94
20,000,000	UNITED STATES TREASURY NOTES	912828HH	4.250	11/15/17	1.085	103.77359	20,754,717.89	20,839,800.00	85,082.11
20,000,000	UNITED STATES TREASURY NOTES	912828UA	.625	11/30/17	1.075	99.44402	19,888,803.09	19,973,400.00	84,596.91
255,000	SILVER CITY N MEX JT UTIL SYS RE	82750RAP	2.000	12/01/17	1.000	101.23795	258,156.76	258,692.40	535.64
331,385,000							333,219,685.93	334,210,776.60	991,090.67

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

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 8/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 8/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
5,000,000	UNITED STATES TREASURY NOTES	912828UJ	.875	1/31/18	1.309	99.39391	4,969,695.67	5,009,000.00	39,304.33
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADP	.875	3/07/18	1.454	99.13467	14,870,200.10	15,000,000.00	129,799.90
2,000,000	FARMERS & STOCKMENS BANK	8521052	1.050	4/27/18	1.050	1.00000	2,000,000.00	2,000,000.00	
25,000,000	UNITED STATES TREASURY NOTES	912828UZ	.625	4/30/18	1.188	99.07609	24,769,021.79	24,936,500.00	167,478.21
25,000,000	UNITED STATES TREASURY NOTES	912828VE	1.000	5/31/18	1.228	99.60710	24,901,774.36	25,088,000.00	186,225.64
150,000	LAS CRUCES N MEX HOLD HARMLESSGR	51748QAY	4.000	6/01/18	1.500	104.30024	156,450.36	156,954.00	503.64
225,000	SAN JUAN CNTY N MEX CENT CONS IN	798359KT	1.000	8/01/18	1.000	99.99932	224,998.47	224,896.50	- 101.97
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135GOYM	1.875	9/18/18	1.438	100.87813	20,175,625.66	20,379,800.00	204,174.34
5,000,000	FEDERAL HOME LOAN BANKS	3130A9AE	.875	10/01/18	.908	99.93231	4,996,615.51	4,994,050.00	- 2,565.51
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135GOYT	1.625	11/27/18	1.747	99.73233	14,959,848.78	15,238,200.00	278,351.22
20,000,000	UNITED STATES TREASURY NOTES	912828RT	1.375	11/30/18	1.404	99.93616	19,987,232.27	20,238,200.00	250,967.73
500,000	FEDERAL HOME LOAN BANKS	313382F7	1.100	12/27/18	1.100	99.99932	499,996.58	502,490.00	2,493.42
132,875,000							132,511,459.55	133,768,090.50	1,256,630.95

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

20,000,000	UNITED STATES TREASURY NOTES	912828SD	1.250	1/31/19	1.267	99.95972	19,991,944.33	20,186,000.00	194,055.67
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135GOZA	1.875	2/19/19	1.678	100.47407	20,094,813.68	20,444,600.00	349,786.32
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACA	3.750	3/27/19	1.762	104.97693	20,995,386.04	21,404,000.00	408,613.96
35,000,000	UNITED STATES TREASURY NOTES	912828C6	1.625	3/31/19	1.744	99.69987	34,894,953.10	35,667,100.00	772,146.90
16,000,000	UNITED STATES TREASURY NOTES	912828TH	.875	7/31/19	1.507	98.20441	15,712,705.20	15,985,600.00	272,894.80
5,000,000	FANNIE MAE	3135G0N3	.875	8/02/19	.932	99.83632	4,991,816.14	4,973,550.00	- 18,266.14
13,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315P3R	1.900	9/18/19	1.920	99.94068	12,992,288.43	13,333,580.00	341,291.57
22,941,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313586RC		10/09/19	2.171	91.56872	21,006,780.93	21,981,377.97	974,597.04
24,500,000	UNITED STATES TREASURY NOTES	912828F6	1.500	10/31/19	1.561	99.81205	24,453,953.10	24,907,680.00	453,726.90
8,000,000	FEDERAL FARM CREDIT BANKS	3133EEBN	1.800	11/12/19	1.755	100.13772	8,011,017.23	8,176,560.00	165,542.77
14,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0ZY	1.750	11/26/19	1.701	100.15252	14,021,353.19	14,302,120.00	280,766.81
175,000	KNOX CNTY KY	499422DH	5.800	12/01/19	.780	101.24974	177,187.04	177,005.50	- 181.54
198,616,000							197,344,198.41	201,539,173.47	4,194,975.06

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

33,750,000	UNITED STATES TREASURY NOTES	912828UV	1.125	3/31/20	1.387	99.08830	33,442,300.16	33,863,400.00	421,099.84
13,500,000	UNITED STATES TREASURY NOTES	912828K5	1.375	4/30/20	1.501	99.55200	13,439,520.59	13,658,760.00	219,239.41
21,000,000	UNITED STATES TREASURY NOTES	912828VV	2.125	8/31/20	1.341	103.04252	21,638,929.56	21,829,290.00	190,360.44

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 8/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 8/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
4,000,000	UNITED STATES TREASURY NOTES	912828VV	2.125	8/31/20	1.654	101.81284	4,072,513.52	4,157,960.00	85,446.48
41,000,000	UNITED STATES TREASURY NOTES	912828WC	1.750	10/31/20	1.462	101.15831	41,474,906.29	42,020,080.00	545,173.71
20,000,000	US TREASURY N/B	912828A4	2.000	11/30/20	1.783	100.88234	20,176,467.21	20,701,600.00	525,132.79
20,000,000	UNITED STATES TREASURY NOTES	912828N4	1.750	12/31/20	1.383	101.53469	20,306,937.59	20,504,000.00	197,062.41
153,250,000							154,551,574.92	156,735,090.00	2,183,515.08

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

34,000,000	FEDERAL HOME LOAN BANKS	3130A7CV	1.375	2/18/21	1.511	99.41380	33,800,691.45	34,204,000.00	403,308.55
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G9D8	.750	6/30/21	.854	99.96544	4,998,271.88	4,981,250.00	- 17,021.88
5,000,000	FHLB	3130A8QS	1.125	7/14/21	1.227	99.51931	4,975,965.27	4,952,400.00	- 23,565.27
44,000,000							43,774,928.60	44,137,650.00	362,721.40

====> 0003 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2021 <====

340,000	KNOX CNTY KY	499422DL	5.875	12/01/36	.780	101.26840	344,312.57	343,957.60	- 354.97
340,000							344,312.57	343,957.60	- 354.97

====> 0001 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2036 <====

899,910,896							901,191,372.36	910,186,007.56	8,994,635.20
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====> 0064 ITEMS IN SUBTOTAL FOR ====> FUND NAME..... ====> GENERAL FUND CORE <====

STATE OF NEW MEXICO
TREASURERS OFFICE
Position holdings as of 8/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 8/31/16

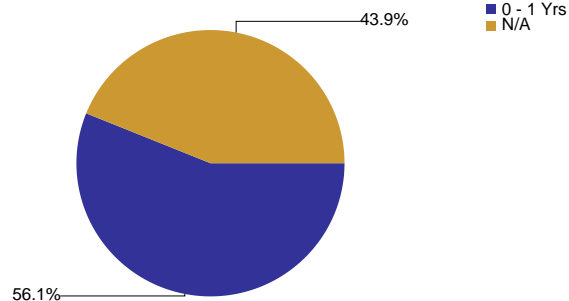
POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
<hr/>							<hr/>	<hr/>	<hr/>
1,465,898,489							1467178966.16	1476173601.02	8,994,634.86

==== 0070 ITEMS IN SUBTOTAL FOR ==== REPORT..... ==== GRAND-TOTAL <====

Portfolio Characteristics

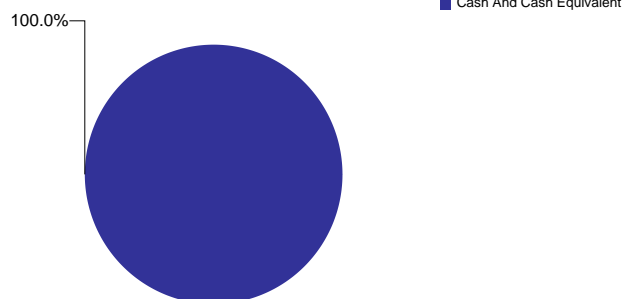
Total Net Assets (Millions)
Weighted Average Life (Years)
Weighted Avg. Effective Duration (Years)
Weighted Average Coupon (%)
Weighted Average Current Yield (%)
Weighted Average Yield to Maturity (%)
Weighted Average Rating
Number of Holdings

572.0
0.35
0.00
0.15
0.30
0.30
AAA
11



Asset Mix

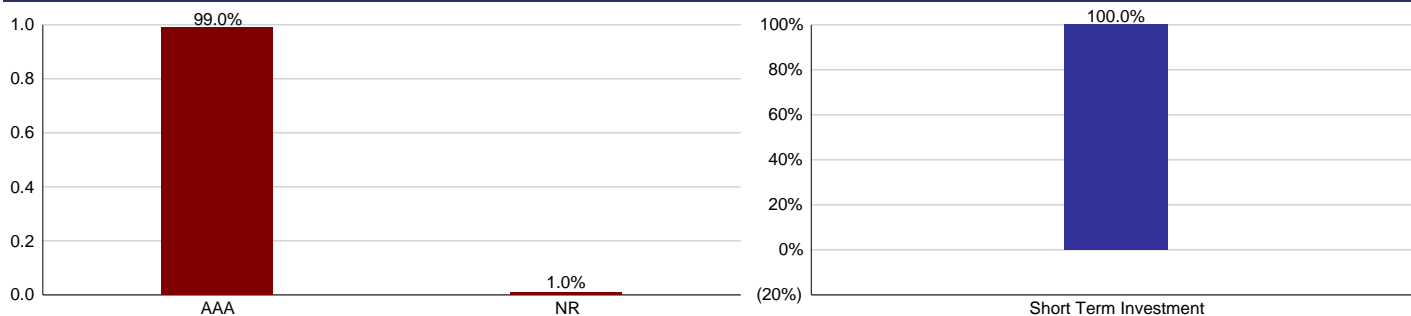
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
89499LC10	BANK OF THE WEST	43.87%	0.00	1/9/2016
99GO40041	REPO JPMORGAN CHASE BK (GREENWICH) 083116I	9.11%	0.29	1/9/2016
99GO40037	REPO JPMORGAN CHASE BK (GREENWICH) 083116H	9.11%	0.29	1/9/2016
99GO40042	REPO MUF SECURITIES AMERICA INC. 083116O	8.24%	0.26	1/9/2016
99GO40036	REPO JPMORGAN CHASE BK (GREENWICH) 083116J	8.01%	0.29	1/9/2016
99GO40045	REPO WARBURG S G ROWE & PITMAN	6.55%	0.26	1/9/2016
99GO40044	REPO MUF SECURITIES AMERICA INC. 083116L	6.30%	0.26	1/9/2016
99GO40047	REPO MUF SECURITIES AMERICA INC. 083116K	1.23%	0.26	1/9/2016
AAG9921F9	PRIVATE PLACEMENT CARLSBAD MUNICIPAL SCHOOLS-GO ED	0.70%		2012/2049
99GO40048	REPO MUF SECURITIES AMERICA INC. 083116M	6.55%	0.26	1/9/2016

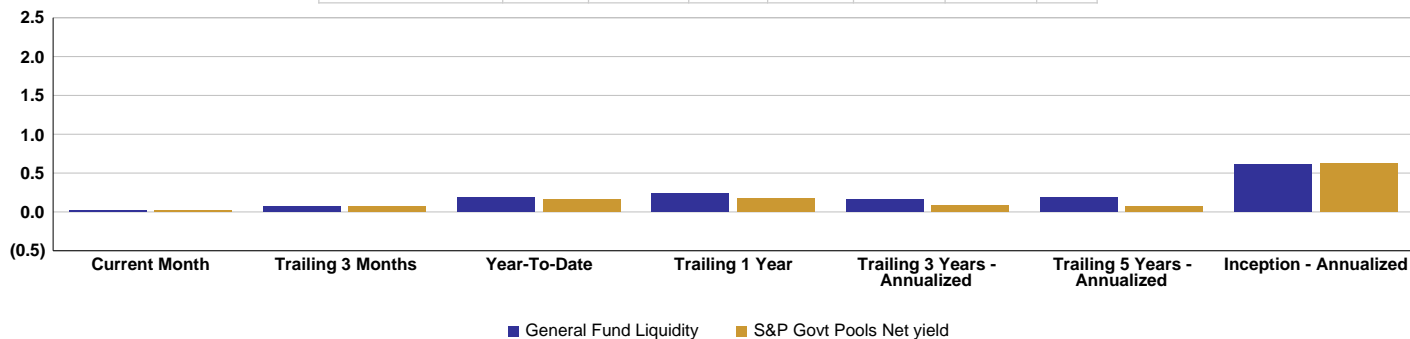
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

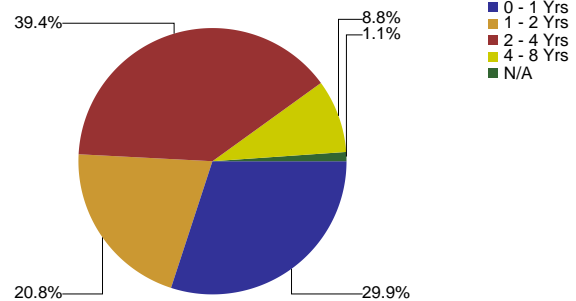
	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
General Fund Liquidity	0.02	0.07	0.18	0.24	0.17	0.18	0.61
S&P Govt Pools Net yield	0.02	0.07	0.16	0.18	0.08	0.07	0.62
Excess	0.00	0.01	0.03	0.06	0.09	0.11	(0.01)



Portfolio Characteristics

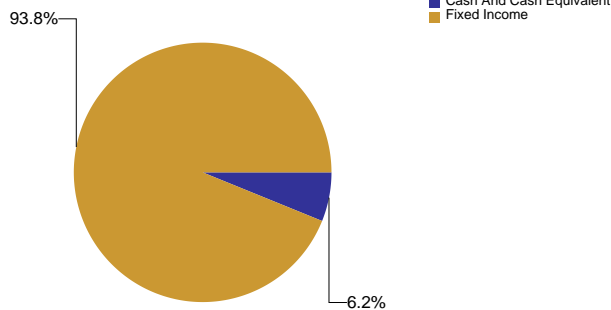
Total Net Assets (Millions)
Weighted Average Life (Years)
Weighted Avg. Effective Duration (Years)
Weighted Average Coupon (%)
Weighted Average Current Yield (%)
Weighted Average Yield to Maturity (%)
Weighted Average Rating
Number of Holdings

913.3
2.11
2.03
1.49
0.90
0.90
AA
64



Asset Mix

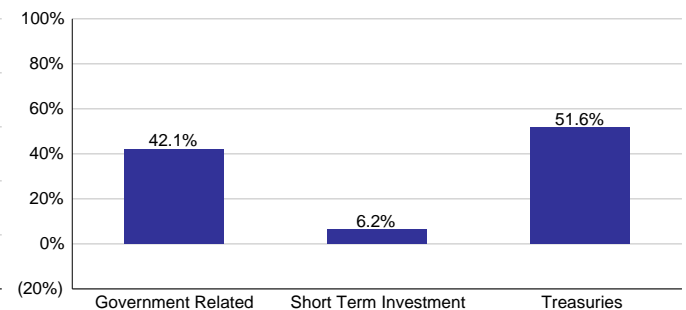
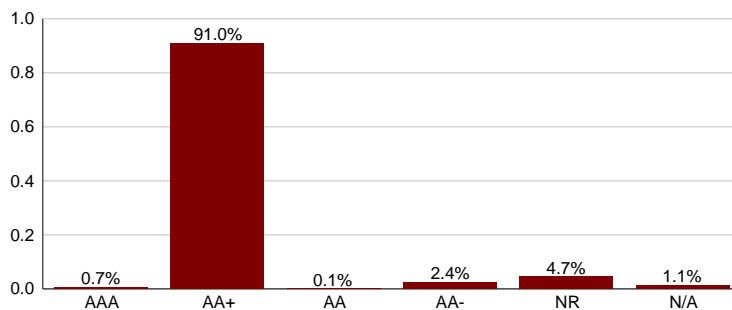
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
912828WCO	UNITED STATES OF AMERICA 1.750% 2020-10-31	4.63%	1.75	31/10/2020
3135GOGY3	FEDERAL NATIONAL MORTGAGE ASSOC 1.25% MTG BDS	4.40%	1.25	30/1/2017
912828C65	UNITED STATES OF AMERICA 1.625% 2019-03-31	3.93%	1.62	31/3/2019
3130A7CV5	FEDERAL HOME LOAN BANKS BOND FIXED 1.375%	3.75%	1.38	18/2/2021
912828UV0	UNITED STATES OF AMERICA 1.125% 2020-03-31	3.73%	1.12	31/3/2020
912828VV9	UNITED STATES OF AMERICA 2.125% 2020-08-31	2.85%	2.12	31/8/2020
912828VE7	UNITED STATES OF AMERICA 1.000% 2018-05-31	2.75%	1.00	31/5/2018
3135G9PQ0	FEDERAL NATIONAL MORTGAGE ASSOC 0% BDS 26/OCT/2017	2.75%	0.88	26/10/2017
31315PN88	FEDERAL AGRICULTURAL MORTGAGE CORP MEDIUM TERM	2.75%	1.10	26/1/2017
3137EADCO	FEDERAL HOME LOAN MORTGAGE CORP 1% BDS 08/MAR/2017	4.41%	1.00	8/3/2017

