



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



"Taos Pueblo" - New Mexico Tourism Department

**Wednesday December 14, 2016**  
**9:00am**



## 1. Approval of December 14, 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, December 14, 2016 9:00 a.m.

**MEETING AGENDA (5 Min)**

Roll Call

1. Approval of December 14, 2016 Agenda
2. Approval of November 9, 2016 Minutes
3. Public Comments

Action  
Action

**INVESTMENT REPORTS (45 min)**

**Month Ended**  
**October 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
14. Credit

Informational  
Informational  
Informational  
Informational  
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Informational  
Informational

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

**Month Ended**  
**October 31, 2016**

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

Informational  
Informational

**COMMITTEE REPORTS (5 min)**

17. Next Meeting --Wednesday, January 11, 2017 9:00 am
18. Adjournment



## 2. Approval of November 9, 2016 Minutes

**New Mexico State Treasurer's Office  
STIC Committee Meeting  
Meeting Minutes  
Wednesday, November 9, 2016**

**ROLL CALL—QUORUM PRESENT:**

A regular meeting of the New Mexico State Treasurer's Investment Committee (STIC) was called to order this date at 9:00 a.m. in the conference room of the State Treasurer's Office (STO), 2055 South Pacheco Street, Suite 100, Santa Fe, New Mexico 87505.

**Members Present**

State Treasurer Tim Eichenberg, Chair  
Ms. Donna Maestas (on behalf of Ms. Leila Kleats, Board of Finance Director)  
Mr. Mark Pike, Public Member  
Mr. Paul Cassidy, Public Member (via telephone)

**Staff Present**

Mr. Samuel Collins, Deputy State Treasurer  
Ms. Charmaine Cook, State Cash Manager  
Mr. Steve Vigil, Investment Accounting Bureau Chief  
Ms. Vikki Hanges, Portfolio Manager  
Mr. Jeremy Landrum, Portfolio Manager  
Ms. Victoria Hutchison, Securities Coordinator

**Guests Present**

Ms. Deanne Woodring, Government Portfolio Advisors (via telephone)

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

**1. Approval of November 9, 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 October 12, 2016, Minutes**

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

**3. Public Comments**

None.

**4. Executive Summary**

Ms. Vikki Hanges presented highlights of the Executive Summary:

- At the end of September, STO managed \$3.4 billion in assets.
- During the month, STO earned approximately \$2.2 million on its investment positions.
- The total portfolios increased \$0.6 million on a mark-to-market basis.
- Interest rates were mixed, mostly lower in the 2- to 5-year area.
- In September and October the Fed left interest rates unchanged. Following October, the market traded as though the Fed would raise rates in December.
- The bond market had a strong negative reaction to the outcome of the presidential election, perhaps because it had built in so much uncertainty. The 10-year is at 1.95%.
- The dollar is still at \$1.09 vs. €1.00.
- Oil prices are pretty stable at \$44.50.
- Still positioned relatively short to the duration of the benchmarks in the portfolios (Core, Tax-Exempt, Taxable).
- Much better performance over the last three months. We've seen a backup in rates.
- In October, had to raise \$200 million to meet cash requirements (out of Core, into liquidity).

## **5. Investment Policy Compliance Report**

Ms. Cook presented highlights of the Investment Policy Compliance Report:

- No noted exceptions or issues in September.
- Bond Purchases/Sales for September: Primary \$41,931,704 (13% of total) and secondary \$243,169,000 (87%), for a total of \$285,100,704.
- Variable Rate Notes: \$204,130,000 at the end of September (\$179,130,000 in LGIP and \$25,000,000 in Taxable BPIP). No structured notes.
- Inter-Portfolio Transactions: 0 in September.
- Realized Gains (15 sales in September): \$39,930.
- Purchase/Sales Activity (41 = 36 purchases, par value \$245,100,704, + 5 sales, par value \$40,000,000). We had a break in sales activity because we weren't pulling more out of Core.

## **6. Investment Accounting Report**

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

- There were no material variances in September on holdings nor earned income.

## **7. Cash Projections**

Ms. Cook presented highlights of Cash Projections:

- General Fund down -\$560,425,109 year-over-year (-29%)
- General Fund down \$121,629,091 month-over-month (-8.2%)
- GFIP cash flows continue to be low.

Member Cassidy asked when Ms. Cook anticipated the draw to level off. Ms. Cook said the State has pulled 5.5% out of agencies' budgets; it will take a while for that burn rate to slow down. We have made it three months in without seeing adjustments. Mr. Sam Collins concurred and said the burn rate is about \$59 million. We will watch and see what the Legislature does (which will take effect on July 1). Disbursements are level; revenues continue to decline.

Member Cassidy asked if the balance between liquidity and core is still right. Mr. Collins said he believes so; we stay short of the benchmark and maintain liquidity, and are less concerned with yield than paying the bills. Ms. Cook said she believes that part of the challenge is managing to the lows. Our high points aren't quite as high. People are more aware. When do we run out of money?

Ms. Cook noted that the General Fund dipped below \$1 billion in September (for the first time since October 2011).

## **8. Quarterly Investment Advisor Report**

Ms. Deanne Woodring presented highlights of the Quarterly Investment Advisor Report:

- The portfolios are all aligned relatively neutral to the identified benchmarks based on duration of each fund. This is good because it's a difficult, volatile market.
- The portfolios are weighted toward high-quality securities with a higher-than-normal allocation to U.S. Treasury securities.
- STO continues to evaluate buying corporate positions to provide further asset allocation and to potentially increase returns. Now is not the time to buy.
- STO continues to be proactive in managing liquidity requirements given the lower overall general balance funds.
- The STO total fund value balances decreased this quarter, which was expected in the general fund due to budget expenditures and lower revenues.
- The decrease in balances were due to cash outflows in all three of the primary investment funds: General Fund Core, BPIP Taxable, and BPIP Tax-Exempt.
- Liquidity requirements are managed in each fund to ensure cash is available when needed. The General Fund liquidity increased this quarter to provide for further cash needs in the General Fund.
- Investment components for each fund are targeted to specific market benchmarks and all funds were invested shorter in duration than the established benchmark durations, which indicates a cautious position in anticipation of higher rates.
- Activity occurred throughout the quarter in all funds.
- Realized gains on the sales for the quarter across all funds totaled \$304,801.
- The LGIP balances remained stable.

- The LGIP increased the allocation from bank deposits to short-term agency positions.
- The (General) liquidity fund reduced its holdings of bank deposits and shifted to repurchase agreements.
- The Tax-Exempt funds were impacted by cash-flow withdrawals, and U.S. Treasury securities and cash were used to provide for liquidity. Liquidity balances are low in both BPIP funds at quarter end.
- Overall the portfolios continue to have a higher-than-normal allocation to U.S. Treasury securities. This will shift as opportunities arise to reinvest cash and allocate to Agency securities. STO is not buying corporates in the longer funds until the uncertainty of cash flows subsides. Spreads are beginning to become more attractive in both the agency and corporate sector.
- Interest rates are expected to continue to be volatile in anticipation of a Federal Reserve rate change on the federal funds rate. Rates are expected to be higher into 2016; however, other impacts such as oil, the elections, and the Federal Reserve's decision on interest rates will continue to influence volatility in the fixed-income market. GPA is recommending to maintain durations in the portfolios slightly shorter to neutral than the benchmark durations.

## **9. Quarterly Investment Review—Portfolio Managers**

Ms. Hanges presented highlights of the Quarterly Investment Review—Portfolio Managers:

- For the quarter, treasury yields have risen, especially between the 1-year and 5-year (about 15 to 18 basis points higher). Even though the Fed didn't raise rates in September, they hinted that there may be a raise in December, and the market was preparing for that.
- There was a flight to quality at the end of June; then a complete reversal in July and August with a flight away from quality, pushing Treasury yields higher.
- STO started investing in commercial paper positions. Investors fled prime funds and went into government funds. This pushed commercial paper spreads wider, which we took advantage of. We are keeping our exposure to 10%.

Mr. Collins noted that the PMs' report seems redundant with Ms. Woodring's report, and asked the committee to consider eliminating this report. Member Pike said he would concur if nothing in the PMs' report is not included in the GPA report. Member Cassidy noted that the PMs' report includes what's coming in the next quarter. Ms. Hanges noted that there is a "Monthly Investment Outlook" in Section 4 (page 19 of the November STIC binder). Ms. Cook said there could be a focus on the expectations, not a rehash of the data. Member Pike concurred. Ms. Woodring suggested having the PMs look at her historical numbers (the two reports are independently created) then edit their report accordingly to reduce redundancy. Ms. Hanges said that the performance (quarterly and 12 months) is already in Section 1, Executive Summary, and the portfolio duration vs. benchmark is also in Section 1 of the November STIC binder. The PMs also address each portfolio separately in the respective sections. Ms. Hanges



suggested a blanket expectation and recap for Section 9. Member Cassidy agreed that simplicity is better. Ms. Maestas will bring back any objections from the SBOF/DFA.

#### **10. Portfolio Summary—General Fund Investment Pool**

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

- The General Fund Investment Pool (bank balances, liquidity, and core portfolios) closed September at \$1.4 billion. It continues to decline in size.
- In mid-October STO raised \$200 million from core to liquidity to stay ahead in case interest rates started to go higher and we could capture those.
- At month end, 100% of the General Fund Core portfolio was invested in fixed-income securities: 52% in U.S. Government Securities; 40% in Government-Related Securities (Municipal Bonds and Agency Securities); and ~8% in cash and cash equivalents.

*Treasurer Eichenberg entered the meeting.*

#### **11. Portfolio Summary—Local Government Investment Pool**

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

- Ending September market value for the LGIP was \$737 million, representing an increase relative to August's reported closing value of \$694 million.
- The LGIP maintains an AAAm rating by Standard & Poor's.
- At the end of September the STO LGIP participant balance was \$17.6 million (2% of the Pool) and the Judicial District Court participant balance was \$5.1 million (0.7% of the Pool).
- At the end of September 2016 the portfolio was invested as follows: 0% in U.S. Treasuries, 38% in U.S. government agencies, 4% in collateralized demand deposit accounts with qualified banking institutions, 24% in floating rate securities (agencies), and 34% in overnight repurchase agreements.
- In September the fund earned \$267,567.
- For FY 2017, the fund has earned \$803,784.
- Gross yield was 0.4482% at the end of September.
- Net yield to participants was 0.3982%.
- For the LGIP, the WAM(R) of 56 days and WAM (F) of 92 days were within their maximums of 60 and 120 days respectively. This has been similar in recent months, and we anticipate that to continue.
- The LGIP purchased \$195.92 million in U.S. agency securities, \$110.474 million of which matured within a month or less. The remaining securities mature in 4 to 12 months at yields spanning 0.40% to 0.74%.
- The LGIP engaged in 40 repo trades during the month, consisting of 29 overnight and 11 term trades.

- Trade amounts varied in size from \$5 million to \$100 million at rates spanning 0.25% to 0.55%.
- At month-end, the Net Asset Value per Share of the Local Government Investment Pool was \$1.000.

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

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

- The Tax-Exempt BPIP closed the month of September at \$587 million vs. \$600 million at the end of August.
- The Pool received \$17.6 million in draw requests for capital spending during the month and paid out \$14.7 million for capital projects.
- No material change in portfolio mix from the previous month.
- Unrealized gains in the Tax-Exempt BPIP portfolio were \$793,706 on September 30.
- Monthly net earnings on the portfolio for September were \$439,225.
- Net earnings for FY 2017 were \$1,368,992.
- The duration of the Tax-Exempt BPIP at the end of September was 1.18 years vs. the benchmark at 1.43 years.
- The pool purchased \$7 million of 1.5- to 3-year U.S. agency securities, \$2.7 million of 10- to 12-month municipal securities, and \$5.5 million of 5- to 7-month commercial paper. The Pool sold \$14 million in U.S. Treasuries during the month. All sales recorded gains.
- The purchase yield was 0.89% at the end of September vs. 0.87% reported for the previous month.
- The Tax-Exempt BPIP returned 0.11% for the month of September and 0.06% for the three months ended September 30, 2016, vs. index returns of 0.10% and (0.04)% respectively. For the trailing 12 months the pool returned 0.78% vs. 0.74% for the benchmark.

## **13. Portfolio Summary—Taxable Bond Proceeds Investment Pool**

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

- The Taxable Bond Proceeds Investment Pool closed the month of September at \$599.4 million vs. \$601.4 million at the end of August.
- The Pool received \$14.9 million in draw requests for capital spending during the month and paid out \$2.6 million for capital projects.
- The unrealized gains in the Taxable BPIP were \$1,672,973 as of September 30.
- Monthly net earnings on the portfolio for September were \$456,683.
- FY 2017 net earnings were approximately \$1,373,530.

- The duration of the Taxable BPIP at the end of September was 1.14 years vs. the benchmark at 1.43 years.
- The pool purchased \$10 million in 1.5- to 2-year U.S. agency securities, \$2.5 million in a 10-month local municipal, and \$5 million in 6-month commercial paper. The pool sold \$10 million of short U.S. Treasuries. All sales were executed at gains.
- Purchase yield at the end of September was 0.91%, the same as the end of the prior month.
- The Taxable BPIP returned 0.10% for the month of September and 0.06% for the three months ended September 30, 2016, vs. index returns of 0.10% and (0.04)% respectively. For the trailing 12 months the pool returned 0.78% vs. 0.74% for the benchmark.

#### **14. Portfolio Summary—Severance Tax Bonding Fund**

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

- The Severance Tax Bonding Fund closed September at \$72.5 million.
- Net earnings were \$19,179 for September.
- The STB Fund received \$25 million in September.
- The STB Fund received \$29 million so far in October from severance taxes.
- We anticipate the STB Fund to be at \$150 million at the end of December. STO will need approximately \$160 million for the annual debt service.
- The fund is invested in short paper, for the most part.

Member Cassidy asked, if we don't have enough to pay the annual debt service, what would be the payment source—general funds? Ms. Hanges thought that by July, there should be enough to pay the debt service. Ms. Hanges asked Ms. Maestas, who said she would talk to David Paul.

#### **15. Broker-Dealer Activities**

Ms. Cook presented the Broker-Dealer Activities.

#### **16. Credit Investing**

Ms. Hanges said that the STIC binder was supposed to contain a page for Portfolio Credit Exposure, and she distributed that page to attendees. Ms. Hanges said that Member Pike had requested this chart to see the percentage of credit held in each individual portfolio (mostly commercial paper): 4.9% of the Tax-Exempt BPIP, 1.66% of the Taxable BPIP, and 6.6% of the STBF, comprising 1.37% of all portfolios. These include Microsoft, US Bank, Toyota, and GE at attractive rates—particularly because of the October 14 changeover of prime funds.

#### **17. State Agency Deposit Balances**

Ms. Cook presented highlights of the State Agency Deposit Balances:

- State Funds: 192 accounts totaling \$214,221,635

- Non-State Funds: 153 accounts totaling \$48,727,508
- Total: \$262,949,143 in 345 accounts (excluding sub-accounts)
- Opened two depository accounts and closed three in September

Member Pike asked about the balance in the fiscal agent account—do we have an excess balance to offset all the service charges? Ms. Cook said our target balance is \$25 million in Wells Fargo, which does not offset all fees. This gives us a comfort factor in case of an ACH file that we do not anticipate. Member Pike said that given the budget issue, it seems the assimilation fees would be low-hanging fruit and that the liquidity could be part of the fiscal agent account. In the past, we have not wanted to offset with compensating balances. It may be something to look at, given that repo and basis points are “iffy.” Ms. Cook said that we periodically review that target balance with Member Kleats and DFA to see where their needs are. It was decided last time to leave it where it was, but it could shift at any time and we are amenable to that.

#### **18. Collateral Report on Agency Deposits & CDs**

Ms. Cook presented highlights of the Collateral Report on Agency Deposits and CDs:

- All depository institutions holding public funds for the month ending September 30, 2016, met the minimum collateral requirements.
- We are still using the June assessments. Mr. Arsenio Garduño is working on next quarter’s assessment.
- We are over-collateralized in all areas due to depositing/withdrawing funds.
- LGIP bank deposits: US Bank has been amenable to the deposit and withdrawal of cash on short notice.

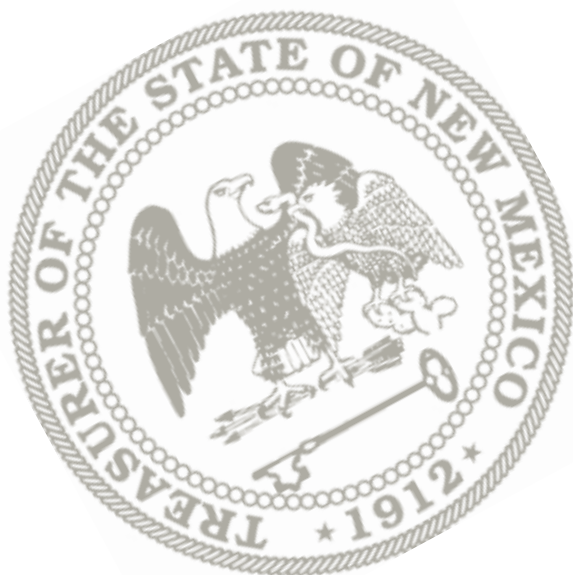
Treasurer Eichenberg thanked members, visitors, and staff for being there, and apologized for being late.

#### **19. Next Meeting—Wednesday, December 14, 2016, 9:00 am.**

#### **20. Adjournment**

Meeting adjourned at 10:12 am.

Minutes were taken by Ms. Julie Filatoff.



### 3. Public Comments



## 4. Executive Summary

## Executive Summary

- At the end of October, the State Treasurer managed \$3.4 billion in assets.
- During the month, the office earned approximately \$2.8 million on its investment positions.
- On a mark-to-market basis the portfolios decreased \$0.5 million.
- US equity markets fell in October, with the S&P 500 Index down almost 2%.
- US Treasury yields were higher in October as the uncertainty surrounding the outcome of the presidential election, and its implications for Fed moves, influenced markets.
- Oil prices fell 3% during the month of October, closing at \$46.86/barrel.
- The US dollar rose 3% vs. the euro.

**Table 1 – Comparative Interest Rates**

*US Treasury Yields*

			Monthly
<i>Maturity</i>	<i>9/30/2016</i>	<i>10/31/2016</i>	<i>Change</i>
3-Month	0.27%	0.30%	0.03%
6-Month	0.43%	0.49%	0.06%
1-Year	0.59%	0.64%	0.05%
2-Year	0.76%	0.84%	0.08%
3-Year	0.88%	0.99%	0.11%
5-Year	1.15%	1.31%	0.16%
10-Year	1.59%	1.83%	0.23%
30-Year	2.32%	2.58%	0.27%

*Source: Bloomberg LP*

## *Portfolio Mark-to-Market and Monthly Change*

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

**Table 2 - Unrealized Gains and Losses**

<u>Fund</u>	<u>Unrealized Gain/Loss<sup>1</sup></u>	<u>Monthly Change in Unrealized Gain/Loss<sup>2</sup></u>
<i>General Funds</i>	\$6.3 million	Decreased \$2.5 million
<i>Bond Proceeds Funds</i>	\$1.7 million	Decreased \$0.8 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*

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

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

<u>Fund</u>	<u>Purchase Yield<sup>4</sup></u>	<u>Effective Duration<sup>3</sup></u>		
		<u>Portfolio</u>	<u>Benchmark</u>	<u>Percentage</u>
<i>General Fund Liquidity</i>	0.30%	0.01 Years		
<i>General Fund CORE</i>	1.38%	2.12 Years	2.14 Years	99%
<i>Bond Proceeds – Tax Exempt</i>	0.90%	1.15 Years	1.35 Years	85%
<i>Bond Proceeds – Taxable</i>	0.94%	1.19 Years	1.35 Years	88%
<i>Local Government Investment Pool</i>	0.45%	0.14 Years		
<i>Severance Tax Bonding Fund</i>	0.35%	0.02 Years		

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

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

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

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



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## Benchmark Performance Comparisons

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

**Table 4 - Relative Performance of STO Funds**

<u>Fund</u>	<u>Performance<sup>5</sup></u>	
	<u>3 Months</u>	<u>12 Months</u>
<b>General Fund Liquidity</b>	0.06%	0.25%
S&P Government Pools Index (Gross)	<u>0.11%</u>	<u>0.37%</u>
Relative Performance (BPs)	(0.05)%	(0.12)%
 <b>General Fund CORE</b>	 (0.17)%	 1.22%
BAML 0-5 US Treasury	<u>(0.24)%</u>	<u>1.31%</u>
Relative Performance (BPs)	0.07%	(0.09)%
 <b>Bond Proceeds - Tax Exempt</b>	 0.07%	 0.84%
BAML 0-3 US Treasury	<u>(0.04)%</u>	<u>0.78%</u>
Relative Performance (BPs)	0.11%	0.06%
 <b>Bond Proceeds - Taxable</b>	 0.06%	 0.84%
BAML 0-3 US Treasury	<u>(0.04)%</u>	<u>0.78%</u>
Relative Performance (BPs)	0.10%	0.06%
 <b>Local Government Investment Pool</b>	 0.12%	 0.42%
S&P Government Pools Index (Gross)	<u>0.11%</u>	<u>0.37%</u>
Relative Performance (BPs)	0.01%	0.05%
 <b>Severance Tax Bonding Fund</b>	 0.10%	 0.33%
S&P Government Pools Index (Gross)	<u>0.11%</u>	<u>0.37%</u>
Relative Performance (BPs)	(0.01)%	(0.04)%

Source: JPMorgan, STO Calculations

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

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

## Earnings

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

**Table 5 - Investment Earnings – Periods ended October, 2016**

<i>Fund</i>	<i>Investment Net Earnings<sup>6</sup></i>		
	<i>Oct FY'17</i>	<i>FY'17 YTD</i>	<i>FY'16 YTD</i>
<i>General Funds</i>	\$1,653,170	\$5,193,430	\$5,945,032
<i>Bond Proceeds Funds</i>	\$877,816	\$3,620,311	\$2,962,644
<i>Local Government Investment Pool<sup>7</sup></i>	\$280,915	\$1,084,700	\$483,915
<i>Severance Tax Bonding Fund</i>	\$22,846	\$61,827	\$35,504

*Source: QED*

- The General Funds investment earnings decreased by \$750,000 in FY2017 vs. the same period in FY2016 as a result of the decline in the total assets, falling from \$2.0 billion to \$1.4 billion.
- Bond Proceeds funds have increased investment earnings by over \$600,000 as a result of 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.

## Compensating Balances at Fiscal Agent Bank

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During October, STO maintained Average Daily Collected Balances at the Fiscal Agent Bank of approximately \$33 million. This balance earned a credit against processing fees assessed by the bank.

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

<i>Average Collected Balance</i>	\$33,449,385
<i>Earnings Credit Rate</i>	0.50%
<i>Monthly Earnings</i>	\$13,726
<i>Estimated Fiscal YTD Earnings</i>	\$53,153

*Source: Wells, Fargo & Co.*

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

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

## *Monthly Investment Outlook*

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US Treasury yields were higher across all maturities in October. Markets were dominated by two factors, the Federal Open Market Committee (FOMC) meeting minutes released in October from the September meeting and the outcome of the presidential election. There were three dissenters among the Fed officials that were eligible to vote at the September FOMC meeting, with the minutes indicating that for some of the members who chose to stand pat, the decision was a close call. As a result, investors began to price in higher interest rates, with expectations for a rate hike in December. Markets were sensitive to presidential election periodic poll results.

Now that the election has come and gone, markets have reacted rapidly and dramatically to an unexpected Trump victory. With equity markets climbing to record highs, and US Treasury interest rates rising substantially, since the election, euphoria for an economically friendly environment going forward, has radically changed market sentiment. Investors are pricing in a 100% chance of a rate rise at the Fed's December meeting. The key will be what the statement following the Fed meeting will indicate for the future. 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 October 31, 2016

<b>General Fund</b>				<b>Performance</b>				<b>Monthly Earnings</b>			<b>YTD Earnings</b>		
<i>Sub-Account</i>	<i>Holdings</i>		<i>Unrealized</i>	<i>12-Month</i>		<i>Index</i>	<i>Relative</i>	<i>Change in</i>			<i>Change in</i>		
	<i>Cost Basis</i>	<i>Market Value</i>	<i>Gain/Loss</i>	<i>Total Return</i>	<i>Benchmark</i>	<i>Return</i>	<i>Performance</i>	<i>Earnings</i>	<i>Market Value</i>	<i>Total</i>	<i>Earnings</i>	<i>Market Value</i>	<i>Total</i>
Cash Balances	\$ 38,545,594	\$ 38,545,594	\$ -					\$ 85,980	\$ -	\$ 85,980	\$ 341,483	\$ -	\$ 341,483
Liquidity	664,551,612	664,551,612	-	0.25%	S&P LGIP Gross	0.37%	-0.12%	1,567,191	(2,551,020)	(983,829)	4,851,948	(6,377,529)	(1,525,581)
CORE	705,230,254	711,498,284	6,268,030	1.22%	ML Treasury 0-5	1.31%	-0.09%	-	-	-	-	-	-
TRAN	-	-	-	0.00%	All-In Tran TIC	0.00%	0.00%						
Totals	\$ 1,408,327,460	\$ 1,414,595,490	\$ 6,268,030	0.75%	Blended	0.86%	-0.10%	\$ 1,653,170	\$ (2,551,020)	\$ (897,850)	\$ 5,193,430	\$ (6,377,529)	\$ (1,184,099)

<b>Bond Proceeds Investment Pool (BPIP)</b>				<b>Performance</b>				<b>Monthly Earnings</b>			<b>YTD Earnings</b>		
<i>Sub-Account</i>	<i>Holdings</i>		<i>Unrealized</i>	<i>12-Month</i>		<i>Index</i>	<i>Relative</i>	<i>Change in</i>			<i>Change in</i>		
	<i>Cost Basis</i>	<i>Market Value</i>	<i>Gain/Loss</i>	<i>Total Return</i>	<i>Benchmark</i>	<i>Return</i>	<i>Performance</i>	<i>Earnings</i>	<i>Market Value</i>	<i>Total</i>	<i>Earnings</i>	<i>Market Value</i>	<i>Total</i>
Tax-Exempt	\$ 566,030,643	\$ 566,467,638	\$ 436,995	0.84%	ML Treasury 0-3	0.78%	0.06%	\$ 428,900	\$ (356,376)	\$ 72,524	\$ 1,797,865	\$ (1,397,752)	\$ 400,113
Taxable	570,307,315	571,524,665	1,217,350	0.84%	ML Treasury 0-3	0.78%	0.06%	448,916	(455,622)	(6,706)	1,822,446	(1,546,845)	275,601
Totals	\$ 1,136,337,958	\$ 1,137,992,303	\$ 1,654,345	0.84%	Blended	0.78%	0.06%	\$ 877,816	\$ (811,998)	\$ 65,818	\$ 3,620,311	\$ (2,944,597)	\$ 675,714

<b>Local Government Investment Pool (LGIP)</b>				<b>Performance</b>				<b>Monthly Earnings</b>			<b>YTD Earnings</b>		
<i>Sub-Account</i>	<i>Holdings</i>		<i>Unrealized</i>	<i>12-Month</i>		<i>Index</i>	<i>Relative</i>	<i>Change in</i>			<i>Change in</i>		
	<i>Cost Basis</i>	<i>Market Value</i>	<i>Gain/Loss</i>	<i>Total Return</i>	<i>Benchmark</i>	<i>Return</i>	<i>Performance</i>	<i>Earnings</i>	<i>Market Value</i>	<i>Total</i>	<i>Earnings</i>	<i>Market Value</i>	<i>Total</i>
LGIP (See Note 5)	\$ 719,048,356	\$ 719,166,746	\$ 118,390	0.42%	S&P LGIP Gross	0.37%	0.05%	\$ 280,915	\$ 10,565	\$ 291,480	\$ 1,084,700	\$ 13,048	\$ 1,097,748

<b>Severance Tax Bonding Fund</b>				<b>Performance</b>				<b>Monthly Earnings</b>			<b>YTD Earnings</b>		
<i>Sub-Account</i>	<i>Holdings</i>		<i>Unrealized</i>	<i>12-Month</i>		<i>Index</i>	<i>Relative</i>	<i>Change in</i>			<i>Change in</i>		
	<i>Cost Basis</i>	<i>Market Value</i>	<i>Gain/Loss</i>	<i>Total Return</i>	<i>Benchmark</i>	<i>Return</i>	<i>Performance</i>	<i>Earnings</i>	<i>Market Value</i>	<i>Total</i>	<i>Earnings</i>	<i>Market Value</i>	<i>Total</i>
STBF	\$ 102,013,911	\$ 102,012,302	\$ (1,609)	0.33%	S&P LGIP Gross	0.37%	-0.04%	\$ 22,846	\$ 2,540	\$ 25,386	\$ 61,827	\$ (2,110)	\$ 59,717
<i>Estimated Totals (all funds)</i>		\$ 3,373,766,841	\$ 8,039,156					\$ 2,834,748	\$ (3,349,913)	\$ (515,165)	\$ 9,960,268	\$ (9,311,188)	\$ 649,080

**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.

12/6/2016

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

**Table 1 - Primary/Secondary Market Volume – October 2016**

Primary Bond Volume	\$11,000,000	2%
Secondary Bond Volume	<u>\$480,171,000</u>	<u>98%</u>
Total	\$491,171,000	100%

*Source: QED*

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

### ***Commissions Paid***

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

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

### ***Variable Rate and Structured Note Holdings***

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At the end of October, total holdings of Variable Rate Notes were \$188,755,000.

**Table 2 - Variable Rate Note Holdings – October 2016**

General Fund	-
Taxable BPIP	- \$25,000,000
Tax Exempt BPIP	-
LGIP	<u>\$163,755,000</u>
Total Holdings	\$188,755,000

*Source: QED*

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

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

### ***Transaction Variances and Inter-Portfolio Transactions***

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

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

There were 0 inter-portfolio trades during the month.

### ***Unrealized Gains and Losses***

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

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

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

### ***Realized Gains and Losses***

Realized gains/losses are a result of a difference between amortized cost and the sale proceeds for each position at the time of sale. This amount is booked against investment earnings in the respective accounting period. There were 16 sales which resulted in realized gains/losses.

