



STATE OF NEW MEXICO
OFFICE OF THE TREASURER

THE HONORABLE TIM EICHENBERG
State Treasurer

SAMUEL K. COLLINS, JR.
Deputy State Treasurer

**STATE TREASURER'S
INVESTMENT COMMITTEE**

State Treasurer's conference room



Ghost Ranch - "New Mexico Tourism Department" (Mike Stauffer)

This northern New Mexico area is full of colorful scenery that surprises and delights visitors. This is the landscape that inspired famed painter Georgia O'Keeffe, who lived at Ghost Ranch. prayer. On The High Road to Taos.

Wednesday, February 14, 2018

9:00am



1. Approval of February 14, 2018 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, February 14, 2018 9:00 a.m.

MEETING AGENDA (5 Min)

Roll Call

1. Approval of February 14, 2018 Agenda
2. Approval of January 10, 2018 Minutes
3. Public Comments

Action
Action

INVESTMENT REPORTS (45 min)

4. Executive Summary (Vikki Hanges)
5. Investment Policy Compliance Report (Rick Chavez)
6. Investment Accounting Report (David Mahooty)
7. Cash Projections (Arsenio Garduño)
8. Investment Advisor – December 2017 Quarterly Investment Report (Deanne Woodring)
9. Quarterly Investment Review (Vikki Hanges)
10. Portfolio Summary – General Fund Investment Pool (Vikki Hanges)
11. Portfolio Summary – Local Government Investment Pool (LGIP) (Jeremy Landrum)
12. Portfolio Summary – Tax-Exempt Bond Proceeds Investment Pool (Jeremy Landrum)
13. Portfolio Summary – Taxable Bond Proceeds Investment Pool (Jeremy Landrum)
14. Portfolio Summary – Severance Tax Bonding Fund (Vikki Hanges)
15. Broker Dealer Activities (Charmaine Cook)
16. Credit (Vikki Hanges)

Month Ended
December 31, 2017

Informational
Informational
Informational
Informational
Informational
Informational
Informational
Informational
Informational
Informational
Informational
Informational
Informational

CASH MANAGEMENT
& COLLATERAL REPORTS (10 Min)

17. State Agency Deposit Balances (Arsenio Garduño)
18. Collateral Report on Agency Deposits & CDs (Arsenio Garduño)

Month Ended
December 31, 2017

Informational
Informational

COMMITTEE REPORTS (5 min)

19. Next Meeting – Wednesday, March 14, 2018 9:00am
20. Adjournment



2. Approval of January 10, 2018 Minutes

**New Mexico State Treasurer's Office
STIC Committee Meeting
Meeting Minutes
Wednesday, January 10, 2018**

ROLL CALL—QUORUM PRESENT:

A regular meeting of the New Mexico State Treasurer's Investment Committee (STIC) was called to order this date at 9:01 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

New Mexico State Treasurer Tim Eichenberg (via telephone)
Mr. Clinton Turner, Chief Economist, State Board of Finance
Mr. Paul Cassidy, Public Member
Mr. Mark Pike, Public Member (via telephone)

Staff Present

Mr. Samuel Collins, Deputy State Treasurer
Ms. Charmaine Cook, State Cash Manager
Mr. David Mahooty, Chief Financial Officer
Ms. Vikki Hanges, Portfolio Manager Supervisor
Mr. Jeremy Landrum, Portfolio Manager
Mr. Richard Chavez, Accountant & Auditor

Guests Present

Ms. Sally Walton (on behalf of Ms. Deanne Woodring, President, Government Portfolio Advisors) (via telephone)

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

1. Approval of January 10, 2018, Agenda

Member Paul Cassidy moved approval of the agenda. Motion was seconded by Member Clinton Turner and passed 3 to 0 by voice vote.

Member Mark Pike and Ms. Sally Walton joined the meeting via telephone.

2. Approval of December 13, 2017, Minutes

Member Clinton Turner moved approval of the minutes. Motion was seconded by Treasurer Eichenberg and passed unanimously by voice vote.

3. Public Comments

None.

4. Executive Summary

Ms. Vikki Hanges presented highlights of the Executive Summary.

A discussion followed.

5. Investment Policy Compliance Report

Mr. Rick Chavez presented highlights of the Investment Policy Compliance Report.

6. Investment Accounting Report

Mr. David Mahooty presented highlights of the Investment Accounting Reconciliation Report.

7. Cash Projections

Mr. Chavez presented highlights of Cash Projections.

8. Portfolio Summary—General Fund Investment Pool

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

9. Portfolio Summary—Local Government Investment Pool

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

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

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

11. Portfolio Summary—Taxable Bond Proceeds Investment Pool

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

12. Portfolio Summary—Severance Tax Bonding Fund

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

13. Broker-Dealer Activities

Ms. Cook presented highlights of the Broker-Dealer Activities.

A brief discussion followed.

14. Credit Investing

Ms. Hanges presented highlights of Credit Investing.

A brief discussion followed.

15. State Agency Deposit Balances

Mr. Chavez presented highlights of the State Agency Deposit Balances.

16. Collateral Report on Agency Deposits & CDs

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

A brief discussion followed.

17. Next Meeting—Wednesday, February 14, 2018, 9:00 a.m.**18. Adjournment**

Meeting adjourned at 9:53 a.m.

Minutes were taken by Ms. Julie Filatoff



3. Public Comments



4. Executive Summary

Executive Summary

- At the end of December, the State Treasurer managed \$3.8 billion in assets.
- During the month, the office earned approximately \$3.7 million on its investment positions.
- On a mark-to-market basis the portfolios decreased \$1.3 million.
- US equity markets continued to reach record highs with the S&P 500 Index up 1%.
- US Treasury yields were higher for short and intermediate term maturities, while longer term rates were flat to lower.
- Oil prices rose by 5.3% during the month of December, climbing to \$60.42.
- The US dollar was weaker vs. the euro during December, down 0.85%, to close at 1.2005.