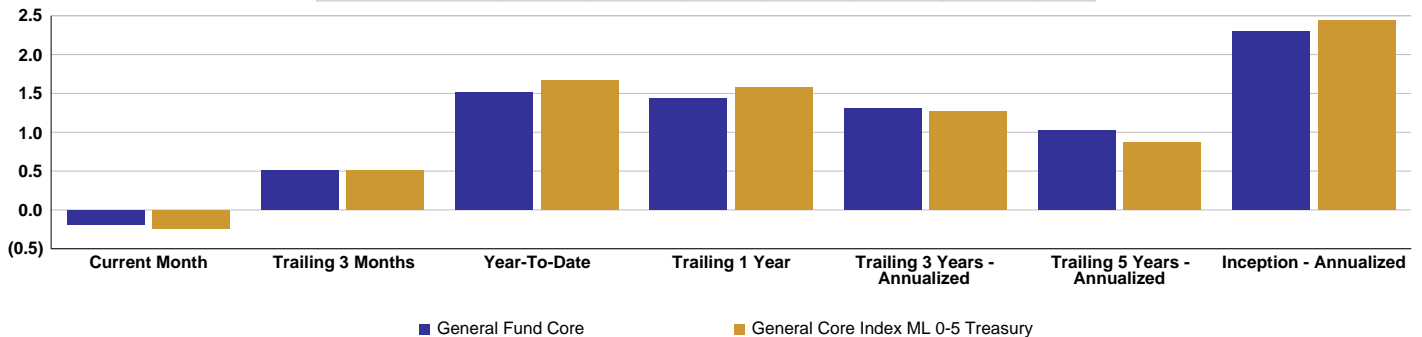
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
General Fund Core	(0.19)	0.51	1.51	1.43	1.30	1.02	2.30
General Core Index ML 0-5 Treasury	(0.24)	0.51	1.67	1.57	1.27	0.87	2.44
Excess	0.04	0.00	(0.15)	(0.14)	0.04	0.16	(0.14)





9. Portfolio Summary- Local Government Investment Pool

Portfolio Summary – Local Government Investment Pool (LGIP)

Summary

- Ending August market value for the LGIP was \$694mil representing an increase relative to July's reported closing value of \$626mil.
- The LGIP maintains an AAAM rating by Standard & Poor's.
- At the end of August the STO LGIP participant balance was \$30mil or 4% of the Pool.
- At the end of August the Judicial District Court LGIP participant balance was \$4.5mil or 0.6% of the Pool.

Portfolio Mix

- At the end of August 2016 the portfolio was invested as follows: 0% in US Treasuries, 50% in US government agencies, 7% in collateralized demand deposit accounts with qualified banking institutions, 22% in floating rate securities, and 22% in overnight repurchase agreements.
- At month-end, the LGIP held positions in 56 securities.

Investment Earnings

- In August the fund earned \$261,783.
- For FY2017, the fund has earned \$528,094.
- 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 0.445% at the end of August.
- Net yield to participants was 0.395%.

Investment Highlights

- For the LGIP, the WAM(R) of 59 days, and WAM (F) of 95 days, were within their maximums of 60 and 120 days respectively.
- The LGIP purchased \$138.87mil in US agency securities \$65.54 mil of which matured within a month or less. The remaining securities mature in 3 to 12 months at yields spanning 0.30% to 0.70%. The LGIP sold \$20mil of short agency securities at gains.
- The LGIP engaged in 34 repo trades during the month, consisting of 24 overnight and 10 term trades. Trade amounts varied in size from \$10mil to \$50mil at rates spanning 0.25% to 0.37%.

Investment Strategy

- LGIP WAMs are currently 55 and 90 days for WAM(R) and WAM (F) respectively.
- It is expected that the LGIP WAMs will remain close to the allowable maximums.
- LGIP will continue to focus on maximizing safety of principal and providing adequate liquidity through the use of conservative investments.

Net Asset Value/Share

At month-end, the Net Asset Value per Share of the Local Government Investment Pool was \$1.000.

STATE OF NEW MEXICO
LGIP FUND (4101)
Portfolio Classification Summary
Positions Held as of 8/31/16 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.3853	.00270	50,000,000	50,000,000	50,000,000		7.217
REPURCHASE AGREEMENTS (TERM)	2	.3346	.01780	100,000,000	100,000,000	100,000,000		14.434
AGENCY US FLOAT ACT/360 12X	7	.5386	.34654	65,780,000	65,776,255	65,800,805	24,550	9.498
AGENCY US BOND 30/360 2X	12	.5395	.22950	101,595,000	101,715,640	101,722,731	7,091	14.683
AGENCY US DISC ACT/360 360 DAY	7	.4386	.15419	87,600,000	87,534,921	87,557,570	22,649	12.638
AGENCY 30/360 2X	1	.4576	.23010	25,450,000	25,460,014	25,464,507	4,493	3.676
AGENCY US BOND 30/360 ZERO CPN	1	.6179	.75070	10,000,000	9,946,620	9,951,800	5,180	1.436
AGENCY US NOTES 30/360 2X	14	.5477	.39896	121,655,000	122,144,157	122,143,359	-798	17.630
AGENCY US VARIABLE ACT/360 4X	5	.5629	.41104	81,025,000	81,038,313	81,065,314	27,001	11.701
CASH ACCOUNT	4			49,100,765	49,100,765	49,100,765		7.087
	54	.4500	.24372	692,205,765	692,716,685	692,806,851	90,166	100.000

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 8/31/16 (TRADE)

BOOK VALUES AMORTIZED THROUGH 8/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
31,114,005	WELLS FARGO CASH ACCOUNT	CASHCASH	.100			1.00000	31,114,004.89	31,114,005.00	.11
2,367,475	WELLS FARGO SAVINGS	CASHCASH	.100			1.00000	2,367,474.61	2,367,475.00	.39
12,434,135	BANK OF THE WEST	CASHCASH	.250			1.00000	12,434,134.64	12,434,135.00	.36
3,185,150	US BANK	CASHCASH	.200			1.00000	3,185,149.92	3,185,150.00	.08
49,100,765							49,100,764.06	49,100,765.00	.94

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

50,000,000	Overnight Repurchase Agreement	0901ONRP	.380	9/01/16	.380	1.00000	50,000,000.00	50,000,000.00	
50,000,000	REPURCHASE AGREEMENT TERM REPO	0906TMRP	.290	9/06/16	.290	1.00000	50,000,000.00	50,000,000.00	
50,000,000	REPURCHASE AGREEMENT TERM REPO	0907TMRP	.370	9/07/16	.370	1.00000	50,000,000.00	50,000,000.00	
5,400,000	FEDERAL HOME LOAN BANKS	3130A6BD	.510	9/09/16	.410	100.00220	5,400,118.79	5,400,324.00	205.21
46,890,000	FEDERAL HOME LOAN BANKS	313370TW	2.000	9/09/16	.473	100.03382	46,905,857.37	46,906,411.50	554.13
540,000	FEDERAL HOME LOAN BANKS	3133XUKV	3.750	9/09/16	.344	100.07554	540,407.92	540,410.40	2.48
1,375,000	FEDERAL FARM CREDIT BANKS	3133EDH2	.451	9/14/16	.562	99.99731	1,374,962.97	1,375,110.00	147.03
4,250,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359MW4	5.250	9/15/16	.573	100.18132	4,257,706.16	4,257,437.50	- 268.66
500,000	FEDERAL HOME LOAN BANKS	313384G2		9/16/16	.575	99.97613	499,880.63	499,945.00	64.37
25,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	313396G8		9/22/16	.265	99.98454	24,996,135.41	24,996,250.00	114.59
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	313396G9		9/23/16	.486	99.97036	19,994,072.22	19,996,800.00	2,727.78
2,000,000	FEDERAL FARM CREDIT BANKS	3133EDE5	.690	9/23/16	.389	100.01835	2,000,366.97	2,000,480.00	113.03
1,770,000	FEDERAL HOME LOAN BANKS	3130A2T9	.500	9/28/16	.388	100.00832	1,770,147.28	1,770,247.80	100.52
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0CM	1.250	9/28/16	.410	100.06285	5,003,142.49	5,003,350.00	207.51
3,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G5JE	.650	9/29/16	.442	100.01607	3,000,481.95	3,000,720.00	238.05
10,000,000	FEDERAL FARM CREDIT BANKS	3133EDJA	.467	10/11/16	.477	100.00476	10,000,475.71	10,001,700.00	1,224.29
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADS	.875	10/14/16	.541	100.03968	15,005,952.06	15,009,300.00	3,347.94
25,375,000	FEDERAL FARM CREDIT BANK	3133EFKG		10/20/16	.516	100.00000	25,375,000.00	25,379,060.00	4,060.00
450,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3S5	.625	11/01/16	.522	100.01698	450,076.42	450,171.00	94.58
8,000,000	FEDERAL HOME LOAN BANKS	313381B5	.580	11/14/16	.593	99.99710	7,999,768.18	8,001,920.00	2,151.82
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0ES	1.375	11/15/16	.530	100.17299	20,034,598.44	20,039,800.00	5,201.56
6,100,000	FEDERAL FARM CREDIT BANKS	313312P6	.300	11/15/16	.300	99.93750	6,096,187.50	6,096,035.00	- 152.50
20,000,000	FEDERAL HOME LOAN BANK	3130A8JE	.422	11/16/16	.500	99.99595	19,999,189.86	20,004,600.00	5,410.14
9,000,000	FEDERAL HOME LOAN BANKS	3130A34L	.750	11/18/16	.681	100.01445	9,001,300.41	9,007,920.00	6,619.59
10,000,000	FEDERAL FARM CREDIT BANKS	313312Q5		11/22/16	.481	99.89067	9,989,066.67	9,992,900.00	3,833.33
25,450,000	FEDERAL HOME LOAN BANK	3130A3J7	.625	11/23/16	.451	100.03935	25,460,014.20	25,464,506.50	4,492.30
1,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G07E	.625	11/28/16	.465	100.03844	1,000,384.42	1,000,580.00	195.58
20,000,000	FEDERAL HOME LOAN BANKS	313384S6		12/09/16	.501	99.86250	19,972,500.00	19,981,400.00	8,900.00
6,000,000	FEDERAL HOME LOAN BANKS	313384S9		12/12/16	.766	99.78467	5,987,080.00	5,994,240.00	7,160.00
4,785,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359M2D	4.875	12/15/16	.671	101.21006	4,842,901.28	4,846,678.65	3,777.37

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 8/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 8/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
7,685,000	TENNESSEE VALLEY AUTHORITY	880591DS	4.875	12/15/16	.440	101.27821	7,783,230.81	7,778,987.55	- 4,243.26
454,570,000							454,741,006.12	454,797,284.90	56,278.78

====> 0031 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2016 <====

7,000,000	FEDERAL FARM CREDIT BANKS	3133EDJ3	.467	1/03/17	.502	100.00580	7,000,406.00	7,003,500.00	3,094.00
10,000,000	FEDERAL FARM CREDIT BANKS	31331K6S	.479	1/17/17	.557	100.00000	10,000,000.00	10,005,900.00	5,900.00
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADU	.500	1/27/17	.489	100.00431	5,000,215.74	5,000,150.00	- 65.74
10,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0GY	1.250	1/30/17	.461	100.32581	10,032,581.09	10,031,400.00	- 1,181.09
4,000,000	FEDERAL FARM CREDIT BANKS	3133ECT7	1.000	3/01/17	.526	100.23614	4,009,445.41	4,009,360.00	- 85.41
13,629,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADC	1.000	3/08/17	.513	100.25239	13,663,398.56	13,658,302.35	- 5,096.21
1,310,000	FEDERAL HOME LOAN BANK	3130A7L9	.850	4/17/17	.850	100.00000	1,310,000.00	1,310,419.20	419.20
7,405,000	FEDERAL FARM CREDIT BANKS	3133EDJX	.491	4/17/17	.572	99.98939	7,404,214.61	7,409,294.90	5,080.29
5,400,000	FEDERAL FARM CREDIT BANKS	3133EFKH	.440	4/20/17	.535	99.95634	5,397,642.39	5,398,056.00	413.61
31,270,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0ZB	.750	4/20/17	.562	100.11932	31,307,310.83	31,300,957.30	- 6,353.53
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G75N	.479	4/27/17	.607	99.97006	9,997,005.95	10,000,700.00	3,694.05
250,000	FEDERAL FARM CREDIT BANKS	3133EERF	.495	4/27/17	.585	99.93878	249,846.96	249,947.50	100.54
2,310,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136FPYB	2.050	5/23/17	.620	101.03603	2,333,932.36	2,334,162.60	230.24
5,000,000	FEDERAL HOME LOAN BANKS	3130A7WA	.750	5/25/17	.750	100.00000	5,000,000.00	5,001,050.00	1,050.00
25,000,000	FEDERAL FARM CREDIT BANKS	3133EFFV	.650	5/30/17	.555	100.06769	25,016,923.13	25,019,000.00	2,076.87
10,000,000	FANNIE MAE	31359MEL		6/01/17	.609	99.46620	9,946,619.81	9,951,800.00	5,180.19
5,961,000	TENNESSEE VALLEY AUTH	880591EA	5.500	7/18/17	.704	104.20190	6,211,475.01	6,210,348.63	- 1,126.38
10,000,000	FEDERAL HOME LOAN BANK	3130A92E	.625	8/11/17	.678	99.94998	9,994,997.74	9,995,200.00	202.26
25,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0L2	.597	12/20/17	.600	99.99572	24,998,929.27	25,019,250.00	20,320.73
188,535,000							188,874,944.86	188,908,798.48	33,853.62

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

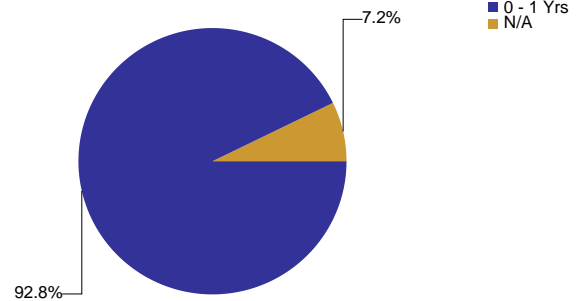
692,205,765							692,716,715.04	692,806,848.38	90,133.34
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====> 0054 ITEMS IN SUBTOTAL FOR ====> FUND NAME..... ====> LGIP FUND <====

Portfolio Characteristics

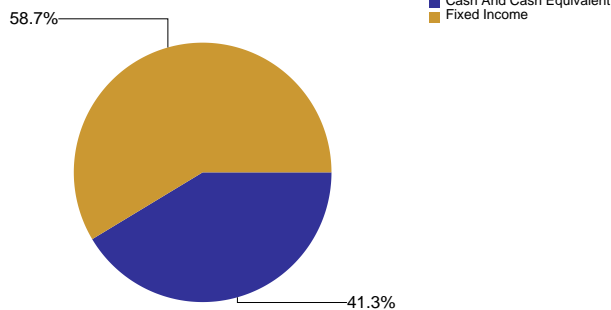
Total Net Assets (Millions)
Weighted Average Life (Years)
Weighted Avg. Effective Duration (Years)
Weighted Average Coupon (%)
Weighted Average Current Yield (%)
Weighted Average Yield to Maturity (%)
Weighted Average Rating
Number of Holdings

694.1
0.26
0.15
0.74
0.39
0.42
AA-
56



Asset Mix

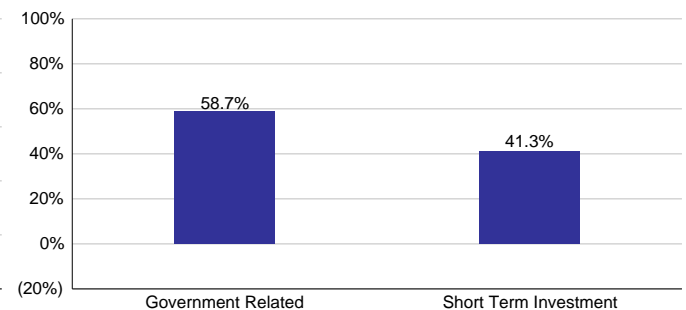
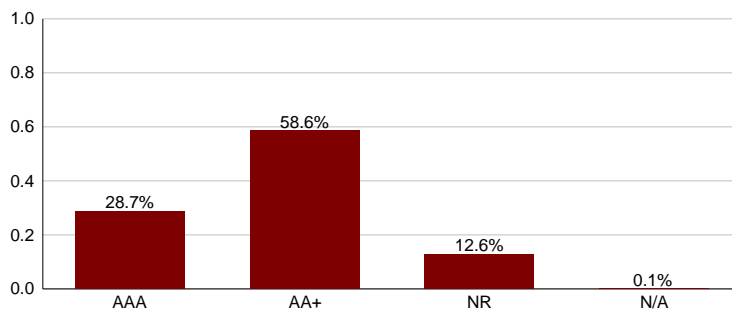
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
99G040031	REPO JPMORGAN CHASE BK (HSBCSI) LGIPREPO083116_8	7.20%	0.38	1/9/2016
99G030074	REPO JPMORGAN CHASE BK (HSBCSI) LGIPREPO083116_6	7.20%	0.37	1/9/2016
313370TW8	FEDERAL HOME LOAN BANKS CONS BD 2% 09/SEP/2016	6.82%	2.00	9/9/2016
3135G0ZB2	FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES FIXED	4.52%	0.75	20/4/2017
894993C02	Wells Fargo Checking	4.48%	0.40	1/9/2016
3130A3J70	FEDERAL HOME LOAN BANKS BOND FIXED 625%	3.68%	0.62	23/11/2016
3133EFKG1	FEDERAL FARM CREDIT BANK BOND VARIABLE 20/OCT/2016	3.66%	0.53	20/10/2016
3135G0L27	FEDERAL NATIONAL MORTGAGE ASSOCIATION CALLABLE	3.61%	0.60	20/12/2017
3133EFFV4	FEDERAL FARM CREDIT BANK BOND VARIABLE 30/MAY/2017	3.60%	0.65	30/5/2017
99G030071	REPO RBC CAPITAL MARKETS LLC LGIPREPO083016	7.20%	0.29	1/9/2016