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

<b>Trade Date</b>	<b>Account</b>	<b>Par Amount</b>	<b>Security</b>	<b>Realized G/L</b>
10/6/2016	BPIP TE	5,000,000	T .625 12/15/16	3,918.94
10/6/2016	BPIP TX	5,000,000	T 3.125 10/31/16	579.09
10/7/2016	GF CORE	9,000,000	T .875 7/1/17	22,010.91
10/12/2016	BPIP TE	5,000,000	T .625 11/15/16	1,719.64
10/13/2016	GF CORE	20,000,000	T 4.750 8/15/17	62,609.33
10/13/2016	GF CORE	20,000,000	T 1.250 1/31/19	153,025.04
10/13/2016	GF CORE	20,000,000	T .625 5/31/17	55,804.07
10/13/2016	GF CORE	20,000,000	T .750 6/30/17	62,097.67
10/13/2016	GF CORE	21,000,000	T 2.125 8/31/20	131,108.74
10/13/2016	GF CORE	25,000,000	FAMCA 1.100 1/26/17	46,000.00
10/13/2016	GF CORE	10,000,000	FHLMC 5.500 8/23/17	34,892.93
10/14/2016	GF CORE	25,000,000	FNMA .875 10/26/17	108,182.60
10/18/2016	BPIP TX	5,000,000	T 3.125 10/31/16	370.96
10/19/2016	GF CORE	5,000,000	FHLB .875 10/1/18	2,677.40
10/24/2016	BPIP TX	5,000,000	T 1.000 10/31/16	288.20
10/26/2016	LGIP	1,030,000	FICO 12/27/16	121.39
<b>Total Realized gain (loss)</b>				<b>685,406.91</b>

### ***Trade Documentation***

#### ***Purchase/Sales Activity<sup>1</sup>***

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

**Table 2 – Securities Trades – October 2016**

	<b>Quantity</b>	<b>Par-Value</b>	<b>Cost/Proceeds</b>	<b>Realized Gain/Loss</b>
Purchases	36	290,141,000	290,448,887	0
Sales	16	201,030,000	203,164,543	685,407
<b>Totals:</b>	<b>52</b>	<b>491,171,000</b>	<b>493,613,430</b>	<b>685,407</b>

<sup>1</sup> 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 October, 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 10/01/16 Through 10/31/16**

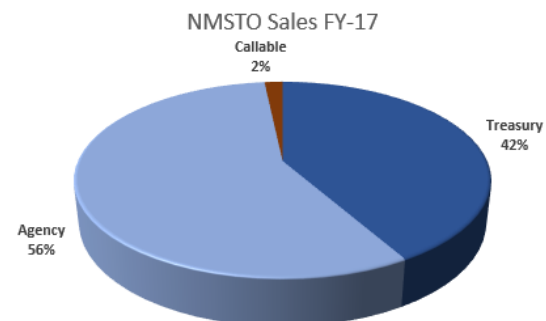
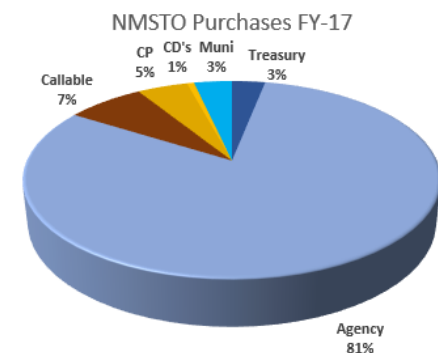
TXN-DATE	CUSIP#	ASSET-TYPE	INVST#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
<b><u>PURCHASE TRANSACTIONS</u></b>													
10/21/16	89233GNQ	COMMERCIAL PAPE	26639	TOYOTA MOTOR CREDIT COR		1/24/17	.7514	ISSUER DIRECT	4001	1,000,000.00	998,083.33		
10/12/16	912828WF	US TREASURY NOT	26567	UNITED STATES TREASURY	.625	11/15/16	.3100	STO INTERFUND T	4101	5,000,000.00	5,001,408.40		
10/18/16	912828LU	US TREASURY NOT	26606	UNITED STATES TREASURY	3.125	10/31/16	.3600	STO INTERFUND T	4101	5,000,000.00	5,004,499.05		
10/14/16	3133EFL9	AGENCY US FLOAT	26582	FEDERAL FARM CREDIT BAN	.567	10/20/16	.2800	BARCLAYS	4101	12,000,000.00	12,000,573.36		
10/20/16	3130A9S6	AGENCY US FLOAT	26625	FEDERAL HOME LOAN BANKS	.466	11/22/17	.4708	INTL FCSTONE PA	4101	10,000,000.00	9,999,470.00		
10/04/16	3133EGUY	AGENCY US BOND	26518	FEDERAL FARM CREDIT BAN	.875	9/20/18	.9313	INTL FCSTONE PA	4002	5,000,000.00	4,994,550.00		
10/20/16	3130A4CY	AGENCY US BOND	26623	FEDERAL HOME LOAN BANKS	.750	2/21/17	.4190	INTL FCSTONE PA	4101	2,650,000.00	2,652,915.00		
10/25/16	3130A6B5	AGENCY US BOND	26658	FEDERAL HOME LOAN BANKS	.500	11/10/16	.3000	BOSC, INC	4101	4,020,000.00	4,020,311.55		
10/31/16	3130A3RN	AGENCY US BOND	26706	FEDERAL HOME LOAN BANKS	.740	2/01/17	.4193	BB&T CAPITAL MA	4101	6,165,000.00	6,169,925.84		
10/19/16	313384L4	AGENCY US DISC	26612	FEDERAL HOME LOAN BANKS	2.000	10/20/16	.2000	LOOP CAPITAL MA	4101	50,000,000.00	49,999,722.22		
10/20/16	313384L5	AGENCY US DISC	26615	FEDERAL HOME LOAN BANKS	.200	10/21/16	.2000	TD SECURITIES	4101	50,000,000.00	49,999,722.22		
10/20/16	313384M4	AGENCY US DISC	26626	FEDERAL HOME LOAN BANKS	.250	10/28/16	.2500	GUGGENHEIM SECU	4101	11,000,000.00	10,999,465.28		
10/25/16	313384M2	AGENCY US DISC	26648	FEDERAL HOME LOAN BANKS		10/26/16	.2200	WELLS FARGO SEC	4101	15,000,000.00	14,999,908.33		
10/27/16	880592P6	AGENCY US DISC	26678	TENNESSEE VALLEY AUTHOR		11/15/16	.2640	TD SECURITIES	4101	25,000,000.00	24,996,700.00		
10/21/16	3135G0R3	AGENCY 30/360 2	26638	FANNIE MAE	1.000	10/24/19	1.0911	ACADEMY SECURIT	4002	5,000,000.00	4,986,600.00		
10/03/16	31771C2C	AGENCY US BOND	26507	FINANCING CORPORATION		12/27/16	.4950	MORGAN STANLEY	4101	1,030,000.00	1,028,825.80		
10/11/16	3134A4MN	AGENCY US BOND	26554	FEDERAL HOME LOAN MORTG		1/15/17	.4496	JEFFRIES & CO	4101	4,000,000.00	3,995,360.00		
10/17/16	31359MEL	AGENCY US BOND	25939	FANNIE MAE		6/01/17	.6597	INTL FCSTONE PA	4101	4,124,000.00	4,107,215.32		
10/05/16	3135G0Q8	AGENCY US NOTES	26527	FEDERAL NATIONAL MORTGA	1.375	10/07/21	1.4099	TD SECURITIES	1001	5,000,000.00	4,991,600.00		
10/11/16	3135G0GY	AGENCY US NOTES	26224	FEDERAL NATIONAL MORTGA	1.250	1/30/17	.4179	MORGAN STANLEY	4101	2,196,000.00	2,201,468.04		
10/19/16	3137EADU	AGENCY US NOTES	26105	FEDERAL HOME LOAN MORTG	.500	1/27/17	.3800	BOSC, INC	4101	5,000,000.00	5,001,625.75		
10/19/16	3137EADU	AGENCY US NOTES	26105	FEDERAL HOME LOAN MORTG	.500	1/27/17	.3856	RBS	4101	10,000,000.00	10,003,100.00		
10/20/16	3135G0ES	AGENCY US NOTES	25376	FEDERAL NATIONAL MORTGA	1.375	11/15/16	.2930	MORGAN STANLEY	4101	10,591,000.00	10,598,625.52		
10/24/16	880591EA	AGENCY US NOTES	26241	TENNESSEE VALLEY AUTH	5.500	7/18/17	.6795	INTL FCSTONE PA	4101	3,605,000.00	3,731,427.35		
10/25/16	3134G3G4	AGENCY US NOTES	26657	FEDERAL HOME LOAN MORTG	1.000	9/12/17	.7104	INTL FCSTONE PA	4101	4,000,000.00	4,010,120.00		
10/25/16	3136G2YA	AGENCY US NOTES	26659	FEDERAL NATIONAL MORTGA	1.400	11/26/19	.7983	BB&T CAPITAL MA	4000	1,500,000.00	1,500,696.00		11/26/16
10/25/16	3136G4EL	AGENCY US NOTES	26660	FEDERAL NATIONAL MORTGA	1.125	10/11/19	1.2566	INTL FCSTONE PA	4000	5,000,000.00	4,993,750.00		10/11/17
10/26/16	880591EA	AGENCY US NOTES	26241	TENNESSEE VALLEY AUTH	5.500	7/18/17	.6789	INTL FCSTONE PA	4101	1,000,000.00	1,034,808.00		
10/25/16	3130A9U3	AGENCY US VARIA	26656	FEDERAL HOME LOAN BANKS	.422	4/24/17	.4173	WELLS FARGO SEC	4101	10,000,000.00	10,000,000.00		
10/03/16	647310J8	MUNI US 30/360	26508	NEW MEXICO ST SEVERANCE	5.000	7/01/17	.8513	HILLTOP SECURIT	4002	400,000.00	412,192.00		
10/21/16	647310R6	MUNI US 30/360	26628	NEW MEXICO ST SEVERANCE	5.000	7/01/17	.7414	HILLTOP SECURIT	4000	2,860,000.00	2,943,168.80		
10/21/16	647310R6	MUNI US 30/360	26629	NEW MEXICO ST SEVERANCE	5.000	7/01/17	.7414	HILLTOP SECURIT	4002	2,000,000.00	2,058,160.00		
10/27/16	767175GG	MUNI US 30/360	26679	RIO RANCHO N MEX WTR &	3.000	5/15/17	.6003	BOSC, INC	4002	1,000,000.00	1,012,890.00		
10/12/16	914692XL	MUNICIPAL BOND	26570	UNIVERSITY N MEX UNIV R	.820	6/01/30	.8200	BROKER DIRECT	4000	4,375,000.00	4,375,000.00		
10/12/16	914692XL	MUNICIPAL BOND	26568	UNIVERSITY N MEX UNIV R	.820	6/01/30	.8200	BROKER DIRECT	4001	1,250,000.00	1,250,000.00		
10/12/16	914692XL	MUNICIPAL BOND	26569	UNIVERSITY N MEX UNIV R	.820	6/01/30	.8200	BROKER DIRECT	4002	4,375,000.00	4,375,000.00		
<b>36 PURCHASES DURING PERIOD TOTAL.....</b>										<b>290,141,000.00</b>	<b>290,448,887.16</b>		

**STATE OF NEW MEXICO**  
**Summary of Fixed-Income Purchases and Sales**  
**TRADES During The Period 10/01/16 Through 10/31/16**

TXN-DATE	CUSIP#	ASSET-TYPE	INVST#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
<b><u>SALE TRANSACTIONS</u></b>													
10/06/16	912828A5	US TREASURY NOT	21677	UNITED STATES TREASURY	.625	12/15/16	.3178	TD SECURITIES	4000	5,000,000.00	5,002,929.69	3,918.94	
10/06/16	912828LU	US TREASURY NOT	21702	UNITED STATES TREASURY	3.125	10/31/16		DEUTSCHE BANK S	4002	5,000,000.00	5,009,179.69	579.09	
10/07/16	912828WT	US TREASURY NOT	21831	UNITED STATES TREASURY	.875	7/15/17		BMO CAPTIAL MAR	1001	9,000,000.00	9,015,820.31	22,010.91	
10/12/16	912828WF	US TREASURY NOT	21676	UNITED STATES TREASURY	.625	11/15/16		STO INTERFUND T	4000	5,000,000.00	5,001,408.40	1,719.64	
10/13/16	912828HA	US TREASURY NOT	21858	UNITED STATES TREASURY	4.750	8/15/17		MIZUHO SECURITI	1001	20,000,000.00	20,681,250.00	62,609.33	
10/13/16	912828SD	US TREASURY NOT	23802	UNITED STATES TREASURY	1.250	1/31/19		HSBC	1001	20,000,000.00	20,145,312.50	153,025.04	
10/13/16	912828SY	US TREASURY NOT	20609	UNITED STATES TREASURY	.625	5/31/17		BARCLAYS	1001	20,000,000.00	20,007,812.50	55,804.07	
10/13/16	912828TB	US TREASURY NOT	21273	UNITED STATES TREASURY	.750	6/30/17		DEUTSCHE BANK S	1001	20,000,000.00	20,022,656.25	62,097.67	
10/13/16	912828VV	US TREASURY NOT	24198	UNITED STATES TREASURY	2.125	8/31/20		BARCLAYS	1001	21,000,000.00	21,751,406.25	131,108.74	
10/18/16	912828LU	US TREASURY NOT	21702	UNITED STATES TREASURY	3.125	10/31/16		STO INTERFUND T	4002	5,000,000.00	5,004,499.05	370.96	
10/24/16	912828RM	US TREASURY NOT	21342	UNITED STATES TREASURY	1.000	10/31/16		INTL FCSTONE PA	4002	5,000,000.00	5,000,585.94	288.20	
10/19/16	3130A9AE	AGENCY US BOND	26212	FEDERAL HOME LOAN BANKS	.875	10/01/18	.8800	WELLS FARGO SEC	1001	5,000,000.00	4,999,513.86	2,677.40	
10/13/16	31315PN8	AGENCY 30/360 2	19489	FEDERAL AGRICULTURAL MO	1.100	1/26/17		MIZUHO SECURITI	1001	25,000,000.00	25,046,000.00	46,000.00	
10/26/16	31771C2C	AGENCY US BOND	26507	FINANCING CORPORATION		12/27/16	.4263	INTL FCSTONE PA	4101	1,030,000.00	1,029,268.70	121.39	
10/13/16	3137EAAY	AGENCY US NOTES	20829	FEDERAL HOME LOAN MORTG	5.500	8/23/17		MORGAN STANLEY	1001	10,000,000.00	10,412,100.00	34,892.93	
10/14/16	3135G0PQ	AGENCY US NOTES	20828	FEDERAL NATIONAL MORTGA	.875	10/26/17		BOSC, INC	1001	25,000,000.00	25,034,800.00	108,182.60	
<b>16 SALES DURING PERIOD TOTAL.....</b>										<b>201,030,000.00</b>	<b>203,164,543.14</b>	<b>685,406.91</b>	
<b>=== GRAND-TOTAL ==&gt;</b>										<b>491,171,000.00</b>	<b>493,613,430.30</b>	<b>685,406.91</b>	
<b>*** END-OF-REPORT ***</b>													

NM STO Trade Activity FY 2017			Oct-16	
Purchase	Volume	Trades	Volume	Trades
Treasury	31,000,000	6	10,000,000	2
Agency	808,160,000	84	256,381,000	24
Callable	71,965,000	12	6,500,000	2
CP	47,141,704	13	1,000,000	1
Corporate	-	0	-	-
CD's	6,600,000	3	-	-
Muni	35,395,000	24	16,260,000	7
<b>Total Purchase</b>	<b>1,000,261,704</b>	<b>142</b>	<b>290,141,000</b>	<b>36</b>
Sale	Volume	Trades	Volume	Trades
Treasury	185,000,000	18	140,000,000	12
Agency	251,530,000	23	66,030,000	5
Callable	7,500,000	1	-	-
Muni	-	-	-	-
<b>Total Sale</b>	<b>444,030,000</b>	<b>42</b>	<b>206,030,000</b>	<b>17</b>
<b>Total Volume</b>	<b>1,444,291,704</b>	<b>184</b>	<b>496,171,000</b>	<b>53</b>

LGIP Repo			LGIP Repo	
Overnight	6,555,000,000	116	2,445,000,000	33
Term	1,740,000,000	36	400,000,000	8
	8,295,000,000	152	2,845,000,000	41



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
Agency			5,000,000	1			10,000,000	2			241,381,000	21
Callable					6,500,000	2						
CP									1,000,000	1		
Corporate												
CD's												
Muni					7,235,000	2	7,775,000	4	1,250,000	1		
<b>Total Purchase</b>	<b>-</b>	<b>0</b>	<b>5,000,000</b>	<b>1</b>	<b>13,735,000</b>	<b>4</b>	<b>17,775,000</b>	<b>6</b>	<b>2,250,000</b>	<b>2</b>	<b>251,381,000</b>	<b>23</b>
<b>Sale</b>	<b>Volume</b>	<b>Trades</b>	<b>Volume</b>	<b>Trades</b>	<b>Volume</b>	<b>Trades</b>	<b>Volume</b>	<b>Trades</b>	<b>Volume</b>	<b>Trades</b>	<b>Volume</b>	<b>Trades</b>
Treasury			110,000,000	6	15,000,000	3	15,000,000	3				
Agency			65,000,000	4							1,030,000	1
Callable												
Muni												
<b>Total Sale</b>	<b>-</b>	<b>0</b>	<b>175,000,000</b>	<b>10</b>	<b>15,000,000</b>	<b>3</b>	<b>15,000,000</b>	<b>3</b>	<b>-</b>	<b>0</b>	<b>1,030,000</b>	<b>1</b>
<b>Total Volume</b>	<b>-</b>	<b>0</b>	<b>180,000,000</b>	<b>11</b>	<b>28,735,000</b>	<b>7</b>	<b>32,775,000</b>	<b>9</b>	<b>2,250,000</b>	<b>2</b>	<b>252,411,000</b>	<b>24</b>

LGIP

Overnight											2,445,000,000	33
Term											400,000,000	8
	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,845,000,000</b>	<b>41</b>

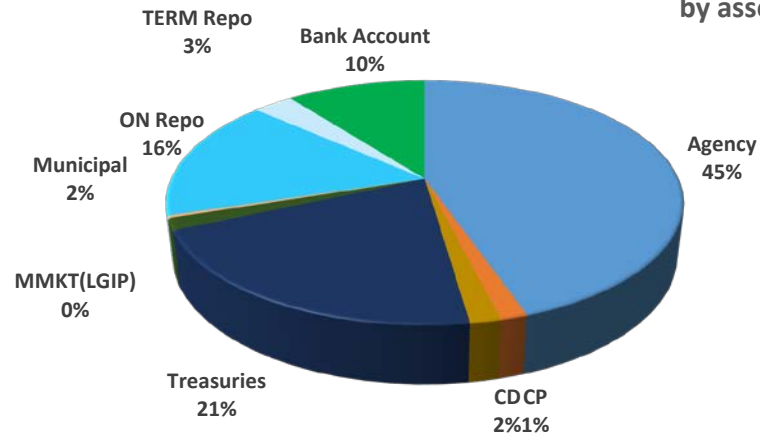
## NM State Treasurer Office Security Holding by Portfolio

October 31, 2016

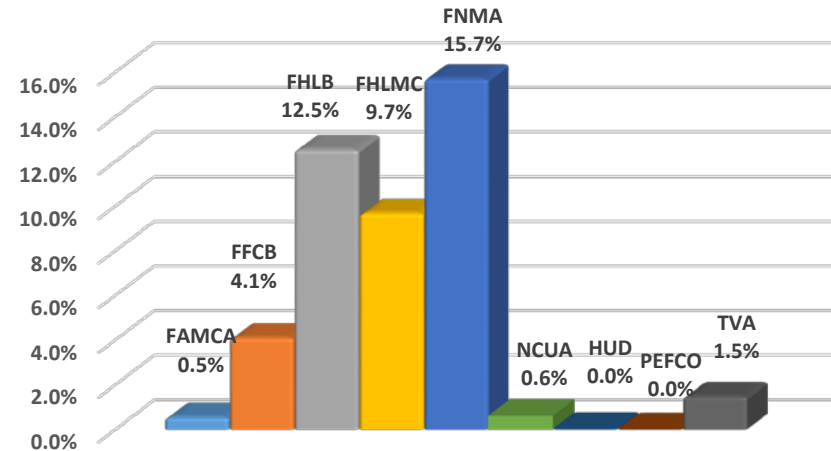
*Values are based on position holdings*

	<u>GF LIQ</u>	<u>GF CORE</u>	<u>BPIP TE</u>	<u>BPIP TX</u>	<u>STB</u>	<u>LGIP</u>	<u>STO Holdings</u>	
<b>Portfolio Balance</b>	<b>664,551,612</b>	<b>705,082,105</b>	<b>564,929,850</b>	<b>569,533,041</b>	<b>102,003,345</b>	<b>718,525,339</b>	<b>3,324,625,292</b>	
Agency	-	<b>307,441,000</b>	<b>351,319,000</b>	<b>324,915,000</b>	-	<b>501,331,000</b>	<b>1,485,006,000</b>	<b>44.7%</b>
FAMCA	-	13,000,000	5,000,000	-	-	-	18,000,000	0.5%
FFCB	-	8,000,000	26,000,000	15,500,000	-	86,555,000	136,055,000	4.1%
FHLB	-	39,500,000	88,085,000	120,000,000	-	168,870,000	416,455,000	12.5%
FHLMC	-	80,000,000	113,750,000	46,415,000	-	81,379,000	321,544,000	9.7%
FNMA	-	166,941,000	101,154,000	133,000,000	-	121,276,000	522,371,000	15.7%
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	-	-	43,251,000	49,256,000	1.5%
CP	-	-	29,143,425	10,000,000	7,998,279	-	47,141,704	1.4%
CD	-	40,750,000	3,000,000	10,200,000	-	-	53,950,000	1.6%
Treasuries	-	352,750,000	150,000,000	178,500,000	-	5,000,000	686,250,000	20.6%
Municipal	-	3,150,000	29,010,000	14,565,000	5,250,000	-	51,975,000	1.6%
MMKT(LGIP)	-	-	1,095,571	9,400,011	157,887	-	10,653,469	0.3%
ON Repo	363,580,365	991,105	1,361,855	21,953,030	78,530,330	75,000,000	541,416,684	16.3%
TERM Repo	-	-	-	-	-	100,000,000	100,000,000	3.0%
Bank Account	300,971,247	-	-	-	10,066,849	37,194,339	348,232,436	10.5%

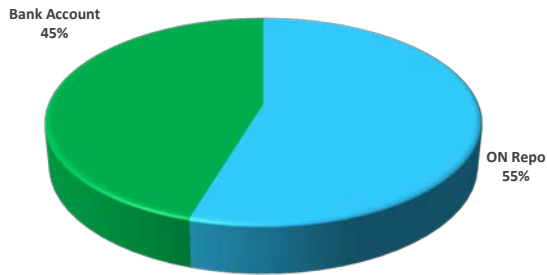
**STO Holdings  
by asset type**



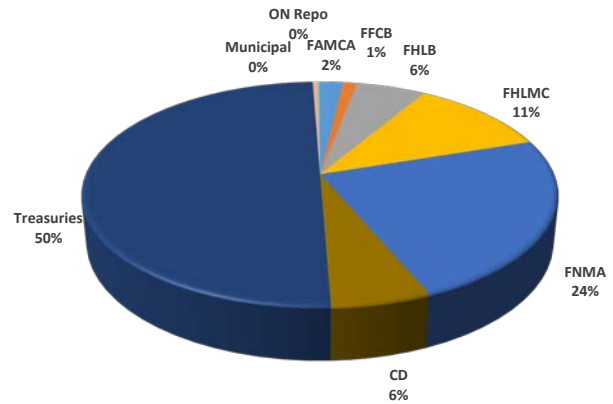
**STO US Agency Holdings**



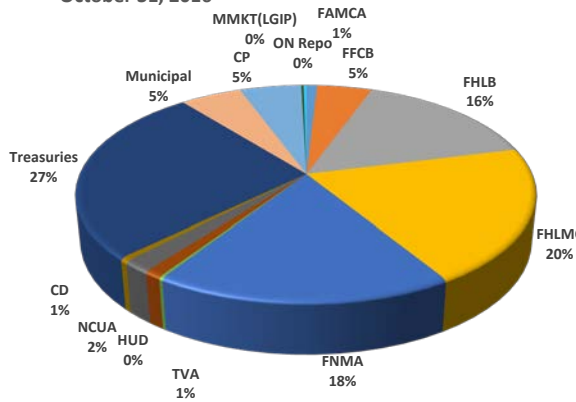
GF Liquidity Holdings  
October 31, 2016



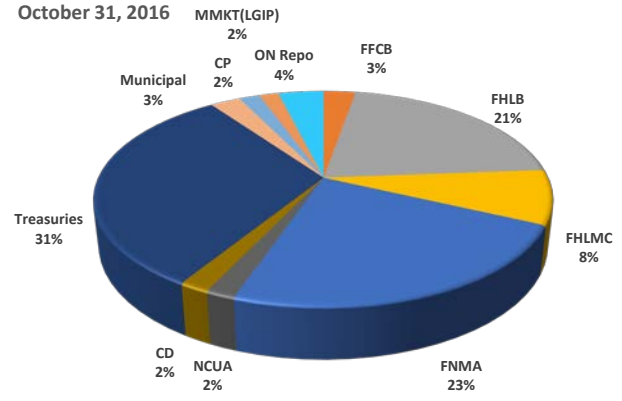
GF CORE Holdings  
October 31, 2016



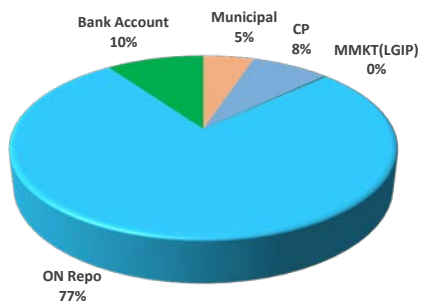
BPIP Tax-Exempt Holdings  
October 31, 2016



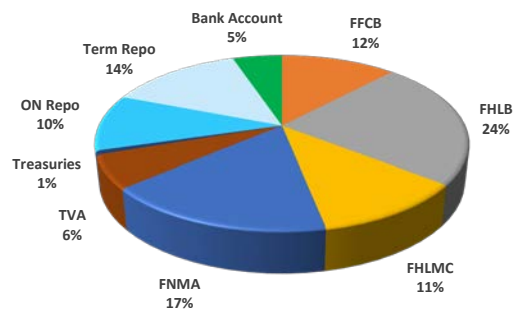
BPIP Taxable Holdings  
October 31, 2016



STB Holdings  
October 31, 2016



LGIP Holdings  
October 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: November 10, 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: October 2016 Investment Reconciliation

**October 2016 Investments Reconciliation**

The October 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 September 30<sup>th</sup> and October 31<sup>st</sup>.
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 October 31, 2016

W/P Ref  
503

Market Value Reconciliation

JPM Account	Market Value	QED Fund #	Name	Market Value	Difference	BPS Dollar Threshold *
P 09336	664,551,625.27	1000	GF Liquidity	664,551,612.27	13.00	332,275.81
P 09337	711,499,245.32	1001	GF Core	711,498,284.15	961.17	355,749.62
P 09334	129,583,315.86	1101	ONREPO	129,600,726.63	(17,410.77)	64,791.66
P 89523	102,019,025.57	4001	STB	102,010,602.12	8,423.45	51,009.51
P 09335	566,530,979.31	4000	BPIP#1	566,467,637.69	63,341.62	283,265.49
P 09339	572,571,215.81	4002	BPIP#2	572,551,387.21	19,828.60	286,285.61
P 09333	725,346,837.52	4101	LGIP	725,348,077.62	(1,240.10)	362,673.42
<b>Total</b>	<b>3,472,102,244.66</b>			<b>3,472,028,327.69</b>	<b>73,916.97</b>	<b>1,736,051.12</b>

Cost Reconciliation

JPM Account	Cost	QED Fund #	Name	Cost	Difference	BPS Dollar Threshold *
P 09336	664,551,625.27	1000	GF Liquidity	664,551,612.27	13.00	332,275.81
P 09337	707,427,028.08	1001	GF Core	707,391,618.75	35,409.33	353,713.51
P 09334	129,583,315.86	1101	ONREPO	129,600,726.63	(17,410.77)	64,791.66
P 89523	102,036,327.10	4001	STB	102,036,302.12	24.98	51,018.16
P 09335	568,126,148.95	4000	BPIP#1	568,126,148.98	(0.03)	284,063.07
P 09339	572,226,609.71	4002	BPIP#2	572,226,609.72	(0.01)	286,113.30
P 09333	725,532,099.55	4101	LGIP	725,532,099.55	-	362,766.05
<b>Total</b>	<b>3,469,483,154.52</b>			<b>3,469,465,118.02</b>	<b>18,036.50</b>	<b>1,734,741.58</b>

Position Reconciliation

JPM Account	Position Size	QED Fund #	Name	Position Size	Difference	BPS Dollar Threshold *
P 09336	664,551,625.27	1000	GF Liquidity	664,551,612.27	13.00	64,791.66
P 09337	705,082,104.71	1001	GF Core	705,082,104.71	-	332,275.81
P 09334	129,583,315.86	1101	ONREPO	129,600,726.63	(17,410.77)	352,541.05
P 89523	102,003,369.52	4001	STB	102,003,344.52	25.00	51,001.68
P 09335	564,929,850.44	4000	BPIP#1	564,929,850.44	-	282,464.93
P 09339	570,533,041.16	4002	BPIP#2	570,533,041.16	-	285,266.52
P 09333	724,690,339.28	4101	LGIP	724,690,339.28	-	362,345.17
<b>Total</b>	<b>3,461,373,646.24</b>			<b>3,461,391,019.01</b>	<b>(17,372.77)</b>	<b>1,730,686.82</b>

\*Basis Point (BPS)Dollar Threshold

JPM Market Value x 5 BPS

JPM Cost x 5 BPS

JPM Position Size x 5 BPS

0.0005

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

**W/P Ref**  
504

JPM Account	Earned Interest	QED Fund #	Name	Earned Interest	Difference	BPS Dollar Thresold *
P 09336	91,437.34	1000	GF Liquidity	85,979.69	5,457.65	33,227.58
P 09337	970,201.19	1001	GF Core	973,574.69	(3,373.50)	35,574.96
P 09334	19,865.72	1101	ONREPO	19,865.77	(0.05)	6,479.17
P 89523	34,814.72	4001	STB	38,015.04	(3,200.32)	5,100.95
P 09335	552,478.57	4000	BPIP#1	555,346.17	(2,867.60)	28,326.55
P 09339	575,371.75	4002	BPIP#2	567,014.14	8,357.61	28,628.56
P 09333	390,778.76	4101	LGIP	390,765.41	13.35	36,267.34
<b>Total</b>	<b>2,634,948.05</b>			<b>2,630,560.91</b>	<b>4,387.14</b>	<b>173,605.11</b>