Table 1 - Comparative Interest Rates

US Treasury Yields

			<i>Monthly</i>
<i>Maturity</i>	<i>11/30/2017</i>	<i>12/31/2017</i>	<i>Change</i>
3-Month	1.26%	1.38%	0.12%
6-Month	1.44%	1.53%	0.09%
1-Year	1.61%	1.73%	0.12%
2-Year	1.78%	1.88%	0.10%
3-Year	1.89%	1.97%	0.08%
5-Year	2.14%	2.21%	0.07%
10-Year	2.41%	2.40%	-0.01%
30-Year	2.83%	2.74%	-0.09%

Source: Bloomberg LP

Portfolio Mark-to-Market and Monthly Change

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

Table 2 - Unrealized Gains and Losses

<u>Fund</u>	<u>Unrealized Gain/Loss¹</u>	<u>Monthly Change in Unrealized Gain/Loss²</u>
<i>General Funds</i>	\$(6.2) million	Decreased \$1.0 million
<i>Bond Proceeds Funds</i>	\$(5.1) million	Decreased \$0.4 million
<i>Local Government Investment Pool</i>	Not Material	Not Material
<i>Severance Tax Bonding Fund</i>	Not Material	Not Material

Source: QED

Portfolio Purchase Yields and Durations

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

Table 3 - Portfolio Purchase Yields and Durations

<u>Fund</u>	<u>Purchase Yield⁴</u>	<u>Effective Duration³</u>		
		<u>Portfolio</u>	<u>Benchmark</u>	<u>Percentage</u>
<i>General Fund Liquidity</i>	1.25%	0.01 Years		
<i>General Fund CORE</i>	1.58%	1.89 Years	2.12 Years	89%
<i>Bond Proceeds – Tax Exempt</i>	1.20%	1.12 Years	1.36 Years	82%
<i>Bond Proceeds – Taxable</i>	1.17%	0.91 Years	1.36 Years	67%
<i>Local Government Investment Pool</i>	1.25%	0.12 Years		

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

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

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

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

Benchmark Performance Comparisons

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

Table 4 - Relative Performance of STO Funds

<i>Fund</i>	<i>Performance⁵</i>	
	<i>3 Months</i>	<i>12 Months</i>
General Fund Liquidity	0.26%	0.78%
S&P Government Pools Index (Gross)	<u>0.28%</u>	<u>0.90%</u>
Relative Performance (BPs)	(0.02)%	(0.12)%
General Fund CORE	(0.16)%	0.74%
BAML 0-5 US Treasury	<u>(0.25)%</u>	<u>0.69%</u>
Relative Performance (BPs)	0.09%	0.05%
Bond Proceeds - Tax Exempt	(0.01)%	0.70%
BAML 0-3 US Treasury	<u>(0.10)%</u>	<u>0.56%</u>
Relative Performance (BPs)	0.09%	0.14%
Bond Proceeds - Taxable	0.05%	0.83%
BAML 0-3 US Treasury	<u>(0.10)%</u>	<u>0.56%</u>
Relative Performance (BPs)	0.15%	0.27%
Local Government Investment Pool	0.27%	0.86%
S&P Government Pools Index (Gross)	<u>0.28%</u>	<u>0.90%</u>
Relative Performance (BPs)	(0.01)%	(0.04)%
Severance Tax Bonding Fund	0.28%	1.03%
S&P Government Pools Index (Gross)	<u>0.28%</u>	<u>0.90%</u>
Relative Performance (BPs)	0.00%	0.13%

Source: JPMorgan, STO Calculations

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

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

Earnings

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

Table 5 - Investment Earnings - Periods ended December, 2017

<i>Fund</i>	<i>Investment Net Earnings⁶</i>		
	<i>Dec FY'18</i>	<i>FY'18 YTD</i>	<i>FY'17 YTD</i>
<i>General Funds</i>	\$1,968,055	\$10,480,237	\$6,974,567
<i>Bond Proceeds Funds</i>	\$883,803	\$5,399,972	\$5,314,167
<i>Local Government Investment Pool⁷</i>	\$706,713	\$4,133,978	\$1,644,545
<i>Severance Tax Bonding Fund</i>	\$181,356	\$587,524	\$139,619

Source: QED

- The General Funds investment earnings increased by \$3.5 million in FY'18 vs. the same period in FY'17 as a result of higher short term interest rates and larger balances. At the end of December 2017, the GF Pool market value was \$2.0 billion vs. \$1.3 billion at the end of 2016. The GF Core is a smaller percentage of the total Pool, falling to 47% from 56%.
- Bond Proceeds funds have closely matched investment earnings vs. FY'17. Although balances have decreased, interest rates have risen, giving a boost to earnings.
- The LGIP increased investment earnings by \$2.5 million vs. the same period in FY'17 as a result of higher interest rates. Fund balances are slightly higher vs. FY'17.
- The Severance Tax Bonding Fund increased earnings as a result of higher interest rates and larger balances.

Compensating Balances at Fiscal Agent Bank

During December, STO maintained Average Daily Collected Balances at the Fiscal Agent Bank of approximately \$44 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>	\$44,521,112
<i>Earnings Credit Rate</i>	1.25%
<i>Monthly Earnings</i>	\$47,265
<i>Estimated Fiscal YTD Earnings</i>	\$225,625

Source: Wells, Fargo & Co.

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

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

Interest rates rose in December as the Federal Reserve met market participant expectations with a 25 basis point rate hike. The short to intermediate segment of the US Treasury yield curve had been pricing in this move for several months, applying the finishing touches into the year end. The indication for three rate hikes in 2018 remained, however the minutes released from the December Federal Open Market Committee meeting, painted a disparate picture. With the core PCE index 12-month rate of inflation at 1.5%, some Fed members argued that this path might be too aggressive, preventing inflation from reaching its 2% target.

Following the December rate hike, overnight repo levels increased to the lower end of the new Federal Funds rate range of 1.25% - 1.50%. With year end pressures behind us and sentiment for further Fed action gripping fixed income markets, short term investments, less than three months in maturity, continue to trade at levels very close to repo. US Treasury bills are very attractive versus Agency offerings that offer little to no spread advantage. High quality commercial paper issuers offer 10 to 20 basis point pickups out to three months and continue to be an attractive way to stay short. Toward the end of December, municipal variable rate demand notes (VRDNs) were experiencing high coupon resets due to an apparent supply glut. As the new year progresses and municipal supply wanes, it can be expected that the NM VRDNs purchased will be put back to the remarketing agent, US Bank, relatively soon.