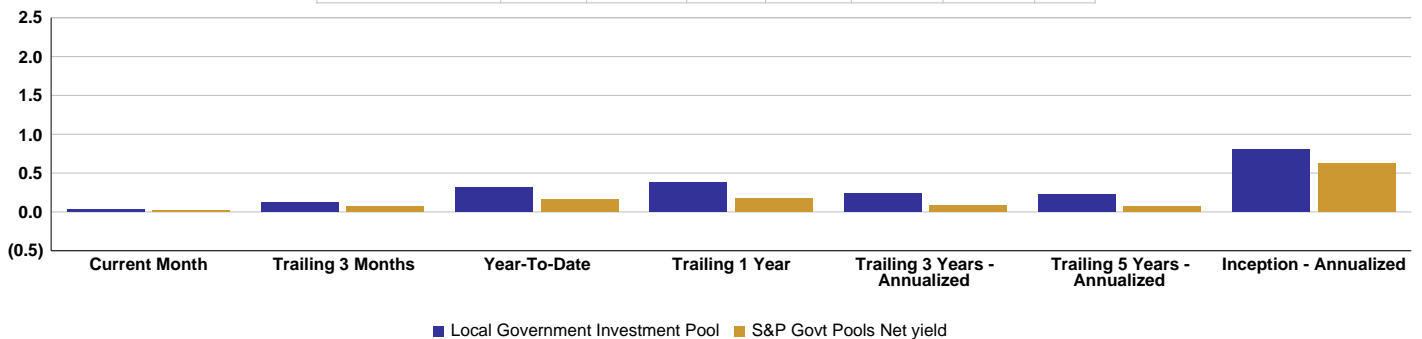
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Local Government Investment Pool	0.03	0.12	0.32	0.38	0.23	0.23	0.80
S&P Govt Pools Net yield	0.02	0.07	0.16	0.18	0.08	0.07	0.62
Excess	0.01	0.05	0.16	0.21	0.16	0.16	0.18





10. Portfolio Summary- Tax Exempt Bond Proceeds Investment Pool

Portfolio Summary – Tax Exempt Bond Proceeds Investment Pool

Summary

- The Tax Exempt Bond Proceeds Investment Pool closed the month of August at \$600mil vs. \$655mil at the end of July.
- The Pool received \$18.72mil in draw requests for capital spending during the month and paid out \$56.6mil for capital projects.

Portfolio Mix

- 100% of the Tax-Exempt BPIP portfolio was invested in fixed income securities: 30% in US Treasuries, 59% in US agency securities, 4% in commercial paper, 4% in NM municipal securities and the balance, approximately 3%, was held in cash equivalents and collateralized NM bank CDs.
- 41% of the portfolio was invested in securities that mature in one year, 41% in securities that mature from 1-2 years, 18% in securities that mature from 2-4 years and 0% in securities out to 5 years.
- The Tax-Exempt BPIP held positions in 97 securities.
- Weighted Average Life of the Tax Exempt BPIP was 1.28 years. The Weighted Average duration was 1.21 years.
- The maximum security term for the Tax-Exempt BPIP portfolio is 5 years.

Investment Earnings

- Unrealized gains in the Tax-Exempt BPIP Portfolio were \$688,025 on August 31st.
- Monthly net earnings on the portfolio for August were \$459,247.
- Net earnings for FY2017 were \$896,481.
- Earnings on the Tax-Exempt BPIP are used to offset capital and debt service spending.

Investment Highlights

- The duration of the Tax-Exempt BPIP at the end of August was 1.21 yrs. vs. the Benchmark at 1.44 yrs.
- The Pool purchased \$29.76mil of 2 to 3.5 year U.S. agency securities, \$0.130mil of 6 month municipal securities, \$10mil of 18 to 22 month Treasuries and \$13.585mil of 3 month commercial paper. The Pool sold \$22.50mil in U.S. agency securities and \$10mil in Treasuries during the month. All sales recorded gains.

Performance

- The purchase yield was 0.87% at the end of August vs. 0.82% reported for the previous month.
- The Tax-Exempt BPIP returned (0.06)% for the month of August and 0.28% for the three months ended August 31, 2016, vs. Index returns of (0.10)% and 0.31% respectively. For the trailing 12 mos. the Pool returned 0.88% vs. 0.87% for the benchmark.
- The Tax-Exempt BPIP had a duration shorter than the benchmark for the month of August and consequently outperformed the index.
- Cash flows (debt service payments, capital project withdrawals, bond sale proceeds) will continue to be the key driver of the portfolio's structure and cash position going forward.

Investment Strategy

- The option-adjusted duration of the Tax-Exempt BPIP portfolio is currently 1.33 yrs. vs. 1.37 yrs. for the benchmark.
- Capital project withdrawal requests totaled \$17.6mil for September.
- The Tax-Exempt BPIP has maintained duration shorter than that of the benchmark in order to provide adequate liquidity for project withdrawals while minimizing overnight cash positions.
- Project withdrawals will have the effect of lengthening duration and as they have had a high degree of variability month-to-month, cash flow management will dominate portfolio decisions.

STATE OF NEW MEXICO
BOND PROCEEDS INV POOL1 TAX EX (4000)
Portfolio Classification Summary
Positions Held as of 8/31/16 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.2636	.00270	2,063,674	2,063,674	2,063,674		.345
COMMERCIAL PAPER-DISCOUNT BASED	3	.6317	.26278	23,585,000	23,543,676	23,543,676		3.936
CERTIFICATES OF DEPOSIT	2	.8650	1.34520	3,000,000	3,000,000	3,000,000		.502
US TREASURY NOTE ACT/ACT 2X	14	.8643	1.19515	179,000,000	179,141,222	179,562,420	421,198	30.022
AGENCY US BOND 30/360 2X	20	.9759	1.73629	106,915,000	107,915,134	107,946,197	31,063	18.048
AGENCY 30/360 2X	1	.9530	2.92880	7,500,000	7,485,947	7,466,400	-19,547	1.248
AGENCY US BOND 30/360 ZERO CPN	2	1.1654	2.42461	21,089,000	20,373,755	20,432,201	58,446	3.416
AGENCY US NOTES 30/360 2X	26	.8790	1.04597	210,535,000	211,127,861	211,309,743	181,882	35.330
FED NATL MORTGAGE ASSN DEBS	1	1.2267	.20820	5,000,000	5,001,643	5,009,950	8,307	.838
MUNI US 30/360 2X	21	.7858	.74386	19,240,000	19,472,838	19,474,329	1,491	3.256
MUNICIPAL BOND REVENUE	5	.8737	.96494	2,740,000	2,782,478	2,787,662	5,184	.466
UNITS - INVESTMENT POOL 1	1			8,088,531	8,088,531	8,088,531		1.352
CASH ACCOUNT	1			7,410,355	7,410,355	7,410,355		1.239
	98	.8679	1.24187	596,166,560	597,407,114	598,095,138	688,024	100.000

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 8/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 8/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
7,410,355	(TD)-CASH KEY	CASHCASH				1.00000	7,410,354.76	7,410,355.00	.24
8,088,531	UNITS - INVESTMENT POOL 1	UNITS001				1.00000	8,088,531.08	8,088,531.00	-.08
15,498,886							15,498,885.84	15,498,886.00	.16

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

315,000	GRANT CNTY N MEX	387766BY	2.000	9/01/16	.600	100.00000	315,000.00	315,000.00	
200,000	TORRANCE ETC CNTYS N MEX MUN SCH	891400NX	1.500	9/01/16	.500	100.00000	200,000.00	200,000.00	
2,063,674	OVERNIGHT REPO	0901RP	.260	9/01/16	.260	1.00000	2,063,674.35	2,063,674.35	
390,000	HOBBS N MEX MUN SCH DIST NO 16	433866FT	3.000	9/15/16	.530	100.09575	390,373.42	390,257.40	- 116.02
4,000,000	UNITED STATES TREASURY NOTES	912828RJ	1.000	9/30/16	.631	100.02897	4,001,158.96	4,002,320.00	1,161.04
13,585,000	MICROSOFT CO	59515ML8	.505	11/08/16	.505	99.90461	13,572,041.42	13,572,041.42	
5,000,000	FEDERAL NATL MTG ASSN DEBS	3135G0ES	1.375	11/15/16	1.210	100.03286	5,001,642.82	5,009,950.00	8,307.18
15,000,000	UNITED STATES TREASURY NOTES	912828WF	.625	11/15/16	.693	99.98596	14,997,894.65	15,009,000.00	11,105.35
15,000,000	UNITED STATES TREASURY NOTES	912828A5	.625	12/15/16	.727	99.97047	14,995,570.11	15,010,500.00	14,929.89
55,553,674							55,537,355.73	55,572,743.17	35,387.44

====> 0009 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2016 <====

5,000,000	TOYOTA MOTOR CREDIT CORP	89233GN4	.850	1/04/17	.854	99.70486	4,985,243.06	4,985,243.06	
5,000,000	US BANK NA	9033E0NH	.710	1/17/17	.713	99.72783	4,986,391.67	4,986,391.67	
15,000,000	UNITED STATES TREASURY NOTES	912828SC	.875	1/31/17	.710	100.06780	15,010,170.02	15,028,200.00	18,029.98
15,000,000	UNITED STATES TREASURY NOTES	912828SJ	.875	2/28/17	.788	100.04299	15,006,448.15	15,026,250.00	19,801.85
130,000	NEW MEXICO MTG FIN AUTH	647200L2	3.700	3/01/17	.652	101.47700	131,920.10	131,920.10	
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADC	1.000	3/08/17	.756	100.12629	10,012,629.37	10,021,500.00	8,870.63
24,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0VM	.750	3/14/17	.625	100.06665	24,015,995.78	24,024,240.00	8,244.22
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359M7X	5.000	5/11/17	.736	102.94707	15,442,061.16	15,459,600.00	17,538.84
1,495,000	ARTESIA N MEX GROSS RCPTS TAX RE	043053BU	2.000	6/01/17	.750	100.93230	1,508,937.88	1,511,684.20	2,746.32
6,089,000	FANNIE MAE	31359MEL		6/01/17	.643	98.94900	6,025,004.61	6,059,651.02	34,646.41
55,000	UNIVERSITY N MEX UNIV REVS	9146922F	.970	6/01/17	.970	100.00000	55,000.00	55,074.25	74.25
385,000	COUNTY OF SANTA FE	80189RET	2.000	6/01/17	.640	101.01542	388,909.37	388,903.90	- 5.47
2,000,000	FEDERAL HOME LOAN BANKS	313383PD	1.250	6/09/17	.701	100.42146	2,008,429.25	2,009,340.00	910.75
10,000,000	NCUA GUARN NTS TR 2011-M1	62889KAC	2.350	6/12/17	.820	101.18764	10,118,763.76	10,131,500.00	12,736.24
700,000	SAN JUAN CO NM GROSS RCPTS TAX	79835HGK	4.000	6/15/17	.870	102.45408	717,178.58	717,486.00	307.42
1,000,000	FEDERAL FARM CREDIT BANKS	3133EDEB	1.100	6/28/17	.700	100.32816	1,003,281.57	1,003,430.00	148.43

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 8/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 8/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
5,000,000	UNITED STATES TREASURY NOTES	912828TB	.750	6/30/17	1.006	99.78862	4,989,431.06	5,004,300.00	14,868.94
600,000	ALBUQUERQUE NM GROSS RECPTS TAX	01354PFR	1.050	7/01/17	1.050	100.00000	600,000.00	601,308.00	1,308.00
4,800,000	NEW MEXICO ST SEVERANCE TAX	647310X7	2.000	7/01/17	.891	100.91829	4,844,077.83	4,842,144.00	- 1,933.83
1,500,000	FARMERS & STOCKMENS BANK	8521621	.950	7/05/17	.950	1.00000	1,500,000.00	1,500,000.00	
5,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315PZT	.650	7/10/17	.862	99.81909	4,990,954.71	4,994,900.00	3,945.29
24,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADV	.750	7/14/17	.740	100.00827	24,001,983.99	24,011,760.00	9,776.01
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADJ	1.000	7/28/17	.791	100.18865	5,009,432.70	5,014,600.00	5,167.30
5,000,000	UNITED STATES TREASURY NOTES	912828TG	.500	7/31/17	.906	99.63173	4,981,586.32	4,992,200.00	10,613.68
375,000	SANDOVAL CNTY N MEX	80004PEA	3.000	8/01/17	.820	101.98603	382,447.60	382,466.25	18.65
300,000	ALBUQUERQUE N MEX MET ARROYO FLO	013572KE	2.000	8/01/17	.750	101.13926	303,417.77	303,963.00	545.23
250,000	ROSWELL N MEX INDPT SCH DIST	778550JQ	2.000	8/01/17	.900	101.00149	252,503.72	252,735.00	231.28
2,500,000	SANTA FE N MEX PUB SCH DIST FO	802088LN	5.000	8/01/17	.900	103.73361	2,593,340.28	2,594,675.00	1,334.72
250,000	LAS CRUCES N MEX SCH DIST NO 002	517534TL	2.000	8/01/17	.700	101.18551	252,963.78	253,215.00	251.22
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0PP	1.000	9/20/17	.830	100.17788	5,008,893.97	5,016,300.00	7,406.03
15,000,000	FEDERAL FARM CREDIT BANKS	3133EEQX	1.000	9/25/17	.860	100.14819	15,022,228.65	15,024,150.00	1,921.35
5,000,000	FNMA	3135G0ZL	1.000	9/27/17	1.118	99.87452	4,993,726.07	5,015,700.00	21,973.93
835,000	JAL N MEX PUB SCH DIST NO 19	470143AR	2.000	10/01/17	.701	101.39960	846,686.63	847,065.75	379.12
2,000,000	FEDERAL HOME LOAN BANKS	3133792L	1.230	10/20/17	.786	100.50051	2,010,010.15	2,010,700.00	689.85
5,000,000	FEDERAL HOME LOAN BANKS	3130A6LZ	.625	10/26/17	.733	99.87663	4,993,831.31	4,992,950.00	- 881.31
1,000,000	FEDERAL HOME LOAN BANKS	3130A4B2	1.000	10/27/17	.787	100.24479	1,002,447.86	1,001,390.00	- 1,057.86
1,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136FPTQ	2.200	10/27/17	.650	101.78077	1,017,807.70	1,015,860.00	- 1,947.70
15,000,000	UNITED STATES TREASURY NOTES	912828UA	.625	11/30/17	.814	99.76646	14,964,969.40	14,980,050.00	15,080.60
5,000,000	FEDERAL FARM CREDIT BANKS	3133EGDG	.850	12/06/17	.710	100.17527	5,008,763.63	5,000,050.00	- 8,713.63
6,005,000	TENNESSEE VALLEY AUTHORITY	880591CU	6.250	12/15/17	1.021	106.67639	6,405,917.17	6,423,188.20	17,271.03
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADX	1.000	12/15/17	.711	100.36972	10,036,971.70	10,024,900.00	- 12,071.70
236,269,000							237,430,758.33	237,640,984.40	210,226.07

====> 0041 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2017 <====

24,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADN	.750	1/12/18	.904	99.79173	23,950,016.31	23,974,560.00	24,543.69
5,000,000	UNITED STATES TREASURY NOTES	912828P2	.750	1/31/18	.723	100.03830	5,001,915.10	4,999,400.00	- 2,515.10
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADP	.875	3/07/18	.928	99.92049	19,984,097.91	20,000,000.00	15,902.09
13,585,000	FEDERAL HOME LOAN BANKS	313378A4	1.375	3/09/18	.966	100.61603	13,668,688.33	13,684,034.65	15,346.32
25,000,000	UNITED STATES TREASURY NOTES	912828J6	1.000	3/15/18	.899	100.15453	25,038,633.06	25,089,750.00	51,116.94
12,500,000	FEDERAL HOME LOAN BANKS	3130A7CX	.875	3/19/18	.822	100.08074	12,510,092.35	12,504,625.00	- 5,467.35
20,000,000	UNITED STATES TREASURY NOTES	912828Q4	.875	3/31/18	.746	100.20230	20,040,460.72	20,030,400.00	- 10,060.72
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G9DT	1.050	5/10/18	1.049	100.00000	5,000,000.00	5,001,100.00	1,100.00
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0WJ	.875	5/21/18	1.114	99.59243	14,938,864.70	15,010,950.00	72,085.30