**JP Morgan to QED Amortization/Accretion Reconciliation**

JPM Account	Amortization/Accretion	QED Fund #	Name	Amortization/Accretion	Difference
P 09336	-	1000	GF Liquidity	-	-
P 09337	(85,809.29)	1001	GF Core	(84,792.79)	(1,016.50)
P 09334	-	1101	ONREPO	-	-
P 89523	(11,259.79)	4001	STB	(13,829.89)	2,570.10
P 09335	(130,231.03)	4000	BPIP#1	(129,019.61)	(1,211.42)
P 09339	(115,722.28)	4002	BPIP#2	(118,166.22)	2,443.94
P 09333	(113,488.15)	4101	LGIP	(109,699.74)	(3,788.41)
<b>Total</b>	<b>(456,510.54)</b>			<b>(455,508.25)</b>	<b>(1,002.29)</b>

\* BPS Dollar Threshold

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

**Note:** QED uses multiple methods (referenced below) to compute amortization/accretion where the configuration is matched with an asset type. JP Morgan uses, but is not limited to, the pro rata, straight line, and level yield methods for amortization/accretion. Therefore, the -1,002.29 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: Staight-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 10/01/16 Through 10/31/16**

TXN-DATE	CUSIP#	ASSET-TYPE	INVST#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
<b><u>PURCHASE TRANSACTIONS</u></b>													
10/21/16	89233GNQ	COMMERCIAL PAPE	26639	TOYOTA MOTOR CREDIT COR		1/24/17	.7514	ISSUER DIRECT	4001	1,000,000.00	998,083.33		
10/12/16	912828WF	US TREASURY NOT	26567	UNITED STATES TREASURY	.625	11/15/16	.3100	STO INTERFUND T	4101	5,000,000.00	5,001,408.40		
10/18/16	912828LU	US TREASURY NOT	26606	UNITED STATES TREASURY	3.125	10/31/16	.3600	STO INTERFUND T	4101	5,000,000.00	5,004,499.05		
10/14/16	3133EFL9	AGENCY US FLOAT	26582	FEDERAL FARM CREDIT BAN	.567	10/20/16	.2800	BARCLAYS	4101	12,000,000.00	12,000,573.36		
10/20/16	3130A9S6	AGENCY US FLOAT	26625	FEDERAL HOME LOAN BANKS	.466	11/22/17	.4708	INTL FCSTONE PA	4101	10,000,000.00	9,999,470.00		
10/04/16	3133EGUY	AGENCY US BOND	26518	FEDERAL FARM CREDIT BAN	.875	9/20/18	.9313	INTL FCSTONE PA	4002	5,000,000.00	4,994,550.00		
10/20/16	3130A4CY	AGENCY US BOND	26623	FEDERAL HOME LOAN BANKS	.750	2/21/17	.4190	INTL FCSTONE PA	4101	2,650,000.00	2,652,915.00		
10/25/16	3130A6B5	AGENCY US BOND	26658	FEDERAL HOME LOAN BANKS	.500	11/10/16	.3000	BOSC, INC	4101	4,020,000.00	4,020,311.55		
10/31/16	3130A3RN	AGENCY US BOND	26706	FEDERAL HOME LOAN BANKS	.740	2/01/17	.4193	BB&T CAPITAL MA	4101	6,165,000.00	6,169,925.84		
10/19/16	313384L4	AGENCY US DISC	26612	FEDERAL HOME LOAN BANKS	2.000	10/20/16	.2000	LOOP CAPITAL MA	4101	50,000,000.00	49,999,722.22		
10/20/16	313384L5	AGENCY US DISC	26615	FEDERAL HOME LOAN BANKS	.200	10/21/16	.2000	TD SECURITIES	4101	50,000,000.00	49,999,722.22		
10/20/16	313384M4	AGENCY US DISC	26626	FEDERAL HOME LOAN BANKS	.250	10/28/16	.2500	GUGGENHEIM SECU	4101	11,000,000.00	10,999,465.28		
10/25/16	313384M2	AGENCY US DISC	26648	FEDERAL HOME LOAN BANKS		10/26/16	.2200	WELLS FARGO SEC	4101	15,000,000.00	14,999,908.33		
10/27/16	880592P6	AGENCY US DISC	26678	TENNESSEE VALLEY AUTHOR		11/15/16	.2640	TD SECURITIES	4101	25,000,000.00	24,996,700.00		
10/21/16	3135G0R3	AGENCY 30/360 2	26638	FANNIE MAE	1.000	10/24/19	1.0911	ACADEMY SECURIT	4002	5,000,000.00	4,986,600.00		
10/03/16	31771C2C	AGENCY US BOND	26507	FINANCING CORPORATION		12/27/16	.4950	MORGAN STANLEY	4101	1,030,000.00	1,028,825.80		
10/11/16	3134A4MN	AGENCY US BOND	26554	FEDERAL HOME LOAN MORTG		1/15/17	.4496	JEFFRIES & CO	4101	4,000,000.00	3,995,360.00		
10/17/16	31359MEL	AGENCY US BOND	25939	FANNIE MAE		6/01/17	.6597	INTL FCSTONE PA	4101	4,124,000.00	4,107,215.32		
10/05/16	3135G0Q8	AGENCY US NOTES	26527	FEDERAL NATIONAL MORTGA	1.375	10/07/21	1.4099	TD SECURITIES	1001	5,000,000.00	4,991,600.00		
10/11/16	3135G0GY	AGENCY US NOTES	26224	FEDERAL NATIONAL MORTGA	1.250	1/30/17	.4179	MORGAN STANLEY	4101	2,196,000.00	2,201,468.04		
10/19/16	3137EADU	AGENCY US NOTES	26105	FEDERAL HOME LOAN MORTG	.500	1/27/17	.3800	BOSC, INC	4101	5,000,000.00	5,001,625.75		
10/19/16	3137EADU	AGENCY US NOTES	26105	FEDERAL HOME LOAN MORTG	.500	1/27/17	.3856	RBS	4101	10,000,000.00	10,003,100.00		
10/20/16	3135G0ES	AGENCY US NOTES	25376	FEDERAL NATIONAL MORTGA	1.375	11/15/16	.2930	MORGAN STANLEY	4101	10,591,000.00	10,598,625.52		
10/24/16	880591EA	AGENCY US NOTES	26241	TENNESSEE VALLEY AUTH	5.500	7/18/17	.6795	INTL FCSTONE PA	4101	3,605,000.00	3,731,427.35		
10/25/16	3134G3G4	AGENCY US NOTES	26657	FEDERAL HOME LOAN MORTG	1.000	9/12/17	.7104	INTL FCSTONE PA	4101	4,000,000.00	4,010,120.00		
10/25/16	3136G2YA	AGENCY US NOTES	26659	FEDERAL NATIONAL MORTGA	1.400	11/26/19	.7983	BB&T CAPITAL MA	4000	1,500,000.00	1,500,696.00		11/26/16
10/25/16	3136G4EL	AGENCY US NOTES	26660	FEDERAL NATIONAL MORTGA	1.125	10/11/19	1.2566	INTL FCSTONE PA	4000	5,000,000.00	4,993,750.00		10/11/17
10/26/16	880591EA	AGENCY US NOTES	26241	TENNESSEE VALLEY AUTH	5.500	7/18/17	.6789	INTL FCSTONE PA	4101	1,000,000.00	1,034,808.00		
10/25/16	3130A9U3	AGENCY US VARIA	26656	FEDERAL HOME LOAN BANKS	.422	4/24/17	.4173	WELLS FARGO SEC	4101	10,000,000.00	10,000,000.00		
10/03/16	647310J8	MUNI US 30/360	26508	NEW MEXICO ST SEVERANCE	5.000	7/01/17	.8513	HILLTOP SECURIT	4002	400,000.00	412,192.00		
10/21/16	647310R6	MUNI US 30/360	26628	NEW MEXICO ST SEVERANCE	5.000	7/01/17	.7414	HILLTOP SECURIT	4000	2,860,000.00	2,943,168.80		
10/21/16	647310R6	MUNI US 30/360	26629	NEW MEXICO ST SEVERANCE	5.000	7/01/17	.7414	HILLTOP SECURIT	4002	2,000,000.00	2,058,160.00		
10/27/16	767175GG	MUNI US 30/360	26679	RIO RANCHO N MEX WTR &	3.000	5/15/17	.6003	BOSC, INC	4002	1,000,000.00	1,012,890.00		
10/12/16	914692XL	MUNICIPAL BOND	26570	UNIVERSITY N MEX UNIV R	.820	6/01/30	.8200	BROKER DIRECT	4000	4,375,000.00	4,375,000.00		
10/12/16	914692XL	MUNICIPAL BOND	26568	UNIVERSITY N MEX UNIV R	.820	6/01/30	.8200	BROKER DIRECT	4001	1,250,000.00	1,250,000.00		
10/12/16	914692XL	MUNICIPAL BOND	26569	UNIVERSITY N MEX UNIV R	.820	6/01/30	.8200	BROKER DIRECT	4002	4,375,000.00	4,375,000.00		
<b>36 PURCHASES DURING PERIOD TOTAL.....</b>										<b>290,141,000.00</b>	<b>290,448,887.16</b>		

**STATE OF NEW MEXICO**  
**Summary of Fixed-Income Purchases and Sales**  
**TRADES During The Period 10/01/16 Through 10/31/16**

TXN-DATE	CUSIP#	ASSET-TYPE	INVST#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
<b><u>SALE TRANSACTIONS</u></b>													
10/06/16	912828A5	US TREASURY NOT	21677	UNITED STATES TREASURY	.625	12/15/16	.3178	TD SECURITIES	4000	5,000,000.00	5,002,929.69	3,918.94	
10/06/16	912828LU	US TREASURY NOT	21702	UNITED STATES TREASURY	3.125	10/31/16		DEUTSCHE BANK S	4002	5,000,000.00	5,009,179.69	579.09	
10/07/16	912828WT	US TREASURY NOT	21831	UNITED STATES TREASURY	.875	7/15/17		BMO CAPTIAL MAR	1001	9,000,000.00	9,015,820.31	22,010.91	
10/12/16	912828WF	US TREASURY NOT	21676	UNITED STATES TREASURY	.625	11/15/16		STO INTERFUND T	4000	5,000,000.00	5,001,408.40	1,719.64	
10/13/16	912828HA	US TREASURY NOT	21858	UNITED STATES TREASURY	4.750	8/15/17		MIZUHO SECURITI	1001	20,000,000.00	20,681,250.00	62,609.33	
10/13/16	912828SD	US TREASURY NOT	23802	UNITED STATES TREASURY	1.250	1/31/19		HSBC	1001	20,000,000.00	20,145,312.50	153,025.04	
10/13/16	912828SY	US TREASURY NOT	20609	UNITED STATES TREASURY	.625	5/31/17		BARCLAYS	1001	20,000,000.00	20,007,812.50	55,804.07	
10/13/16	912828TB	US TREASURY NOT	21273	UNITED STATES TREASURY	.750	6/30/17		DEUTSCHE BANK S	1001	20,000,000.00	20,022,656.25	62,097.67	
10/13/16	912828VV	US TREASURY NOT	24198	UNITED STATES TREASURY	2.125	8/31/20		BARCLAYS	1001	21,000,000.00	21,751,406.25	131,108.74	
10/18/16	912828LU	US TREASURY NOT	21702	UNITED STATES TREASURY	3.125	10/31/16		STO INTERFUND T	4002	5,000,000.00	5,004,499.05	370.96	
10/24/16	912828RM	US TREASURY NOT	21342	UNITED STATES TREASURY	1.000	10/31/16		INTL FCSTONE PA	4002	5,000,000.00	5,000,585.94	288.20	
10/19/16	3130A9AE	AGENCY US BOND	26212	FEDERAL HOME LOAN BANKS	.875	10/01/18	.8800	WELLS FARGO SEC	1001	5,000,000.00	4,999,513.86	2,677.40	
10/13/16	31315PN8	AGENCY 30/360 2	19489	FEDERAL AGRICULTURAL MO	1.100	1/26/17		MIZUHO SECURITI	1001	25,000,000.00	25,046,000.00	46,000.00	
10/26/16	31771C2C	AGENCY US BOND	26507	FINANCING CORPORATION		12/27/16	.4263	INTL FCSTONE PA	4101	1,030,000.00	1,029,268.70	121.39	
10/13/16	3137EAAY	AGENCY US NOTES	20829	FEDERAL HOME LOAN MORTG	5.500	8/23/17		MORGAN STANLEY	1001	10,000,000.00	10,412,100.00	34,892.93	
10/14/16	3135G0PQ	AGENCY US NOTES	20828	FEDERAL NATIONAL MORTGA	.875	10/26/17		BOSC, INC	1001	25,000,000.00	25,034,800.00	108,182.60	
<b>16 SALES DURING PERIOD TOTAL.....</b>										<b>201,030,000.00</b>	<b>203,164,543.14</b>	<b>685,406.91</b>	
<b>=== GRAND-TOTAL ==&gt;</b>										<b>491,171,000.00</b>	<b>493,613,430.30</b>	<b>685,406.91</b>	
<b>*** END-OF-REPORT ***</b>													

**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, November 21, 2016 9:04:00 AM  
**Attachments:** [image004.png](#)  
**Importance:** High

---

Good morning Steve,

STO is unable to make a distribution to the State General Fund for October 2016 due to the unrealized loss of \$2.7 million in the General Fund Core portfolio. Below is the FY17 distribution summary.

<b>Oct-16</b>				
<b>State General Fund Distribution Worksheet</b>				
<b>Section 6-10-2.1 Distribution Methodology</b>				
	<b>General Fund Liquidity</b>	<b>General Fund Core</b>	<b>Self-Earning</b>	
<b>(Includes Accretion/Amortization)</b>				
<b>Component</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>	<b>Total</b>
Earned Income*	\$ 91,437.34	\$ 884,391.90	\$ (209,633.27)	\$ 766,195.97
Realized Gains/(Losses)	-	777,652.94	-	777,652.94
Unrealized Gains/(Losses)	-	(2,650,930.32)	-	(2,650,930.32)
<b>Distribution Total</b>	<b>\$ 91,437.34</b>	<b>\$ (988,885.48)</b>	<b>\$ (209,633.27)</b>	<b>\$ (1,107,081.41)</b>
* Earned Income is accrued investment income +/- accretion/amortization				

<b>Fiscal Year 2017 SGF Distribution</b>		
<b>Month</b>	<b>Amount</b>	
Jul-16	(212,520.71)	
Aug-16	(1,990,093.62)	
Sep-16	1,126,769.07	
Oct-16	(1,107,081.41)	
Nov-16	-	
Dec-16	-	
Jan-17	-	
Feb-17	-	
Mar-17	-	
Apr-17	-	
May-17	-	
Jun-17	-	
<b>Total</b>	<b>(2,182,926.67)</b>	

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

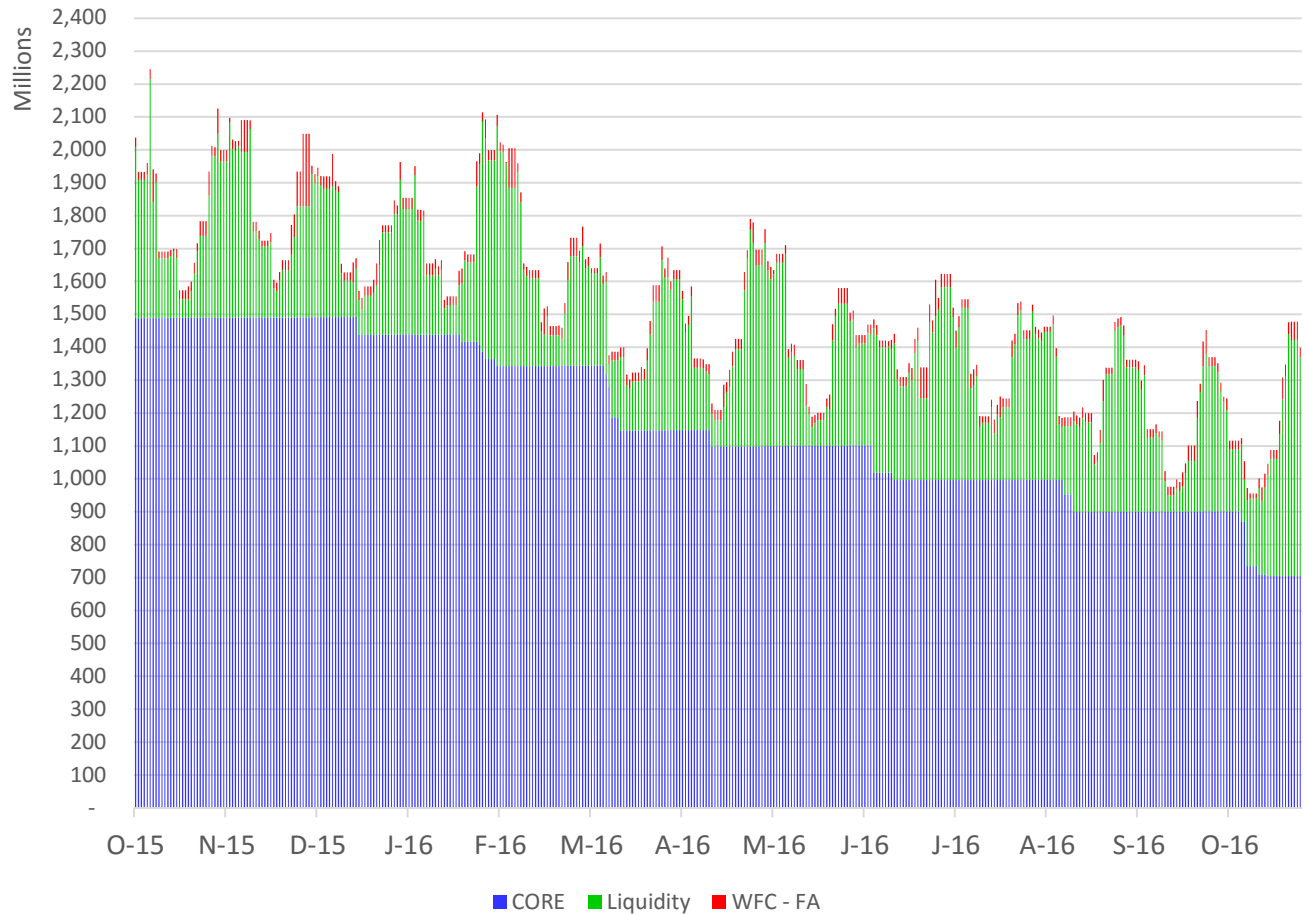
Steve



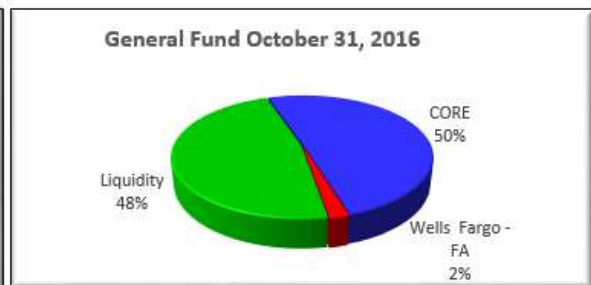
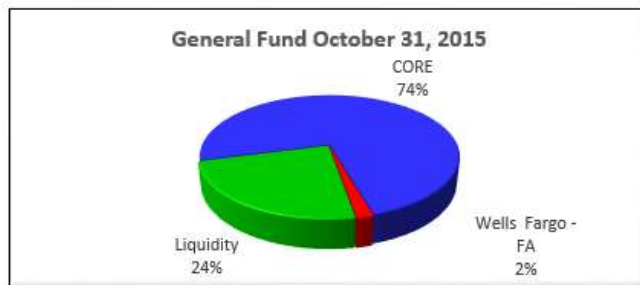
## 7. Cash Projections

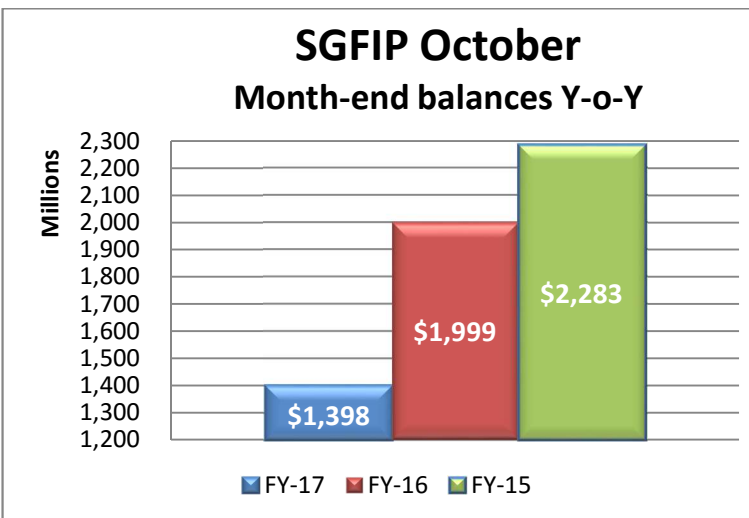
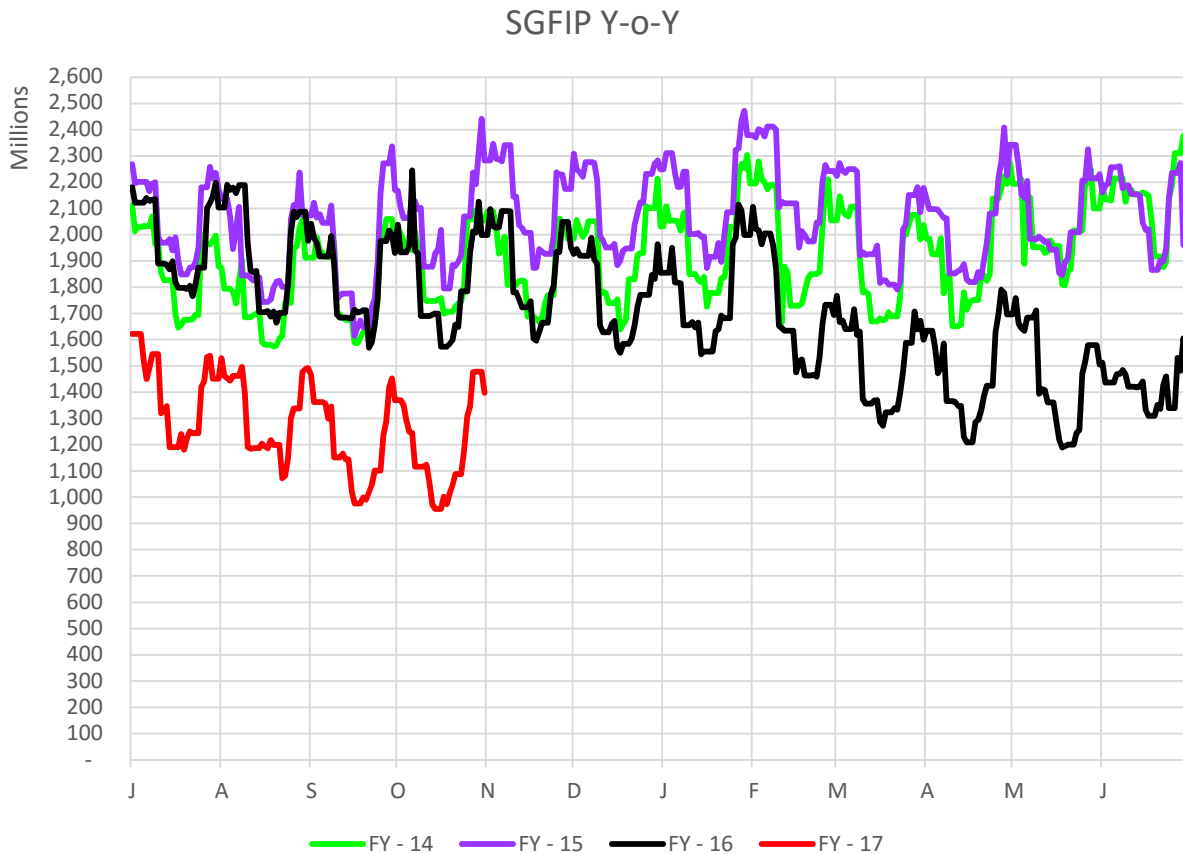


## 1 Year -Cash Balances (Liquidity, Core, &amp; Fiscal Agent Accounts)



GENERAL FUND	Oct-15	Sep-16	Oct-16	Y-o-Y Change	M-o-M Change
Liquidity	474,157,471	441,491,406	664,551,612	190,394,141	223,060,206
CORE	1,489,739,123	901,557,327	705,082,105	(784,657,018)	(196,475,222)
Wells Fargo - FA	35,195,356	27,284,413	28,435,993	(6,759,363)	1,151,580
	1,999,091,949	1,370,333,146	1,398,069,710	(601,022,240)	27,736,564



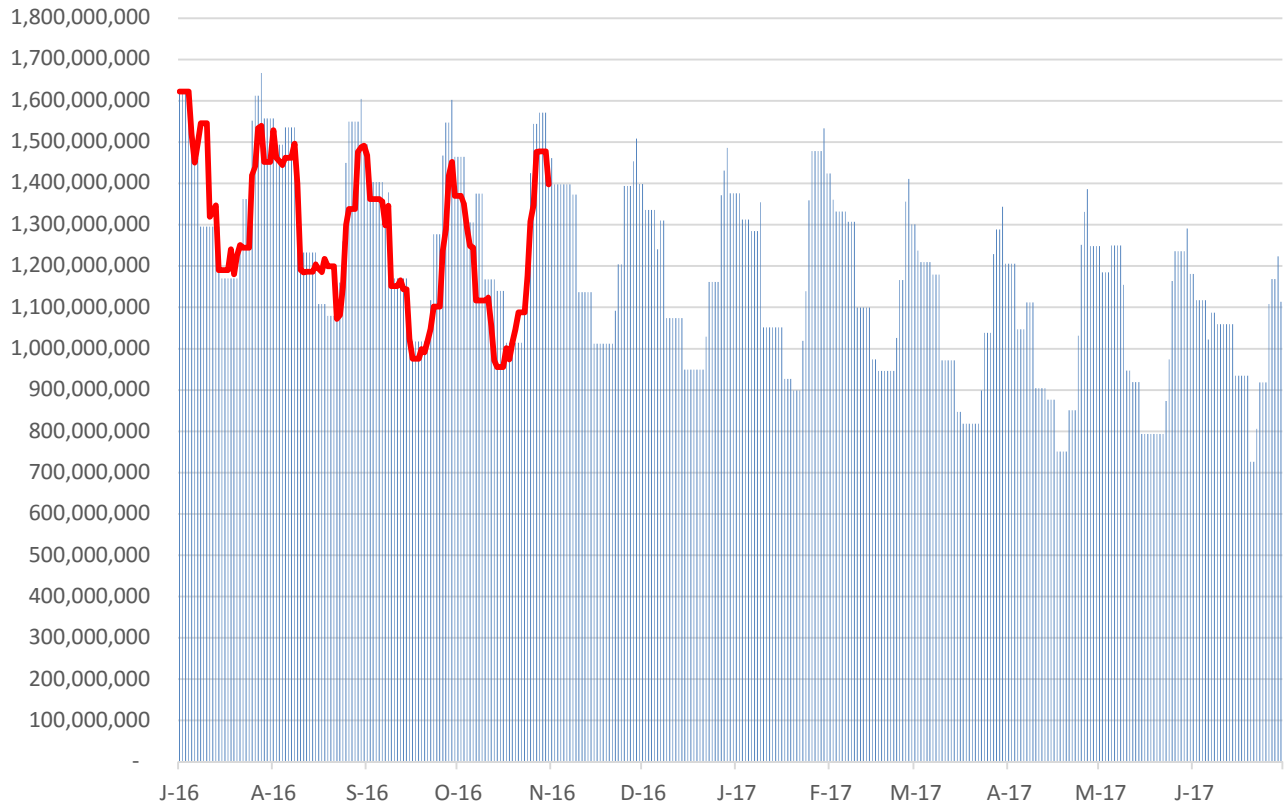


The balance as of October 31, 2016 of the State General Fund Investments Pool (SGFIP) Y-o-Y has decreased -30.1% from October 31, 2015 and -38.8% decrease from October 31, 2014 . M-o-M SGFIP balances increased to \$1.398 billion at October 31, 2016 from \$1.370 billion at September 30, 2016 a increase of \$28 million or 2.0%.