At this point in time, the implied probability that the Fed will increase short term rates in March 2018 is 88%. With the strong start experienced by the equity markets so far in January, and continued pressure on interest rates, the STO portfolios have remained shorter in duration versus their benchmarks. Most of the investment has been confined to very short maturities and will continue unless there is some change in the expected future path of interest rates. The effects of tax reform on economic growth is key to the sustainability of these market trends. 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 December 31, 2017

General Fund	Holdings			Performance				Monthly Earnings			YTD Earnings		
	Cost Basis	Market Value	Unrealized Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Earnings	Change in Gain/Loss	Total	Earnings	Change in Gain/Loss	Total
Cash Balances	\$ 77,628,401	\$ 77,628,401	\$ -										
Liquidity	1,020,736,298	1,020,736,298	-	0.78%	S&P LGIP Gross	0.90%	-0.12%	\$ 714,814	\$ 1,086	\$ 715,900	\$ 3,861,783	\$ (4,600)	\$ 3,857,183
CORE	949,867,324	943,698,374	(6,168,950)	0.74%	ML Treasury 0-5	0.69%	0.05%	1,253,241	(969,208)	284,033	6,618,454	(6,095,022)	523,432
TRAN	-	-	-	0.00%	All-In Tran TIC	0.00%	0.00%	-	-	-	-	-	-
Totals	\$ 2,048,232,023	\$ 2,042,063,073	\$ (6,168,950)	0.76%	Blended	0.80%	-0.04%	\$ 1,968,055	\$ (968,122)	\$ 999,933	\$ 10,480,237	\$ (6,099,622)	\$ 4,380,615

Bond Proceeds Investment Pool (BPIP)													
Sub-Account	Cost Basis	Market Value	Unrealized Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Earnings	Change in Gain/Loss	Total	Earnings	Change in Gain/Loss	Total
	Tax-Exempt	\$ 577,699,824	\$ 574,249,694	\$ (3,450,130)	0.70%	ML Treasury 0-3	0.56%	0.14%	\$ 576,846	\$ (273,084)	\$ 303,762	\$ 3,317,600	\$ (2,060,937)
Taxable	339,200,451	337,557,791	(1,642,660)	0.83%	ML Treasury 0-3	0.56%	0.27%	306,958	(101,932)	205,026	2,082,373	(706,027)	1,376,346
Totals	\$ 916,900,275	\$ 911,807,485	\$ (5,092,790)	0.75%	Blended	0.56%	0.19%	\$ 883,803	\$ (375,016)	\$ 508,787	\$ 5,399,972	\$ (2,766,964)	\$ 2,633,008

Local Government Investment Pool (LGIP)													
Sub-Account	Cost Basis	Market Value	Unrealized Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Earnings	Change in Gain/Loss	Total	Earnings	Change in Gain/Loss	Total
	LGIP (See Note 5)	\$ 706,387,529	\$ 706,288,524	\$ (99,005)	0.86%	S&P LGIP Gross	0.90%	-0.04%	\$ 706,713	\$ 28,375	\$ 735,088	\$ 4,133,978	\$ 89,445

Severance Tax Bonding Fund													
Sub-Account	Cost Basis	Market Value	Unrealized Gain/Loss	12-Month Total Return	Benchmark	Index Return	Relative Performance	Earnings	Change in Gain/Loss	Total	Earnings	Change in Gain/Loss	Total
	STBF	\$ 149,080,577	\$ 149,080,648	\$ 71	1.03%	S&P LGIP Gross	0.90%	0.13%	\$ 181,356	\$ 8,232	\$ 189,588	\$ 587,524	\$ 2,788
<i>Estimated Totals (all funds)</i>		\$ 3,809,239,730	\$ (11,360,674)					3,739,928	\$ (1,306,531)	\$ 2,433,397	\$ 20,601,711	\$ (8,774,353)	\$ 11,827,358

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.



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 December

Table 1 - Primary/Secondary Market Volume - December 2017

Primary Bond Volume	\$186,536,300	28%
Secondary Bond Volume	<u>\$403,799,000</u>	<u>72%</u>
Total	\$590,335,300	100%

Source: QED

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

Commissions Paid

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

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

Variable Rate and Structured Note Holdings

At the end of December, total holdings of Variable Rate Notes were \$183,281,000.

Table 2 - Variable Rate Note Holdings - December, 2017

General Fund	\$6,900,000
Tax Exempt BPIP	\$5,000,000
Taxable BPIP	\$0
LGIP	\$152,081,000
STBF	\$19,300,000
Total Holdings	\$183,281,000

Source: QED

These positions are held in corporate and agency variable rate securities.

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

Transaction Variances and Inter-Portfolio Transactions

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

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

There were 0 inter-portfolio trades during the month.

Unrealized Gains and Losses

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

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

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

Realized Gains and Losses

Realized gains/losses are a result of a difference between amortized cost and the sale proceeds for each position at the time of sale. This amount is booked against investment earnings in the respective accounting period. There were 0 sales which resulted in realized gains/losses.

Table 1 - Realized Gains and Losses on Securities Sold – December 2017

Trade Date	Account	Par Amount	Security	Realized G/L
Total Realized gain (loss)				-

Trade Documentation

Purchase/Sales Activity¹

There were a total of 60 security trades tracked during the month of December by the Trade Compliance Officer.

Table 2 – Securities Trades – December 2017

	Quantity	Par-Value	Cost/Proceeds	Realized Gain/Loss
Purchases	60	590,335,300	589,453,275	0
Sales	0	0	0	0
Totals:	60	590,335,300	589,453,275	0

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 December, there were no noted violations or breaches. All investment activity is in compliance with applicable investment statutes and the STO Investment Policy.

¹ Excludes daily repurchase agreement transactions.