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 8/31/16 (TRADE)

BOOK VALUES AMORTIZED THROUGH 8/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
1,000,000	FEDERAL HOME LOAN BANKS	3133807A	1.060	5/30/18	.850	100.36288	1,003,628.77	1,002,800.00	- 828.77
5,000,000	UNITED STATES TREASURY NOTES	912828VE	1.000	5/31/18	.719	100.48649	5,024,324.43	5,017,600.00	- 6,724.43
100,000	SANDOVAL CNTY N MEX INCENTIVE PA	800051AW	1.952	6/01/18	1.460	100.84562	100,845.62	100,634.00	- 211.62
155,000	RUIDOSO N MEX GROSS RCPTS TAX RE	781336BB	2.000	6/01/18	1.100	101.55490	157,410.09	158,143.40	733.31
260,000	ARTESIA N MEX GROSS RCPTS TAX RE	043053BV	2.000	6/01/18	1.000	101.72954	264,496.81	266,409.00	1,912.19
250,000	UNIVERSITY N MEX UNIV REVS	9146922G	1.220	6/01/18	1.220	100.00000	250,000.00	250,255.00	255.00
1,000,000	FEDERAL HOME LOAN BANKS	313379DT	1.250	6/08/18	.832	100.73232	1,007,323.16	1,005,850.00	- 1,473.16
5,000,000	FEDERAL HOME LOAN BANKS	313379DT	1.250	6/08/18	.840	100.71793	5,035,896.31	5,029,250.00	- 6,646.31
1,000,000	UNIVERSITY N MEX UNIV REVS	914692W6	1.438	6/20/18	1.060	100.67236	1,006,723.64	1,007,580.00	856.36
185,000	ABQ NM GROSS RCPT LODGERS TAX RE	01354MFV	3.000	7/01/18	1.200	103.25302	191,018.08	191,449.10	431.02
1,500,000	FARMERS AND STOCKMENS BANK	8521060	.780	7/06/18	.780	1.00000	1,500,000.00	1,500,000.00	
1,300,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G0QW	1.350	7/11/18	.865	100.89302	1,311,609.29	1,310,660.00	- 949.29
1,000,000	FEDERAL FARM CREDIT BANKS	3133EAZX	1.060	7/24/18	.875	100.34706	1,003,470.62	1,001,880.00	- 1,590.62
7,500,000	FEDERAL HOME LOAN BANKS	3130A8U5	.830	7/25/18	.864	99.93523	7,495,142.29	7,481,550.00	- 13,592.29
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G9HJ	1.000	8/10/18	1.143	99.93675	4,996,837.35	4,999,900.00	3,062.65
120,000	HOBBS N MEX MUN SCH DIST NO 16	43385QAU	1.000	9/15/18	.950	100.10009	120,120.11	120,069.60	- 50.51
2,000,000	FEDERAL FARM CREDIT BANKS	3133ED2C	1.950	9/17/18	.905	102.11160	2,042,231.97	2,040,380.00	- 1,851.97
1,250,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3K7	1.200	9/24/18	.943	100.52482	1,256,560.28	1,256,150.00	- 410.28
785,000	JAL N MEX PUB SCH DIST NO 19	470143AS	2.000	10/01/18	.850	102.36938	803,599.67	802,913.70	- 685.97
5,000,000	FEDERAL HOME LOAN BANKS	3130A9AE	.875	10/01/18	.908	99.93231	4,996,615.51	4,994,050.00	- 2,565.51
7,220,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G9BN	1.070	10/26/18	1.091	99.99624	7,219,728.48	7,219,711.20	- 17.28
2,500,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G42X	1.050	10/30/18	.878	100.36740	2,509,184.91	2,502,225.00	- 6,959.91
15,000,000	UNITED STATES TREASURY NOTES	912828WD	1.250	10/31/18	.944	100.65272	15,097,907.61	15,131,850.00	33,942.39
5,000,000	FREDDIE MAC	3134G9WB	1.000	12/28/18	1.000	100.00000	5,000,000.00	4,987,300.00	- 12,700.00
20,000,000	UNITED STATES TREASURY NOTES	912828RY	1.375	12/31/18	1.395	99.95377	19,990,753.28	20,240,600.00	249,846.72
229,210,000							229,518,196.76	229,914,029.65	395,832.89

====> 0034 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2018 <====

10,000,000	FEDERAL HOME LOAN BANKS	3133782M	1.500	3/08/19	1.127	100.92444	10,092,443.55	10,122,000.00	29,556.45
5,000,000	FREDDIE MAC	3134G8RW	1.240	3/29/19	1.240	100.00000	5,000,000.00	5,002,000.00	2,000.00
2,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3YF	1.500	7/18/19	1.249	100.70805	2,014,161.06	2,026,400.00	12,238.94
1,325,000	UNITED STATES DEPARTMENT OF HOUS	911759JA	5.450	8/01/19	5.450	100.00000	1,325,000.00	1,338,978.75	13,978.75
7,500,000	FEDERAL HOME LOAN BANK	3130A8Y7	.875	8/05/19	.940	99.81262	7,485,946.15	7,466,400.00	- 19,546.15
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313586RC		10/09/19	1.362	95.65833	14,348,750.00	14,372,550.00	23,800.00
1,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G06C	1.500	12/04/19	.751	100.00620	1,000,061.99	1,000,040.00	- 21.99
41,825,000							41,266,362.75	41,328,368.75	62,006.00

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

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 8/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 8/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
10,000,000	FEDERAL HOME LOAN BANKS	313378J7	1.875	3/13/20	1.066	102.79690	10,279,689.63	10,275,600.00	- 4,089.63
1,265,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G0E5	1.625	3/27/20	1.097	101.84298	1,288,313.72	1,282,887.10	- 5,426.62
1,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G12H	1.400	6/05/20	1.149	100.92033	1,009,203.33	1,005,000.00	- 4,203.33
12,265,000							12,577,206.68	12,563,487.10	- 13,719.58

====> 0003 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2020 <===

2,045,000	BEAUMONT TEX WTRWKS & SWR SYS RE	074561HY	5.000	9/01/24	.452	100.00000	2,045,000.00	2,045,000.00	
2,045,000							2,045,000.00	2,045,000.00	

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

3,500,000	NEW JERSEY ECONOMIC DEV AUTH RET	64578HAU	5.250	11/15/26	.601	100.95264	3,533,342.45	3,531,640.00	- 1,702.45
3,500,000							3,533,342.45	3,531,640.00	- 1,702.45

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

596,166,560							597,407,108.54	598,095,139.07	688,030.53
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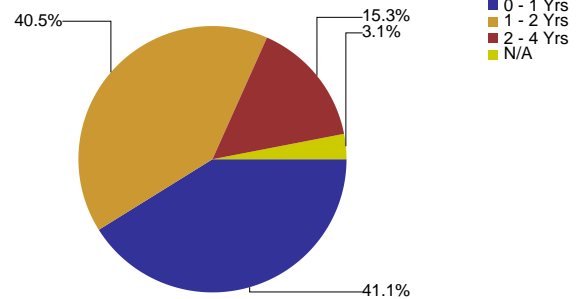
====> 0098 ITEMS IN SUBTOTAL FOR ==> FUND NAME..... ==> BOND PROCEEDS INV POOL1 TAX EX <

Portfolio Characteristics

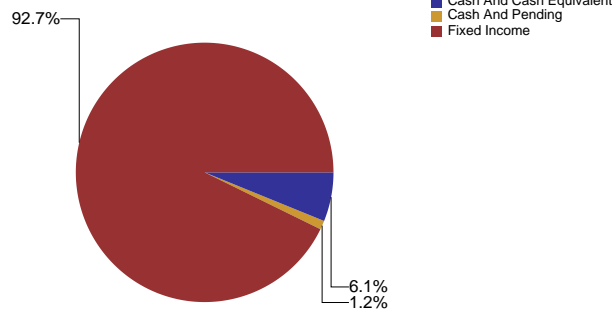
Total Net Assets (Millions)
Weighted Average Life (Years)
Weighted Avg. Effective Duration (Years)
Weighted Average Coupon (%)
Weighted Average Current Yield (%)
Weighted Average Yield to Maturity (%)
Weighted Average Rating
Number of Holdings

600.0
1.28
1.21
1.15
0.74
0.75
AA
97

Duration Mix



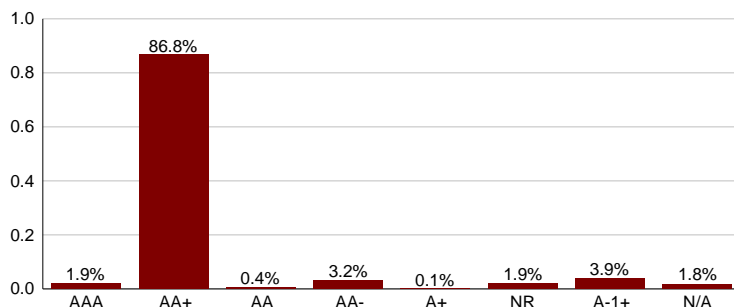
Asset Mix



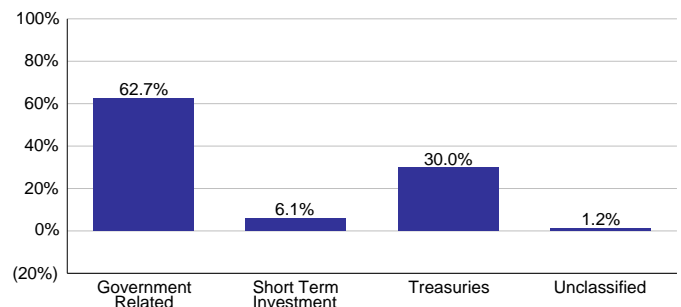
Top Ten Portfolio Holdings

Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
912828J68	TWEE RR UNITED STATES 2X OLD 3 YEAR POINT 1.000% 2018-03-15	4.25%	1.00	15/3/2018
3135G0VM2	FNMA 0.750000 C '17 USD	4.07%	0.75	14/3/2017
3137EADV8	FEDERAL HOME LOAN MORTGAGE CORP NOTES FIXED .75%	4.06%	0.75	14/7/2017
3137EADN6	FEDERAL HOME LOAN MORTGAGE CORP 0.75% BDS	4.05%	0.75	12/1/2018
912828RY8	UNITED STATES OF AMERICA 1.375% 2018-12-31	3.42%	1.38	31/12/2018
912828Q45	UNITED STATES OF AMERICA TREAS NOTE 0.875% 2018-03-31	3.39%	0.88	31/3/2018
3137EADP1	FEDERAL HOME LOAN MORTGAGE CORP 0.875% BDS	3.39%	0.88	7/3/2018
31359M7X5	FEDERAL NATIONAL MORTGAGE ASSOC 5% BDS 11/MAY/2017	2.65%	5.00	11/5/2017
912828WD8	UNITED STATES OF AMERICA 1.250% 2018-10-31	2.56%	1.25	31/10/2018
3133EEQX1	FFCB 1.000000 '17 USD	2.55%	1.00	25/9/2017

Quality/Rating Weightings

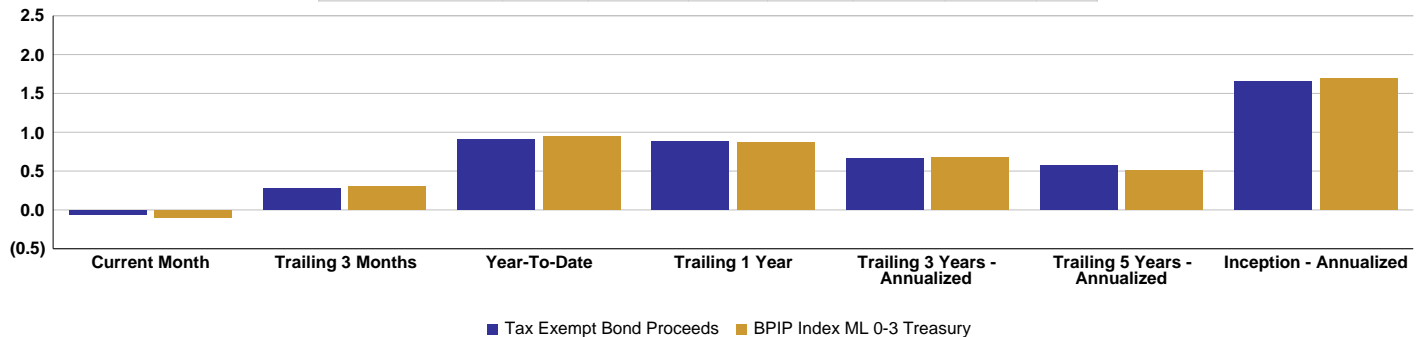


Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Tax Exempt Bond Proceeds	(0.06)	0.28	0.91	0.88	0.66	0.57	1.65
BPIP Index ML 0-3 Treasury	(0.10)	0.31	0.95	0.87	0.68	0.51	1.69
Excess	0.05	(0.03)	(0.04)	0.01	(0.02)	0.06	(0.04)





11. Portfolio Summary- Taxable Bond Proceeds Investment Pool

Portfolio Summary – Taxable Bond Proceeds Investment Pool

Summary

- The Taxable Bond Proceeds Investment Pool closed the month of August at \$601.4mil vs. \$656mil at the end of July.
- The Pool received \$34.8mil in draw requests for capital spending during the month and paid out \$53.8mil for capital projects.

Portfolio Mix

- 100% of the Taxable BPIP portfolio was invested in fixed income securities: 39% in US Treasuries, 53% in US agency securities, 1% in commercial paper, 1% in NM municipal securities and the balance, approximately 6%, was held in cash equivalents and collateralized NM bank CDs.
- 46% of the portfolio was invested in securities that mature in one year, 33% in securities that mature from 1-2 years, 21% in securities that mature from 2-4 years and 0% in securities out to 5 years.
- The Taxable BPIP held positions in 71 securities.
- Weighted Average Life of the Taxable BPIP was 1.37 years. The Weighted Average duration was 1.20 years.
- The maximum security term for the Taxable BPIP portfolio is 5 years.

Investment Earnings

- The unrealized gains in the Taxable BPIP were \$1,567,384 as of August 31st.
- Monthly net earnings on the portfolio for August were \$453,033.
- FY2017 net earnings were roughly \$889,454.
- Earnings on the Bond Proceeds Investment Pool are used to offset capital and debt service spending.

Investment Highlights

- The duration of the Taxable BPIP at the end of August was 1.20 years vs. the Benchmark at 1.44 years.
- The Pool purchased \$32.25mil in 1.5 to 3 year US agency securities, \$5mil in 1.5 year Treasuries and \$1mil in local municipals. Sold \$10MM of short US agency securities and Treasuries. All sales were executed at gains.

Performance

- Purchase Yield at the end of August was 0.91% relative to 0.85% at the end of the prior month.
- The Taxable BPIP returned (0.05)% for the month of August and 0.29% for the three months ended August 31, 2016, vs. Index returns of (0.10)% and 0.31% respectively. For the trailing 12 mos. the Pool returned 0.88% vs. 0.87% for the benchmark.
- The Taxable BPIP had a duration shorter than the benchmark for the month of August and therefore outperformed the index.
- Cash flows (debt service payments, capital project withdrawals, bond sale proceeds) will continue to be the key driver of the portfolio's structure and cash position going forward.

Investment Strategy

- The option adjusted duration of the portfolio is currently 1.22 yrs. vs. 1.38 yrs. for the benchmark.
- Capital project withdrawal requests have totaled \$14.9mil for August
- The Taxable BPIP has maintained duration shorter than the benchmark in order to provide adequate liquidity for project withdrawals while minimizing overnight cash positions.
- Project withdrawals will have the effect of lengthening duration and as they have had a high degree of variability month-to-month, cash flow management will dominate portfolio decisions.