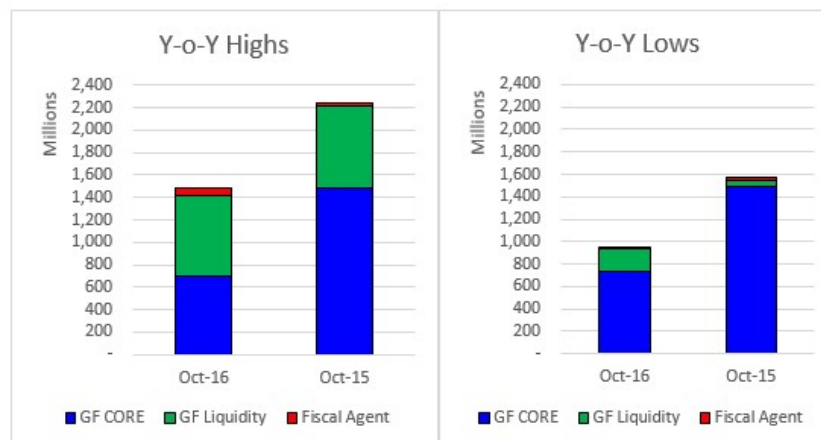




## FY - 17 SGFIP Balance Projections

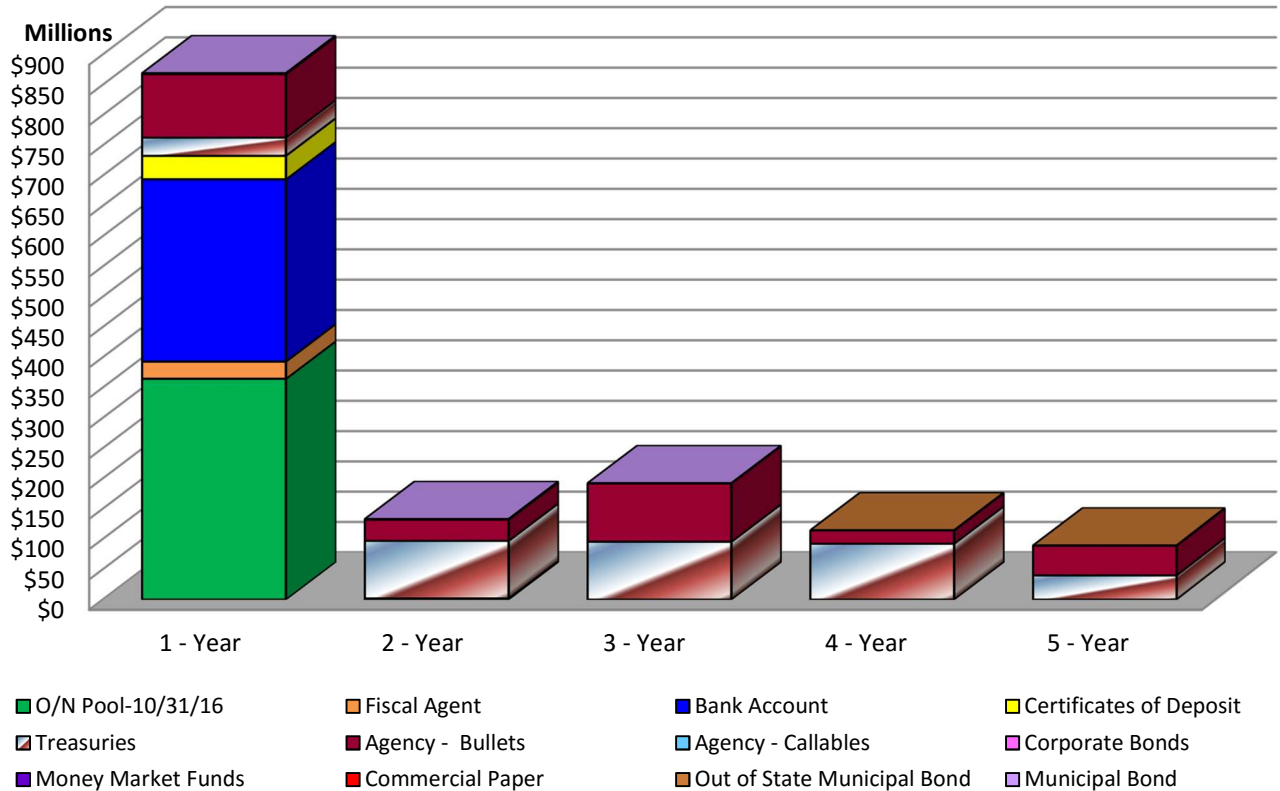


	Oct-16	Oct-15	Change
High	1,477,987,131.46	2,125,661,179.81	-43.82%
Low	955,523,993.50	1,573,271,736.09	-64.65%
Average	1,187,143,079.64	1,807,605,519.67	-52.27%





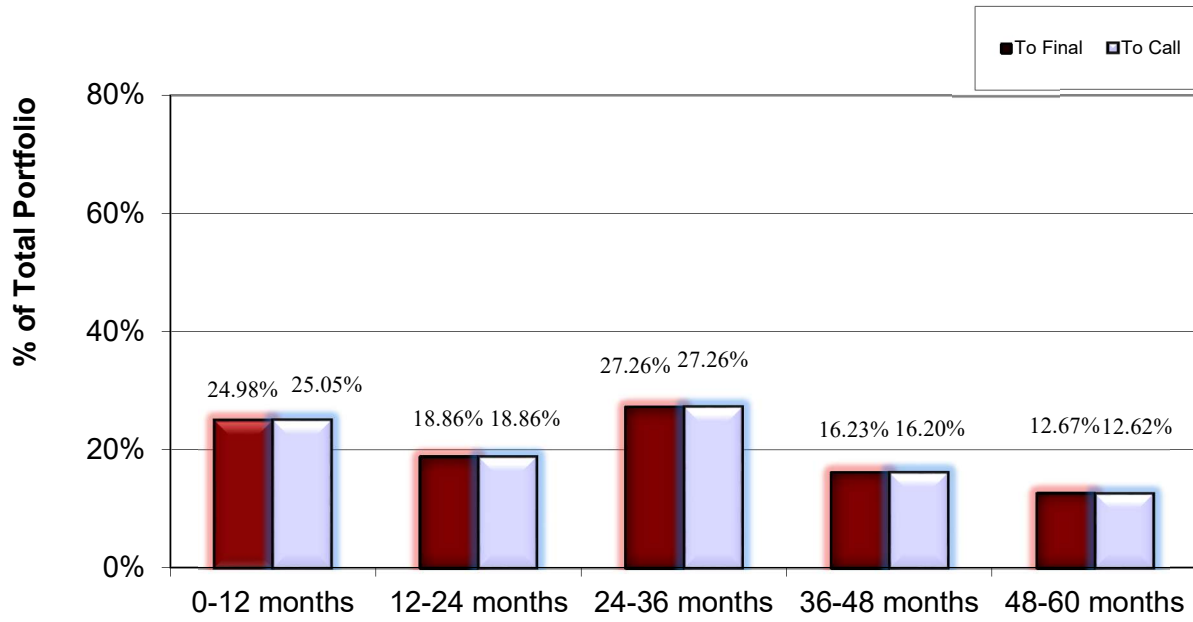
## General Fund Maturity Ladder by Year & Asset Type as of October 31, 2016



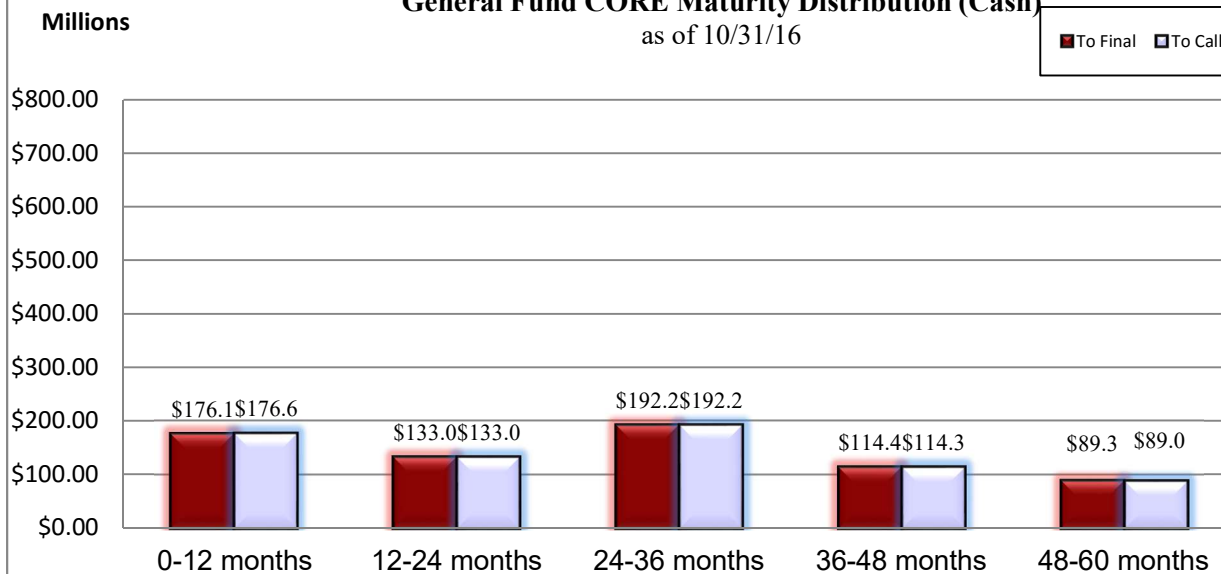
Asset Allocation	1 - Year	2 - Year	3 - Year	4 - Year	5 - Year	Total	%
Agency - Bullets	105,000,000	35,000,000	96,441,000	22,000,000	49,000,000	307,441,000	22%
Agency - Callables						0	0%
Corporate Bonds						0	0%
Money Market Funds						0	0%
Certificates of Deposit	38,750,000	2,000,000				40,750,000	3%
Municipal Bond	1,380,000	990,000	265,000			2,635,000	0%
Out of State Municipal Bond				175,000	340,000	515,000	0%
Commercial Paper						0	0%
Treasuries	30,000,000	95,000,000	95,500,000	92,250,000	40,000,000	352,750,000	25%
Bank Account	300,971,247					300,971,247	22%
Fiscal Agent	28,435,993					28,435,993	2%
O/N Pool-10/31/16	364,571,470					364,571,470	26%
<b>Total:</b>	<b>869,108,710</b>	<b>132,990,000</b>	<b>192,206,000</b>	<b>114,425,000</b>	<b>89,340,000</b>	<b>1,398,069,710</b>	<b>100%</b>
% of Total:	62%	10%	14%	8%	6%		

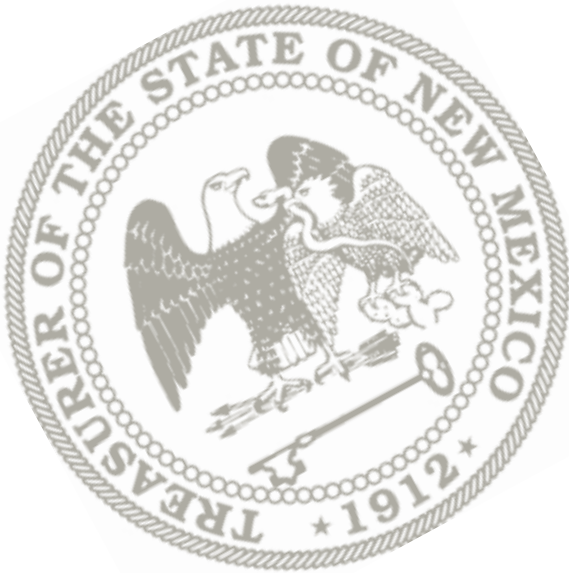


## General Fund CORE, Maturity Distribution as of 10/31/16



## General Fund CORE Maturity Distribution (Cash) as of 10/31/16





## 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 October at \$1.4 Billion.

### *Portfolio Mix*

- At month end, 100% of the General Fund CORE portfolio was invested in fixed income securities; 50% in US Government Securities; 44% in Government Related Securities (Municipal Bonds and Agency Securities), and the balance ~6% in cash and cash equivalents.
- 25% of the portfolio was invested in securities that mature in one year; 19% in securities that mature from 1-2 years; 50% in 2-4 years and 6% within 5 years.
- The General Fund Core portfolio held positions in 54 securities at the end of October.
- The Weighted Average Life of the CORE portion of the General Fund was 2.12 years. The Weighted Average duration was 2.20 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 outperformed its benchmark, returning (0.17)% vs. (0.24)%.
- For the last 12 months, the General Fund underperformed its benchmark. The General Fund gained 1.22% while the benchmark rose 1.31%.

### *Market Value and Investment Earnings*

- Unrealized gains/losses in the Core Portfolio at the end of October were \$6,268,030.
- Over the month, the unrealized value of the portfolio decreased \$2.5 million.
- Monthly net earnings for October on the General Fund Portfolios were \$1.7 million.
- Total monthly earnings including mark-to-market were \$(897,850).
- Year-to-date net earnings were \$5.2 million.
- Total year-to-date earnings including mark-to-market were \$(1,184,099).
- 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 \$200 million transferred from GF Core to GF Liquidity in October.

**STATE OF NEW MEXICO**  
**GENERAL FUND (1000)**  
Portfolio Classification Summary  
Positions Held as of 10/31/16 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N) CASH ACCOUNT	1	.2636	.00270	363,580,365	363,580,365	363,580,365		54.711
	1			300,971,247	300,971,247	300,971,247		45.289
	2	.1442	.00270	664,551,612	664,551,612	664,551,612		100.000

**STATE OF NEW MEXICO**  
**GENERAL FUND CORE (1001)**  
Portfolio Classification Summary  
Positions Held as of 10/31/16 (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	991,105	991,105	991,105		.139
CERTIFICATES OF DEPOSIT	8	.8031	.39610	40,750,000	40,750,000	40,750,000		5.727
US TREASURY NOTE ACT/ACT 2X	17	1.3933	2.54995	352,750,000	353,377,438	356,983,120	3,605,682	50.173
AGENCY US BOND 30/360 2X	4	1.5394	4.10678	47,500,000	47,295,000	47,620,145	325,145	6.693
AGENCY 30/360 2X	1	.9449	2.75340	5,000,000	4,992,272	4,974,650	-17,622	.699
AGENCY US BOND 30/360 ZERO CPN	1	2.2074	2.93970	22,941,000	21,599,355	21,978,396	379,041	3.089
AGENCY US NOTES 30/360 2X	10	1.4848	1.78415	177,000,000	178,015,059	179,928,000	1,912,941	25.289
FED NATL MORTGAGE ASSN DEBS	3	1.0495	.28493	55,000,000	55,021,790	55,087,200	65,410	7.742
MUNI US 30/360 2X	9	.8892	.97187	3,150,000	3,188,235	3,185,668	-2,567	.448
	54	1.3831	2.16492	705,082,105	705,230,254	711,498,284	6,268,030	100.000

**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
Position holdings as of 10/31/16 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 10/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
300,971,247	BANK OF THE WEST	CASHCASH				1.00000	300,971,247.33	300,971,247.00	- .33
<u>300,971,247</u>							<u>300,971,247.33</u>	<u>300,971,247.00</u>	<u>- .33</u>
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== NO-MEANINGFUL-DATE <====									
363,580,365	OVERNIGHT REPO	1101RP	.260	11/01/16	.260	1.00000	363,580,364.94	363,580,364.94	
<u>363,580,365</u>							<u>363,580,364.94</u>	<u>363,580,364.94</u>	
====> 0001 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2016 <====									
<u>664,551,612</u>							<u>664,551,612.27</u>	<u>664,551,611.94</u>	<u>- .33</u>
====> 0002 ITEMS IN SUBTOTAL FOR ==== FUND NAME..... ==== GENERAL FUND <====									



**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
**Position holdings as of 10/31/16 (TRADE)**  
**BOOK VALUES AMORTIZED THROUGH 10/31/16**

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
991,105	OVERNIGHT REPO	1101RP	.260	11/01/16	.260	1.00000	991,104.71	991,104.71	
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	
<b>13,991,105</b>							<b>13,991,104.71</b>	<b>13,991,104.71</b>	

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

40,000,000	FED NATL MORTGAGE ASSN DEBS	3135G0GY	1.250	1/30/17	1.054	100.04744	40,018,974.89	40,082,000.00	63,025.11
40,000,000	FED HOME LOAN MORTGAGE CORP DBS	3137EADC	1.000	3/08/17	1.019	99.99289	39,997,157.29	40,080,000.00	82,842.71
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	100.03683	10,003,682.67	10,029,300.00	25,617.33
2,000,000	FARMERS & STOCKMENS BANK	8521016	.650	4/28/17	.650	1.00000	2,000,000.00	2,000,000.00	
1,080,000	LAS CRUCES N MEX JT UTIL REV	517496EL	2.000	6/01/17	.750	100.72584	1,087,839.05	1,087,646.40	- 192.65
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	912828NR	2.375	7/31/17	1.122	100.92930	20,185,859.11	20,255,400.00	69,540.89
300,000	SAN JUAN CNTY N MEX CENT CONS IN	798359KS	1.000	8/01/17	.751	100.18600	300,558.00	299,799.00	- 759.00
10,000,000	UNITED STATES TREASURY NOTES	912828D9	1.000	9/15/17	1.058	99.94978	9,994,978.42	10,026,600.00	31,621.58
15,000,000	FNMA	3135G0ZL	1.000	9/27/17	1.118	99.89386	14,984,078.98	15,039,600.00	55,521.02
20,000,000	UNITED STATES TREASURY NOTES	912828HH	4.250	11/15/17	1.085	103.25768	20,651,536.67	20,721,200.00	69,663.33
20,000,000	UNITED STATES TREASURY NOTES	912828UA	.625	11/30/17	1.075	99.51803	19,903,606.12	19,975,000.00	71,393.88
255,000	SILVER CITY N MEX JT UTIL SYS RE	82750RAP	2.000	12/01/17	1.000	101.07397	257,738.62	258,057.45	318.83
<b>202,385,000</b>							<b>203,136,009.82</b>	<b>203,604,602.85</b>	<b>468,593.03</b>

====> 0016 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2017 <====

5,000,000	UNITED STATES TREASURY NOTES	912828UJ	.875	1/31/18	1.309	99.46426	4,973,212.95	5,008,000.00	34,787.05
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADP	.875	3/07/18	1.454	99.22854	14,884,281.69	15,008,850.00	124,568.31
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	99.16757	24,791,891.34	24,933,500.00	141,608.66
25,000,000	UNITED STATES TREASURY NOTES	912828VE	1.000	5/31/18	1.228	99.64439	24,911,096.29	25,069,250.00	158,153.71
150,000	LAS CRUCES N MEX HOLD HARMLESSGR	51748QAY	4.000	6/01/18	1.500	103.89617	155,844.26	156,159.00	314.74
360,000	SANDOVAL COUNTY	800050FG	2.000	6/01/18	.920	101.69317	366,095.40	366,048.00	- 47.40
225,000	SAN JUAN CNTY N MEX CENT CONS IN	798359KT	1.000	8/01/18	1.000	99.99922	224,998.25	224,075.25	- 923.00

**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
**Position holdings as of 10/31/16 (TRADE)**  
**BOOK VALUES AMORTIZED THROUGH 10/31/16**

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0YM	1.875	9/18/18	1.438	100.80725	20,161,450.46	20,358,000.00	196,549.54
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0YT	1.625	11/27/18	1.747	99.75227	14,962,841.15	15,203,100.00	240,258.85
20,000,000	UNITED STATES TREASURY NOTES	912828RT	1.375	11/30/18	1.404	99.94107	19,988,213.26	20,194,600.00	206,386.74
500,000	FEDERAL HOME LOAN BANKS	313382F7	1.100	12/27/18	1.100	99.99936	499,996.81	500,965.00	968.19
<b>128,235,000</b>							<b>127,919,921.86</b>	<b>129,022,547.25</b>	<b>1,102,625.39</b>

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

20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0ZA	1.875	2/19/19	1.678	100.44194	20,088,387.24	20,399,800.00	311,412.76
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACA	3.750	3/27/19	1.762	104.66090	20,932,180.96	21,303,600.00	371,419.04
35,000,000	UNITED STATES TREASURY NOTES	912828C6	1.625	3/31/19	1.744	99.71884	34,901,594.60	35,567,350.00	665,755.40
265,000	SANDOVAL COUNTY	800050FH	3.000	6/01/19	1.070	104.90327	277,993.66	277,174.10	- 819.56
16,000,000	UNITED STATES TREASURY NOTES	912828TH	.875	7/31/19	1.507	98.30430	15,728,688.04	15,955,040.00	226,351.96
5,000,000	FANNIE MAE	3135G0N3	.875	8/02/19	.932	99.84542	4,992,271.16	4,974,650.00	- 17,621.16
13,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315P3R	1.900	9/18/19	1.920	99.94338	12,992,639.36	13,293,020.00	300,380.64
22,941,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313586RC		10/09/19	2.177	94.15176	21,599,354.84	21,978,395.64	379,040.80
24,500,000	UNITED STATES TREASURY NOTES	912828F6	1.500	10/31/19	1.561	99.82227	24,456,456.10	24,849,370.00	392,913.90
8,000,000	FEDERAL FARM CREDIT BANKS	3133EEBN	1.800	11/12/19	1.755	100.13139	8,010,511.27	8,150,560.00	140,048.73
14,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0ZY	1.750	11/26/19	1.701	100.14530	14,020,342.52	14,267,680.00	247,337.48
175,000	KNOX CNTY KY	499422DH	5.800	12/01/19	.780	100.41649	175,728.86	175,574.00	- 154.86
<b>178,881,000</b>							<b>178,176,148.61</b>	<b>181,192,213.74</b>	<b>3,016,065.13</b>

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

33,750,000	UNITED STATES TREASURY NOTES	912828UV	1.125	3/31/20	1.387	99.12984	33,456,321.75	33,781,725.00	325,403.25
13,500,000	UNITED STATES TREASURY NOTES	912828K5	1.375	4/30/20	1.501	99.57228	13,442,258.19	13,619,745.00	177,486.81
4,000,000	UNITED STATES TREASURY NOTES	912828VV	2.125	8/31/20	1.654	101.73784	4,069,513.59	4,140,320.00	70,806.41
41,000,000	UNITED STATES TREASURY NOTES	912828WC	1.750	10/31/20	1.462	101.11416	41,456,806.19	41,861,820.00	405,013.81
20,000,000	US TREASURY N/B	912828A4	2.000	11/30/20	1.783	100.84942	20,169,883.10	20,613,200.00	443,316.90
20,000,000	UNITED STATES TREASURY NOTES	912828N4	1.750	12/31/20	1.383	101.47758	20,295,516.45	20,411,000.00	115,483.55
<b>132,250,000</b>							<b>132,890,299.27</b>	<b>134,427,810.00</b>	<b>1,537,510.73</b>

====> 0006 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2020 <====

**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
**Position holdings as of 10/31/16 (TRADE)**  
**BOOK VALUES AMORTIZED THROUGH 10/31/16**

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
34,000,000	FEDERAL HOME LOAN BANKS	3130A7CV	1.375	2/18/21	1.511	99.43453	33,807,739.45	34,028,220.00	220,480.55
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G9D8	.750	6/30/21	.854	99.98267	4,999,133.25	4,975,900.00	- 23,233.25
5,000,000	FHLB	3130A8QS	1.125	7/14/21	1.227	99.53520	4,976,759.76	4,940,400.00	- 36,359.76
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0Q8	1.375	10/07/21	1.410	99.83395	4,991,697.47	4,974,350.00	- 17,347.47
<b>49,000,000</b>							<b>48,775,329.93</b>	<b>48,918,870.00</b>	<b>143,540.07</b>

====> 0004 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ====> 2021 <====

340,000	KNOX CNTY KY	499422DL	5.875	12/01/36	.780	100.42271	341,437.23	341,135.60	- 301.63
<b>340,000</b>							<b>341,437.23</b>	<b>341,135.60</b>	<b>- 301.63</b>

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

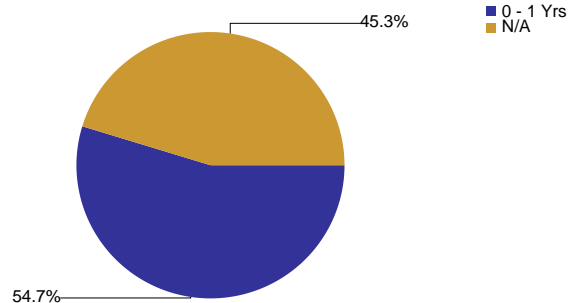
<b>705,082,105</b>							<b>705,230,251.43</b>	<b>711,498,284.15</b>	<b>6,268,032.72</b>
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====> 0054 ITEMS IN SUBTOTAL FOR ==== FUND NAME..... ====> GENERAL FUND CORE <====

## Portfolio Characteristics

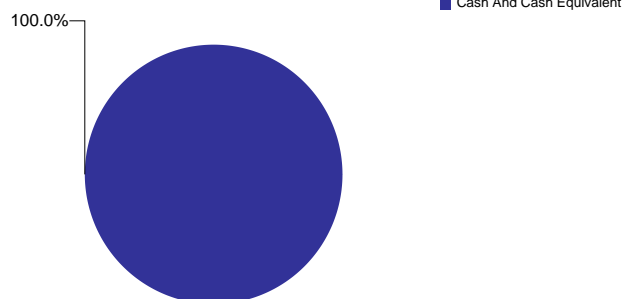
Total Net Assets (Millions)  
Weighted Average Life (Years)  
Weighted Avg. Effective Duration (Years)  
Weighted Average Coupon (%)  
Weighted Average Current Yield (%)  
Weighted Average Yield to Maturity (%)  
Weighted Average Rating  
Number of Holdings

664.6  
0.00  
0.00  
0.14  
0.14  
0.14  
AAA  
10



## Asset Mix

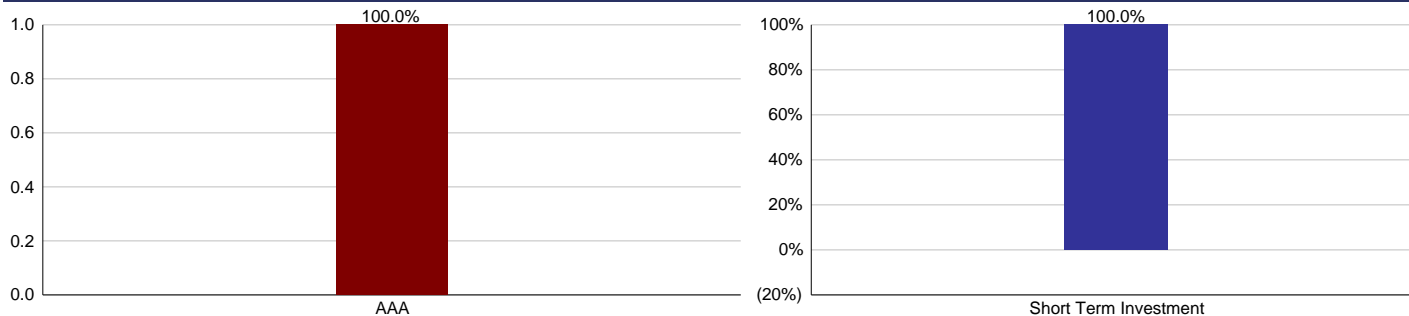
## Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
89499LC10	BANK OF THE WEST	45.29%	0.00	1/11/2016
99GU50120	REPO JPMORGAN CHASE BK (GREENWICH) 103116O	7.66%	0.26	1/11/2016
99GU50119	REPO JPMORGAN CHASE BK (GREENWICH) 103116P	7.66%	0.26	1/11/2016
99GU50118	REPO JPMORGAN CHASE BK (GREENWICH) 103116Q	7.66%	0.26	1/11/2016
99GU50112	REPO JPMORGAN CHASE BK (GREENWICH) 103116N	0.68%	0.26	1/11/2016
99GU50116	REPO JPMORGAN CHASE BK (GREENWICH) 103116J	7.35%	0.26	1/11/2016
99GU50114	REPO JPMORGAN CHASE BK (GREENWICH) 103116L	7.35%	0.26	1/11/2016
99GU50113	REPO JPMORGAN CHASE BK (GREENWICH) 103116M	7.35%	0.26	1/11/2016
99GU50117	REPO JPMORGAN CHASE BK (GREENWICH) 103116R	1.63%	0.26	1/11/2016
99GU50115	REPO JPMORGAN CHASE BK (GREENWICH) 103116K	7.35%	0.26	1/11/2016

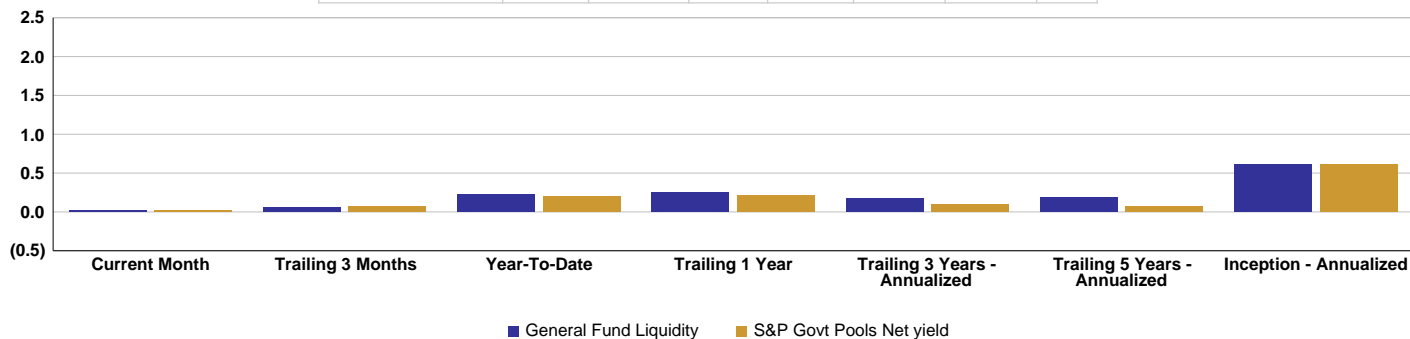
## Quality/Rating Weightings

## 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
General Fund Liquidity	0.02	0.06	0.22	0.25	0.17	0.19	0.61
S&P Govt Pools Net yield	0.02	0.07	0.20	0.22	0.09	0.08	0.62
Excess	(0.01)	(0.01)	0.02	0.03	0.08	0.11	(0.01)

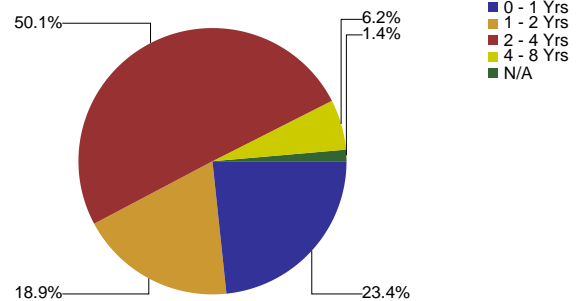


## Portfolio Characteristics

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

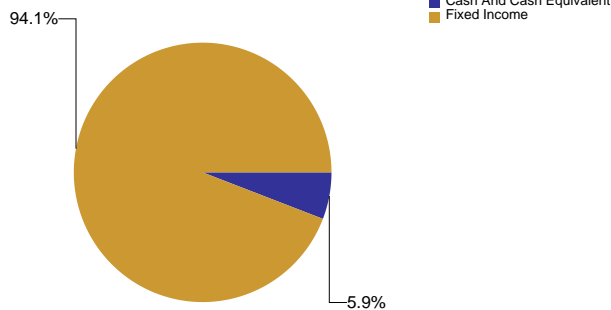
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2.20  
2.12  
1.45  
0.92  
0.93  
AA  
54