NM State Treasurer's Office

TRADE ACTIVITY FOR DECEMBER 2017

NM STO Trade Activity FY 2018			Dec-17	
Purchase	Volume	Trades	Volume	Trades
Treasury	681,731,000	44	95,000,000	6
Agency	2,258,157,000	166	290,354,000	28
Callable	54,995,000	8		
CP	771,900,000	70	149,100,000	19
Corporate	44,000,000	8		
CD's	4,000,000	2		
Muni	64,911,300	13	55,881,300	7
Total Purchase	3,879,694,300	311	590,335,300	60
Sale	Volume	Trades	Volume	Trades
Treasury	103,500,000	7		
Agency	38,000,000	4		
Callable				
CP				
Corporate				
Muni	3,455,000	1		
Total Sale	144,955,000	12	-	-
Total Volume	4,024,649,300	323	590,335,300	60
LGIP Repo			LGIP Repo	
Overnight	4,615,000,000	105	650,000,000	17
Term	1,955,000,000	37	165,000,000	4
	6,570,000,000	142	815,000,000	21



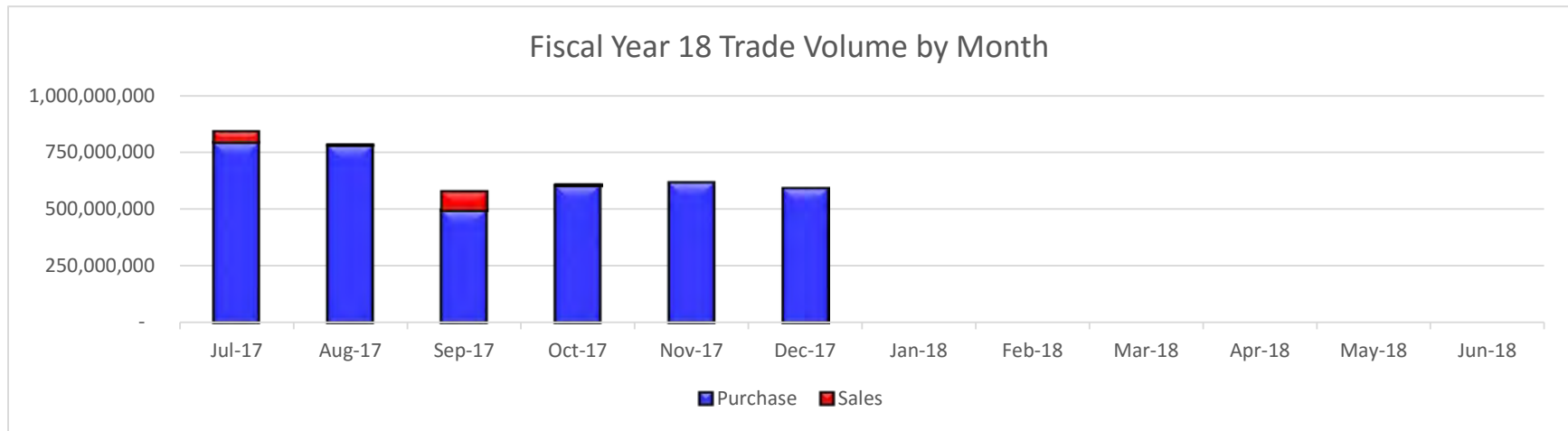
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TRADE ACTIVITY FOR DECEMBER 2017

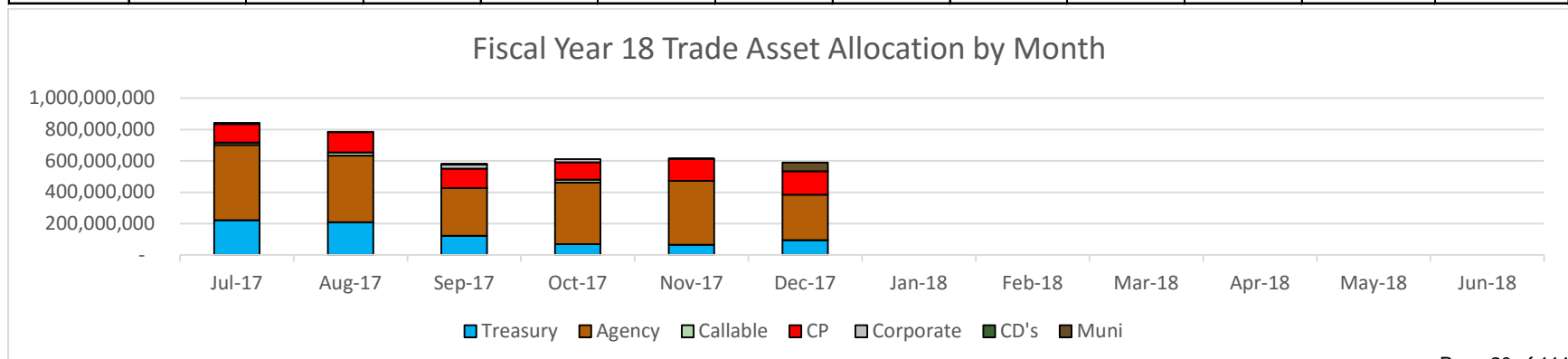
Purchase	GF LIQUIDITY (1000)		GF CORE (1001)		BPIP TE (4000)		BPIP TX (4002)		STB (4001)		LGIP (4101)	
	Volume	Trades	Volume	Trades	Volume	Trades	Volume	Trades	Volume	Trades	Volume	Trades
Treasury			20,000,000	1					75,000,000	5		
Agency	26,600,000	1	16,900,000	2					42,679,000	8	204,175,000	17
Callable												
CP	93,000,000	4	20,000,000	1			10,000,000	1	26,100,000	13		
Corporate CD's												
Muni	39,781,300	4	6,700,000	1	5,000,000	1			4,400,000	1		
Total Purchase	159,381,300	9	63,600,000	5	5,000,000	1	10,000,000	1	148,179,000	27	204,175,000	17
Sale	Volume	Trades	Volume	Trades	Volume	Trades	Volume	Trades	Volume	Trades	Volume	Trades
Treasury												
Agency												
Callable												
CP												
Corporate												
Muni												
Total Sale					-	-	-	-			-	-
Total Volume	159,381,300	9	63,600,000	5	5,000,000	1	10,000,000	1	148,179,000	27	204,175,000	17
LGIP												
Overnight											650,000,000	17
Term											165,000,000	4
											815,000,000	21