STATE OF NEW MEXICO
BOND PROCEEDS INV POOL2 TAXABL (4002)
Portfolio Classification Summary
Positions Held as of 8/31/16 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.2636	.00270	4,853,687	4,853,687	4,853,687		.810
COMMERCIAL PAPER-DISCOUNT BASED	1	.7020	.32880	5,000,000	4,988,848	4,988,848		.832
CERTIFICATES OF DEPOSIT	3	.8129	1.19919	6,200,000	6,200,000	6,200,000		1.034
LINKED-CERTIFICATE OF DEPOSIT	2	.7500	.36990	4,000,000	4,000,000	4,000,000		.667
US TREASURY NOTE ACT/ACT 2X	17	.8735	.83444	233,500,000	233,843,634	234,417,705	574,071	39.104
AGENCY US BOND 30/360 2X	12	.8912	1.66619	93,000,000	93,592,720	93,587,220	-5,500	15.612
AGENCY 30/360 2X	2	1.4830	3.00247	27,500,000	27,540,195	27,891,200	351,005	4.653
AGENCY US BOND 30/360 ZERO CPN	1	1.3811	3.10410	15,000,000	14,355,750	14,372,550	16,800	2.398
AGENCY US NOTES 30/360 2X	15	1.0536	1.37189	148,250,000	148,824,576	149,429,913	605,337	24.927
FED NATL MORTGAGE ASSN DEBS	2	.8049	.66035	8,665,000	8,663,734	8,647,556	-16,178	1.443
AGENCY US VARIABLE ACT/360 4X	1	.6347	1.35620	25,000,000	25,000,000	25,042,750	42,750	4.177
MUNI US 30/360 2X	12	.9944	1.60944	5,590,000	5,694,031	5,693,130	-901	.950
UNITS - INVESTMENT POOL 1	1			21,380,407	21,380,407	21,380,407		3.567
CASH ACCOUNT	1			-1,034,550	-1,034,550	-1,034,550		-.173
	71	.9140	1.28609	596,904,544	597,903,032	599,470,416	1,567,384	100.000

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 8/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 8/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
- 1,034,550	(TD)-CASH KEY	CASHCASH				1.00000	- 1,034,549.80	- 1,034,550.00	- .20
21,380,407	UNITS - INVESTMENT POOL 1	UNITS001				1.00000	21,380,406.83	21,380,407.00	.17
20,345,857							20,345,857.03	20,345,857.00	- .03

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

300,000	NEW MEXICO EDL ASSISTANCE FNDTN	647110DY	4.000	9/01/16	.502	100.00000	300,000.00	300,000.00	
4,853,687	OVERNIGHT REPO	0901RP	.260	9/01/16	.260	1.00000	4,853,686.56	4,853,686.56	
10,000,000	UNITED STATES TREASURY NOTES	912828RJ	1.000	9/30/16	.677	100.02534	10,002,533.74	10,005,800.00	3,266.26
15,000,000	UNITED STATES TREASURY NOTES	912828RM	1.000	10/31/16	.632	100.05964	15,008,946.49	15,017,550.00	8,603.51
20,000,000	UNITED STATES TREASURY NOTES	912828LU	3.125	10/31/16	.584	100.41288	20,082,576.50	20,092,600.00	10,023.50
20,000,000	UNITED STATES TREASURY NOTES	912828RU	.875	11/30/16	.751	100.02992	20,005,983.56	20,026,800.00	20,816.44
20,000,000	UNITED STATES TREASURY NOTES	912828A5	.625	12/15/16	.665	99.98830	19,997,660.86	20,014,000.00	16,339.14
5,000,000	US BANK NA	9033E0MV	.675	12/29/16	.692	99.77688	4,988,843.75	4,988,843.75	
1,100,000	WESTERN BANK ALAMOGORDO	81186499	.750	12/30/16	.750	1.00000	1,100,000.00	1,100,000.00	
96,253,687							96,340,231.46	96,399,280.31	59,048.85

====> 0009 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2016 <====

2,000,000	WESTERN COMMERCE BANK	66012640	.750	1/13/17	.750	1.00000	2,000,000.00	2,000,000.00	
2,000,000	WESTERN COMMERCE BANK	66012641	.750	1/13/17	.750	1.00000	2,000,000.00	2,000,000.00	
15,000,000	UNITED STATES TREASURY NOTES	912828SC	.875	1/31/17	.700	100.07203	15,010,805.06	15,028,200.00	17,394.94
5,000,000	UNITED STATES TREASURY NOTES	912828SJ	.875	2/28/17	.788	100.04299	5,002,149.38	5,008,750.00	6,600.62
30,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADC	1.000	3/08/17	.653	100.17939	30,053,816.53	30,064,500.00	10,683.47
10,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359M7X	5.000	5/11/17	.743	102.94203	10,294,203.30	10,306,400.00	12,196.70
25,000,000	UNITED STATES TREASURY NOTES	912828SY	.625	5/31/17	.916	99.78368	24,945,921.01	25,001,000.00	55,078.99
675,000	CLOVIS N MEX GROSS RCPTS TAX REV	189387DL	2.000	6/01/17	.800	100.89484	681,040.19	682,533.00	1,492.81
260,000	SANTA FE N MEX GROSS RCPTS TAXRE	802072RH	4.000	6/01/17	.725	102.44417	266,354.83	266,539.00	184.17
15,000,000	FEDERAL HOME LOAN BANKS	313379FW	1.000	6/09/17	.825	100.13403	15,020,103.85	15,038,250.00	18,146.15
10,000,000	NCUA GUARN NTS TR 2011-M1	62889KAC	2.350	6/12/17	.820	101.18764	10,118,763.76	10,131,500.00	12,736.24
5,000,000	UNITED STATES TREASURY NOTES	912828TB	.750	6/30/17	1.006	99.78862	4,989,431.06	5,004,300.00	14,868.94
2,500,000	WESTERN BANK ALAMOGORDO	81187124	.750	7/21/17	.750	1.00000	2,500,000.00	2,500,000.00	
5,000,000	UNITED STATES TREASURY NOTES	912828TG	.500	7/31/17	.906	99.63173	4,981,586.32	4,992,200.00	10,613.68
270,000	JEMEZ VY N MEX PUB SCH DIST N003	475868EL	2.000	8/01/17	.750	101.13949	273,076.61	272,953.80	- 122.81
275,000	CITY OF BELEN N MEX GO BDS	077563DS	2.000	8/01/17	.820	101.07482	277,955.76	278,385.25	429.49

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 8/31/16 (TRADE)

BOOK VALUES AMORTIZED THROUGH 8/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
160,000	Belen Consolidated Schools	077581QC	2.000	8/01/17	.801	101.05300	161,684.80	161,502.40	- 182.40
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0MZ	.875	8/28/17	1.020	99.85696	4,992,847.76	5,009,450.00	16,602.24
11,000,000	UNITED STATES TREASURY NOTES	912828TM	.625	8/31/17	.975	99.65356	10,961,891.89	10,993,180.00	31,288.11
500,000	FEDERAL HOME LOAN BANKS	313380EC	.750	9/08/17	.760	99.99013	499,950.67	500,060.00	109.33
2,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G1FU	1.000	12/19/17	.905	100.12202	2,002,440.35	2,003,720.00	1,279.65
20,000,000	UNITED STATES TREASURY NOTES	912828PN	2.750	12/31/17	1.124	102.13764	20,427,528.54	20,525,000.00	97,471.46
166,640,000							167,461,551.67	167,768,423.45	306,871.78

====> 0022 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2017 <====

25,000,000	FEDERAL HOME LOAN BANK	3130A8Q6	.626	1/08/18	.626	100.00000	25,000,000.00	25,042,750.00	42,750.00
5,000,000	FEDERAL HOME LOAN BANKS	3130A8RY	.750	1/19/18	.812	99.91426	4,995,712.88	4,996,150.00	437.12
20,000,000	UNITED STATES TREASURY NOTES	912828UJ	.875	1/31/18	1.205	99.53935	19,907,870.96	20,036,000.00	128,129.04
15,000,000	UNITED STATES TREASURY NOTES	912828UR	.750	2/28/18	1.213	99.31466	14,897,199.70	14,995,950.00	98,750.30
7,500,000	UNITED STATES TREASURY NOTES	912828J6	1.000	3/15/18	1.006	99.99086	7,499,314.87	7,526,925.00	27,610.13
12,500,000	FEDERAL HOME LOAN BANKS	3130A7CX	.875	3/19/18	.822	100.08074	12,510,092.35	12,504,625.00	- 5,467.35
10,000,000	FNMA	3135G0J6	.875	3/28/18	.973	99.84709	9,984,708.69	10,006,500.00	21,791.31
10,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0WJ	.875	5/21/18	1.160	99.51570	9,951,570.11	10,007,300.00	55,729.89
5,000,000	UNITED STATES TREASURY NOTES	912828VE	1.000	5/31/18	.719	100.48649	5,024,324.43	5,017,600.00	- 6,724.43
5,000,000	FEDERAL HOME LOAN BANKS	313379DT	1.250	6/08/18	.840	100.71793	5,035,896.31	5,029,250.00	- 6,646.31
500,000	FEDERAL FARM CREDIT BANKS	3133EEZ2	1.160	6/18/18	.912	100.44002	502,200.10	501,895.00	- 305.10
7,750,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3ZU	.875	6/26/18	.874	100.00174	7,750,134.95	7,744,575.00	- 5,559.95
1,950,000	NEW MEXICO ST SEVERANCE TAX	647310X8	2.000	7/01/18	1.100	101.62761	1,981,738.31	1,978,684.50	- 3,053.81
290,000	ALBUQUERQUE N MEX ARPT REV	013538HB	5.110	7/01/18	1.535	106.43603	308,664.49	305,468.60	- 3,195.89
5,000,000	FEDERAL HOME LOAN BANKS	3130A8KR	.820	7/06/18	.884	99.88252	4,994,126.13	4,992,350.00	- 1,776.13
2,600,000	WESTERN BANK CLOVIS	159850	.900	7/13/18	.900	100.00000	2,600,000.00	2,600,000.00	
275,000	LOS LUNAS N MEX SCH DIST NO 1	545562RX	2.000	7/15/18	1.020	101.81166	279,982.07	281,580.75	1,598.68
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0E3	1.125	7/20/18	1.205	99.85105	14,977,658.09	15,068,700.00	91,041.91
7,500,000	FEDERAL HOME LOAN BANKS	3130A8U5	.830	7/25/18	.864	99.93523	7,495,142.29	7,481,550.00	- 13,592.29
3,800,000	FNMA	3136G3YU	.850	7/26/18	.850	100.00000	3,800,000.00	3,788,600.00	- 11,400.00
285,000	CITY OF BELEN N MEX GO BDS	077563DT	2.000	8/01/18	.950	101.98875	290,667.94	291,919.80	1,251.86
25,000,000	FEDERAL HOME LOAN BANKS	313375K4	2.000	9/14/18	.989	102.03229	25,508,071.57	25,532,500.00	24,428.43
5,000,000	FEDERAL HOME LOAN BANKS	3130A9AE	.875	10/01/18	.908	99.93231	4,996,615.51	4,994,050.00	- 2,565.51
10,000,000	FEDERAL FARM CREDIT BANKS	3133EFX6	.960	10/05/18	.846	100.23577	10,023,577.24	10,003,800.00	- 19,777.24
15,000,000	UNITED STATES TREASURY NOTES	912828WD	1.250	10/31/18	.944	100.65272	15,097,907.61	15,131,850.00	33,942.39
214,950,000							215,413,176.60	215,860,573.65	447,397.05

====> 0025 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2018 <====

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 8/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 8/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
2,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G2EH	1.375	2/27/19	.750	100.30419	2,006,083.71	2,003,200.00	- 2,883.71
12,500,000	FREDDIE MAC	3134G8RW	1.240	3/29/19	1.240	100.00000	12,500,000.00	12,505,000.00	5,000.00
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G3D2	.750	7/26/19	.750	100.00000	5,000,000.00	4,996,300.00	- 3,700.00
315,000	BELEN N MEX CONS SCH DIST NO 2	077581QE	2.000	8/01/19	1.050	102.69000	323,473.50	323,731.80	258.30
535,000	BELEN N MEX CONS SCH DIST NO 2	077581QT	2.000	8/01/19	1.050	102.69000	549,391.50	549,830.20	438.70
7,500,000	FEDERAL HOME LOAN BANK	3130A8Y7	.875	8/05/19	.940	99.81262	7,485,946.15	7,466,400.00	- 19,546.15
20,000,000	FANNIE MAE	3135G0ZG	1.750	9/12/19	1.658	100.27124	20,054,248.42	20,424,800.00	370,551.58
2,000,000	FEDERAL HOME LOAN BANKS	3130A4G8	1.650	9/24/19	.650	100.56162	2,011,232.33	2,012,740.00	1,507.67
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313586RC		10/09/19	1.362	95.70500	14,355,750.00	14,372,550.00	16,800.00
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0ZY	1.750	11/26/19	1.727	100.07243	20,014,486.42	20,431,600.00	417,113.58
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G3TF	1.200	12/30/19	1.200	100.00000	5,000,000.00	5,007,600.00	7,600.00
89,850,000							89,300,612.03	90,093,752.00	793,139.97

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

5,200,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136FTB7	2.000	2/07/20	.984	103.42040	5,377,860.81	5,351,268.00	- 26,592.81
5,200,000							5,377,860.81	5,351,268.00	- 26,592.81

====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2020 <====

3,665,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G9D8	.750	6/30/21	.854	99.96544	3,663,733.29	3,651,256.25	- 12,477.04
3,665,000							3,663,733.29	3,651,256.25	- 12,477.04

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

596,904,544							597,903,022.89	599,470,410.66	1,567,387.77
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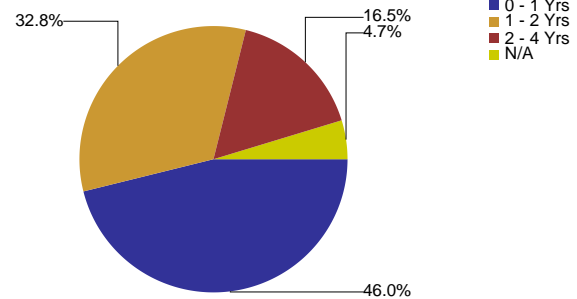
====> 0071 ITEMS IN SUBTOTAL FOR ==== FUND NAME..... ==== BOND PROCEEDS INV POOL2 TAXABL <

Portfolio Characteristics

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

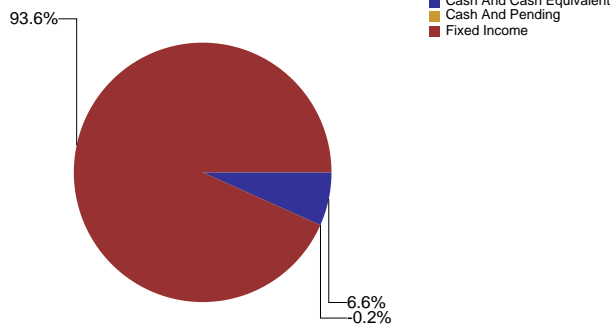
601.4
1.37
1.20
1.19
0.70
0.74
AA+
71

Duration Mix



Asset Mix

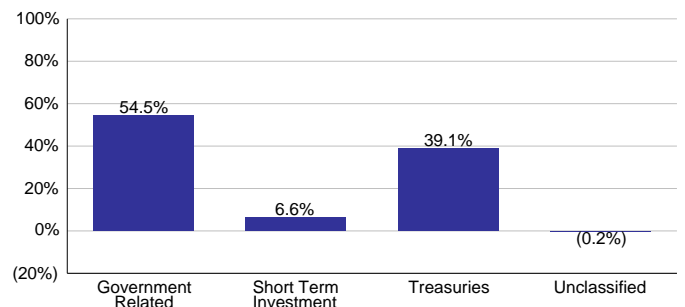
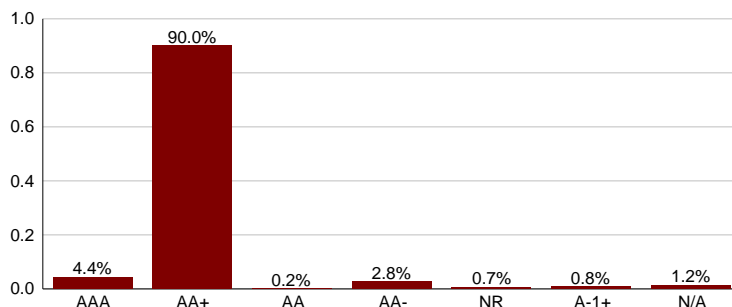
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
3137EADCO	FEDERAL HOME LOAN MORTGAGE CORP 1% BDS 08/MAR/2017	5.01%	1.00	8/3/2017
313375K48	FHLB 2.000 '18 USD	4.28%	2.00	14/9/2018
3130A8Q63	FEDERAL HOME LOAN BANKS BOND VARIABLE 08/JAN/2018	4.16%	0.63	8/1/2018
912828SY7	UNITED STATES OF AMERICA 0.625% 2017-05-31	4.16%	0.62	31/5/2017
89298X00	LGIP POOL PARTICIPANT	3.55%	0.40	
912828PN4	UNITED STATES OF AMERICA 2.750% 2017-12-31	3.42%	2.75	31/12/2017
3135G0ZG1	FNMA 1.750 '19 USD	3.42%	1.75	12/9/2019
3135G0ZY2	FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES FIXED	3.41%	1.75	26/11/2019
912828LU2	US 3.12500 '16	3.37%	3.12	31/10/2016
912828RU6	UNITED STATES OF AMERICA 0.875% 2016-11-30	3.33%	0.88	30/11/2016

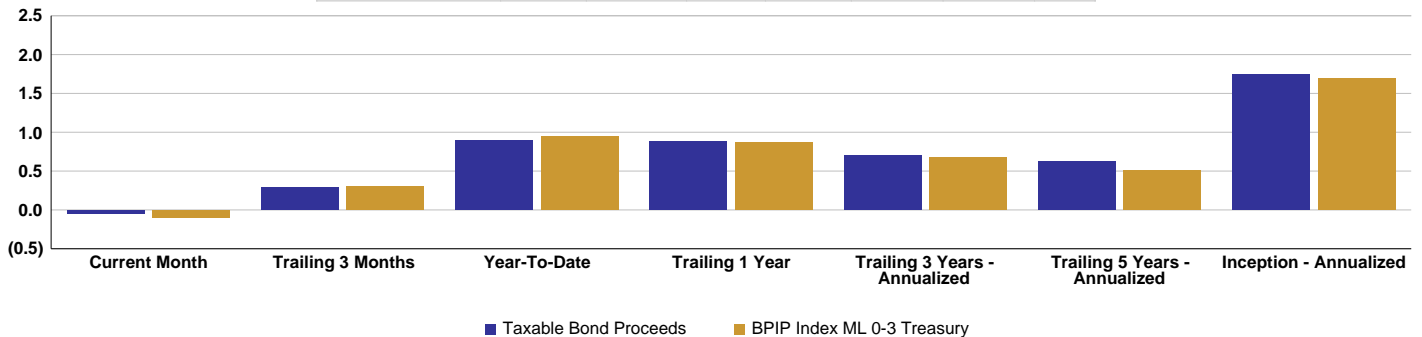
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Taxable Bond Proceeds	(0.05)	0.29	0.89	0.88	0.70	0.63	1.74
BPIP Index ML 0-3 Treasury	(0.10)	0.31	0.95	0.87	0.68	0.51	1.69
Excess	0.05	(0.02)	(0.06)	0.01	0.02	0.12	0.06





12. Portfolio Summary- Severance Tax Bonding Fund

Portfolio Summary – Severance Tax Bonding Fund

Summary

- The Severance Tax Bonding Fund closed the month of August at \$46.9 mil.
- The Severance Tax Bonding Fund net earnings were \$13,008 for August.