## Duration Mix



## Asset Mix

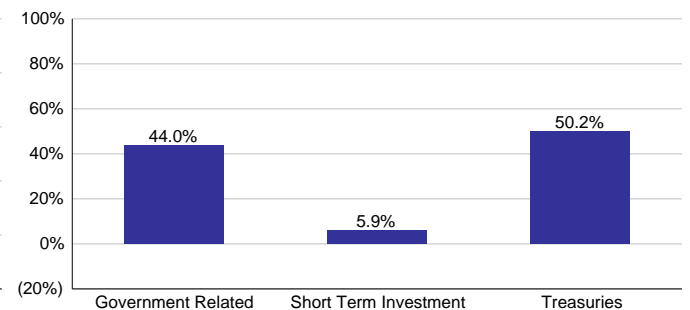
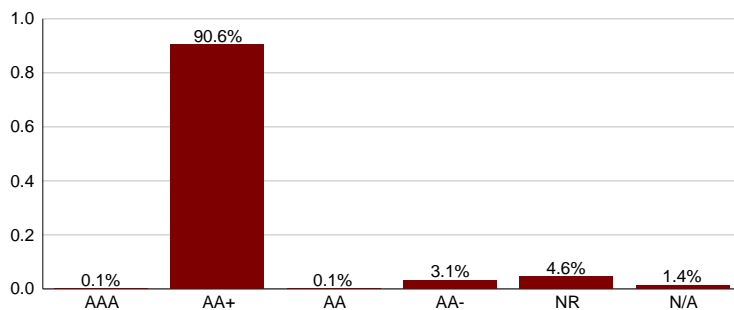
## Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
912828WCO	UNITED STATES OF AMERICA 1.750% 2020-10-31	5.87%	1.75	31/10/2020
3137EADCO	FEDERAL HOME LOAN MORTGAGE CORP 1% BDS 08/MAR/2017	5.62%	1.00	8/3/2017
912828C65	UNITED STATES OF AMERICA 1.625% 2019-03-31	4.99%	1.62	31/3/2019
3130A7CV5	FEDERAL HOME LOAN BANKS BOND FIXED 1.375%	4.78%	1.38	18/2/2021
912828UV0	UNITED STATES OF AMERICA 1.125% 2020-03-31	4.74%	1.12	31/3/2020
912828VE7	UNITED STATES OF AMERICA 1.000% 2018-05-31	3.53%	1.00	31/5/2018
912828U21	UNITED STATES OF AMERICA 0.625% 2018-04-30	3.49%	0.62	30/4/2018
912828F62	UNITED STATES OF AMERICA 1.500% 2019-10-31	3.48%	1.50	31/10/2019
313586RCS	FEDERAL NATIONAL MORTGAGE ASSOC 0% NTS 09/OCT/2019	3.08%	0.00	9/10/2019
3135G0GY3	FEDERAL NATIONAL MORTGAGE ASSOC 1.25% MTG BDS	5.63%	1.25	30/1/2017

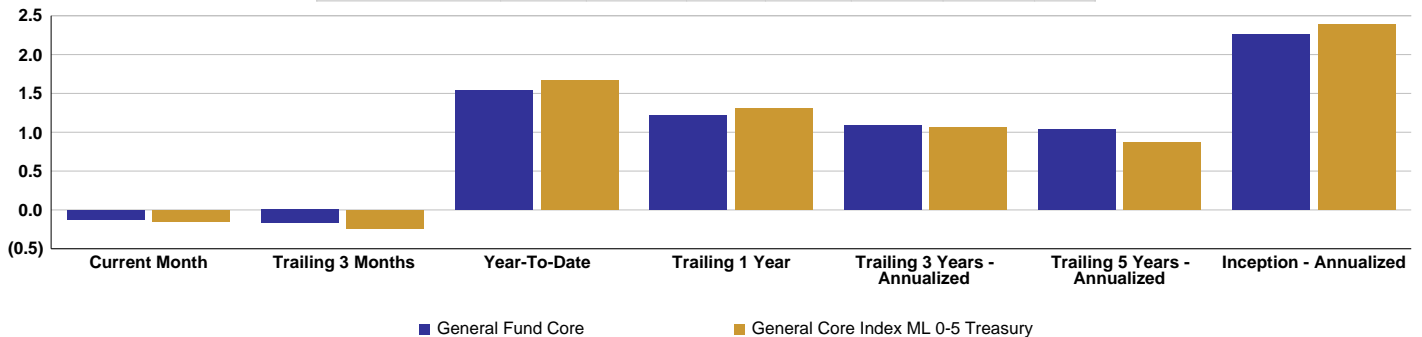
## Quality/Rating Weightings

## 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	(0.12)	(0.17)	1.54	1.22	1.09	1.03	2.26
General Core Index ML 0-5 Treasury	(0.14)	(0.24)	1.67	1.31	1.06	0.87	2.39
Excess	0.02	0.07	(0.13)	(0.09)	0.03	0.16	(0.14)





## 9. Portfolio Summary- Local Government Investment Pool

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

### *Summary*

- Ending October market value for the LGIP was \$720mil representing a decrease relative to September's reported closing value of \$737mil.
- The LGIP maintains an AAAM rating by Standard & Poor's.
- At the end of October the STO participant balance was \$10.6mil or 1.5% of the Pool.
- At the end of October the Judicial District Court participant balance was \$3.9mil or 0.5% of the Pool.
- At the end of October the Educational Retirement Board participant balance was \$200mil or 28% of the Pool.

### *Portfolio Mix*

- At the end of October 2016 the portfolio was invested as follows: 1% in US treasuries, 48% in US government agencies, 4% in collateralized demand deposit accounts with qualified banking institutions, 23% in floating rate securities, and 24% in overnight repurchase agreements.
- At month-end, the LGIP held positions in 52 securities.

### *Investment Earnings*

- In October the fund earned \$280,915.
- For FY2017, the fund has earned \$1,084,700.
- LGIP earnings are retained by participants after a management fee of 0.05% is paid to the General Fund.

### *Performance*

- Gross yield on the LGIP was 0.4548% at the end of October.
- Net yield to participants was 0.4048%.

### *Investment Highlights*

- For the LGIP, the WAM(R) of 56 days, and WAM (F) of 92 days, were within their maximums of 60 and 120 days respectively.
- The LGIP purchased \$241.4mil in US agency securities and \$10mil in US treasuries, \$197.6mil of which matured in approximately one-month or less. The remaining securities mature in 2 to 12 months at yields spanning 0.40% to 0.74%. The LGIP sold \$1mil in US agency securities at a gain.
- The LGIP engaged in 41 repo trades during the month, consisting of 33 overnight and 8 term trades. Trade amounts varied in size from \$40mil to \$100mil at rates spanning 0.24% to 0.42%.

### *Investment Strategy*

- LGIP WAMs are currently 53 and 92 days for WAM(R) and WAM (F) respectively.
- 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 \$1.0004

**STATE OF NEW MEXICO**  
**LGIP FUND (4101)**  
Portfolio Classification Summary  
Positions Held as of 10/31/16 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	.3143	.00270	75,000,000	75,000,000	75,000,000		10.429
REPURCHASE AGREEMENTS (TERM)	2	.3042	.01100	100,000,000	100,000,000	100,000,000		13.905
US TREASURY NOTE ACT/ACT 2X	1	.3100	.04110	5,000,000	5,000,597	5,000,850	253	.695
AGENCY US FLOAT ACT/360 12X	9	.5304	.37572	87,705,000	87,704,941	87,743,623	38,682	12.201
AGENCY US BOND 30/360 2X	11	.5661	.32557	82,270,000	82,329,466	82,351,254	21,788	11.451
AGENCY US DISC ACT/360 360 DAY	5	.4210	.07016	67,100,000	67,078,172	67,090,472	12,300	9.329
AGENCY 30/360 2X	1	.4576	.06300	25,450,000	25,452,682	25,454,836	2,154	3.539
AGENCY US BOND 30/360 ZERO CPN	2	.5937	.50075	18,124,000	18,069,448	18,068,767	-681	2.512
AGENCY US NOTES 30/360 2X	11	.5161	.32170	150,797,000	151,339,208	151,355,538	16,330	21.046
AGENCY US VARIABLE ACT/360 4X	6	.6264	.38995	71,050,000	71,060,834	71,089,898	29,064	9.885
AGENCY US VAR 30/360 4X	1	.5069	.16160	5,000,000	5,000,000	4,998,500	-1,500	.695
CASH ACCOUNT	4			31,013,008	31,013,008	31,013,008		4.312
	54	.4512	.22350	718,509,008	719,048,356	719,166,746	118,390	100.000



**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
**Position holdings as of 10/31/16 (TRADE)**  
**BOOK VALUES AMORTIZED THROUGH 10/31/16**

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
18,019,353	(TD)-WELLS FARGO CASH ACCOUNT	CASHCASH	.100			1.00000	18,019,353.38	18,019,353.00	- .38
2,367,869	WELLS FARGO SAVINGS	CASHCASH	.100			1.00000	2,367,869.22	2,367,869.00	- .22
7,439,574	BANK OF THE WEST	CASHCASH	.250			1.00000	7,439,573.79	7,439,574.00	.21
3,186,212	US BANK	CASHCASH	.200			1.00000	3,186,211.80	3,186,212.00	.20
<b>31,013,008</b>							<b>31,013,008.19</b>	<b>31,013,008.00</b>	- .19

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

450,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3S5	.625	11/01/16	.522	100.00000	450,000.00	450,000.00	
75,000,000	OVERNIGHT REPURCHASE AGREEMENT	1101ONRP	.310	11/01/16	.310	1.00000	75,000,000.00	75,000,000.00	
50,000,000	TERM REPURCHASE AGREEMENT	1104TMRP	.350	11/04/16	.350	1.00000	50,000,000.00	50,000,000.00	
50,000,000	TERM REPURCHASE AGREEMENT	1104TMRP	.250	11/04/16	.250	1.00000	50,000,000.00	50,000,000.00	
4,020,000	FEDERAL HOME LOAN BANKS	3130A6B5	.500	11/10/16	.300	100.00498	4,020,200.27	4,020,201.00	.73
8,000,000	FEDERAL HOME LOAN BANKS	313381B5	.580	11/14/16	.593	99.99946	7,999,957.02	8,001,120.00	1,162.98
30,591,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0ES	1.375	11/15/16	.448	100.03592	30,601,987.74	30,602,930.49	942.75
6,100,000	FEDERAL FARM CREDIT BANKS	313312P6	.300	11/15/16	.300	99.98833	6,099,288.33	6,099,512.00	223.67
5,000,000	UNITED STATES TREASURY NOTES	912828WF	.625	11/15/16	.310	100.01195	5,000,597.41	5,000,850.00	252.59
25,000,000	TENNESSEE VALLEY AUTHORITY	880592P6		11/15/16	.264	99.98973	24,997,433.33	24,998,000.00	566.67
20,000,000	FEDERAL HOME LOAN BANK	3130A8JE	.422	11/16/16	.528	99.99804	19,999,608.05	20,001,800.00	2,191.95
9,000,000	FEDERAL HOME LOAN BANKS	3130A34L	.750	11/18/16	.681	100.00315	9,000,283.81	9,001,980.00	1,696.19
10,000,000	FEDERAL FARM CREDIT BANKS	313312Q5		11/22/16	.481	99.97200	9,997,200.00	9,998,800.00	1,600.00
25,450,000	FEDERAL HOME LOAN BANK	3130A3J7	.625	11/23/16	.451	100.01054	25,452,681.45	25,454,835.50	2,154.05
1,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G07E	.625	11/28/16	.465	100.01190	1,000,119.03	1,000,370.00	250.97
20,000,000	FEDERAL HOME LOAN BANKS	313384S6		12/09/16	.501	99.94722	19,989,444.44	19,995,600.00	6,155.56
6,000,000	FEDERAL HOME LOAN BANKS	313384S9		12/12/16	.766	99.91344	5,994,806.67	5,998,560.00	3,753.33
4,785,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359M2D	4.875	12/15/16	.671	100.51185	4,809,492.21	4,811,365.35	1,873.14
7,685,000	TENNESSEE VALLEY AUTHORITY	880591DS	4.875	12/15/16	.440	100.54074	7,726,556.09	7,729,880.40	3,324.31
<b>358,081,000</b>							<b>358,139,655.85</b>	<b>358,165,804.74</b>	<b>26,148.89</b>

====> 0019 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2016 <==

7,000,000	FEDERAL FARM CREDIT BANKS	3133EDJ3	.467	1/03/17	.542	100.00101	7,000,070.88	7,002,730.00	2,659.12
9,300,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G5Z3	.532	1/13/17	.406	100.02450	9,302,278.96	9,304,092.00	1,813.04
4,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134A4MN		1/15/17	.450	99.90842	3,996,336.84	3,996,320.00	- 16.84
10,000,000	FEDERAL FARM CREDIT BANKS	31331K6S	.479	1/17/17	.585	100.00000	10,000,000.00	10,005,200.00	5,200.00

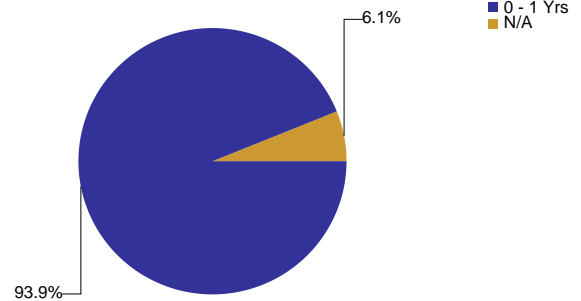
**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
**Position holdings as of 10/31/16 (TRADE)**  
**BOOK VALUES AMORTIZED THROUGH 10/31/16**

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADU	.500	1/27/17	.410	100.02134	20,004,267.66	20,005,200.00	932.34
10,000,000	FEDERAL HOME LOAN BANKS	3130A7ZB	.514	1/27/17	.419	100.02406	10,002,405.92	10,004,800.00	2,394.08
12,196,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0GY	1.250	1/30/17	.418	100.20517	12,221,022.72	12,221,001.80	- 20.92
6,165,000	FEDERAL HOME LOAN BANKS	3130A3RN	.740	2/01/17	.419	100.07990	6,169,925.84	6,169,925.84	
2,650,000	FEDERAL HOME LOAN BANKS	3130A4CY	.750	2/21/17	.419	100.10082	2,652,671.69	2,652,279.00	- 392.69
4,000,000	FEDERAL FARM CREDIT BANKS	3133ECT7	1.000	3/01/17	.526	100.15727	4,006,290.78	4,009,000.00	2,709.22
33,629,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADC	1.000	3/08/17	.498	100.17647	33,688,346.52	33,696,258.00	7,911.48
23,750,000	FEDERAL HOME LOAN BANKS	3130A2A6	.625	3/20/17	.533	100.03530	23,758,383.63	23,767,337.50	8,953.87
5,400,000	FEDERAL FARM CREDIT BANKS	3133EDX6	.500	4/10/17	.474	100.00870	5,400,469.83	5,401,188.00	718.17
7,405,000	FEDERAL FARM CREDIT BANKS	3133EDJX	.491	4/17/17	.602	99.99033	7,404,283.78	7,412,701.20	8,417.42
5,400,000	FEDERAL FARM CREDIT BANKS	3133EFKH	.440	4/20/17	.545	99.96691	5,398,213.08	5,399,622.00	1,408.92
31,270,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0ZB	.750	4/20/17	.562	100.08812	31,297,555.51	31,303,146.20	5,590.69
10,000,000	FEDERAL HOME LOAN BANKS	3130A9U3	.422	4/24/17	.417	100.00000	10,000,000.00	10,000,100.00	100.00
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G75N	.479	4/27/17	.622	99.97598	9,997,597.81	10,012,300.00	14,702.19
250,000	FEDERAL FARM CREDIT BANKS	3133EERF	.495	4/27/17	.590	99.95340	249,883.51	249,987.50	103.99
2,310,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136FPYB	2.050	5/23/17	.620	100.79932	2,328,464.27	2,329,380.90	916.63
5,000,000	FEDERAL HOME LOAN BANKS	3130A7WA	.750	5/25/17	.750	100.00000	5,000,000.00	5,000,750.00	750.00
25,000,000	FEDERAL FARM CREDIT BANKS	3133EFFV	.650	5/30/17	.555	100.05158	25,012,896.13	25,028,250.00	15,353.87
14,124,000	FANNIE MAE	31359MEL		6/01/17	.624	99.63969	14,073,110.36	14,072,447.40	- 662.96
10,566,000	TENNESSEE VALLEY AUTH	880591EA	5.500	7/18/17	.679	103.42608	10,927,999.42	10,926,406.26	- 1,593.16
2,000,000	FEDERAL FARM CREDIT BANKS	3133ECP2	.700	8/09/17	.744	99.96633	1,999,326.53	1,998,880.00	- 446.53
10,000,000	FEDERAL HOME LOAN BANK	3130A92E	.625	8/11/17	.678	99.95869	9,995,869.41	9,999,900.00	4,030.59
4,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3G4	1.000	9/12/17	.710	100.24883	4,009,953.32	4,009,480.00	- 473.32
5,000,000	FEDERAL HOME LOAN BANKS	3130A9LQ	.500	9/29/17	.500	100.00000	5,000,000.00	4,998,500.00	- 1,500.00
10,000,000	FEDERAL HOME LOAN BANKS	3130A9S6	.466	11/22/17	.471	99.99361	9,999,361.20	9,997,400.00	- 1,961.20
25,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0L2	.597	12/20/17	.808	99.99749	24,999,372.55	25,010,750.00	11,377.45
<b>325,415,000</b>							<b>325,896,358.15</b>	<b>325,985,333.60</b>	<b>88,975.45</b>
====> 0030 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2017 <====									
4,000,000	FEDERAL FARM CREDIT BANKS	3133EEZ5	.542	3/22/18	.584	99.98335	3,999,333.94	4,002,600.00	3,266.06
<b>4,000,000</b>							<b>3,999,333.94</b>	<b>4,002,600.00</b>	<b>3,266.06</b>
====> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2018 <====									
<b>718,509,008</b>							<b>719,048,356.13</b>	<b>719,166,746.34</b>	<b>118,390.21</b>

## Portfolio Characteristics

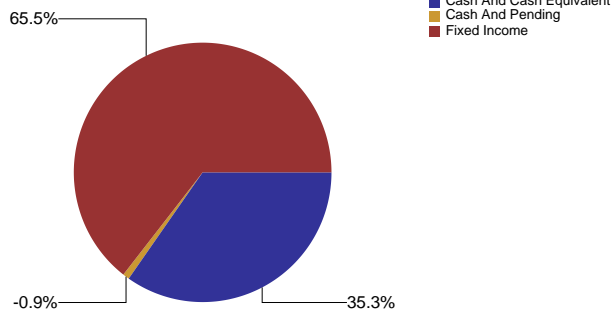
Total Net Assets (Millions)  
Weighted Average Life (Years)  
Weighted Avg. Effective Duration (Years)  
Weighted Average Coupon (%)  
Weighted Average Current Yield (%)  
Weighted Average Yield to Maturity (%)  
Weighted Average Rating  
Number of Holdings

720.2  
0.25  
0.14  
0.59  
0.62  
0.65  
AA  
58



## Asset Mix

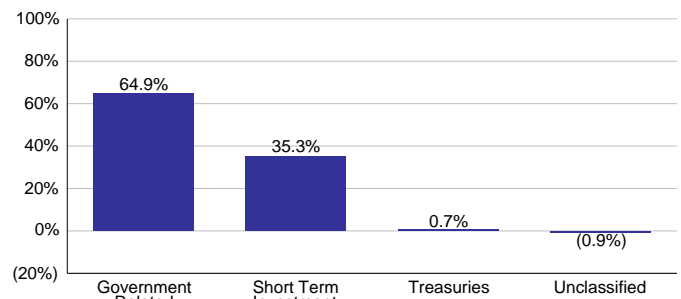
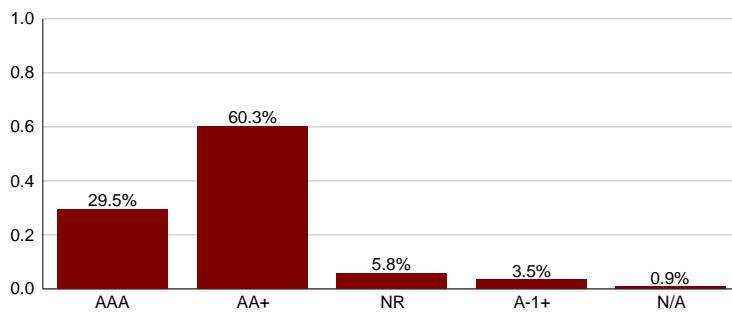
## Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
99GU50131	REPO JPMORGAN CHASE BK (HSBCSI) LGIPREPO103116	6.98%	0.31	1/11/2016
99GU20036	REPO JPMORGAN CHASE BK (HSBCSI) LGIPREPO102816_2	6.85%	0.35	1/11/2016
3137EADCO	FEDERAL HOME LOAN MORTGAGE CORP 1% BDS 08/MAR/2017	4.65%	1.00	8/3/2017
3135G0ZB2	FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES FIXED	4.31%	0.75	20/4/2017
3135G0ES8	FED NATL MORT ASSC 1.375% NTS 15/NOV/2016 USD1000	4.24%	1.38	15/11/2016
3130A3J70	FEDERAL HOME LOAN BANKS BOND FIXED 625%	3.51%	0.62	23/11/2016
3133EFFV4	FEDERAL FARM CREDIT BANK BOND VARIABLE 30/MAY/2017	3.45%	0.65	30/5/2017
3135G0L27	FEDERAL NATIONAL MORTGAGE ASSOCIATION CALLABLE	3.45%	0.81	20/12/2017
880592P61	TENNESSEE VALLEY AUTHORITY BOND ZERO CPN	3.44%	0.00	15/11/2016
99GU20033	REPO BANK OF NEW YORK (MIZUHOSEC) LGIPREPO102816_5	6.86%	0.25	1/11/2016

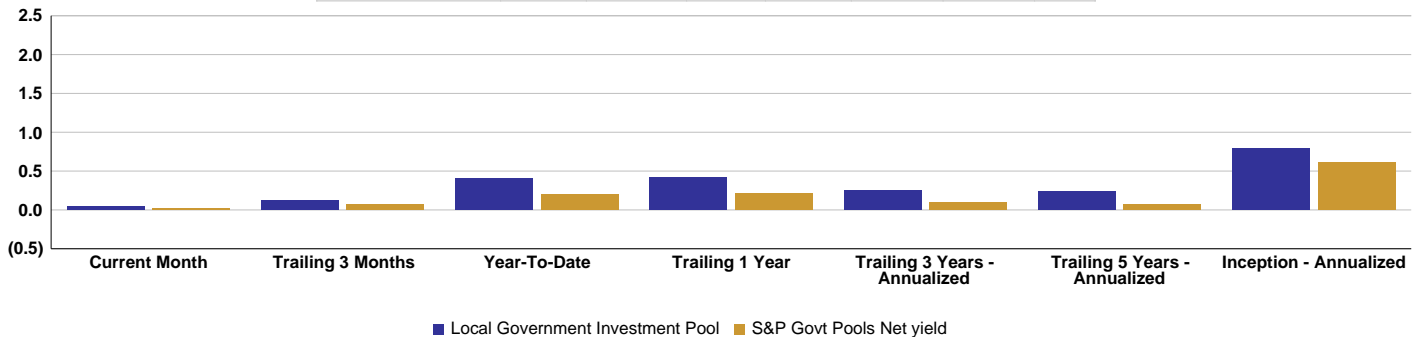
## Quality/Rating Weightings

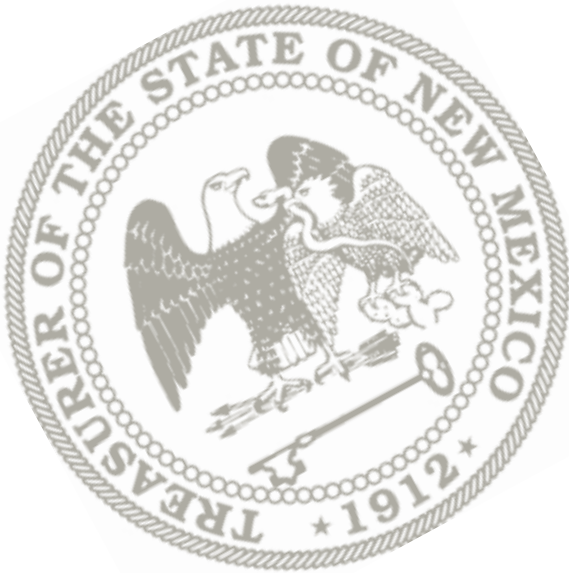
## Sector Weightings (as % of Market Value)



## Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Local Government Investment Pool	0.04	0.12	0.40	0.42	0.25	0.23	0.80
S&P Govt Pools Net yield	0.02	0.07	0.20	0.22	0.09	0.08	0.62
Excess	0.02	0.05	0.20	0.20	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 October at \$568.3mil vs. \$600mil at the end of September.
- The Pool received \$17.2mil in draw requests for capital spending during the month and paid out \$17.9mil for capital projects.

### *Portfolio Mix*

- 100% of the Tax-Exempt BPIP portfolio was invested in fixed income securities: 27% in US Treasuries, 62% in US agency securities, 5% in commercial paper, 5% in NM municipal securities and the balance, approximately 1%, was held in cash equivalents and collateralized NM bank CDs.
- 45% of the portfolio was invested in securities that mature in one year, 41% in securities that mature from 1-2 years, 14% in securities that mature from 2-4 years and 1% in securities out to 5 years.
- The Tax-Exempt BPIP held positions in 97 securities.
- Weighted Average Life of the Tax Exempt BPIP was 1.19 years. The Weighted Average duration was 1.15 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 \$436,995 on October 31<sup>st</sup>.
- Monthly net earnings on the portfolio for October were \$428,900.
- Net earnings for FY2017 were \$1,797,865.
- 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 October was 1.15 yrs. vs. the Benchmark at 1.43 yrs.
- The Pool purchased \$6.5mil of 3 year U.S. agency securities and \$7.2mil of short local municipal securities.
- The Pool sold \$15mil in U.S. Treasuries during the month. All sales recorded gains.

### *Performance*

- The purchase yield was 0.89% at the end of October vs. 0.89% reported for the previous month.
- The Tax-Exempt BPIP returned 0.02% for the month of October and 0.07% for the three months ended October 31, 2016, vs. Index returns of (0.03)% and (0.04)% respectively. For the trailing 12 mos. the Pool returned 0.84% vs. 0.78% for the benchmark.
- The Tax-Exempt BPIP had a duration shorter than the benchmark for the month of October and 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 1.25 yrs. vs. 1.45 yrs. for the benchmark.
- Capital project withdrawal requests totaled \$16.2mil for November.
- 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 de

**STATE OF NEW MEXICO**  
**BOND PROCEEDS INV POOL1 TAX EX (4000)**  
Portfolio Classification Summary  
Positions Held as of 10/31/16 (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	1,361,855	1,361,855	1,361,855		.240
COMMERCIAL PAPER-DISCOUNT BASED	5	.7141	.14619	29,143,425	29,061,666	29,061,666		5.130
CERTIFICATES OF DEPOSIT	2	.8650	1.17810	3,000,000	3,000,000	3,000,000		.530
US TREASURY NOTE ACT/ACT 2X	12	.8956	1.21427	150,000,000	150,132,453	150,445,900	313,447	26.559
AGENCY US BOND 30/360 2X	21	.9732	1.56717	108,915,000	109,835,764	109,855,235	19,471	19.393
AGENCY 30/360 2X	2	.9892	2.81860	12,500,000	12,482,570	12,452,425	-30,145	2.198
AGENCY US BOND 30/360 ZERO CPN	2	1.1756	2.25943	21,089,000	20,486,529	20,437,375	-49,154	3.608
AGENCY US NOTES 30/360 2X	25	.8716	.93513	203,815,000	204,264,491	204,465,956	201,465	36.095
FED NATL MORTGAGE ASSN DEBS	1	1.2267	.04110	5,000,000	5,000,306	5,001,950	1,644	.883
MUNI US 30/360 2X	20	.8119	.70084	21,895,000	22,159,716	22,137,952	-21,764	3.908
MUNICIPAL BOND REVENUE	5	.8737	.79784	2,740,000	2,774,722	2,776,753	2,031	.490
MUNICIPAL BOND REVENUE ACT/ACT	1	.6500	13.58360	4,375,000	4,375,000	4,375,000		.772
UNITS - INVESTMENT POOL 1	1			1,095,571	1,095,571	1,095,571		.193
	98	.8991	1.26148	564,929,851	566,030,643	566,467,638	436,995	100.000

**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
**Position holdings as of 10/31/16 (TRADE)**  
**BOOK VALUES AMORTIZED THROUGH 10/31/16**

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
1,095,571	UNITS - INVESTMENT POOL 1	UNITS001				1.00000	1,095,570.55	1,095,571.00	.45
<b>1,095,571</b>							<b>1,095,570.55</b>	<b>1,095,571.00</b>	<b>.45</b>

====> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> NO-MEANINGFUL-DATE <====

1,361,855	OVERNIGHT REPO	1101RP	.260	11/01/16	.260	1.00000	1,361,854.89	1,361,854.89	
13,585,000	MICROSOFT CO	59515ML8		11/08/16	.505	99.90181	13,571,660.28	13,571,660.28	
5,000,000	FEDERAL NATL MTG ASSN DEBS	3135G0ES	1.375	11/15/16	1.210	100.00612	5,000,306.04	5,001,950.00	1,643.96
5,000,000	UNITED STATES TREASURY NOTES	912828WF	.625	11/15/16	.693	99.99735	4,999,867.49	5,000,850.00	982.51
<b>24,946,855</b>							<b>24,933,688.70</b>	<b>24,936,315.17</b>	<b>2,626.47</b>