NM State Treasurer's Office

TRADE ACTIVITY FOR DECEMBER 2017



	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18
Treasury	223,000,000	210,000,000	123,000,000	69,231,000	65,000,000	95,000,000	-	-	-	-	-	-
Agency	478,383,000	423,636,000	303,320,000	392,734,000	407,730,000	290,354,000	-	-	-	-	-	-
Callable	15,000,000	19,895,000	700,000	19,400,000	-	-	-	-	-	-	-	-
CP	118,200,000	128,900,000	124,300,000	110,500,000	140,900,000	149,100,000	-	-	-	-	-	-
Corporate	-	-	25,000,000	19,000,000	-	-	-	-	-	-	-	-
CD's	4,000,000	-	-	-	-	-	-	-	-	-	-	-
Muni	4,000,000	650,000	5,455,000	-	2,380,000	55,881,300	-	-	-	-	-	-
	842,583,000	783,081,000	581,775,000	610,865,000	616,010,000	590,335,300	-	-	-	-	-	-



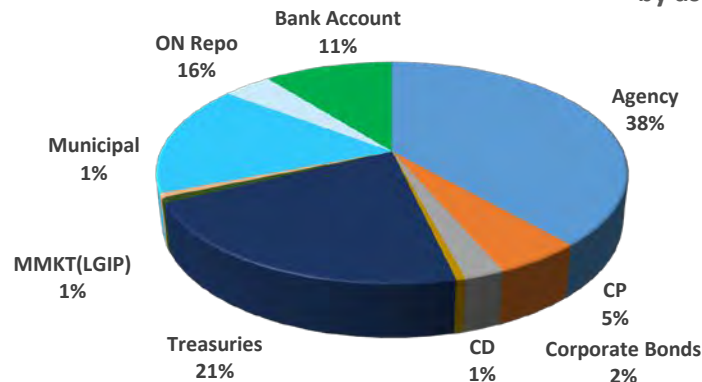
NM State Treasurer Office Security Holding by Portfolio

December 31, 2017

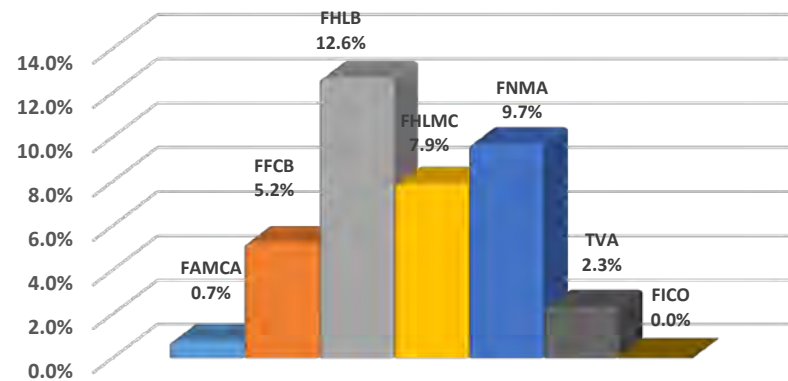
Values are based on position holdings

	<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>	
Portfolio Balance	1,020,811,293	951,175,138	578,193,651	339,056,454	149,345,315	706,927,275	3,745,509,125	
Agency	-	362,704,000	256,425,000	222,111,000	26,691,000	573,115,000	1,441,046,000	38.5%
FAMCA	-	23,000,000	5,000,000	-	-	-	28,000,000	0.7%
FFCB	-	9,900,000	15,000,000	15,500,000	1,000,000	153,465,000	194,865,000	5.2%
FHLB	-	123,080,000	83,085,000	79,500,000	10,000,000	177,415,000	473,080,000	12.6%
FHLMC	-	42,620,000	94,750,000	21,495,000	1,171,000	134,652,000	294,688,000	7.9%
FNMA	-	164,104,000	58,590,000	101,000,000	2,520,000	35,908,000	362,122,000	9.7%
TVA	-	-	-	3,000,000	12,000,000	71,675,000	86,675,000	2.3%
FICO	-	-	-	1,000,000	-	-	1,000,000	0.0%
CP	68,000,000	80,000,000	15,000,000	10,000,000	17,000,000	-	190,000,000	5.1%
Corporate Bonds	-	37,500,000	29,500,000	18,773,000	-	-	85,773,000	2.3%
CD	-	7,000,000	1,500,000	11,700,000	-	-	20,200,000	0.5%
Treasuries	-	452,750,000	230,000,000	32,500,000	75,000,000	8,231,000	798,481,000	21.3%
Municipal	2,345,000	8,740,000	7,795,000	4,695,000	5,345,000	-	28,920,000	0.8%
MMKT(LGIP)	-	-	11,895,110	9,948,058	767,088	-	22,610,255	0.6%
ON Repo	457,839,836	2,481,138	26,078,542	28,329,396	24,478,325	70,000,000	609,207,237	16.3%
TERM Repo	100,000,000	-	-	-	-	50,000,000	150,000,000	4.0%
Bank Account	392,626,456	-	-	-	63,901	5,581,275	398,271,633	10.6%