Portfolio Mix

- The Severance Tax Bonding Fund is primarily invested in the overnight repurchase agreement pool and short Agency securities.
- Severance Tax Bonding Fund holdings are pledged and used to pay debt service on Severance Tax and Supplemental Severance Tax Bonds.
 - Once debt service needs are met, the balance in the Severance Tax Bonding Fund is transferred to the Severance Tax Permanent Fund.
 - On June 30th and December 30th, the STBF transfers available balances, in excess of debt service needs, to the Severance Tax Permanent Fund.
- Severance Taxes are remitted to the Treasury on a monthly basis and are ranging between \$15MM and \$25MM per month.
 - The STB Fund received \$8 mil in August.

Investment Strategy

- Due to its short-term nature, investments of three to six month maturities are viable investments for the STBF pool.
- The STB Fund received \$24 mil so far in September from Severance Taxes.

STATE OF NEW MEXICO
STB FUND (4001)
Portfolio Classification Summary
Positions Held as of 8/31/16 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.2636	.00270	45,013,097	45,013,097	45,013,097		95.851
COMMERCIAL PAPER-DISCOUNT BASED	1	.5125	.18900	1,250,000	1,248,808	1,248,808		2.659
MUNI US 30/360 2X	1	.5352	.00270	475,000	475,000	475,000		1.011
UNITS - INVESTMENT POOL 1	1			157,782	157,782	157,782		.336
CASH ACCOUNT	1			66,819	66,819	66,819		.142
	5	.2717	.00768	46,962,698	46,961,506	46,961,506		100.000

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 8/31/16 (TRADE)
BOOK VALUES AMORTIZED THROUGH 8/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
157,782	UNITS - INVESTMENT POOL 1	UNITS001				1.00000	157,782.42	157,782.00	- .42
66,819	FNB MONEY MARKET DEMAND ACCOUNT	FNBCASH				1.00000	66,819.30	66,819.00	- .30
224,601							224,601.72	224,601.00	- .72

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

475,000	NEW MEXICO EDL ASSISTANCE FNDTN	647110DY	4.000	9/01/16	.528	100.00000	475,000.00	475,000.00	
45,013,097	OVERNIGHT REPO	0901RP	.260	9/01/16	.260	1.00000	45,013,097.47	45,013,097.47	
1,250,000	MICROSOFT CO	59515ML8	.505	11/08/16	.505	99.90461	1,248,807.64	1,248,807.64	
46,738,097							46,736,905.11	46,736,905.11	

====> 0003 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2016 <====

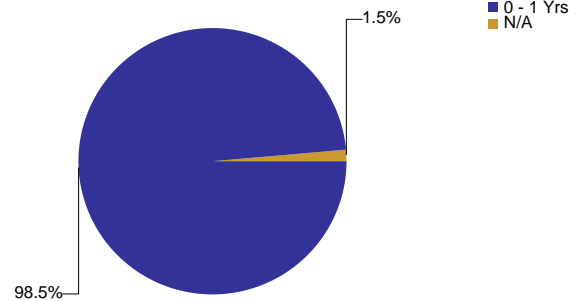
46,962,698							46,961,506.83	46,961,506.11	- .72
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====> 0005 ITEMS IN SUBTOTAL FOR ====> FUND NAME..... ====> STB FUND <====

Portfolio Characteristics

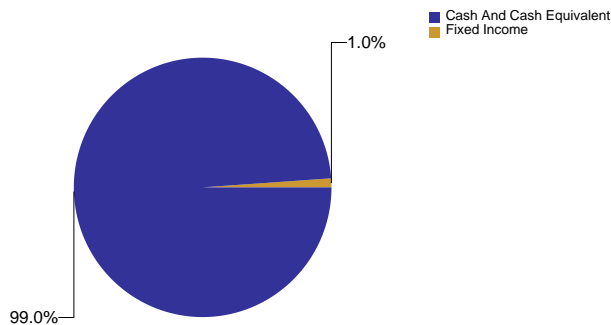
Total Net Assets (Millions)
Weighted Average Life (Years)
Weighted Avg. Effective Duration (Years)
Weighted Average Coupon (%)
Weighted Average Current Yield (%)
Weighted Average Yield to Maturity (%)
Weighted Average Rating
Number of Holdings

47.0
0.01
0.01
0.25
0.26
0.26
AAA
5



Asset Mix

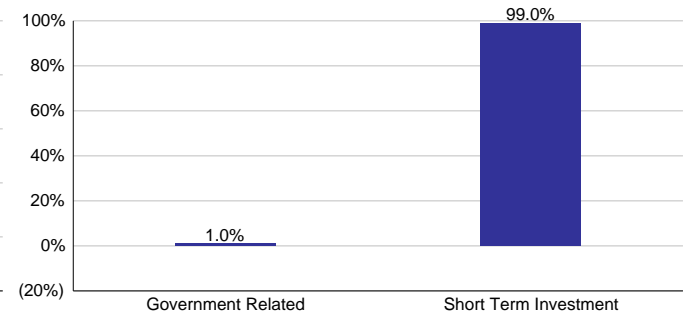
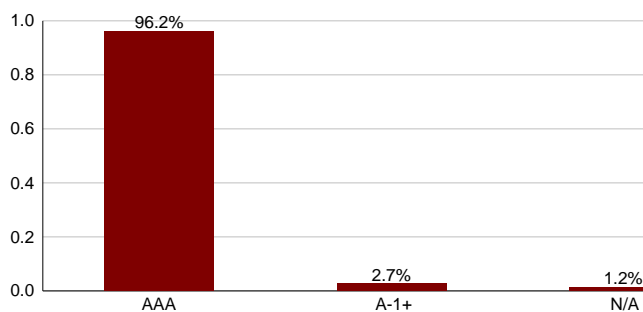
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
99G040046	REPO MUFG SECURITIES AMERICA INC. 083116A	95.83%	0.26	1/9/2016
59515ML86	MICROSOFT CORPORATION CORPORATE COMMERCIAL PAPER	2.66%	0.00	8/11/2016
89199J5Y4	FIRST NATIONAL	0.14%		
892998X00	LGIP POOL PARTICIPANT	0.34%	0.40	
647110DY8	NEW MEXICO EDL ASSISTANCE FNDTN ED LN-SR-SER B	1.03%		

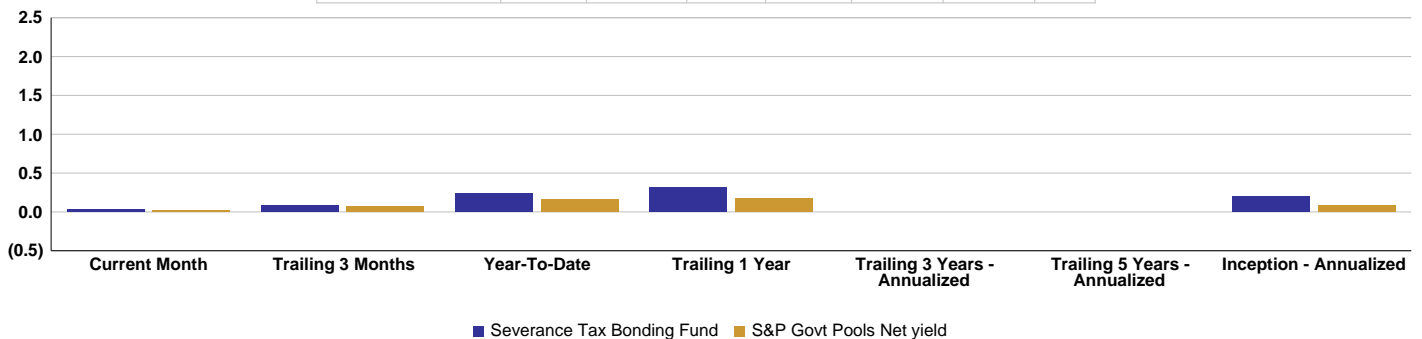
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Severance Tax Bonding Fund	0.03	0.09	0.24	0.31			0.20
S&P Govt Pools Net yield	0.02	0.07	0.16	0.18			0.09
Excess	0.01	0.02	0.08	0.13	0.00	0.00	0.12





13. Broker Dealer Activities

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

Broker-Dealer Activities

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

New Mexico State Treasurer's
Executive Summary of Investment Activity
Summary of Broker Participation
Purchases and Sales By Broker, Market & Security Type
All Funds
2016-2017

Volume at Par (\$ in thousands)

Broker/Dealer:	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	YTD Total	YTD Percent
Barclays		44,835											44,835	6.8%
BB and T (Scott & Stringfellow)	38,695												38,695	5.8%
BMO Capital Markets		10,000											10,000	1.5%
BNP Paribas													-	0.0%
BOSC, Inc	14,000	10,350											24,350	3.7%
Cantor, Fitzgerald		5,961											5,961	0.9%
CastleOak Securities LP	25,000	5,000											30,000	4.5%
Citigroup		10,000											10,000	1.5%
Daiwa Capital Markets America													-	0.0%
Deutsche Bank	5,000	45,000											50,000	7.5%
Drexel Hamilton LLC													-	0.0%
First Southwest													-	0.0%
FTN Financial		6,100											6,100	0.9%
George K Baum & Co													-	0.0%
Guggenheim Securities LLC	25,000	25,000											50,000	7.5%
HSBC													-	0.0%
Intl FCStone	44,905	46,515											91,420	13.8%
Jefferies	15,000	90,000											105,000	15.8%
JP Morgan & Co													-	0.0%
KeyBanc Capital Markets	11,974	10,000											21,974	3.3%
Loop Capital Markets													-	0.0%
MBS (Multi-Bank Securities)													-	0.0%
MFR Securities													-	0.0%
Mizuho Securities USA		17,000											17,000	2.6%
Morgan Stanley													-	0.0%
Mutual Securities nInc.													-	0.0%
Raymond, James & Associates													-	0.0%
RBS Securities													-	0.0%
Robert W. Baird & Co.	7,325	1,140											8,465	1.3%
Samuel A Ramirez & Co.	8,665												8,665	1.3%
Societe General Americas													-	0.0%
Southwest Securities/Hilltop													-	0.0%
Stifel Nicklaus & Co	5,000	5,000											10,000	1.5%
TD Securities	30,000	7,685											37,685	5.7%
UBS Financial Services		10,000											10,000	1.5%
Vining Sparks													-	0.0%
Wedbush Securities													-	0.0%
Wells Fargo Securities	20,000	35,270											55,270	8.3%
Direct Purchase	21,600	6,000											27,600	4.2%
Interfund													-	0.0%
Total	272,164	390,856	-	-	-	-	-	-	-	-	-	-	663,020	100.0%

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 8/01/16 Through 8/31/16

TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
PURCHASE TRANSACTIONS													
8/29/16	59515ML8	COMMERCIAL PAPE	26222	MICROSOFT CO	.505	11/08/16	.5055	BARCLAYS	4000	13,585,000.00	13,571,660.28		
8/29/16	59515ML8	COMMERCIAL PAPE	26223	MICROSOFT CO	.505	11/08/16	.5055	BARCLAYS	4001	1,250,000.00	1,248,772.57		
8/08/16	912828VE	US TREASURY NOT	26094	UNITED STATES TREASURY	1.000	5/31/18	.7190	UBS	4000	5,000,000.00	5,025,195.31		
8/08/16	912828VE	US TREASURY NOT	26093	UNITED STATES TREASURY	1.000	5/31/18	.7190	UBS	4002	5,000,000.00	5,025,195.31		
8/19/16	912828P2	US TREASURY NOT	26180	UNITED STATES TREASURY	.750	1/31/18	.7226	DEUTSCHE BANK S	4000	5,000,000.00	5,001,953.13		
8/05/16	313378J7	AGENCY US BOND	26086	FEDERAL HOME LOAN BANKS	1.875	3/13/20	1.0663	INTL FCSTONE PA	4000	10,000,000.00	10,284,700.00		
8/05/16	313379DT	AGENCY US BOND	26084	FEDERAL HOME LOAN BANKS	1.250	6/08/18	.8402	KEYBANC CAPITAL	4000	5,000,000.00	5,037,200.00		
8/05/16	313379DT	AGENCY US BOND	26085	FEDERAL HOME LOAN BANKS	1.250	6/08/18	.8402	KEYBANC CAPITAL	4002	5,000,000.00	5,037,200.00		
8/09/16	3130A92E	AGENCY US BOND	26102	FEDERAL HOME LOAN BANK	.625	8/11/17	.6782	CITIGROUP GLOBA	4101	10,000,000.00	9,994,710.00		
8/15/16	880591DS	AGENCY US BOND	26140	TENNESSEE VALLEY AUTHOR	4.875	12/15/16	.4403	TD SECURITIES	4101	7,685,000.00	7,797,400.81		
8/16/16	3130A8RY	AGENCY US BOND	26148	FEDERAL HOME LOAN BANKS	.750	1/19/18	.8124	INTL FCSTONE PA	4002	5,000,000.00	4,995,600.00		
8/18/16	3133XUKV	AGENCY US BOND	26178	FEDERAL HOME LOAN BANKS	3.750	9/09/16	.3442	BANK OF OKLAHOM	4101	540,000.00	541,019.81		
8/19/16	3133807A	AGENCY US BOND	26181	FEDERAL HOME LOAN BANKS	1.060	5/30/18	.8502	BOSC, INC	4000	1,000,000.00	1,003,683.22		
8/23/16	3130A4G8	AGENCY US BOND	26196	FEDERAL HOME LOAN BANKS	1.650	9/24/19	.6503	BANK OF OKLAHOM	4002	2,000,000.00	2,011,622.01		3/24/17
8/25/16	3130A9AE	AGENCY US BOND	26212	FEDERAL HOME LOAN BANKS	.875	10/01/18	.9078	STIFFEL NICOLAU	1001	5,000,000.00	4,996,600.00		
8/25/16	3130A9AE	AGENCY US BOND	26213	FEDERAL HOME LOAN BANKS	.875	10/01/18	.9078	CASTLEOAK SECUR	4000	5,000,000.00	4,996,600.00		
8/25/16	3130A9AE	AGENCY US BOND	26214	FEDERAL HOME LOAN BANKS	.875	10/01/18	.9078	WELLS FARGO SEC	4002	5,000,000.00	4,996,600.00		
8/15/16	313312P6	AGENCY US DISC	26144	FEDERAL FARM CREDIT BAN	.300	11/15/16	.3002	FTN FINANCIAL S	4101	6,100,000.00	6,095,374.17		
8/16/16	880592D9	AGENCY US DISC	26146	TENNESSEE VALLEY AUTHOR		8/30/16	.2800	JEFFRIES & CO	4101	40,000,000.00	39,995,644.44		
8/24/16	313396G8	AGENCY US DISC	26204	FEDERAL HOME LOAN MORTG		9/22/16	.2651	GUGGENHEIM SECU	4101	25,000,000.00	24,994,663.19		
8/03/16	3130A8Y7	AGENCY 30/360 2	26062	FEDERAL HOME LOAN BANK	.875	8/05/19	.9400	WELLS FARGO SEC	4000	7,500,000.00	7,485,600.00		
8/03/16	3130A8Y7	AGENCY 30/360 2	26063	FEDERAL HOME LOAN BANK	.875	8/05/19	.9400	WELLS FARGO SEC	4002	7,500,000.00	7,485,600.00		
8/03/16	3136FPYB	AGENCY US NOTES	26064	FEDERAL NATIONAL MORTGA	2.050	5/23/17	.6205	BOSC, INC	4101	2,310,000.00	2,336,402.61		
8/09/16	3136G0E5	AGENCY US NOTES	26103	FEDERAL NATIONAL MORTGA	1.625	3/27/20	1.0974	INTL FCSTONE PA	4000	1,265,000.00	1,288,693.45		
8/09/16	3137EADU	AGENCY US NOTES	26105	FEDERAL HOME LOAN MORTG	.500	1/27/17	.4891	INTL FCSTONE PA	4101	5,000,000.00	5,000,250.00		
8/17/16	3134G32U	AGENCY US NOTES	26164	FEDERAL HOME LOAN MORTG	.875	6/26/18	.8739	INTL FCSTONE PA	4002	7,750,000.00	7,750,155.00		
8/18/16	3135G0ZB	AGENCY US NOTES	25249	FEDERAL NATIONAL MORTGA	.750	4/20/17	.5311	JEFFRIES & CO	4101	15,000,000.00	15,022,005.00		
8/18/16	3135G0ZB	AGENCY US NOTES	25249	FEDERAL NATIONAL MORTGA	.750	4/20/17	.5366	WELLS FARGO SEC	4101	1,270,000.00	1,271,816.10		
8/19/16	3135G0ZB	AGENCY US NOTES	25249	FEDERAL NATIONAL MORTGA	.750	4/20/17	.5366	JEFFRIES & CO	4101	10,000,000.00	10,014,063.20		
8/29/16	3135G0GY	AGENCY US NOTES	26224	FEDERAL NATIONAL MORTGA	1.250	1/30/17	.4608	BMO CAPTIAL MAR	4101	10,000,000.00	10,032,800.00		
8/30/16	880591EA	AGENCY US NOTES	26241	TENNESSEE VALLEY AUTH	5.500	7/18/17	.7039	CANTOR FITZGERA	4101	5,961,000.00	6,212,315.76		
8/10/16	077581QC	MUNI US 30/360	26114	Belen Consolidated Scho	2.000	8/01/17	.8009	ROBERT W BAIRD	4002	160,000.00	161,684.80		
8/10/16	077581QE	MUNI US 30/360	26115	BELEN N MEX CONS SCH DI	2.000	8/01/19	1.0502	ROBERT W BAIRD	4002	315,000.00	323,473.50		
8/10/16	077581QT	MUNI US 30/360	26116	BELEN N MEX CONS SCH DI	2.000	8/01/19	1.0502	ROBERT W BAIRD	4002	535,000.00	549,391.50		
8/31/16	647200L2	MUNI US 30/360	26258	NEW MEXICO MTG FIN AUTH	3.700	3/01/17	.6516	ROBERT W BAIRD	4000	130,000.00	131,920.10		
8/16/16	CMG016M	MUNICIPAL BOND	26188	CARLSBAD MUNICIPAL SCHO	.560	9/22/16	.5584	ISSUER DIRECT	1000	4,000,000.00	4,000,000.00		
8/30/16	GISDGO16	MUNICIPAL BOND	26240	GADSDEN SCHOOL DISTRICT	.580	10/20/16	.5783	ISSUER DIRECT	1000	2,000,000.00	2,000,000.00		
37 PURCHASES DURING PERIOD TOTAL.....										242,856,000.00	243,717,565.27		