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

5,000,000	TOYOTA MOTOR CREDIT CORP	89233GN4		1/04/17	.854	99.56792	4,978,395.83	4,978,395.83	
5,000,000	US BANK NA	9033E0NH		1/17/17	.713	99.63908	4,981,954.15	4,981,954.15	
15,000,000	UNITED STATES TREASURY NOTES	912828SC	.875	1/31/17	.710	100.04038	15,006,057.66	15,021,600.00	15,542.34
558,425	US BANK NA	9033A0PT		2/27/17	1.004	99.57500	556,051.69	556,051.69	
15,000,000	UNITED STATES TREASURY NOTES	912828SJ	.875	2/28/17	.788	100.02808	15,004,211.43	15,026,850.00	22,638.57
130,000	NEW MEXICO MTG FIN AUTH	647200L2	3.700	3/01/17	.652	101.01258	131,316.36	130,761.80	- 554.56
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADC	1.000	3/08/17	.756	100.08551	10,008,550.56	10,020,000.00	11,449.44
5,000,000	TOYOTA MOTOR CREDIT CORP	89233GQD		3/13/17	1.056	99.47208	4,973,604.15	4,973,604.15	
24,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0VM	.750	3/14/17	.625	100.04577	24,010,985.56	24,025,680.00	14,694.44
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359M7X	5.000	5/11/17	.736	102.24174	15,336,260.40	15,353,700.00	17,439.60
1,495,000	ARTESIA N MEX GROSS RCPTS TAX RE	043053BU	2.000	6/01/17	.750	100.72568	1,505,848.89	1,506,960.00	1,111.11
6,089,000	FANNIE MAE	31359MEL		6/01/17	.643	99.63111	6,066,538.04	6,066,775.15	237.11
55,000	UNIVERSITY N MEX UNIV REVS	9146922F	.970	6/01/17	.970	100.00000	55,000.00	55,033.00	33.00
385,000	COUNTY OF SANTA FE	80189RET	2.000	6/01/17	.640	100.79028	388,042.58	387,725.80	- 316.78
2,000,000	FEDERAL HOME LOAN BANKS	313383PD	1.250	6/09/17	.701	100.33072	2,006,614.45	2,008,000.00	1,385.55
10,000,000	NCUA GUARN NTS TR 2011-M1	62889KAC	2.350	6/12/17	.820	100.93473	10,093,472.87	10,105,200.00	11,727.13
700,000	SAN JUAN CO NM GROSS RCPTS TAX	79835HGK	4.000	6/15/17	.870	101.93705	713,559.34	713,482.00	- 77.34
1,000,000	FEDERAL FARM CREDIT BANKS	3133EDEB	1.100	6/28/17	.700	100.26198	1,002,619.82	1,003,130.00	510.18
5,000,000	UNITED STATES TREASURY NOTES	912828TB	.750	6/30/17	1.006	99.83072	4,991,535.96	5,004,100.00	12,564.04
600,000	ALBUQUERQUE NM GROSS RECPTS TAX	01354PFR	1.050	7/01/17	1.050	100.00000	600,000.00	600,894.00	894.00
4,800,000	NEW MEXICO ST SEVERANCE TAX	647310X7	2.000	7/01/17	.891	100.73508	4,835,283.63	4,832,688.00	- 2,595.63
2,500,000	METROPOLITAN TRANSN AUTH N Y SPL	59261EAC	1.069	7/01/17	.701	100.24418	2,506,104.48	2,503,550.00	- 2,554.48



# STATE OF NEW MEXICO

## TREASURERS OFFICE

Position holdings as of 10/31/16 (TRADE)

BOOK VALUES AMORTIZED THROUGH 10/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
2,860,000	NEW MEXICO ST SEVERANCE TAX	647310R6	5.000	7/01/17	.741	102.82581	2,940,818.24	2,941,138.20	319.96
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	99.85407	4,992,703.32	4,996,800.00	4,096.68
24,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADV	.750	7/14/17	.740	100.00663	24,001,590.51	24,025,680.00	24,089.49
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADJ	1.000	7/28/17	.791	100.15401	5,007,700.70	5,014,400.00	6,699.30
5,000,000	UNITED STATES TREASURY NOTES	912828TG	.500	7/31/17	.906	99.69829	4,984,914.26	4,995,300.00	10,385.74
375,000	SANDOVAL CNTY N MEX	80004PEA	3.000	8/01/17	.820	101.62562	381,096.08	380,715.00	- 381.08
300,000	ALBUQUERQUE N MEX MET ARROYO FLO	013572KE	2.000	8/01/17	.750	100.93245	302,797.34	302,913.00	115.66
250,000	ROSWELL N MEX INDPT SCH DIST	778550JQ	2.000	8/01/17	.900	100.81971	252,049.27	251,960.00	- 89.27
2,500,000	SANTA FE N MEX PUB SCH DIST FO	802088LN	5.000	8/01/17	.900	103.05629	2,576,407.30	2,575,100.00	- 1,307.30
250,000	LAS CRUCES N MEX SCH DIST NO 002	517534TL	2.000	8/01/17	.700	100.97029	252,425.72	252,352.50	- 73.22
245,000	NEW MEXICO EDL ASSISTANCE FNDTN	647110DZ	4.000	9/01/17	.726	102.71472	251,651.06	251,392.05	- 259.01
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0PP	1.000	9/20/17	.830	100.14972	5,007,486.13	5,012,700.00	5,213.87
15,000,000	FEDERAL FARM CREDIT BANKS	3133EEQX	1.000	9/25/17	.860	100.12506	15,018,758.79	15,035,850.00	17,091.21
5,000,000	FNMA	3135G0ZL	1.000	9/27/17	1.118	99.89386	4,994,692.99	5,013,200.00	18,507.01
835,000	JAL N MEX PUB SCH DIST NO 19	470143AR	2.000	10/01/17	.701	101.18493	844,894.13	840,202.05	- 4,692.08
2,000,000	FEDERAL HOME LOAN BANKS	3133792L	1.230	10/20/17	.786	100.42750	2,008,549.95	2,008,520.00	- 29.95
5,000,000	FEDERAL HOME LOAN BANKS	3130A6LZ	.625	10/26/17	.733	99.89449	4,994,724.37	4,995,900.00	1,175.63
1,000,000	FEDERAL HOME LOAN BANKS	3130A4B2	1.000	10/27/17	.787	100.20978	1,002,097.76	1,001,510.00	- 587.76
1,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136FPQT	2.200	10/27/17	.650	101.52504	1,015,250.41	1,014,100.00	- 1,150.41
15,000,000	UNITED STATES TREASURY NOTES	912828UA	.625	11/30/17	.814	99.79762	14,969,642.92	14,981,250.00	11,607.08
5,000,000	FEDERAL FARM CREDIT BANKS	3133EGDG	.850	12/06/17	.710	100.15229	5,007,614.73	4,998,600.00	- 9,014.73
6,005,000	TENNESSEE VALLEY AUTHORITY	880591CU	6.250	12/15/17	1.021	105.81821	6,354,383.52	6,368,242.45	13,858.93
10,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADX	1.000	12/15/17	.711	100.32212	10,032,212.36	10,029,900.00	- 2,312.36
<b>247,432,425</b>							<b>248,446,469.71</b>	<b>248,643,860.82</b>	<b>197,391.11</b>

====> 0046 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2017 <====

24,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADN	.750	1/12/18	.904	99.81699	23,956,078.20	23,994,720.00	38,641.80
5,000,000	UNITED STATES TREASURY NOTES	912828P2	.750	1/31/18	.723	100.03375	5,001,687.29	4,999,400.00	- 2,287.29
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADP	.875	3/07/18	.928	99.92899	19,985,797.80	20,011,800.00	26,002.20
13,585,000	FEDERAL HOME LOAN BANKS	313378A4	1.375	3/09/18	.966	100.54875	13,659,547.43	13,686,615.80	27,068.37
25,000,000	UNITED STATES TREASURY NOTES	912828J6	1.000	3/15/18	.899	100.13762	25,034,405.84	25,076,250.00	41,844.16
12,500,000	FEDERAL HOME LOAN BANKS	3130A7CX	.875	3/19/18	.822	100.07202	12,509,002.26	12,499,375.00	- 9,627.26
20,000,000	UNITED STATES TREASURY NOTES	912828Q4	.875	3/31/18	.746	100.18098	20,036,196.66	20,024,200.00	- 11,996.66
2,000,000	FEDERAL FARM CREDIT BANKS	3133EDHU	1.420	4/02/18	.820	100.84465	2,016,893.00	2,013,820.00	- 3,073.00
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G9DT	1.050	5/10/18	1.049	100.00000	5,000,000.00	5,000,100.00	100.00
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0WJ	.875	5/21/18	1.114	99.63168	14,944,752.69	15,004,200.00	59,447.31

**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
**Position holdings as of 10/31/16 (TRADE)**  
**BOOK VALUES AMORTIZED THROUGH 10/31/16**

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	100.32860	1,003,285.97	1,002,240.00	- 1,045.97
5,000,000	UNITED STATES TREASURY NOTES	912828VE	1.000	5/31/18	.719	100.44039	5,022,019.68	5,013,850.00	- 8,169.68
100,000	SANDOVAL CNTY N MEX INCENTIVE PA	800051AW	1.952	6/01/18	1.460	100.76632	100,766.32	100,568.00	- 198.32
155,000	RUIDOSO N MEX GROSS RCPTS TAX RE	781336BB	2.000	6/01/18	1.100	101.40834	157,182.92	157,041.35	- 141.57
260,000	ARTESIA N MEX GROSS RCPTS TAX RE	043053BV	2.000	6/01/18	1.000	101.56634	264,072.48	265,067.40	994.92
250,000	UNIVERSITY N MEX UNIV REVS	9146922G	1.220	6/01/18	1.220	100.00000	250,000.00	249,960.00	- 40.00
1,000,000	FEDERAL HOME LOAN BANKS	313379DT	1.250	6/08/18	.832	100.66388	1,006,638.77	1,005,610.00	- 1,028.77
5,000,000	FEDERAL HOME LOAN BANKS	313379DT	1.250	6/08/18	.840	100.65084	5,032,541.90	5,028,050.00	- 4,491.90
1,000,000	UNIVERSITY N MEX UNIV REVS	914692W6	1.438	6/20/18	1.060	100.61078	1,006,107.76	1,006,640.00	532.24
185,000	ABQ NM GROSS RCPT LODGERS TAX RE	01354MFV	3.000	7/01/18	1.200	102.96014	190,476.25	190,675.80	199.55
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	100.81355	1,310,576.20	1,308,814.00	- 1,762.20
1,000,000	FEDERAL FARM CREDIT BANKS	3133EAZX	1.060	7/24/18	.875	100.31669	1,003,166.88	1,001,380.00	- 1,786.88
7,500,000	FEDERAL HOME LOAN BANKS	3130A8U5	.830	7/25/18	.864	99.94078	7,495,558.32	7,486,800.00	- 8,758.32
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G9HJ	1.000	8/10/18	1.143	99.96002	4,998,000.94	4,996,800.00	- 1,200.94
120,000	HOBBS N MEX MUN SCH DIST NO 16	43385QAU	1.000	9/15/18	.950	100.09183	120,110.20	119,494.80	- 615.40
2,000,000	FEDERAL FARM CREDIT BANKS	3133ED2C	1.950	9/17/18	.905	101.94067	2,038,813.42	2,036,140.00	- 2,673.42
1,250,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3K7	1.200	9/24/18	.943	100.48273	1,256,034.15	1,254,850.00	- 1,184.15
785,000	JAL N MEX PUB SCH DIST NO 19	470143AS	2.000	10/01/18	.850	102.18135	802,123.58	793,069.80	- 9,053.78
5,000,000	FEDERAL HOME LOAN BANKS	3130A9AE	.875	10/01/18	.908	99.93767	4,996,883.39	4,997,650.00	766.61
2,500,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G42X	1.050	10/30/18	.878	100.33957	2,508,489.34	2,503,675.00	- 4,814.34
15,000,000	UNITED STATES TREASURY NOTES	912828WD	1.250	10/31/18	.944	100.60344	15,090,516.64	15,106,050.00	15,533.36
5,000,000	FREDDIE MAC	3134G9WB	1.000	12/28/18	1.000	100.00000	5,000,000.00	4,984,150.00	- 15,850.00
20,000,000	UNITED STATES TREASURY NOTES	912828RY	1.375	12/31/18	1.395	99.95698	19,991,396.56	20,196,200.00	204,803.44
<b>223,990,000</b>							<b>224,289,122.84</b>	<b>224,615,256.95</b>	<b>326,134.11</b>

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

10,000,000	FEDERAL HOME LOAN BANKS	3133782M	1.500	3/08/19	1.127	100.86372	10,086,372.33	10,115,800.00	29,427.67
2,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3YF	1.500	7/18/19	1.249	100.66760	2,013,352.06	2,020,500.00	7,147.94
1,325,000	UNITED STATES DEPARTMENT OF HOUS	911759JA	5.450	8/01/19	5.450	100.00000	1,325,000.00	1,333,201.75	8,201.75
7,500,000	FEDERAL HOME LOAN BANK	3130A8Y7	.875	8/05/19	.940	99.82301	7,486,725.64	7,460,925.00	- 25,800.64
5,000,000	FEDERAL HOME LOAN BANK	3130A9EP	1.000	9/26/19	1.029	99.91687	4,995,843.42	4,991,500.00	- 4,343.42
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313586RC		10/09/19	1.377	96.13327	14,419,990.56	14,370,600.00	- 49,390.56
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G4EL	1.125	10/11/19	1.257	99.87663	4,993,831.41	4,995,200.00	1,368.59
1,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G2YA	1.400	11/26/19	.798	100.04142	1,500,621.37	1,500,135.00	- 486.37
<b>47,325,000</b>							<b>46,821,736.79</b>	<b>46,787,861.75</b>	<b>- 33,875.04</b>

====> 0008 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2019 <====

**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
**Position holdings as of 10/31/16 (TRADE)**  
**BOOK VALUES AMORTIZED THROUGH 10/31/16**

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	102.66698	10,266,697.64	10,228,800.00	- 37,897.64
1,265,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G0E5	1.625	3/27/20	1.097	101.75851	1,287,245.16	1,279,332.45	- 7,912.71
1,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G12H	1.400	6/05/20	1.149	100.88056	1,008,805.56	1,000,320.00	- 8,485.56
<b>12,265,000</b>							<b>12,562,748.36</b>	<b>12,508,452.45</b>	<b>- 54,295.91</b>

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

3,500,000	NEW JERSEY ECONOMIC DEV AUTH RET	64578HAU	5.250	11/15/26	.601	100.18021	3,506,307.19	3,505,320.00	- 987.19
<b>3,500,000</b>							<b>3,506,307.19</b>	<b>3,505,320.00</b>	<b>- 987.19</b>

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

4,375,000	UNIVERSITY N MEX UNIV REVS	914692XL	.820	6/01/30	.650	100.00000	4,375,000.00	4,375,000.00	
<b>4,375,000</b>							<b>4,375,000.00</b>	<b>4,375,000.00</b>	

====> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2030 <===

<b>564,929,851</b>							<b>566,030,644.14</b>	<b>566,467,638.14</b>	<b>436,994.00</b>
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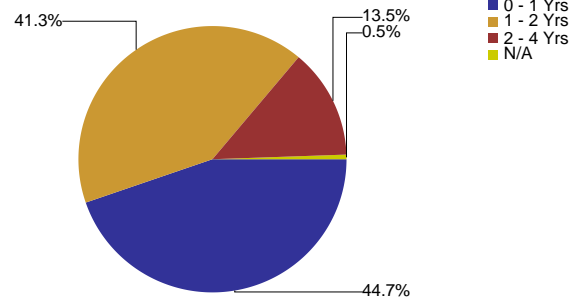
====> 0098 ITEMS IN SUBTOTAL FOR ==> FUND NAME..... ==> BOND PROCEEDS INV POOL1 TAX EX <

## 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

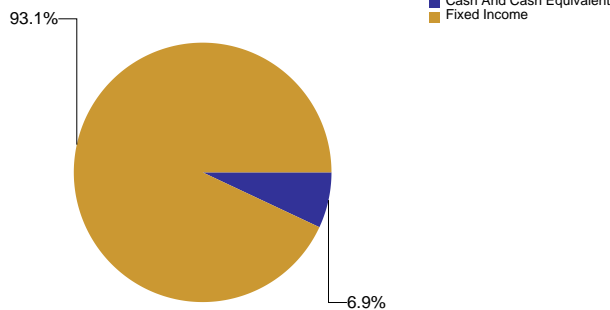
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97

## Duration Mix



## Asset Mix

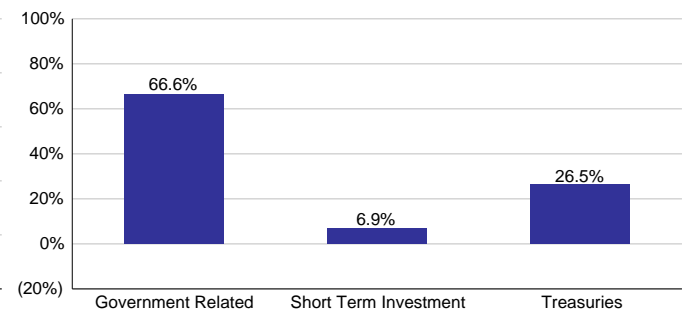
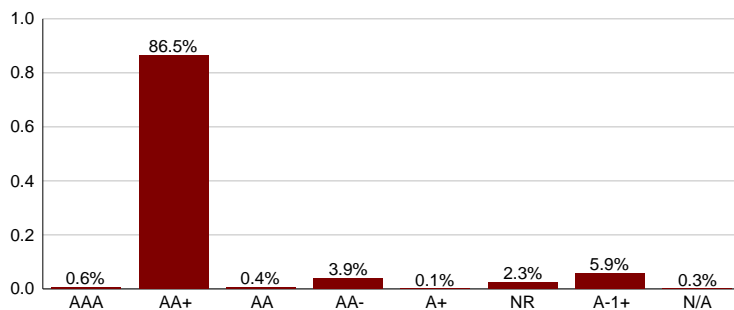
## Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
912828J68	TWEB RR UNITED STATES 2X OLD 3 YEAR POINT 1.000% 2018-03-15	4.42%	1.00	15/3/2018
3137EADV8	FEDERAL HOME LOAN MORTGAGE CORP NOTES FIXED .75%	4.24%	0.75	14/7/2017
3137EADN6	FEDERAL HOME LOAN MORTGAGE CORP 0.75% BDS	4.23%	0.75	12/1/2018
3135G0VM2	FNMA 0.750000 C '17 USD	4.23%	0.75	14/3/2017
912828RY8	UNITED STATES OF AMERICA 1.375% 2018-12-31	3.57%	1.38	31/12/2018
912828Q45	UNITED STATES OF AMERICA TREAS NOTE 0.875% 2018-03-31	3.53%	0.88	31/3/2018
3137EADP1	FEDERAL HOME LOAN MORTGAGE CORP 0.875% BDS	3.53%	0.88	7/3/2018
31359M7X5	FEDERAL NATIONAL MORTGAGE ASSOC 5% BDS 11/MAY/2017	2.76%	5.00	11/5/2017
912828WD8	UNITED STATES OF AMERICA 1.250% 2018-10-31	2.66%	1.25	31/10/2018
3135G0WJ8	FEDERAL NATIONAL MORTGAGE ASSOC 0.875% BDS	2.65%	0.88	21/5/2018

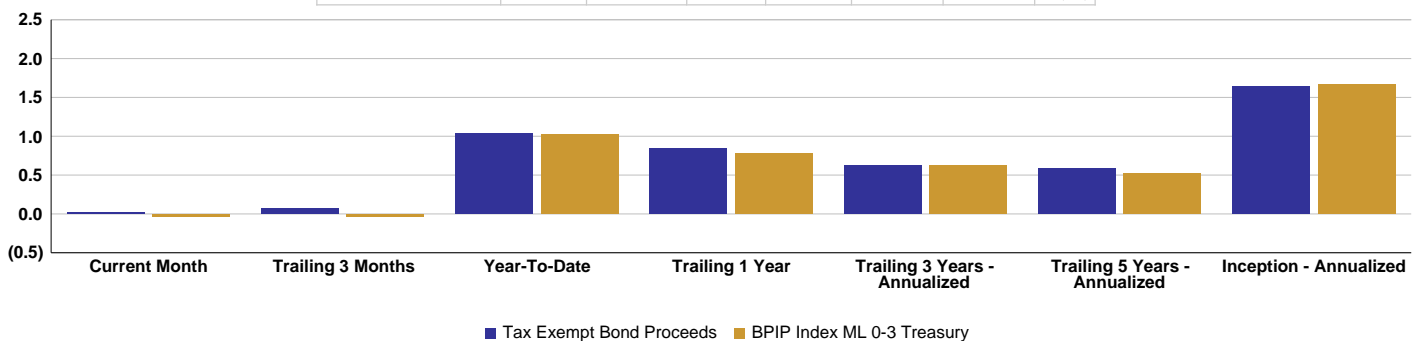
## Quality/Rating Weightings

## Sector Weightings (as % of Market Value)



## Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Tax Exempt Bond Proceeds	0.02	0.07	1.04	0.84	0.63	0.58	1.64
BPIP Index ML 0-3 Treasury	(0.03)	(0.04)	1.02	0.78	0.63	0.53	1.67
Excess	0.05	0.10	0.02	0.06	0.00	0.06	(0.03)





## 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 October at \$573.2mil vs. \$599.4mil at the end of September.
- The Pool received \$19.2mil in draw requests for capital spending during the month and paid out \$17.3mil for capital projects.

### *Portfolio Mix*

- 100% of the Taxable BPIP portfolio was invested in fixed income securities: 31% in US Treasuries, 57% in US agency securities, 2% in commercial paper, 3% in NM municipal securities and the balance, approximately 7%, was held in cash equivalents and collateralized NM bank CDs.
- 42% of the portfolio was invested in securities that mature in one year, 41% in securities that mature from 1-2 years, 14% in securities that mature from 2-4 years and 3% in securities out to 5 years.
- The Taxable BPIP held positions in 76 securities.
- Weighted Average Life of the Taxable BPIP was 1.30 years. The Weighted Average duration was 1.19 years.
- The maximum security term for the Taxable BPIP portfolio is 5 years.

### *Investment Earnings*

- The unrealized gains in the Taxable BPIP were \$1,217,350 as of October 31<sup>st</sup>.
- Monthly net earnings on the portfolio for October were \$448,913.
- FY2017 net earnings were roughly \$1,822,446.
- 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 October was 1.19 years vs. the Benchmark at 1.43 years.
- The Pool purchased \$10mil in 2 to 3 year US agency securities, \$7.8mil in short local municipal securities. The Pool sold \$15mil of short US Treasuries. All sales were executed at gains.

### *Performance*

- Purchase Yield at the end of October was 0.94% relative to 0.91% at the end of the prior month.
- The Taxable BPIP returned 0.00% for the month of October and 0.06% for the three months ended October 31, 2016, vs. Index returns of (0.03)% and (0.04)% respectively. For the trailing 12 mos. the Pool returned 0.84% vs. 0.78% for the benchmark.
- The Taxable BPIP had a duration shorter than the benchmark for the month of October and 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 1.28 yrs. vs. 1.45 yrs. for the benchmark.
- Capital project withdrawal requests have totaled \$20.4mil for November.
- 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 10/31/16 (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	21,953,030	21,953,030	21,953,030		3.841
COMMERCIAL PAPER-DISCOUNT BASED	2	.8859	.26300	10,000,000	9,956,642	9,956,642		1.742
CERTIFICATES OF DEPOSIT	3	.8129	1.03201	6,200,000	6,200,000	6,200,000		1.085
LINKED-CERTIFICATE OF DEPOSIT	2	.7500	.20270	4,000,000	4,000,000	4,000,000		.700
US TREASURY NOTE ACT/ACT 2X	14	.9490	.87103	178,500,000	178,725,623	179,174,405	448,782	31.350
AGENCY US BOND 30/360 2X	14	.8893	1.49971	103,000,000	103,531,547	103,502,185	-29,362	18.110
AGENCY 30/360 2X	3	1.4252	2.85945	32,500,000	32,524,629	32,833,025	308,396	5.745
AGENCY US BOND 30/360 ZERO CPN	1	1.3811	2.93970	15,000,000	14,425,905	14,370,600	-55,305	2.514
AGENCY US NOTES 30/360 2X	15	1.0307	1.34595	140,750,000	141,207,347	141,717,273	509,926	24.796
FED NATL MORTGAGE ASSN DEBS	2	.8049	.49319	8,665,000	8,664,365	8,629,585	-34,780	1.510
AGENCY US VARIABLE ACT/360 4X	1	.8449	1.18900	25,000,000	25,000,000	25,082,500	82,500	4.389
MUNI US 30/360 2X	15	.8616	1.06447	11,190,000	11,369,939	11,357,132	-12,807	1.987
MUNICIPAL BOND REVENUE ACT/ACT	1	.6500	13.58360	4,375,000	4,375,000	4,375,000		.765
UNITS - INVESTMENT POOL 1	1			9,400,011	9,400,011	9,400,011		1.645
CASH ACCOUNT	1			-1,026,723	-1,026,723	-1,026,723		-.180
	76	.9414	1.33953	569,506,318	570,307,315	571,524,665	1,217,350	100.000



# STATE OF NEW MEXICO

## TREASURERS OFFICE

Position holdings as of 10/31/16 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 10/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
- 1,026,723	(TD)-CASH KEY	CASHCASH				1.00000	- 1,026,723.33	- 1,026,723.00	.33
9,400,011	UNITS - INVESTMENT POOL 1	UNITS001				1.00000	9,400,011.13	9,400,011.00	-.13
<b>8,373,288</b>							<b>8,373,287.80</b>	<b>8,373,288.00</b>	<b>.20</b>

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

21,953,030	OVERNIGHT REPO	1101RP	.260	11/01/16	.260	1.00000	21,953,030.03	21,953,030.03	
20,000,000	UNITED STATES TREASURY NOTES	912828RU	.875	11/30/16	.751	100.00957	20,001,913.09	20,010,800.00	8,886.91
10,000,000	UNITED STATES TREASURY NOTES	912828A5	.625	12/15/16	.665	99.99501	9,999,501.03	10,004,500.00	4,998.97
5,000,000	US BANK NA	9033E0MV		12/29/16	.692	99.66075	4,983,037.50	4,983,037.50	
1,100,000	WESTERN BANK ALAMOGORDO	81186499	.750	12/30/16	.750	1.00000	1,100,000.00	1,100,000.00	
<b>58,053,030</b>							<b>58,037,481.65</b>	<b>58,051,367.53</b>	<b>13,885.88</b>

====> 0005 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	100.04292	15,006,438.74	15,021,600.00	15,161.26
5,000,000	UNITED STATES TREASURY NOTES	912828SJ	.875	2/28/17	.788	100.02808	5,001,403.81	5,008,950.00	7,546.19
30,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADC	1.000	3/08/17	.653	100.12164	30,036,491.23	30,060,000.00	23,508.77
5,000,000	TOYOTA MOTOR CREDIT CORP	89233GQD		3/13/17	1.056	99.47208	4,973,604.15	4,973,604.15	
10,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31359M7X	5.000	5/11/17	.743	102.23792	10,223,792.10	10,235,800.00	12,007.90
1,000,000	RIO RANCHO N MEX WTR & WASTEWTR	767175GG	3.000	5/15/17	.600	101.28900	1,012,890.00	1,012,410.00	- 480.00
25,000,000	UNITED STATES TREASURY NOTES	912828SY	.625	5/31/17	.916	99.83193	24,957,983.48	25,005,000.00	47,016.52
675,000	CLOVIS N MEX GROSS RCPTS TAX REV	189387DL	2.000	6/01/17	.800	100.69656	679,701.80	680,400.00	698.20
260,000	SANTA FE N MEX GROSS RCPTS TAXRE	802072RH	4.000	6/01/17	.725	101.90237	264,946.15	264,984.20	38.05
15,000,000	FEDERAL HOME LOAN BANKS	313379FW	1.000	6/09/17	.825	100.10520	15,015,780.02	15,033,750.00	17,969.98
10,000,000	NCUA GUARN NTS TR 2011-M1	62889KAC	2.350	6/12/17	.820	100.93473	10,093,472.87	10,105,200.00	11,727.13
5,000,000	UNITED STATES TREASURY NOTES	912828TB	.750	6/30/17	1.006	99.83072	4,991,535.96	5,004,100.00	12,564.04
2,500,000	METROPOLITAN TRANSN AUTH N Y SPL	59261EAC	1.069	7/01/17	.701	100.24418	2,506,104.48	2,503,550.00	- 2,554.48
400,000	NEW MEXICO ST SEVERANCE TAX	647310R6	5.000	7/01/17	.851	102.75093	411,003.73	411,348.00	344.27
2,000,000	NEW MEXICO ST SEVERANCE TAX	647310R6	5.000	7/01/17	.741	102.82581	2,056,516.25	2,056,740.00	223.75
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	99.69829	4,984,914.26	4,995,300.00	10,385.74
270,000	JEMEZ VY N MEX PUB SCH DIST N003	475868EL	2.000	8/01/17	.750	100.93263	272,518.11	272,116.80	- 401.31

# STATE OF NEW MEXICO

## TREASURERS OFFICE

Position holdings as of 10/31/16 (TRADE)

BOOK VALUES AMORTIZED THROUGH 10/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
275,000	CITY OF BELEN N MEX GO BDS	077563DS	2.000	8/01/17	.820	100.87972	277,419.23	277,444.75	25.52
160,000	Belen Consolidated Schools	077581QC	2.000	8/01/17	.801	100.89434	161,430.94	161,076.80	- 354.14
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0MZ	.875	8/28/17	1.020	99.88066	4,994,032.87	5,010,300.00	16,267.13
11,000,000	UNITED STATES TREASURY NOTES	912828TM	.625	8/31/17	.975	99.71170	10,968,286.86	10,994,830.00	26,543.14
500,000	FEDERAL HOME LOAN BANKS	313380EC	.750	9/08/17	.760	99.99162	499,958.08	500,480.00	521.92
5,000,000	FEDERAL HOME LOAN BANKS	313381B2	.750	12/08/17	.790	99.95588	4,997,794.07	4,997,550.00	- 244.07
2,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G1FU	1.000	12/19/17	.905	100.10647	2,002,129.39	2,002,440.00	310.61
20,000,000	UNITED STATES TREASURY NOTES	912828PN	2.750	12/31/17	1.124	101.87263	20,374,526.31	20,458,600.00	84,073.69
<b>182,540,000</b>							<b>183,264,674.89</b>	<b>183,547,574.70</b>	<b>282,899.81</b>