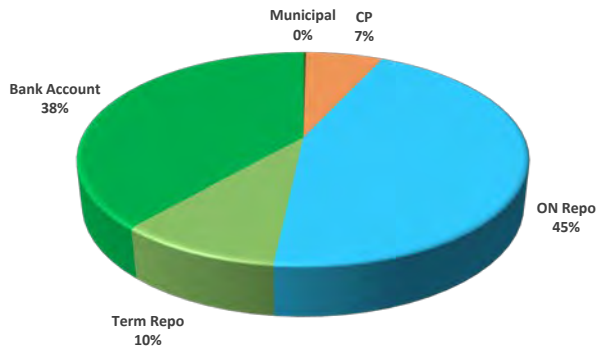
**STO Holdings
by asset type**



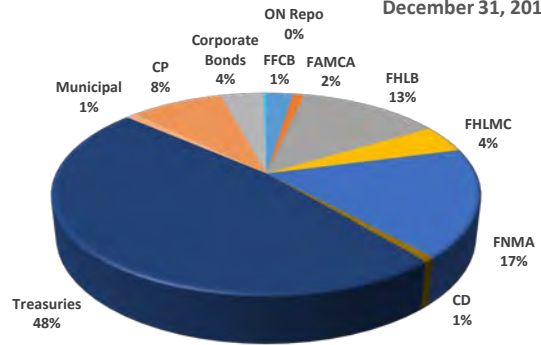
STO US Agency Holdings



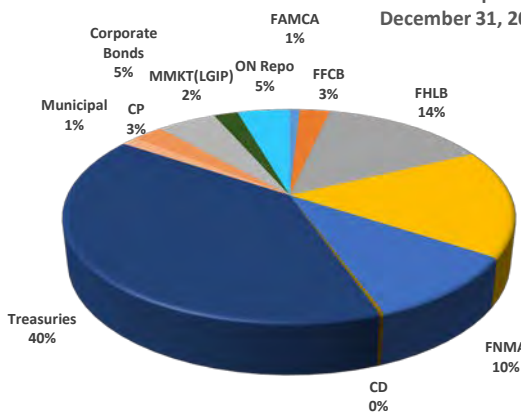
GF Liquidity Holdings
December 31, 2017



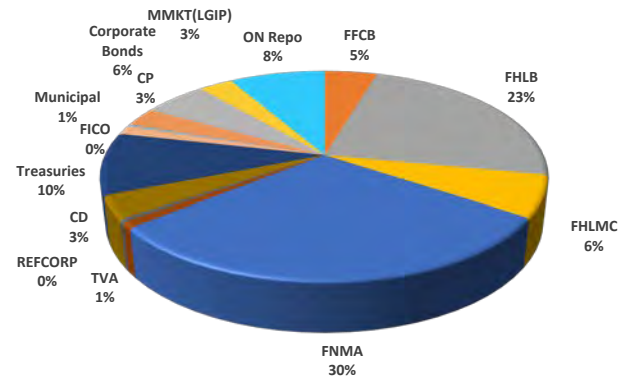
GF CORE Holdings
December 31, 2017



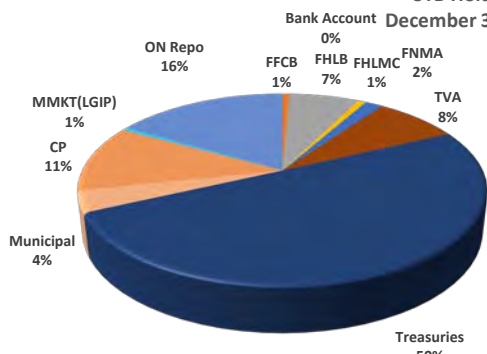
BPIP Tax-Exempt Holdings
December 31, 2017



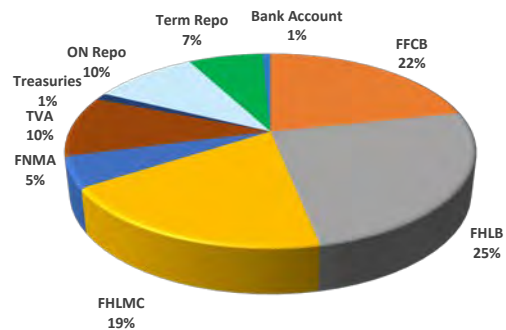
BPIP Taxable Holdings
December 31, 2017



STB Holdings
December 31, 2017



LGIP Holdings
December 31, 2017





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

Interoffice Memorandum

Date: January 16, 2018
To: Sam Collins, Deputy Treasurer
From: David Mahooty, STO Chief Financial Officer
CC: STO Investments Division
Subject: December 2017 Investment Reconciliation

The December 2017 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 November 30 and December 31.
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.

Below is the reconciliation for December 2017. The differences that exceed the BPS Dollar Threshold are explained below:

Inventory Holdings

- P09334/1101: The Overnight Repo consists of investing agencies that participate in the daily Repo that STO manages. The \$70M is what the agencies earned from the Overnight Repo. STO performs a monthly distribution posted the first of each month.

Income

- None

JP Morgan to QED Inventory Reconciliations
For Accounting Period Ended December 31, 2017

W/P Ref
503

Market Value Reconciliation

JPM Account	Market Value	QED Fund #	Name	Market Value	Difference	BPS Dollar Threshold *
P 09336	1,020,731,188.59	1000	GF Liquidity	1,020,711,185.85	20,002.74	510,365.59
P 09337	943,146,384.86	1001	GF Core	942,891,959.75	254,425.11	471,573.19
P 09334	22,792,762.58	1101	ONREPO	22,863,566.56	(70,803.98)	11,396.38
P 89523	157,385,366.07	4001	STB	157,381,010.02	4,356.05	78,692.68
P 09335	574,145,443.74	4000	BPIP#1	574,086,397.80	59,045.94	287,072.72
P 09339	337,494,253.19	4002	BPIP#2	337,499,384.70	(5,131.51)	168,747.13
P 09333	706,195,067.39	4101	LGIP	706,288,523.90	(93,456.51)	353,097.53
Total	3,761,890,466.42			3,761,722,028.58	168,437.84	1,880,945.23

Cost Reconciliation

JPM Account	Cost	QED Fund #	Name	Cost	Difference	BPS Dollar Threshold *
P 09336	1,020,711,177.34	1000	GF Liquidity	1,020,711,185.85	(8.51)	510,355.59
P 09337	948,092,837.40	1001	GF Core	948,057,606.15	35,231.25	474,046.42
P 09334	22,792,762.58	1101	ONREPO	22,863,566.56	(70,803.98)	11,396.38
P 89523	157,326,484.97	4001	STB	157,326,484.97	-	78,663.24
P 09335	577,689,491.07	4000	BPIP#1	577,689,491.08	(0.01)	288,844.75
P 09339	339,704,083.93	4002	BPIP#2	339,704,083.40	0.53	169,852.04
P 09333	705,684,003.62	4101	LGIP	705,684,003.62	-	352,842.00
Total	3,772,000,840.91			3,772,036,421.63	(35,580.72)	1,886,000.42