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 8/01/16 Through 8/31/16

TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
<u>SALE TRANSACTIONS</u>													
8/05/16	912828RM	US TREASURY NOT	19026	UNITED STATES TREASURY	1.000	10/31/16		BARCLAYS	4000	10,000,000.00	10,015,625.00	2,611.29	
8/31/16	912828RJ	US TREASURY NOT	21095	UNITED STATES TREASURY	1.000	9/30/16	.4261	WELLS FARGO SEC	4002	5,000,000.00	5,002,343.75	1,033.14	
8/09/16	3130A8JE	AGENCY US FLOAT	25741	FEDERAL HOME LOAN BANK	.422	11/16/16		BARCLAYS	4101	10,000,000.00	10,002,770.00	3,111.54	
8/02/16	313370TW	AGENCY US BOND	24769	FEDERAL HOME LOAN BANKS	2.000	9/09/16		INTL FCSTONE PA	4101	10,000,000.00	10,016,400.00	1,180.03	
8/11/16	31315PS2	AGENCY US BOND	21181	FARMER MAC	.980	4/10/17		WELLS FARGO SEC	1001	9,000,000.00	9,023,283.00	25,377.53	
8/11/16	31315PY8	AGENCY US BOND	21302	FARMER MAC	.930	5/01/17		MIZUHO SECURITI	1001	8,000,000.00	8,014,800.00	17,110.69	
8/08/16	3137EACW	AGENCY US NOTES	15558	FEDERAL HOME LOAN MORTG	2.000	8/25/16		JEFFRIES & CO	4000	5,000,000.00	5,003,885.00	2,007.38	
8/08/16	3137EACW	AGENCY US NOTES	15517	FEDERAL HOME LOAN MORTG	2.000	8/25/16	.2493	JEFFRIES & CO	4002	5,000,000.00	5,003,885.00	2,305.66	
8/11/16	3132X0CG	AGENCY US NOTES	25178	FEDERAL AGRICULTURAL MO	.440	10/05/16	.3823	JEFFRIES & CO	1001	15,000,000.00	15,001,260.00	1,649.18	
8/12/16	31315P3K	AGENCY US NOTES	22092	FEDERAL AGRICULTURAL MO	1.150	9/18/17	.8522	BANK OF OKLAHOM	1001	4,500,000.00	4,514,532.34	15,537.01	
8/12/16	31315PDT	AGENCY US NOTES	21680	FEDERAL AGRICULTURAL MO	3.020	7/14/17		MIZUHO SECURITI	1001	9,000,000.00	9,181,260.00	20,969.47	
8/12/16	3137EADS	AGENCY US NOTES	19746	FEDERAL HOME LOAN MORTG	.875	10/14/16		DEUTSCHE BANK S	1001	20,000,000.00	20,017,420.00	17,063.28	
8/12/16	3137EADZ	AGENCY US NOTES	25183	FREDDIE MAC	1.125	4/15/19	.8981	DEUTSCHE BANK S	1001	20,000,000.00	20,119,300.00	125,122.34	
8/30/16	3135G0J5	AGENCY US NOTES	25569	FEDERAL NATIONAL MORTGA	1.000	2/26/19		BARCLAYS	4000	10,000,000.00	10,006,090.00	22,840.13	
8/31/16	3134G8RW	AGENCY US NOTES	25133	FREDDIE MAC	1.240	3/29/19	.7089	INTL FCSTONE PA	4000	7,500,000.00	7,503,075.00	3,075.00	9/29/16
15 SALES DURING PERIOD TOTAL.....										148,000,000.00	148,425,929.09	260,993.67	
=== GRAND-TOTAL ==>										390,856,000.00	392,143,494.36	260,993.67	
*** END-OF-REPORT ***													



14. Credit Investing

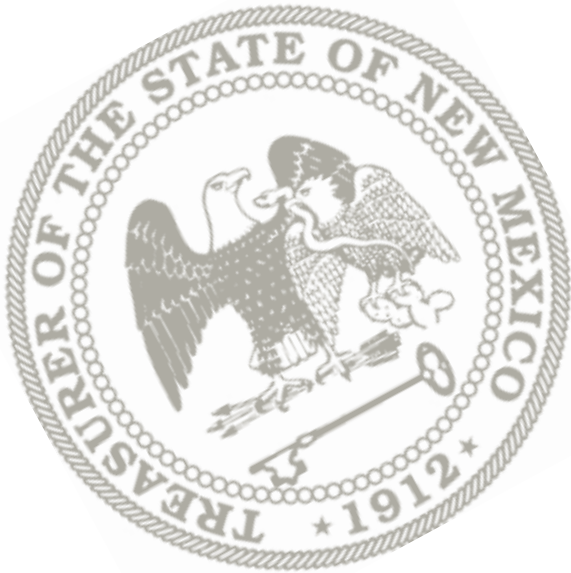
APPROVED MEDIUM TERM NOTE/CORPORATE BOND ISSUERS
August 2016

	Mkt Cap	Rating/Credit Outlook						Comments:				
Issuer	(Bil)	Moody's		S&P		Fitch						
3M CO	\$93.55	A1	STABLE	AA-	STABLE	NR	NR					
APPLE INC	\$637.82	Aa1	STABLE	AA+	STABLE	NR	NR					
BERKSHIRE HATHWAY	\$327.10	Aa2	STABLE	AA	STABLE	A+	STABLE					
CHEVRON CORP	\$166.80	Aa2	STABLE	AA-	NEG	NR	NR	9/13 - S&P outlook to NEG				
COCA-COLA CO	\$181.26	Aa3	STABLE	AA-	STABLE	A+	NEG					
COLGATE-PALM CO	\$59.47	Aa3	STABLE	AA-	STABLE	AA-	STABLE					
EXXON MOBIL CORP	\$330.64	Aaa	NEG	AA+	STABLE	NR	NR					
GEN ELECTRIC CO	\$283.71	A1	STABLE	AA-	STABLE	AA-	STABLE	9/23 - S&P downgrades from AA+ to AA- on acquisitions				
IBM CORP	\$146.48	Aa3	NEG	AA-	NEG	A+	STABLE					
INTEL CORP	\$153.17	A1	STABLE	A+	STABLE	A+	STABLE					
JOHN DEERE CAP	\$25.39	A2	NEG	A	STABLE	NR	NR	8/15 - Moody's outlook to NEG but affirmed A2/P-1				
JOHNSON & JOHNSON	\$265.03	Aaa	STABLE	AAA	STABLE	AAA	STABLE					
MICROSOFT CORP	\$375.95	Aaa	NEG	AAA	STABLE	AA+/*-	NEG					
PEPSICO INC	\$143.72	A1	STABLE	A	POS	A	STABLE					
PFIZER INC	\$206.44	A1	STABLE	AA	STABLE	A+	STABLE	9/26 - Moody's to stable outlook from NEG on decision not to split the company				
PROCTER & GAMBLE	\$200.58	Aa3	STABLE	AA-	STABLE	NR	NR					
TOYOTA MTR CRED	\$207.58	Aa3	STABLE	AA-	STABLE	A	STABLE					
US BANCORP	\$73.03	A1	STABLE	A+	STABLE	AA	STABLE					
US BANK NA	\$73.03	Aa1	STABLE	AA-	STABLE	AA	STABLE					
WAL-MART STORES	\$214.22	Aa2	STABLE	AA	STABLE	AA	STABLE					
WALT DISNEY CO	\$180.65	A2	STABLE	A	STABLE	A	STABLE					
WELLS FARGO CO	\$267.53	A2	STABLE	A	STABLE	AA-	STABLE					
WELLS FARGO BANK	\$267.53	Aa2	STABLE	AA-	STABLE	AA	STABLE					

APPROVED COMMERCIAL PAPER ISSUERS

August 2016

	Rating/Credit Outlook						Comments:				
Issuer	Moody's		S&P		Fitch						
BANK OF NY CO INC.	P-1	STABLE	A-1	STABLE	F1+	STABLE					
CATERPILLAR FIN SERV CRP	P-1	NEG	A-1	STABLE	F1	STABLE					
CHEVRON FUNDING CORP	P-1	STABLE	A-1+	NEG	NR	NR	9/13 - S&P outlook to NEG				
DEERE & COMPANY	P-1	NEG	A-1	STABLE	NR	NR	8/15 - Moody's outlook to NEG but affirmed A2/P-1				
ELI LILLY & CO	P-1	STABLE	A-1+	STABLE	F1	STABLE					
EXXON MOBIL CORP	P-1	NEG	A-1+	STABLE	NR	NR					
GE CO/CAPITAL TREASURY	P-1	STABLE	A-1+	STABLE	F1+	STABLE	8/2 - Fitch publishes rating AA-/F1				
HSBC USA INC	P-1	NEG	A-1	NEG	F1+	STABLE	7/7 - S&P outlook to NEG but affirmed A2/P-1				
IBM CORP	P-1	NEG	A-1+	NEG	F1	STABLE					
PNC BANK NA	P-1	STABLE	A-1	STABLE	F1	STABLE					
PROCTER & GAMBLE CO	P-1	STABLE	A-1+	STABLE	NR	NR					
TOYOTA MOTOR CREDIT CORP	P-1	STABLE	A-1+	STABLE	F1	STABLE					
USAA CAPITAL CORP	P-1	STABLE	A-1	STABLE	F1+	STABLE					
US BANK NA	P-1	STABLE	A-1+	STABLE	F1+	STABLE					
WAL-MART STORES INC	P-1	STABLE	A-1+	STABLE	F1+	STABLE					
WALT DISNEY COMPANY	P-1	STABLE	A-1	STABLE	F1	STABLE					
WELLS FARGO & COMPANY	P-1	STABLE	A-1	STABLE	F1+	STABLE					



15. State Agency Deposit Balances



Tim Eichenberg
State Treasurer

STATE OF NEW MEXICO
OFFICE OF THE TREASURER

Samuel Collins
Deputy State Treasurer

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

Date: September 23, 2016

To: Tim Eichenberg, State Treasurer

For: Governor Martinez and Members of the State Board of Finance

From: Charmaine Cook, State Cash Manager [CC](#)

Subject: State Fund Deposit Activity for the month ending August 31, 2016

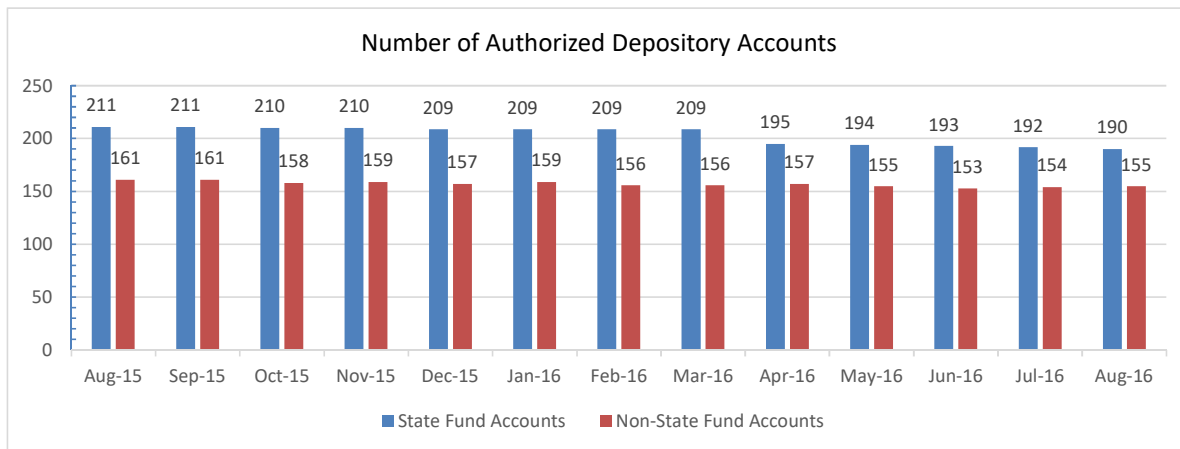
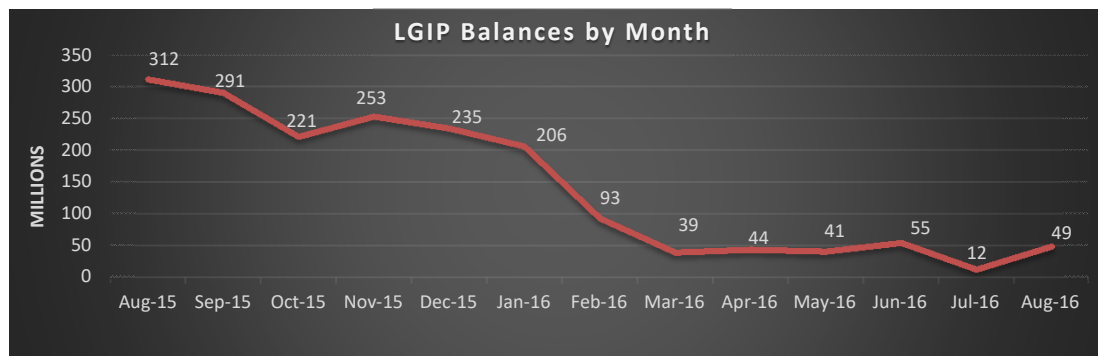
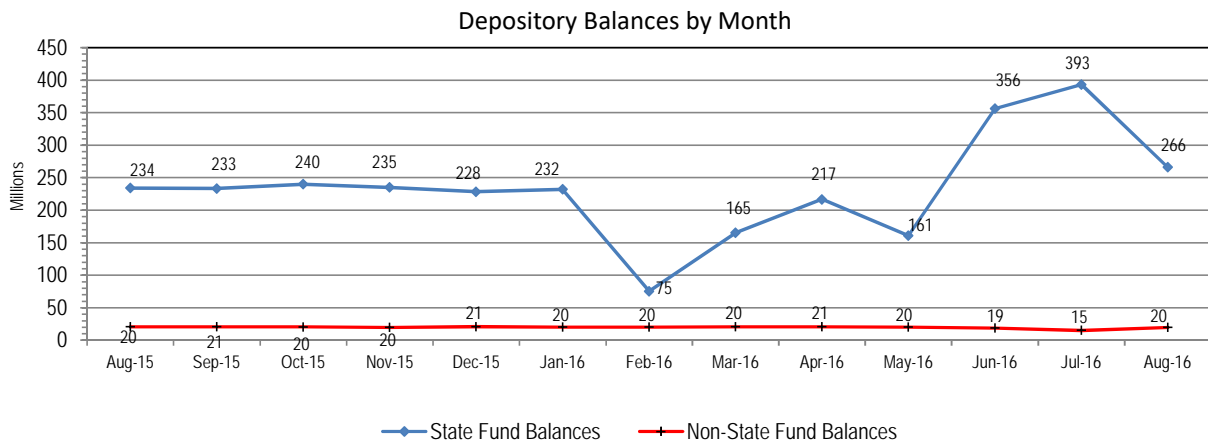
Pursuant to section 8-6-3.1 NMSA 1978, the State Cash Manager shall submit to the State Board of Finance a report showing state fund balances in each Financial Institution. Attached for your review is a summary of State fund balances in each institution through August 31, 2016.