====> 0028 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2017 <====

25,000,000	FEDERAL HOME LOAN BANK	3130A8Q6	.626	1/08/18	.833	100.00000	25,000,000.00	25,082,500.00	82,500.00
5,000,000	FEDERAL HOME LOAN BANKS	3130A8RY	.750	1/19/18	.812	99.92447	4,996,223.51	4,993,700.00	- 2,523.51
20,000,000	UNITED STATES TREASURY NOTES	912828UJ	.875	1/31/18	1.205	99.59283	19,918,565.29	20,032,000.00	113,434.71
15,000,000	UNITED STATES TREASURY NOTES	912828UR	.750	2/28/18	1.213	99.39093	14,908,639.24	14,995,950.00	87,310.76
7,500,000	UNITED STATES TREASURY NOTES	912828J6	1.000	3/15/18	1.006	99.99169	7,499,376.97	7,522,875.00	23,498.03
12,500,000	FEDERAL HOME LOAN BANKS	3130A7CX	.875	3/19/18	.822	100.07202	12,509,002.26	12,499,375.00	- 9,627.26
10,000,000	FNMA	3135G0J6	.875	3/28/18	.973	99.86312	9,986,312.01	10,005,000.00	18,687.99
10,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0WJ	.875	5/21/18	1.160	99.56231	9,956,230.57	10,002,800.00	46,569.43
5,000,000	UNITED STATES TREASURY NOTES	912828VE	1.000	5/31/18	.719	100.44039	5,022,019.68	5,013,850.00	- 8,169.68
5,000,000	FEDERAL HOME LOAN BANKS	313379DT	1.250	6/08/18	.840	100.65084	5,032,541.90	5,028,050.00	- 4,491.90
500,000	FEDERAL FARM CREDIT BANKS	3133EEZ2	1.160	6/18/18	.912	100.39955	501,997.75	501,600.00	- 397.75
7,750,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G32U	.875	6/26/18	.874	100.00158	7,750,122.49	7,744,575.00	- 5,547.49
1,950,000	NEW MEXICO ST SEVERANCE TAX	647310X8	2.000	7/01/18	1.100	101.48094	1,978,878.24	1,976,169.00	- 2,709.24
290,000	ALBUQUERQUE N MEX ARPT REV	013538HB	5.110	7/01/18	1.535	105.85817	306,988.69	304,114.30	- 2,874.39
5,000,000	FEDERAL HOME LOAN BANKS	3130A8KR	.820	7/06/18	.884	99.89301	4,994,650.48	4,989,200.00	- 5,450.48
2,600,000	WESTERN BANK CLOVIS	159850	.900	7/13/18	.900	1.00000	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	101.65161	279,541.92	280,021.50	479.58
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0E3	1.125	7/20/18	1.205	99.86394	14,979,590.25	15,060,000.00	80,409.75
7,500,000	FEDERAL HOME LOAN BANKS	3130A8U5	.830	7/25/18	.864	99.94078	7,495,558.32	7,486,800.00	- 8,758.32
3,800,000	FNMA	3136G3YU	.850	7/26/18	.850	100.00000	3,800,000.00	3,787,232.00	- 12,768.00
285,000	CITY OF BELEN N MEX GO BDS	077563DT	2.000	8/01/18	.950	101.81695	290,178.32	290,189.85	11.53
25,000,000	FEDERAL HOME LOAN BANKS	313375K4	2.000	9/14/18	.989	101.86714	25,466,784.76	25,458,250.00	- 8,534.76
5,000,000	FEDERAL FARM CREDIT BANKS	3133EGUY	.875	9/20/18	.931	99.89481	4,994,740.44	4,993,200.00	- 1,540.44
5,000,000	FEDERAL HOME LOAN BANKS	3130A9AE	.875	10/01/18	.908	99.93767	4,996,883.39	4,997,650.00	766.61
10,000,000	FEDERAL FARM CREDIT BANKS	3133EFX6	.960	10/05/18	.846	100.21718	10,021,718.09	10,014,000.00	- 7,718.09
5,000,000	FREDDIE MAC	3137EAED	.875	10/12/18	.896	99.95948	4,997,974.01	4,994,950.00	- 3,024.01

**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
**Position holdings as of 10/31/16 (TRADE)**  
**BOOK VALUES AMORTIZED THROUGH 10/31/16**

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
15,000,000	UNITED STATES TREASURY NOTES	912828WD	1.250	10/31/18	.944	100.60344	15,090,516.64	15,106,050.00	15,533.36
<b>224,950,000</b>							<b>225,375,035.22</b>	<b>225,760,101.65</b>	<b>385,066.43</b>

====> 0027 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2018 <====

2,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G2EH	1.375	2/27/19	.750	100.20018	2,004,003.67	2,001,820.00	-	2,183.67
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G3D2	.750	7/26/19	.750	100.00000	5,000,000.00	4,982,250.00	-	17,750.00
315,000	BELEN N MEX CONS SCH DIST NO 2	077581QE	2.000	8/01/19	1.050	102.56718	323,086.63	321,139.35	-	1,947.28
535,000	BELEN N MEX CONS SCH DIST NO 2	077581QT	2.000	8/01/19	1.050	102.56718	548,734.43	545,427.15	-	3,307.28
7,500,000	FEDERAL HOME LOAN BANK	3130A8Y7	.875	8/05/19	.940	99.82301	7,486,725.64	7,460,925.00	-	25,800.64
20,000,000	FANNIE MAE	3135G0ZG	1.750	9/12/19	1.658	100.25616	20,051,231.27	20,389,800.00		338,568.73
2,000,000	FEDERAL HOME LOAN BANKS	3130A4G8	1.650	9/24/19	.650	100.39564	2,007,912.71	2,008,580.00		667.29
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313586RC		10/09/19	1.362	96.17270	14,425,905.24	14,370,600.00	-	55,305.24
5,000,000	FANNIE MAE	3135G0R3	1.000	10/24/19	1.091	99.73344	4,986,671.91	4,982,300.00	-	4,371.91
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0ZY	1.750	11/26/19	1.727	100.06924	20,013,847.88	20,382,400.00		368,552.12
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G3TF	1.200	12/30/19	1.200	100.00000	5,000,000.00	4,986,800.00	-	13,200.00
<b>82,350,000</b>							<b>81,848,119.38</b>	<b>82,432,041.50</b>		<b>583,922.12</b>

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

5,200,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136FTB7	2.000	2/07/20	.984	103.25667	5,369,346.83	5,337,956.00	-	31,390.83
<b>5,200,000</b>							<b>5,369,346.83</b>	<b>5,337,956.00</b>	-	<b>31,390.83</b>

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

3,665,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G9D8	.750	6/30/21	.854	99.98266	3,664,364.67	3,647,334.70	-	17,029.97
<b>3,665,000</b>							<b>3,664,364.67</b>	<b>3,647,334.70</b>	-	<b>17,029.97</b>

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

# STATE OF NEW MEXICO

## TREASURERS OFFICE

Position holdings as of 10/31/16 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 10/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
4,375,000	UNIVERSITY N MEX UNIV REVS	914692XL	.820	6/01/30	.650	100.00000	4,375,000.00	4,375,000.00	
4,375,000							4,375,000.00	4,375,000.00	

====> 0001 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2030 <===

569,506,318	570,307,310.44	571,524,664.08	1,217,353.64
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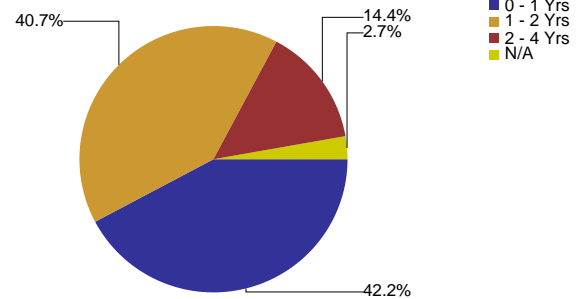
====> 0076 ITEMS IN SUBTOTAL FOR ==> FUND NAME..... ==> BOND PROCEEDS INV POOL2 TAXABL <

## 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

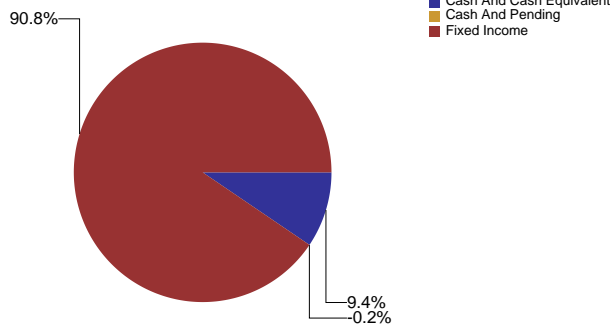
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1.19  
1.13  
0.52  
0.54  
AA+  
76

## Duration Mix



## Asset Mix

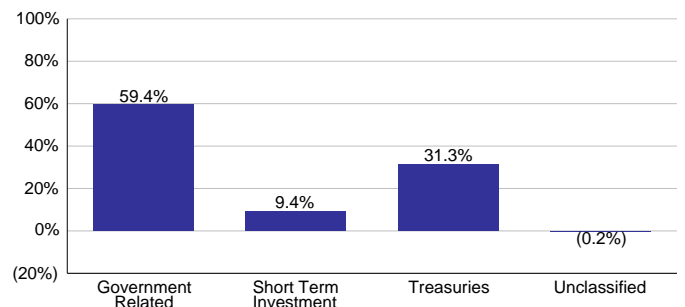
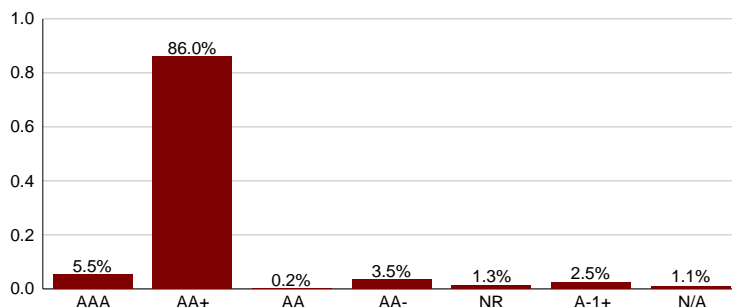
## Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
3137EADCO	FEDERAL HOME LOAN MORTGAGE CORP 1% BDS 08/MAR/2017	5.24%	1.00	8/3/2017
313375K48	FHLB 2.000 '18 USD	4.44%	2.00	14/9/2018
3130A8Q63	FEDERAL HOME LOAN BANKS BOND VARIABLE 08/JAN/2018	4.37%	0.84	8/1/2018
912828SY7	UNITED STATES OF AMERICA 0.625% 2017-05-31	4.37%	0.62	31/5/2017
99GU50122	REPO JPMORGAN CHASE BK (GREENWICH) 103116H	3.82%	0.26	1/11/2016
912828PN4	UNITED STATES OF AMERICA 2.750% 2017-12-31	3.59%	2.75	31/12/2017
3135GQZV2	FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES FIXED	3.58%	1.75	26/11/2019
3135GQZG1	FNMA 1.750 '19 USD	3.56%	1.75	12/9/2019
912828RUE	UNITED STATES OF AMERICA 0.875% 2016-11-30	3.50%	0.88	30/11/2016
912828UJ7	UNITED STATES OF AMERICA 0.875% 2018-01-31	3.50%	0.88	31/1/2018

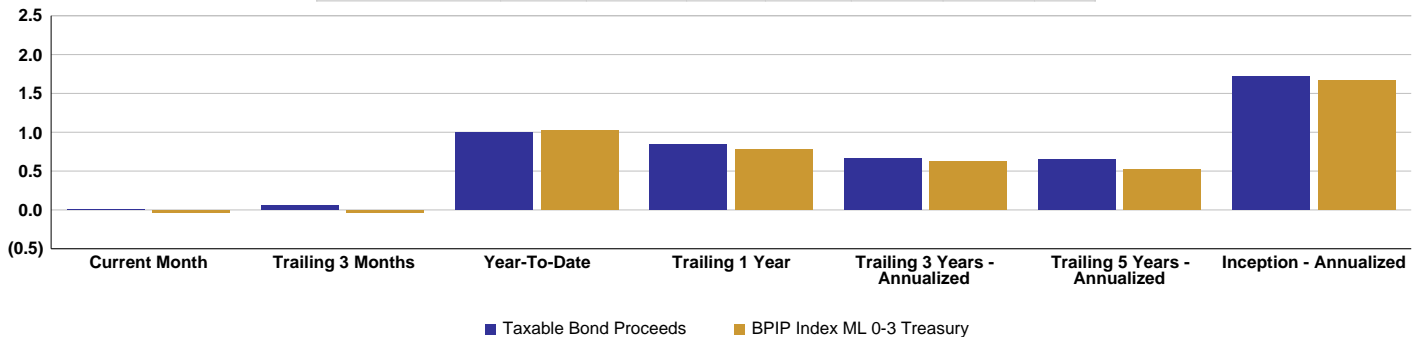
## Quality/Rating Weightings

## Sector Weightings (as % of Market Value)



## Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Taxable Bond Proceeds	0.00	0.06	1.00	0.84	0.66	0.65	1.72
BPIP Index ML 0-3 Treasury	(0.03)	(0.04)	1.02	0.78	0.63	0.53	1.67
Excess	0.03	0.09	(0.02)	0.06	0.03	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 October at \$102 mil.
- The Severance Tax Bonding Fund net earnings were \$22,846 for October.

### *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 30<sup>th</sup> and December 30<sup>th</sup>, 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 \$29MM in October.

### *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 \$25MM in November from Severance Taxes.

**STATE OF NEW MEXICO**  
**STB FUND (4001)**  
Portfolio Classification Summary  
Positions Held as of 10/31/16 (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	78,530,330	78,530,330	78,530,330		76.981
COMMERCIAL PAPER-DISCOUNT BASED	5	.6605	.13896	7,998,279	7,986,996	7,986,996		7.829
MUNI US 30/360 2X	2	.5253	.12330	4,000,000	4,021,849	4,020,240	-1,609	3.941
MUNICIPAL BOND REVENUE ACT/ACT	1	.6500	13.58360	1,250,000	1,250,000	1,250,000		1.225
UNITS - INVESTMENT POOL 1	1			157,887	157,887	157,887		.155
CASH ACCOUNT	2			10,066,849	10,066,849	10,066,849		9.868
	12	.2833	.20480	102,003,345	102,013,911	102,012,302	-1,609	100.000



**STATE OF NEW MEXICO**  
**TREASURERS OFFICE**  
Position holdings as of 10/31/16 (TRADE)  
BOOK VALUES AMORTIZED THROUGH 10/31/16

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
1,250,000	UNIVERSITY N MEX UNIV REVS	914692XL	.820	6/01/30	.650	100.00000	1,250,000.00	1,250,000.00	
1,250,000							1,250,000.00	1,250,000.00	

====> 0001 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2030 <====

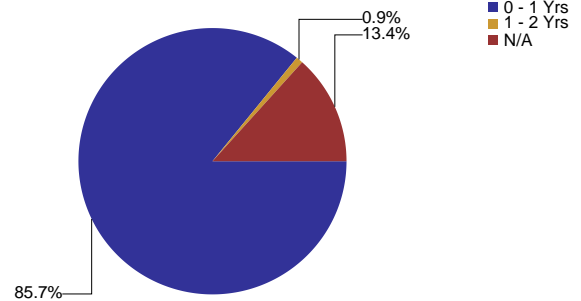
102,003,345	102,013,910.44	102,012,300.72	-	1,609.72
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====> 0012 ITEMS IN SUBTOTAL FOR ====> FUND NAME..... ====> STB FUND <====

## Portfolio Characteristics

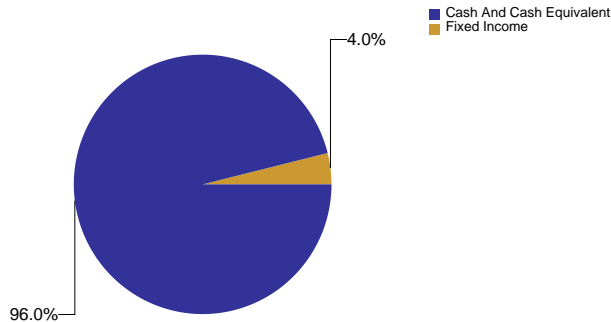
Total Net Assets (Millions)  
Weighted Average Life (Years)  
Weighted Avg. Effective Duration (Years)  
Weighted Average Coupon (%)  
Weighted Average Current Yield (%)  
Weighted Average Yield to Maturity (%)  
Weighted Average Rating  
Number of Holdings

102.1  
0.02  
0.02  
0.41  
0.24  
0.24  
AA-  
13



## Asset Mix

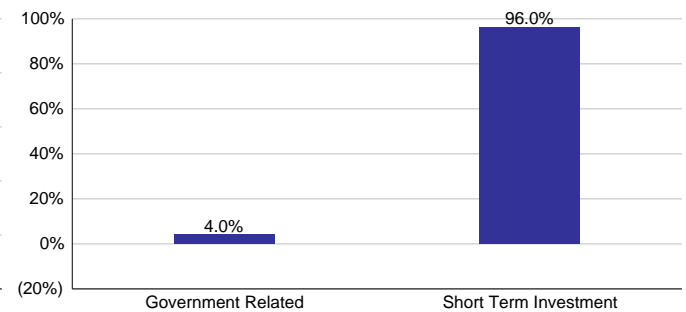
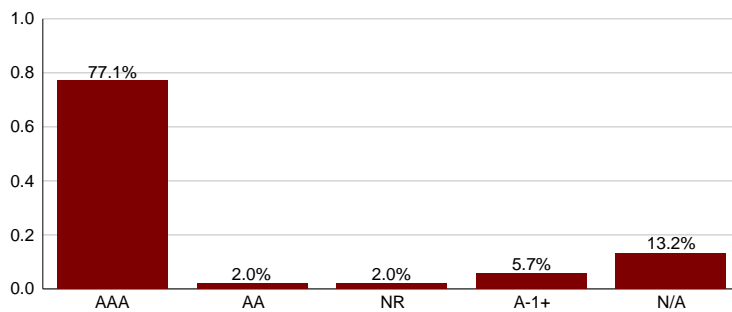
## Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
99GU50129	REPO JPMORGAN CHASE BK (GREENWICH) 103116A	52.30%	0.26	1/11/2016
99GU50128	REPO JPMORGAN CHASE BK (GREENWICH) 103116B	24.61%	0.26	1/11/2016
894992T06	BBVA COMPASS BANK	9.79%		
89233GMP8	TOYOTA MOTOR CREDIT CORPORATE COMMERCIAL PAPER	2.40%		
36164JMT8	GE CAPITAL TREASURY CORPORATE COMMERCIAL PAPER	2.35%	0.00	27/12/2016
258885YE6	DOUGLAS CNTY COLO SCH DIST NO RE 1 DOUGLAS &	2.01%	5.00	15/12/2018
914692XL7	UNIVERSITY N MEX UNIV REVS RFDG-SUB LIEN SYS-SER	1.23%	0.65	1/6/2030
59515ML86	MICROSOFT CORPORATION CORPORATE COMMERCIAL PAPER	1.22%	0.00	8/11/2016
89233GNQ5	TOYOTA MOTOR CREDIT CORPORATE COMMERCIAL PAPER	0.98%		
64711RFA9	NEW MEXICO FIN AUTH ST TRANSN REV RFDG-SU LIEN-SER	2.01%	5.00	15/12/2025

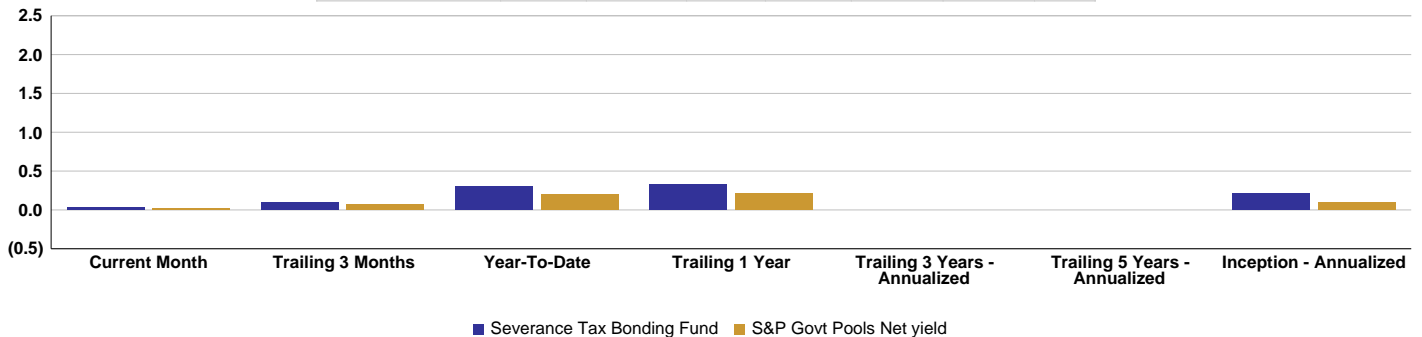
## Quality/Rating Weightings

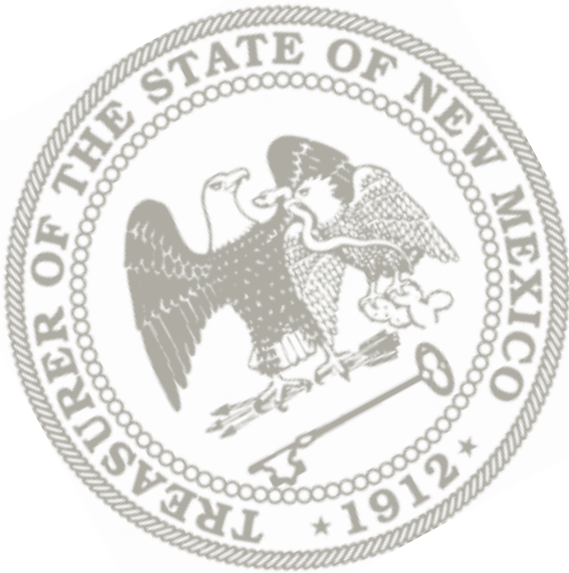
## Sector Weightings (as % of Market Value)



## Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Severance Tax Bonding Fund	0.04	0.10	0.30	0.33			0.22
S&P Govt Pools Net yield	0.02	0.07	0.20	0.22			0.10
Excess	0.01	0.03	0.10	0.11	0.00	0.00	0.11





## 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

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	YTD Total	YTD Percent
Academy Securities				5,000								5,000	0.3%
Barclays		44,835	11,000	53,000								108,835	7.6%
BB and T (Scott & Stringfellow)	38,695		6,000	7,665								52,360	3.6%
BMO Capital Markets		10,000	45,474	9,000								64,474	4.5%
BNP Paribas												-	0.0%
BOSC, Inc	14,000	10,350	7,245	35,020								66,615	4.6%
Cantor, Fitzgerald		5,961										5,961	0.4%
CastleOak Securities LP	25,000	5,000	28,750									58,750	4.1%
Citigroup		10,000										10,000	0.7%
Daiwa Capital Markets America												-	0.0%
Deutsche Bank	5,000	45,000	30,000	25,000								105,000	7.3%
Drexel Hamilton LLC												-	0.0%
First Southwest												-	0.0%
FTN Financial		6,100	15,000									21,100	1.5%
George K Baum & Co												-	0.0%
Guggenheim Securities LLC	25,000	25,000		11,000								61,000	4.2%
HSBC			6,000	20,000								26,000	1.8%
Intl FCStone	44,905	46,515	30,700	41,409								163,529	11.4%
Jefferies	15,000	90,000	35,000	4,000								144,000	10.0%
JP Morgan & Co												-	0.0%
KeyBanc Capital Markets	11,974	10,000										21,974	1.5%
Loop Capital Markets				50,000								50,000	3.5%
MBS (Multi-Bank Securities)												-	0.0%
MFR Securities												-	0.0%
Mizuho Securities USA		17,000		45,000								62,000	4.3%
Morgan Stanley				23,817								23,817	1.7%
Mutual Securities nInc.												-	0.0%
Raymond, James & Associates												-	0.0%
RBS Securities				10,000								10,000	0.7%
Robert W. Baird & Co.	7,325	1,140	625									9,090	0.6%
Samuel A Ramirez & Co.	8,665											8,665	0.6%
Societe General Americas												-	0.0%
Southwest Securities/Hilltop			14,000	5,260								19,260	1.3%
Stifel Nicklaus & Co	5,000	5,000										10,000	0.7%
TD Securities	30,000	7,685		85,000								122,685	8.5%
UBS Financial Services		10,000	25,000									35,000	2.4%
Vining Sparks												-	0.0%
Wedbush Securities												-	0.0%
Wells Fargo Securities	20,000	35,270	14,000	30,000								99,270	6.9%
Direct Purchase	21,600	6,000	16,307	11,000								54,907	3.8%
Interfund				20,000								20,000	1.4%
<b>Total</b>	<b>272,164</b>	<b>390,856</b>	<b>285,101</b>	<b>491,171</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,439,292</b>	<b>100.0%</b>

**Market type:**

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	YTD Total	YTD %
-													
Primary Market	28,725	51,975	41,932	11,000								133,632	9.3%
Secondary Market	243,439	338,881	243,169	480,171								1,305,660	90.7%
<b>Total</b>	<b>272,164</b>	<b>390,856</b>	<b>285,101</b>	<b>491,171</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,439,292</b>	<b>100.0%</b>

**Security type:**

	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	YTD Total	YTD %
- 2													
ABS												-	0.0%
Agencies	248,439	338,881	222,924	328,911								1,139,155	79.1%
Certificates of Deposit/Bank MMDA	6,600											6,600	0.5%
Commercial Paper	15,000	14,835	16,307	1,000								47,142	3.3%
Corporate Bonds												-	0.0%
MBS												-	0.0%
Municipal/Sponge	2,125	7,140	9,870	16,260								35,395	2.5%
Treasuries		30,000	36,000	145,000								211,000	14.7%
<b>Total</b>	<b>272,164</b>	<b>390,856</b>	<b>285,101</b>	<b>491,171</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,439,292</b>	<b>100.0%</b>

**STATE OF NEW MEXICO**  
**Summary of Fixed-Income Purchases and Sales**  
**TRADES During The Period 10/01/16 Through 10/31/16**

TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
<b>PURCHASE TRANSACTIONS</b>													
10/21/16	89233GNQ	COMMERCIAL PAPE	26639	TOYOTA MOTOR CREDIT COR		1/24/17	.7514	ISSUER DIRECT	4001	1,000,000.00	998,083.33		
10/12/16	912828WF	US TREASURY NOT	26567	UNITED STATES TREASURY	.625	11/15/16	.3100	STO INTERFUND T	4101	5,000,000.00	5,001,408.40		
10/18/16	912828LU	US TREASURY NOT	26606	UNITED STATES TREASURY	3.125	10/31/16	.3600	STO INTERFUND T	4101	5,000,000.00	5,004,499.05		
10/14/16	3133EFL9	AGENCY US FLOAT	26582	FEDERAL FARM CREDIT BAN	.567	10/20/16	.2800	BARCLAYS	4101	12,000,000.00	12,000,573.36		
10/20/16	3130A9S6	AGENCY US FLOAT	26625	FEDERAL HOME LOAN BANKS	.466	11/22/17	.4708	INTL FCSTONE PA	4101	10,000,000.00	9,999,470.00		
10/04/16	3133EGUY	AGENCY US BOND	26518	FEDERAL FARM CREDIT BAN	.875	9/20/18	.9313	INTL FCSTONE PA	4002	5,000,000.00	4,994,550.00		
10/20/16	3130A4CY	AGENCY US BOND	26623	FEDERAL HOME LOAN BANKS	.750	2/21/17	.4190	INTL FCSTONE PA	4101	2,650,000.00	2,652,915.00		
10/25/16	3130A6B5	AGENCY US BOND	26658	FEDERAL HOME LOAN BANKS	.500	11/10/16	.3000	BOSC, INC	4101	4,020,000.00	4,020,311.55		
10/31/16	3130A3RN	AGENCY US BOND	26706	FEDERAL HOME LOAN BANKS	.740	2/01/17	.4193	BB&T CAPITAL MA	4101	6,165,000.00	6,169,925.84		
10/19/16	313384L4	AGENCY US DISC	26612	FEDERAL HOME LOAN BANKS	2.000	10/20/16	.2000	LOOP CAPITAL MA	4101	50,000,000.00	49,999,722.22		
10/20/16	313384L5	AGENCY US DISC	26615	FEDERAL HOME LOAN BANKS	.200	10/21/16	.2000	TD SECURITIES	4101	50,000,000.00	49,999,722.22		
10/20/16	313384M4	AGENCY US DISC	26626	FEDERAL HOME LOAN BANKS	.250	10/28/16	.2500	GUGGENHEIM SECU	4101	11,000,000.00	10,999,465.28		
10/25/16	313384M2	AGENCY US DISC	26648	FEDERAL HOME LOAN BANKS		10/26/16	.2200	WELLS FARGO SEC	4101	15,000,000.00	14,999,908.33		
10/27/16	880592P6	AGENCY US DISC	26678	TENNESSEE VALLEY AUTHOR		11/15/16	.2640	TD SECURITIES	4101	25,000,000.00	24,996,700.00		
10/21/16	3135G0R3	AGENCY 30/360 2	26638	FANNIE MAE	1.000	10/24/19	1.0911	ACADEMY SECURIT	4002	5,000,000.00	4,986,600.00		
10/03/16	31771C2C	AGENCY US BOND	26507	FINANCING CORPORATION		12/27/16	.4950	MORGAN STANLEY	4101	1,030,000.00	1,028,825.80		
10/11/16	3134A4MN	AGENCY US BOND	26554	FEDERAL HOME LOAN MORTG		1/15/17	.4496	JEFFRIES & CO	4101	4,000,000.00	3,995,360.00		
10/17/16	31359MEL	AGENCY US BOND	25939	FANNIE MAE		6/01/17	.6597	INTL FCSTONE PA	4101	4,124,000.00	4,107,215.32		
10/05/16	3135G0Q8	AGENCY US NOTES	26527	FEDERAL NATIONAL MORTGA	1.375	10/07/21	1.4099	TD SECURITIES	1001	5,000,000.00	4,991,600.00		
10/11/16	3135G0GY	AGENCY US NOTES	26224	FEDERAL NATIONAL MORTGA	1.250	1/30/17	.4179	MORGAN STANLEY	4101	2,196,000.00	2,201,468.04		
10/19/16	3137EADU	AGENCY US NOTES	26105	FEDERAL HOME LOAN MORTG	.500	1/27/17	.3800	BOSC, INC	4101	5,000,000.00	5,001,625.75		
10/19/16	3137EADU	AGENCY US NOTES	26105	FEDERAL HOME LOAN MORTG	.500	1/27/17	.3856	RBS	4101	10,000,000.00	10,003,100.00		
10/20/16	3135G0ES	AGENCY US NOTES	25376	FEDERAL NATIONAL MORTGA	1.375	11/15/16	.2930	MORGAN STANLEY	4101	10,591,000.00	10,598,625.52		
10/24/16	880591EA	AGENCY US NOTES	26241	TENNESSEE VALLEY AUTH	5.500	7/18/17	.6795	INTL FCSTONE PA	4101	3,605,000.00	3,731,427.35		
10/25/16	3134G3G4	AGENCY US NOTES	26657	FEDERAL HOME LOAN MORTG	1.000	9/12/17	.7104	INTL FCSTONE PA	4101	4,000,000.00	4,010,120.00		
10/25/16	3136G2YA	AGENCY US NOTES	26659	FEDERAL NATIONAL MORTGA	1.400	11/26/19	.7983	BB&T CAPITAL MA	4000	1,500,000.00	1,500,696.00		11/26/16
10/25/16	3136G4EL	AGENCY US NOTES	26660	FEDERAL NATIONAL MORTGA	1.125	10/11/19	1.2566	INTL FCSTONE PA	4000	5,000,000.00	4,993,750.00		10/11/17
10/26/16	880591EA	AGENCY US NOTES	26241	TENNESSEE VALLEY AUTH	5.500	7/18/17	.6789	INTL FCSTONE PA	4101	1,000,000.00	1,034,808.00		
10/25/16	3130A9U3	AGENCY US VARIA	26656	FEDERAL HOME LOAN BANKS	.422	4/24/17	.4173	WELLS FARGO SEC	4101	10,000,000.00	10,000,000.00		
10/03/16	647310J8	MUNI US 30/360	26508	NEW MEXICO ST SEVERANCE	5.000	7/01/17	.8513	HILLTOP SECURIT	4002	400,000.00	412,192.00		
10/21/16	647310R6	MUNI US 30/360	26628	NEW MEXICO ST SEVERANCE	5.000	7/01/17	.7414	HILLTOP SECURIT	4000	2,860,000.00	2,943,168.80		
10/21/16	647310R6	MUNI US 30/360	26629	NEW MEXICO ST SEVERANCE	5.000	7/01/17	.7414	HILLTOP SECURIT	4002	2,000,000.00	2,058,160.00		
10/27/16	767175GG	MUNI US 30/360	26679	RIO RANCHO N MEX WTR &	3.000	5/15/17	.6003	BOSC, INC	4002	1,000,000.00	1,012,890.00		
10/12/16	914692XL	MUNICIPAL BOND	26570	UNIVERSITY N MEX UNIV R	.820	6/01/30	.8200	BROKER DIRECT	4000	4,375,000.00	4,375,000.00		
10/12/16	914692XL	MUNICIPAL BOND	26568	UNIVERSITY N MEX UNIV R	.820	6/01/30	.8200	BROKER DIRECT	4001	1,250,000.00	1,250,000.00		
10/12/16	914692XL	MUNICIPAL BOND	26569	UNIVERSITY N MEX UNIV R	.820	6/01/30	.8200	BROKER DIRECT	4002	4,375,000.00	4,375,000.00		
<b>36 PURCHASES DURING PERIOD TOTAL.....</b>										<b>290,141,000.00</b>	<b>290,448,887.16</b>		

**STATE OF NEW MEXICO**  
**Summary of Fixed-Income Purchases and Sales**  
**TRADES During The Period 10/01/16 Through 10/31/16**

TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
<b>SALE TRANSACTIONS</b>													
10/06/16	912828A5	US TREASURY	NOT	21677 UNITED STATES TREASURY	.625	12/15/16	.3178	TD SECURITIES	4000	5,000,000.00	5,002,929.69	3,918.94	
10/06/16	912828LU	US TREASURY	NOT	21702 UNITED STATES TREASURY	3.125	10/31/16		DEUTSCHE BANK S	4002	5,000,000.00	5,009,179.69	579.09	
10/07/16	912828WT	US TREASURY	NOT	21831 UNITED STATES TREASURY	.875	7/15/17		BMO CAPTIAL MAR	1001	9,000,000.00	9,015,820.31	22,010.91	
10/12/16	912828WF	US TREASURY	NOT	21676 UNITED STATES TREASURY	.625	11/15/16		STO INTERFUND T	4000	5,000,000.00	5,001,408.40	1,719.64	
10/13/16	912828HA	US TREASURY	NOT	21858 UNITED STATES TREASURY	4.750	8/15/17		MIZUHO SECURITI	1001	20,000,000.00	20,681,250.00	62,609.33	
10/13/16	912828SD	US TREASURY	NOT	23802 UNITED STATES TREASURY	1.250	1/31/19		HSBC	1001	20,000,000.00	20,145,312.50	153,025.04	
10/13/16	912828SY	US TREASURY	NOT	20609 UNITED STATES TREASURY	.625	5/31/17		BARCLAYS	1001	20,000,000.00	20,007,812.50	55,804.07	
10/13/16	912828TB	US TREASURY	NOT	21273 UNITED STATES TREASURY	.750	6/30/17		DEUTSCHE BANK S	1001	20,000,000.00	20,022,656.25	62,097.67	
10/13/16	912828VV	US TREASURY	NOT	24198 UNITED STATES TREASURY	2.125	8/31/20		BARCLAYS	1001	21,000,000.00	21,751,406.25	131,108.74	
10/18/16	912828LU	US TREASURY	NOT	21702 UNITED STATES TREASURY	3.125	10/31/16		STO INTERFUND T	4002	5,000,000.00	5,004,499.05	370.96	
10/24/16	912828RM	US TREASURY	NOT	21342 UNITED STATES TREASURY	1.000	10/31/16		INTL FCSTONE PA	4002	5,000,000.00	5,000,585.94	288.20	
10/19/16	3130A9AE	AGENCY US BOND		26212 FEDERAL HOME LOAN BANKS	.875	10/01/18	.8800	WELLS FARGO SEC	1001	5,000,000.00	4,999,513.86	2,677.40	
10/13/16	31315PN8	AGENCY 30/360 2		19489 FEDERAL AGRICULTURAL MO	1.100	1/26/17		MIZUHO SECURITI	1001	25,000,000.00	25,046,000.00	46,000.00	
10/26/16	31771C2C	AGENCY US BOND		26507 FINANCING CORPORATION		12/27/16	.4263	INTL FCSTONE PA	4101	1,030,000.00	1,029,268.70	121.39	
10/13/16	3137EAAY	AGENCY US NOTES		20829 FEDERAL HOME LOAN MORTG	5.500	8/23/17		MORGAN STANLEY	1001	10,000,000.00	10,412,100.00	34,892.93	
10/14/16	3135G0PQ	AGENCY US NOTES		20828 FEDERAL NATIONAL MORTGA	.875	10/26/17		BOSC, INC	1001	25,000,000.00	25,034,800.00	108,182.60	
<b>16 SALES DURING PERIOD TOTAL.....</b>										<b>201,030,000.00</b>	<b>203,164,543.14</b>	<b>685,406.91</b>	
<b>=== GRAND-TOTAL ==&gt;</b>										<b>491,171,000.00</b>	<b>493,613,430.30</b>	<b>685,406.91</b>	
<b>*** END-OF-REPORT ***</b>													



## 14. Credit Investing

APPROVED MEDIUM TERM NOTE/CORPORATE BOND ISSUERS  
October 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					
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					
IBM CORP	\$146.48	Aa3	NEG	AA-	NEG	A+	NEG					
INTEL CORP	\$153.17	A1	STABLE	A+	STABLE	A+	STABLE					
JOHN DEERE CAP	\$25.39	A2	NEG	A	STABLE	NR	NR					
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					
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	NEG	AA-	NEG					
WELLS FARGO BANK	\$267.53	Aa2	STABLE	AA-	NEG	AA	NEG					

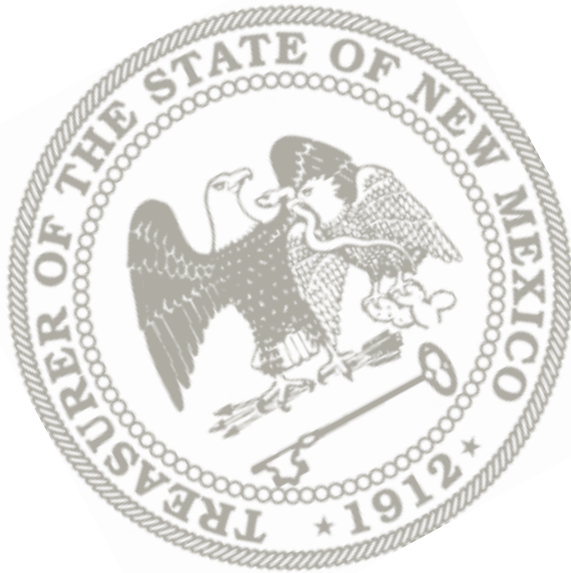


APPROVED COMMERCIAL PAPER ISSUERS  
October 2016

		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	NEG	F1	STABLE	11/4 - Moody's NEG watch due to weak business conditions				
							Removed from Approved List				
CHEVRON FUNDING CORP	P-1	STABLE	A-1+	NEG	NR	NR					
DEERE & COMPANY	P-1	NEG	A-1	STABLE	F1	NR					
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					
HSBC USA INC	P-1	NEG	A-1	NEG	F1+	STABLE					
IBM CORP	P-1	NEG	A-1+	NEG	F1	NEG					
PNC BANK NA	P-1	STABLE	A-1	STABLE	F1	STABLE					
PROCTER & GAMBLE CO	P-1	STABLE	A-1+	STABLE	NR	NR					
TOYOTA MOTOR CREDIT CORP	P-1	STABLE	A-1+	STABLE	F1	STABLE					
USAA CAPITAL CORP	P-1	STABLE	A-1+	STABLE	NR	NR					
US BANK NA	P-1	STABLE	A-1+	STABLE	F1+	STABLE					
WAL-MART STORES INC	P-1	STABLE	A-1+	STABLE	F1+	STABLE					
WALT DISNEY COMPANY	P-1	STABLE	A-1	STABLE	F1	STABLE					
WELLS FARGO & COMPANY	P-1	STABLE	A-1	NEG	F1+	NEG					

Portfolio Credit Exposure  
October 2016

Portfolio	Issuer	Face Amount	Yield	Maturity	% of Port	Total %
BPIP TE	MSFT	13,585,000	0.51%	11/8/2016	2.40%	
	TOYCC	5,000,000	0.85%	1/4/2017	0.88%	
	TOYCC	5,000,000	1.06%	3/13/2017	0.88%	
	USB	558,425	1.00%	12/19/2016	0.10%	
	USB	5,000,000	0.71%	1/17/2017	0.88%	
						5.14%
BPIP TAX	TOYCC	5,000,000	1.06%	3/13/2017	0.87%	
	USB	5,000,000	0.69%	12/29/2016	0.87%	
						1.75%
STBF	GECC	2,400,000	0.54%	12/27/2016	2.35%	
	MSFT	1,250,000	0.51%	11/8/2016	1.23%	
	TOYCC	2,450,000	0.78%	12/23/2016	2.40%	
	TOYCC	1,000,000	0.75%	1/24/2017	0.98%	
	USB	898,279	0.68%	12/19/2016	0.88%	
						7.84%
All Portfolios	GECC	2,400,000			0.07%	
	MSFT	14,835,000			0.44%	
	TOYCC	18,450,000			0.55%	
	USB	11,456,704			0.34%	
Total Credit Exposure		47,141,704				1.40%



## 15. State Agency Deposit Balances



Tim Eichenberg  
State Treasurer

STATE OF NEW MEXICO  
OFFICE OF THE TREASURER


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

Samuel Collins  
Deputy State Treasurer

Date: November 22, 2016

To: Tim Eichenberg, State Treasurer

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

From: Charmaine Cook, State Cash Manager 

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

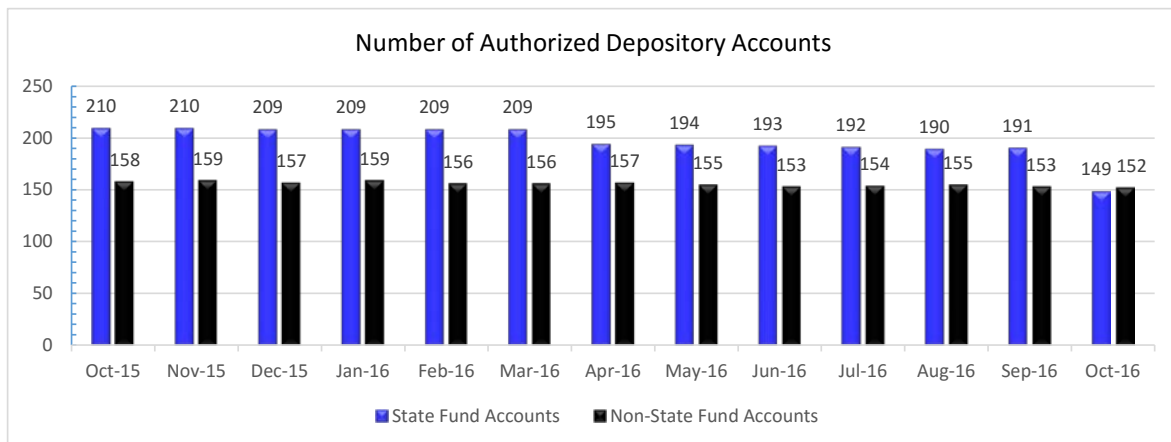
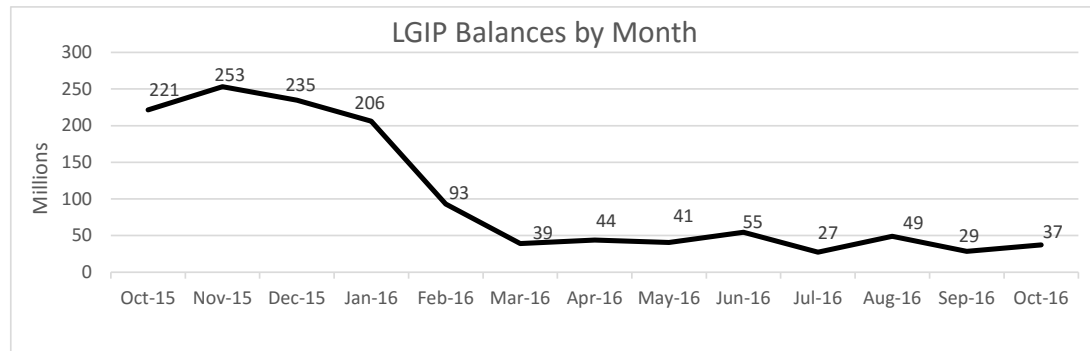
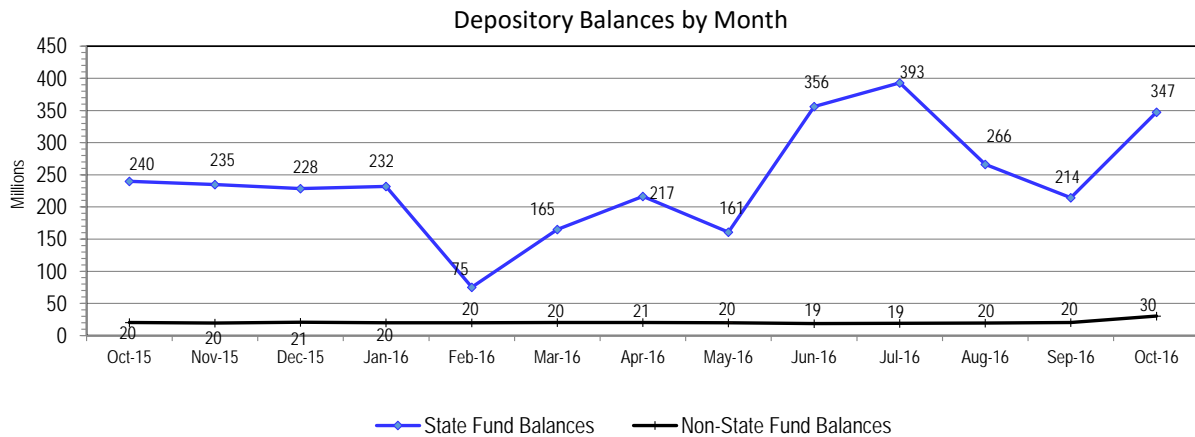
Pursuant to section 8-6-3.1 NMSA 1978, the State Cash Manager shall submit to the State Board of Finance a report showing state fund balances in each Financial Institution. Attached for your review is a summary of State fund balances in each institution through October 31, 2016.

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 October 31, 2016

(Attachments 3)

# Depository Account Summary for October 2016



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

Depository accounts opened in October 2016	1 13th. Judicial District Court
	1 STO (other)
	1 LGIP
Depository accounts closed in October 2016	1 Superintendent of Insurance

# Depository Account Summary by Agency

## October 2016

### STATE FUNDS

AGENCY	# OF ACCTS.	BALANCE
AOC (fines, fees etc.)	48	\$2,708,459
BERN. CO. METRO COURT	2	\$663,970
1-13 DISTRICT ATTORNEY	5	\$26,939
EDUCATION RETIREMENT BOARD	1	\$106,933
TAXATION & REVENUE DEPT.	6	\$50,907
PUBLIC SCHOOL INS. AUTHORITY	6	\$5,178,464
NMRHCA	0	\$0
PUBLIC DEFENDER	1	\$255
SECRETARY OF STATE	0	\$0
STATE TREASURER (JDC)	5	\$16,098
STATE TREASURER (OTHER)	3	\$10,066,849
STATE TREASURER (Liq. Reserve)	1	\$300,971,234
NM RACING COMMISSION	6	\$479,073
DEPT. OF GAME & FISH	2	\$124,633
SOUTHWEST REGION ED.	1	\$2,502,197
ENERGY & MINERALS	4	\$58,398
STATE ENGINEER'S OFFICE	4	\$89,613
IRRG WKS CONST	1	\$252,603
HUMAN SERVICES DEPT.	5	\$15,301
WORKFORCE SOLUTIONS	5	\$20,409,108
MINER'S HOSPITAL	1	\$2,759,951
DEPARTMENT OF HEALTH	31	\$958,939
ENVIRONMENT DEPARTMENT	0	\$0
CORRECTIONS DEPARTMENT	5	\$850
DEPT. OF PUBLIC SAFETY	2	\$47,633
HIGHWAY & TRANSPORTATION	4	\$1,379

sub-total: 149 \$347,489,786

Total Depository Balance: \$415,062,902  
Total Depository Accounts: 301

### NON-STATE FUNDS

AGENCY	# OF ACCTS.	BALANCE
AOC	1	\$33,098
1ST JUDICIAL DIST. COURT	3	\$12,256,480
2ND JUDICIAL DIST. COURT	2	\$607,245
3RD JUDICIAL DIST. COURT	2	\$721,096
4TH JUDICIAL DIST. COURT	2	\$142,426
5TH JUDICIAL DIST. COURT	3	\$2,295,305
6TH JUDICIAL DIST. COURT	3	\$783,730
7TH JUDICIAL DIST. COURT	4	\$290,147
8TH JUDICIAL DIST. COURT	4	\$408,963
9TH JUDICIAL DIST. COURT	2	\$558,992
10TH JUDICIAL DIST. COURT	2	\$79,436
11TH JUDICIAL DIST. COURT	10	\$1,146,107
12TH JUDICIAL DIST. COURT	2	\$732,215
13TH JUDICIAL DIST. COURT	61	\$3,000,488
7TH DISTRICT ATTORNEY	1	\$1,761
10TH DISTRICT ATTORNEY	1	\$430
ATTORNEY GENERAL	1	\$1,852
LGIP	5	\$37,194,339
SUPERSTENDENT OF INSURANCE	7	\$1,490,938
NM STATE FAIR	5	\$2,287,591
SOUTHWEST REGION ED.	1	\$15
MINER'S HOSPITAL	1	\$7,654
DEPARTMENT OF HEALTH	9	\$1,038,576
CHILDREN, YOUTH & FAMILIES	6	\$91,682
CORRECTIONS DEPARTMENT	12	\$2,365,090
DEPT. OF PUBLIC SAFETY	2	\$37,460

sub-total: 152 \$67,573,116

## State Fund Balances by Financial Institution

### October 2016

First National Bank/Alamogordo	\$	106,047
Century Bank/Santa Fe	\$	313
Bank of America/Albuquerque	\$	155,337
Wells Fargo Bank/Albuquerque	\$	28,631,072
Compass Bank/Albuquerque	\$	12,891,586
Bank of the West/Albuquerque	\$	300,974,617
First American Bank/Artesia	\$	47,777
Carlsbad National Bank/Carlsbad	\$	600
Western Commerce Bank/Carlsbad	\$	96,330
Farmers/Stockmens Bank/Clayton	\$	25,497
First National Bank/Clayton	\$	2,768,328
Citizens Bank/Clovis	\$	23,361
NM Bank & Trust/Albuquerque	\$	192,921
Lea County State Bank/Hobbs	\$	118,685
Southwest Capitol/Las Vegas	\$	226,522
Community 1st Bank/Las Vegas	\$	51,058
Western Bank/Lordsburg	\$	72,164
Los Alamos National Bank/Los Alamos	\$	16,717
International Bank/Raton	\$	19,463
Valley Bank of Commerce/Roswell	\$	107,918
FNB of Santa Fe	\$	66,849
First State Bank/Socorro	\$	6,675
Centinel Bank/Taos	\$	46,376
US Bank/Albuquerque	\$	15,116
Bank of the Southwest/Roswell	\$	813,242
Washington Federal	\$	17,445

*Total:* \$ 347,492,016



## 16. Collateral Report on Agency Deposits & CD's

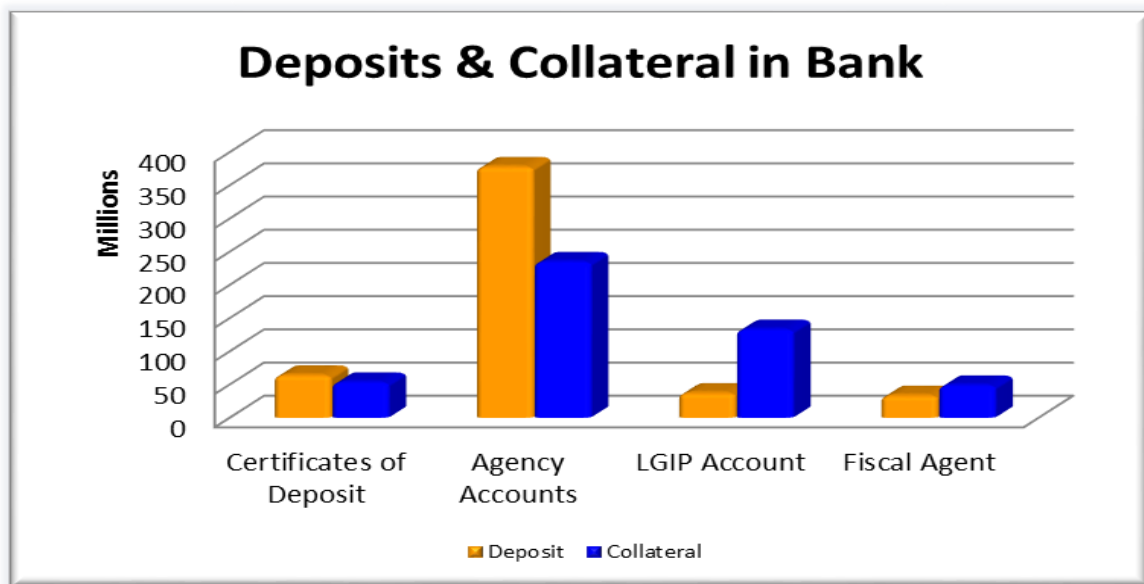


# Office of the Treasurer

## Collateral Summary Review

### October 31, 2016

As of October 31, 2016 there was one depository institution holding state funds that was deficient in their collateral levels. Western Bank of Lordsburg was deficient by \$172,305. Once notified of their deficiency Western Bank of Lordsburg pledged additional collateral. All other depository institutions holding public funds 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	\$ 53.3 Million	83.4%
Agency Deposit	377.8 Million	234.8 Million	62.1%
LGIP Deposits	37.2 Million	132.9 Million	357.2%
Fiscal Agent	33.3 Million	48.8 Million	146.4%
Totals →	512.3 Million	469.8 Million	97.7%



# Office of the Treasurer

## Collateral Review

### Accumulated Total by Institution

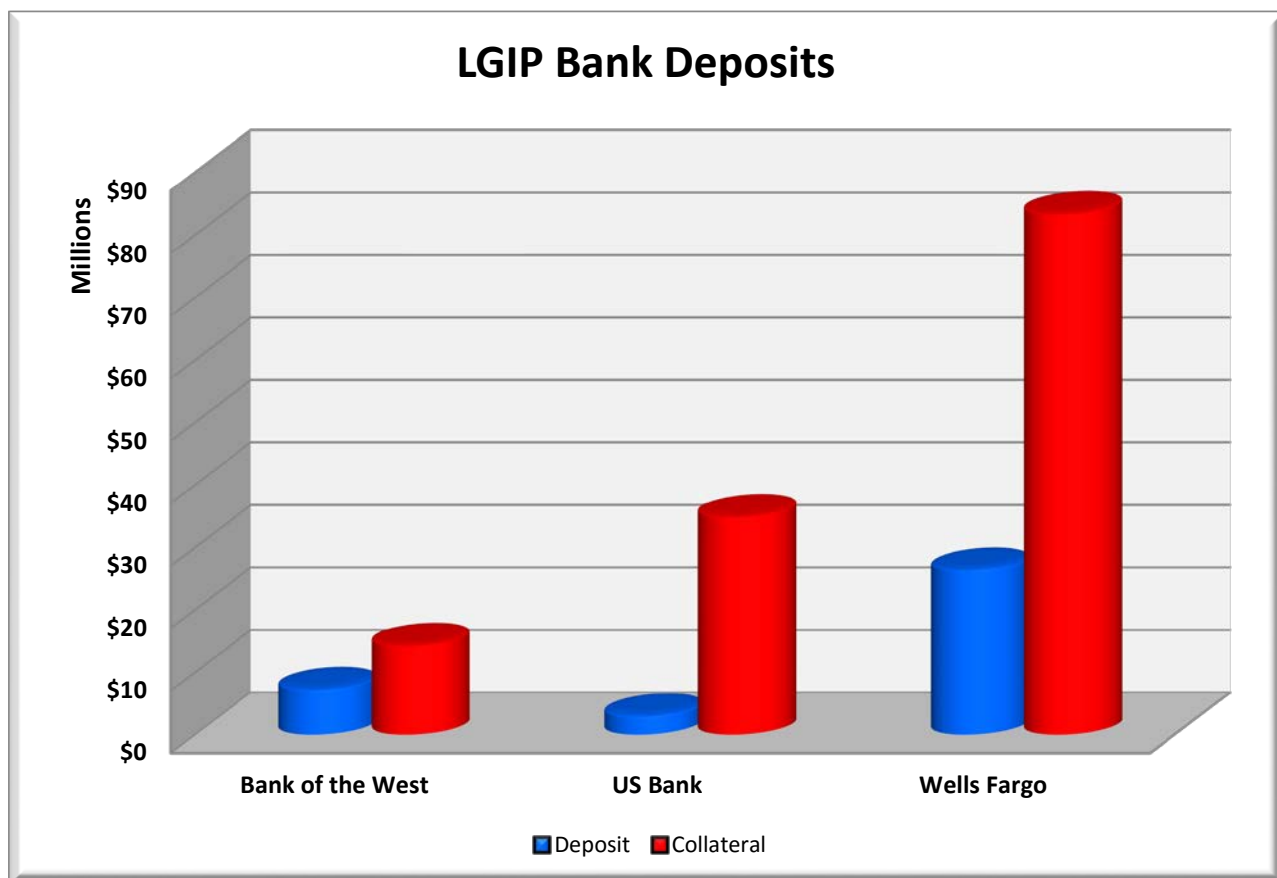
### October 31, 2016

FINANCIAL INSTITUTION	%	TOTAL DEPOSITS	FDIC / NCUA INSURANCE	LESS INSURANCE COVERAGE	SUBJECT TO BE COLLATERALIZED	COLLATERAL PLEDGED	EXCESS (UNDER)
First National - Alamogordo	50%	106,047	106,047	0	0	1,124,265	1,124,265
Western - Alamogordo	50%	3,600,000	250,000	3,350,000	1,675,000	2,760,065	1,085,065
Bank of America	50%	218,659	218,659	0	0	267,898	267,898
Bank of the West	50%	309,135,283	250,000	308,885,283	154,442,641	192,672,389	38,229,747
BBVA Compass	102%	12,891,609	250,000	12,641,609	12,894,441	13,000,000	105,559
US Bank	50%	4,381,787	250,000	4,131,787	2,065,894	40,000,000	37,934,106
Wells Fargo	50%	79,359,692	250,000	79,109,692	39,554,846	113,845,845	74,290,999
First American	50%	47,777	47,777	0	0	0	0
My Bank	50%	350,435	250,000	100,435	50,217	250,000	199,783
Carlsbad National	50%	600	600	0	0	0	0
Western Commerce	50%	4,096,330	250,000	3,846,330	1,923,165	3,140,951	1,217,786
Farmers & Stockmen	50%	10,027,598	250,000	9,777,598	4,888,799	5,125,000	236,201
First National - Clayton	50%	2,768,328	2,768,328	0	0	2,286,002	2,286,002
Bank of Clovis	50%	477,944	250,000	227,944	113,972	828,089	714,116
Citizens - Clovis	50%	23,361	23,361	0	0	0	0
NM Bank & Trust	50%	397,809	397,809	0	0	269,160	269,160
Western - Clovis	50%	3,100,000	250,000	2,850,000	1,425,000	2,175,255	750,255
Lea County State	50%	118,685	118,685	0	0	0	0
Southwest Capital	50%	10,770,920	250,000	10,520,920	5,260,460	6,137,856	877,396
Community 1st - Las Vegas	102%	51,058	51,058	0	0	515,333	515,333
Western - Lordsburg	50%	594,610	250,000	344,610	172,305	0	(172,305)
Los Alamos National	102%	16,717	16,717	0	0	0	0
International	50%	52,856	52,856	0	0	149,946	149,946
Bank of the Southwest	50%	1,285,380	250,000	1,035,380	517,690	582,682	64,992
Valley Commerce	50%	107,918	107,918	0	0	0	0
Century	50%	4,491,251	250,000	4,241,251	2,120,626	2,795,319	674,693
First National - Santa Fe	102%	30,066,849	250,000	29,816,849	30,413,186	33,064,022	2,650,836
First State	50%	80,763	80,763	0	0	0	0
Centinel	50%	46,376	46,376	0	0	0	0
Guadalupe Credit	50%	250,000	250,000	0	0	0	0
Washington Federal	50%	37,459	37,459	0	0	0	0
		478,954,101	8,074,412	470,879,689	257,518,243	420,990,076	163,471,833

# LGIP Bank Deposits

## October 31, 2016

<u>Financial Insitution</u>	<u>Percentage</u>	<u>Deposit</u>	<u>Collateral</u>
Bank of the West	193.2%	7,439,574	14,376,262
US Bank	1098.5%	3,186,212	35,000,000
Wells Fargo	314.2%	26,568,554	83,490,028
<b>Totals</b>	<b>357.2%</b>	<b>37,194,339</b>	<b>132,866,290</b>



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