Additionally, the State Treasurer's Office is required to report to the State Board of Finance any Financial Institution that exceeds certain equity capital and deposit ratios and notify all state agencies who maintain State fund deposits within those institutions of the violation. Agencies are also advised not to make any new deposits until the violations are corrected.

Pursuant to section 6-10-24.1 NMSA 1978, there were no Financial Institutions exceeding the statutory limitations on equity capital and deposit ratios for the month ending August 31, 2016

(Attachments 3)

Depository Account Summary for August 2016



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

Depository accounts opened in August 2016 1 Public Regulation Commission

Depository accounts closed in August 2016 2 13th Judicial District Court

Depository Account Summary by Agency

AUGUST 2016

STATE FUNDS

AGENCY	# OF ACCTS.	BALANCE
AOC (fines, fees etc.)	48	\$2,933,579
BERN. CO. METRO COURT	2	\$687,703
1-13 DISTRICT ATTORNEY	4	\$28,067
EDUCATION RETIREMENT BOARD	1	\$125,690
TAXATION & REVENUE DEPT.	17	\$40,747
PUBLIC SCHOOL INS. AUTHORITY	4	\$4,435,302
NMRHCA	1	\$0
PUBLIC DEFENDER	1	\$265
SECRETARY OF STATE	1	\$0
STATE TREASURER (JDC)	34	\$18,569
STATE TREASURER (Liq. Reserve)	1	\$250,912,585
NM RACING COMMISSION	6	\$254,523
DEPT. OF GAME & FISH	2	\$129,030
SOUTHWEST REGION ED.	1	\$2,629,526
ENERGY & MINERALS	4	\$67,603
STATE ENGINEER'S OFFICE	4	\$73,645
IRRG WKS CONST	1	\$252,584
HUMAN SERVICES DEPT.	6	\$29,657
WORKFORCE SOLUTIONS	5	\$287,773
MINER'S HOSPITAL	1	\$2,624,424
DEPARTMENT OF HEALTH	35	\$484,749
ENVIRONMENT DEPARTMENT	1	\$0
CORRECTIONS DEPARTMENT	5	\$1,145
DEPT. OF PUBLIC SAFETY	2	\$74,199
HIGHWAY & TRANSPORTATION	3	\$1,291

sub-total: 190 \$266,092,656

Total Depository Balance: \$334,776,456
Total Depository Accounts: 345

NON-STATE FUNDS

AGENCY	# OF ACCTS.	BALANCE
AOC	49	\$1,517,638
AOC	1	\$44,063
1ST JUDICIAL DIST. COURT	3	\$2,432,211
2ND JUDICIAL DIST. COURT	2	\$479,155
3RD JUDICIAL DIST. COURT	2	\$860,657
4TH JUDICIAL DIST. COURT	2	\$152,631
5TH JUDICIAL DIST. COURT	3	\$2,444,227
6TH JUDICIAL DIST. COURT	3	\$246,434
7TH JUDICIAL DIST. COURT	4	\$191,762
8TH JUDICIAL DIST. COURT	4	\$415,665
9TH JUDICIAL DIST. COURT	2	\$523,963
10TH JUDICIAL DIST. COURT	2	\$63,133
11TH JUDICIAL DIST. COURT	11	\$1,126,750
12TH JUDICIAL DIST. COURT	2	\$743,216
13TH JUDICIAL DIST. COURT	60	\$3,271,761
7TH DISTRICT ATTORNEY	1	\$1,774
10TH DISTRICT ATTORNEY	1	\$120
ATTORNEY GENERAL	1	\$2,351
LGIP	4	\$49,100,764
SUPERSTENDENT OF INSURANCE	6	\$1,600,288
NM STATE FAIR	5	\$1,706,329
SOUTHWEST REGION ED.	1	\$15
MINER'S HOSPITAL	1	\$6,273
DEPARTMENT OF HEALTH	9	\$992,307
CHILDREN, YOUTH & FAMILIES	6	\$88,121
CORRECTIONS DEPARTMENT	12	\$2,146,323
DEPT. OF PUBLIC SAFETY	7	\$43,507

sub-total: 155 \$68,683,800

State Fund Balances by Financial Institution

August 2016

First National Bank/Alamogordo	\$ 90,802
Century Bank/Santa Fe	\$ 404
Bank of America/Albuquerque	\$ 171,995
Wells Fargo Bank/Albuquerque	\$ 7,973,263
Compass Bank/Albuquerque	\$ 2,830,560
Bank of the West/Albuquerque	\$ 250,915,387
First American Bank/Artesia	\$ 52,325
Carlsbad National Bank/Carlsbad	\$ 600
Western Commerce Bank/Carlsbad	\$ 80,579
Farmers/Stockmens Bank/Clayton	\$ 19,942
First National Bank/Clayton	\$ 2,632,597
Citizens Bank/Clovis	\$ 6,674
NM Bank & Trust/Albuquerque	\$ 186,630
Community Bank/Santa Fe	\$ -
Lea County State Bank/Hobbs	\$ 124,548
Southwest Capitol/Las Vegas	\$ 269,934
Community 1st Bank/Las Vegas	\$ 264,723
Western Bank/Lordsburg	\$ 76,425
Los Alamos National Bank/Los Alamos	\$ 34,722
International Bank/Raton	\$ 19,274
Valley Bank of Commerce/Roswell	\$ 120,971
First State Bank/Socorro	\$ 2,785
Centinel Bank/Taos	\$ 55,314
US Bank/Albuquerque	\$ 16,202
Bank of the Southwest/Roswell	\$ 130,252
Washington Federal	\$ 15,748

Total: \$ 266,092,656



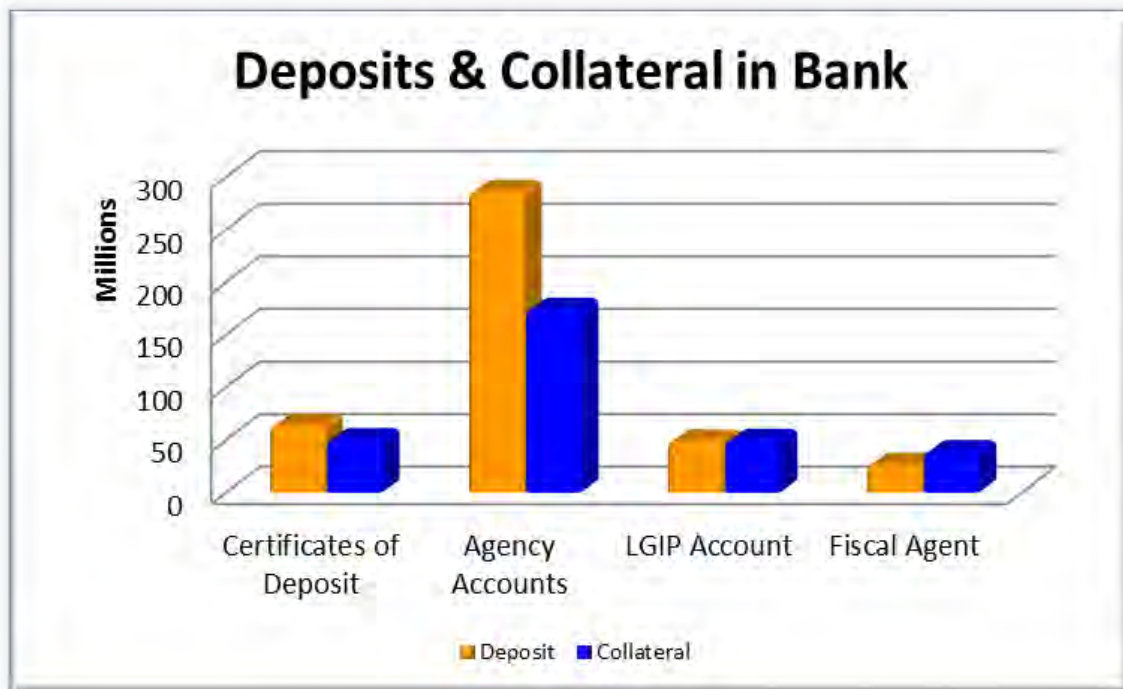
16. Collateral Report on Agency Deposits & CD's

Office of the Treasurer

Collateral Summary Review

August 31, 2016

All depository institutions holding public funds for the month ending August 31, 2016 met the minimum collateral requirements. The required ratio of collateral for each depository institution holding public funds is determined by a statutorily defined quarterly risk assessment and is not intended as an opinion as to the financial health of the subject institution.



Balances

	<u>Deposit</u>	<u>Collateral</u>	<u>Percentage</u>
Certificate of Deposit	\$ 64.0 Million	\$ 50.5 Million	78.9%
Agency Deposit	286.2 Million	174.4 Million	60.9%
LGIP Deposits	49.1 Million	113.0 Million	230.1%
Fiscal Agent	27.0 Million	39.0 Million	144.8%
Totals →	426.2 Million	376.8 Million	88.4%



Office of the Treasurer

Collateral Review

Accumulated Total by Institution

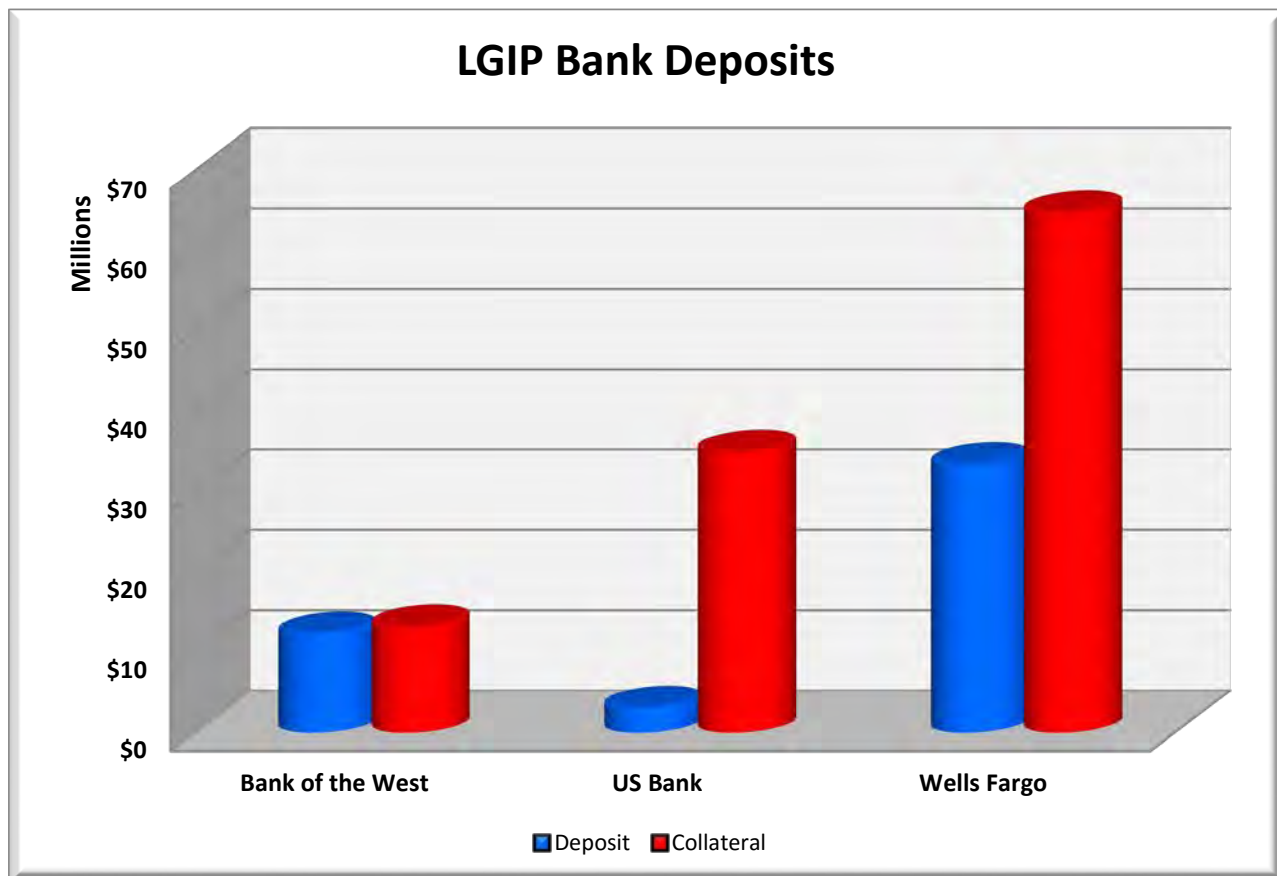
August 31, 2016

FINANCIAL INSTITUTION	%	TOTAL DEPOSITS	FDIC / NCUA INSURANCE	LESS INSURANCE COVERAGE	SUBJECT TO BE COLLATERALIZED	COLLATERAL PLEDGED	EXCESS (UNDER)
First National - Alamogordo	50%	90,802	90,802	0	0	1,193,229	1,193,229
Western - Alamogordo	50%	3,600,000	250,000	3,350,000	1,675,000	2,908,924	1,233,924
Bank of America	50%	234,746	234,746	0	0	282,645	282,645
Bank of the West	50%	264,210,179	250,000	263,960,179	131,980,089	140,399,515	8,419,426
BBVA Compass	102%	2,830,579	250,000	2,580,579	2,632,190	3,000,000	367,810
US Bank	50%	4,377,875	250,000	4,127,875	2,063,937	35,000,000	32,936,063
Wells Fargo	50%	55,349,846	250,000	55,099,846	27,549,923	37,682,234	10,132,311
First American	50%	52,325	52,325	0	0	0	0
My Bank	50%	350,380	250,000	100,380	50,190	250,000	199,810
Carlsbad National	50%	600	600	0	0	0	0
Western Commerce	50%	4,080,579	250,000	3,830,579	1,915,290	3,255,716	1,340,426
Farmers & Stockmen	50%	10,023,943	250,000	9,773,943	4,886,971	5,100,000	213,029
First National - Clayton	50%	2,632,597	2,632,597	0	0	2,078,792	2,078,792
Bank of Clovis	50%	523,963	250,000	273,963	136,981	847,329	710,348
Citizens - Clovis	50%	6,674	6,674	0	0	0	0
NM Bank & Trust	50%	342,198	342,198	0	0	271,508	271,508
Western - Clovis	50%	3,100,000	250,000	2,850,000	1,425,000	2,295,620	870,620
Lea County State	50%	124,548	124,548	0	0	0	0
Southwest Capital	50%	10,767,117	250,000	10,517,117	5,258,558	5,326,863	68,305
Community 1st - Las Vegas	102%	264,723	264,723	0	0	529,721	529,721
Western - Lordsburg	50%	100,426	100,426	0	0	0	0
Los Alamos National	102%	34,722	34,722	0	0	0	0
International	50%	61,294	61,294	0	0	149,812	149,812
Bank of the Southwest	50%	604,406	250,000	354,406	177,203	436,956	259,753
Valley Commerce	50%	120,971	120,971	0	0	0	0
Century	50%	4,907,694	250,000	4,657,694	2,328,847	2,460,737	131,890
First National - Santa Fe	102%	30,066,794	250,000	29,816,794	30,413,130	31,037,802	624,671
First State	50%	74,884	74,884	0	0	0	0
Centinel	50%	55,314	55,314	0	0	0	0
BANK'34	102%	0	250,000	-250,000	-255,000	-	255,000
Guadalupe Credit	50%	250,000	250,000	0	0	0	0
Washington Federal	50%	35,762	35,762	0	0	0	0
		399,275,939	8,232,586	391,043,353	212,238,311	274,507,402	62,269,091

LGIP Bank Deposits

August 31, 2016

<u>Financial Insitution</u>	<u>Percentage</u>	<u>Deposit</u>	<u>Collateral</u>
Bank of the West	106.5%	12,434,135	13,239,969
US Bank	1098.8%	3,185,150	35,000,000
Wells Fargo	193.4%	33,481,480	64,751,367
Totals	230.1%	49,100,764	112,991,336



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