Position Reconciliation

JPM Account	Position Size	QED Fund #	Name	Position Size	Difference	BPS Dollar Threshold *
P 09336	1,020,811,284.28	1000	GF Liquidity	1,020,811,292.80	(8.52)	510,405.64
P 09337	951,175,138.26	1001	GF Core	951,175,138.26	-	475,587.57
P 09334	22,792,762.58	1101	ONREPO	22,863,566.56	(70,803.98)	11,396.38
P 89523	157,645,314.55	4001	STB	157,645,314.55	-	78,822.66
P 09335	578,193,651.15	4000	BPIP#1	578,193,651.15	-	289,096.83
P 09339	339,056,454.25	4002	BPIP#2	339,056,453.75	0.50	169,528.23
P 09333	706,927,274.94	4101	LGIP	706,927,274.94	-	353,463.64
Total	3,776,601,880.01			3,776,672,692.01	(70,812.00)	1,888,300.94

*Basis Point (BPS)Dollar Threshold

JPM Market Value x 5 BPS

JPM Cost x 5 BPS

JPM Postion Size x 5 BPS

0.0005

JP Morgan to QED Income Reconciliation
For Accounting Period Ended December 31, 2017

W/P Ref
504

JPM Account	Earned Interest	QED Fund #	Name	Earned Interest	Difference	BPS Dollar Threshold *
P 09336	514,948.47	1000	GF Liquidity	549,813.18	(34,864.71)	51,036.56
P 09337	1,013,984.09	1001	GF Core	1,015,669.27	(1,685.18)	47,157.32
P 09334	74,849.07	1101	ONREPO	74,849.07	-	1,139.64
P 89523	50,446.98	4001	STB	49,805.22	641.76	7,869.27
P 09335	596,458.24	4000	BPIP#1	587,062.77	9,395.47	28,707.27
P 09339	340,395.40	4002	BPIP#2	331,503.23	8,892.17	16,874.71
P 09333	449,483.34	4101	LGIP	442,412.63	7,070.71	35,309.75
Total	3,040,565.59			3,051,115.37	(10,549.78)	188,094.52

JP Morgan to QED Amortization/Accretion Reconciliation

JPM Account	Amortization/Accretion	QED Fund #	Name	Amortization/Accretion	Difference
P 09336	165,133.51	1000	GF Liquidity	165,001.24	132.27
P 09337	236,173.70	1001	GF Core	237,571.45	(1,397.75)
P 09334	-	1101	ONREPO	-	-
P 89523	134,053.06	4001	STB	131,551.11	2,501.95
P 09335	(8,944.91)	4000	BPIP#1	(10,216.88)	1,271.97
P 09339	(26,360.71)	4002	BPIP#2	(24,545.64)	(1,815.07)
P 09333	263,978.07	4101	LGIP	264,300.32	(322.25)
Total	764,032.72			763,661.60	371.12

* BPS Dollar Threshold

JP Morgan 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.



Tue 1/16/2018 4:49 PM

Mahooty, David, STO

December 2017 SGF Distribution

To: Gonzales, Steve A., DFA

Cc: Donna Maestas (Donna.Maestas@state.nm.us); Collins, Sam, STO; Turner, Clinton, DFA; Cook, Charmaine, STO; 'Jon.Clark@nmlegis.gov'; Spilman, Ronald, DFA; Kent, Heather, DFA; Dominick, Alisha, STO

Steve -

STO will make a distribution to the State General Fund for the month of December 2017 in the amount of \$513,648.96 based on the following:

**Dec-17
State General Fund Distribution Worksheet
Section 6-10-2.1 Distribution Methodology**

(Includes Accretion/Amortization) Component	General Fund	General Fund	Self-Earning	Total
	Liquidity Amount	Core Amount	Amount	
Earned Income*	\$ 680,081.98	\$ 1,250,157.79	\$ (425,733.79)	\$ 1,504,505.98
Realized Gains/(Losses)	-	7,729.27		7,729.27
Unrealized Gains/(Losses)	(3,041.53)	(995,544.76)		(998,586.29)
Distribution Total	\$ 677,040.45	\$ 262,342.30	\$ (425,733.79)	\$ 513,648.96

* Earned Income is accrued investment income +/- accretion/amortization

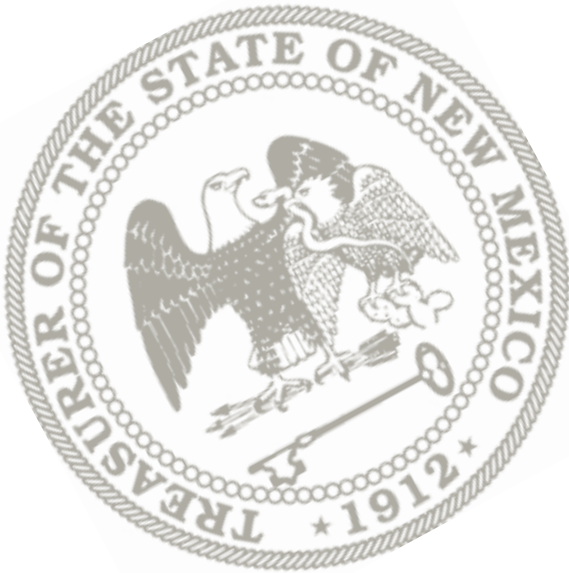
Self-Earning Interest Rate Determination	GFL	GFC	Total
Beginning Cost Balance	953,463,204.78	951,329,787.67	1,904,792,992.45
Ending Cost Balance	1,020,800,502.61	952,580,524.05	1,973,381,026.66
Average Cost Balance	987,131,853.70	951,955,155.86	1,939,087,009.56
Combined GFL & GFC Earnings			939,382.75
Total Return (Applicable to Self-Earning Balances for the Month)			0.581335%

Below is the FY18 distribution summary:

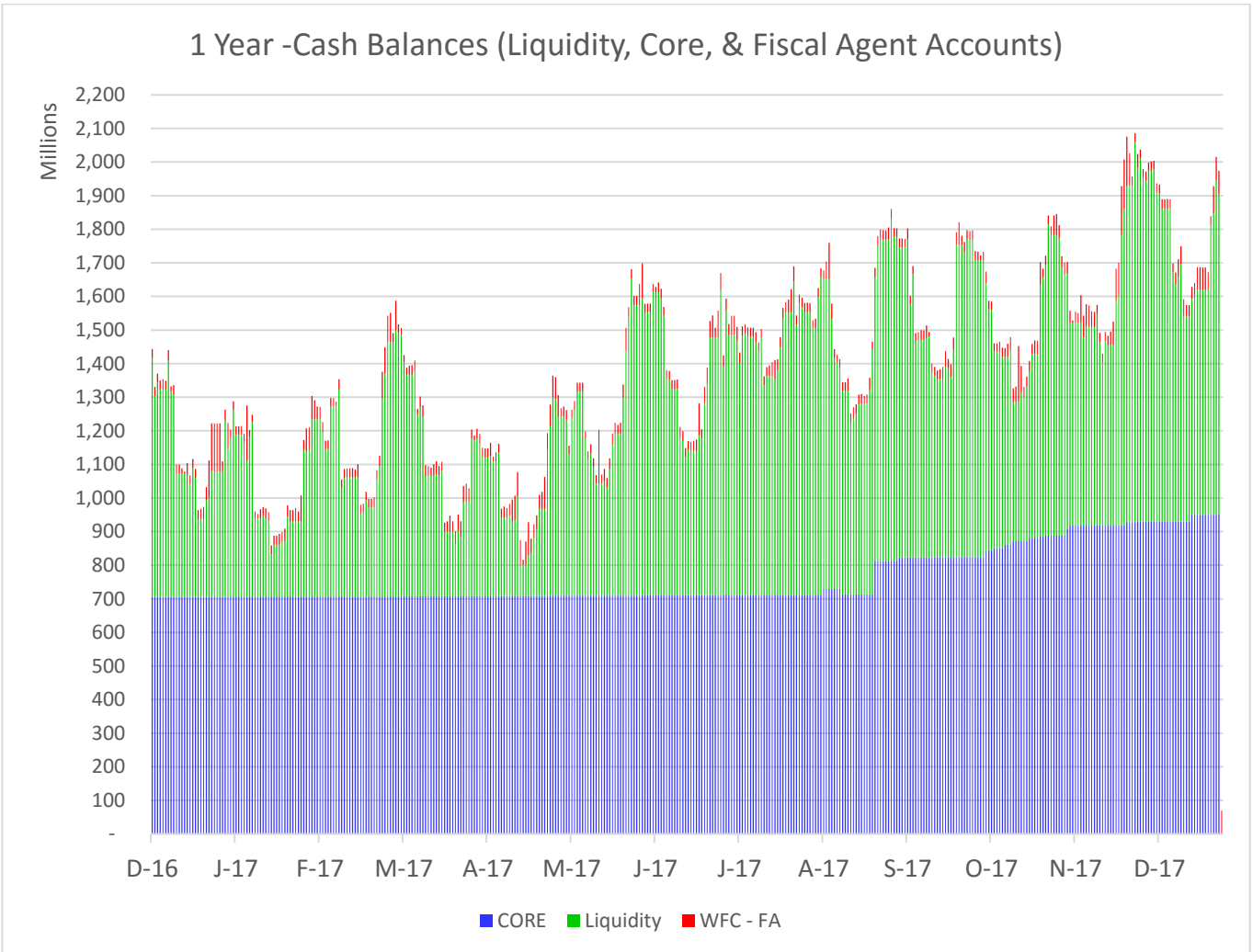
Month	Amount
Jul-17	1,415,943.30
Aug-17	2,281,981.94
Sep-17	(2,078,347.48)
Oct-17	(291,882.27)
Nov-17	(1,642,868.31)
Dec-17	513,648.96
Jan-18	-
Feb-18	-
Mar-18	-
Apr-18	-
May-18	-
Jun-18	-
Total	198,476.14

Please let me know if there are any questions.

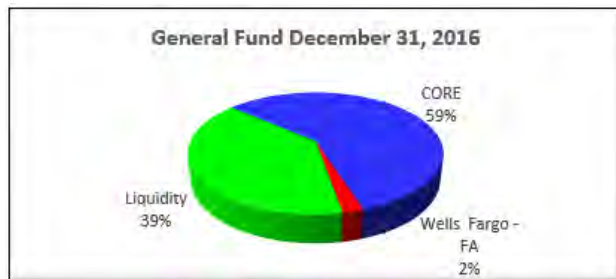
David Mahooty
Chief Financial Officer
New Mexico State Treasurer's Office
2055 S Pacheco St | Suite 100 | Santa Fe, NM 87505
Direct: 505.955.1189 | Email: david.mahooty@state.nm.us

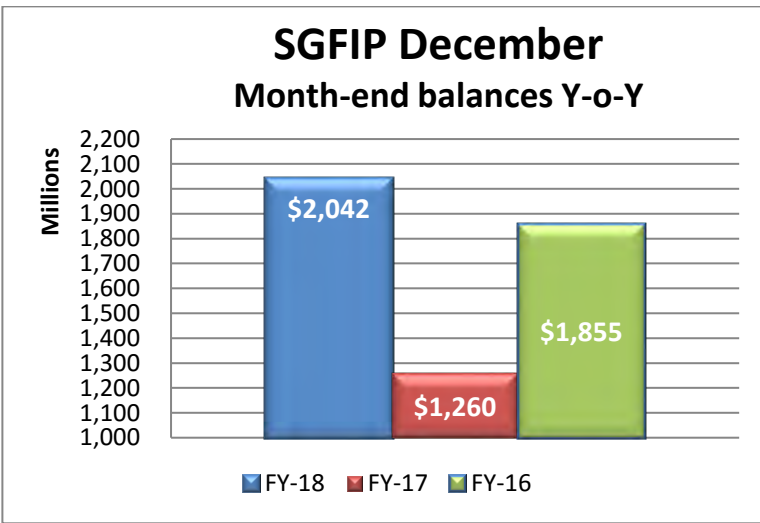
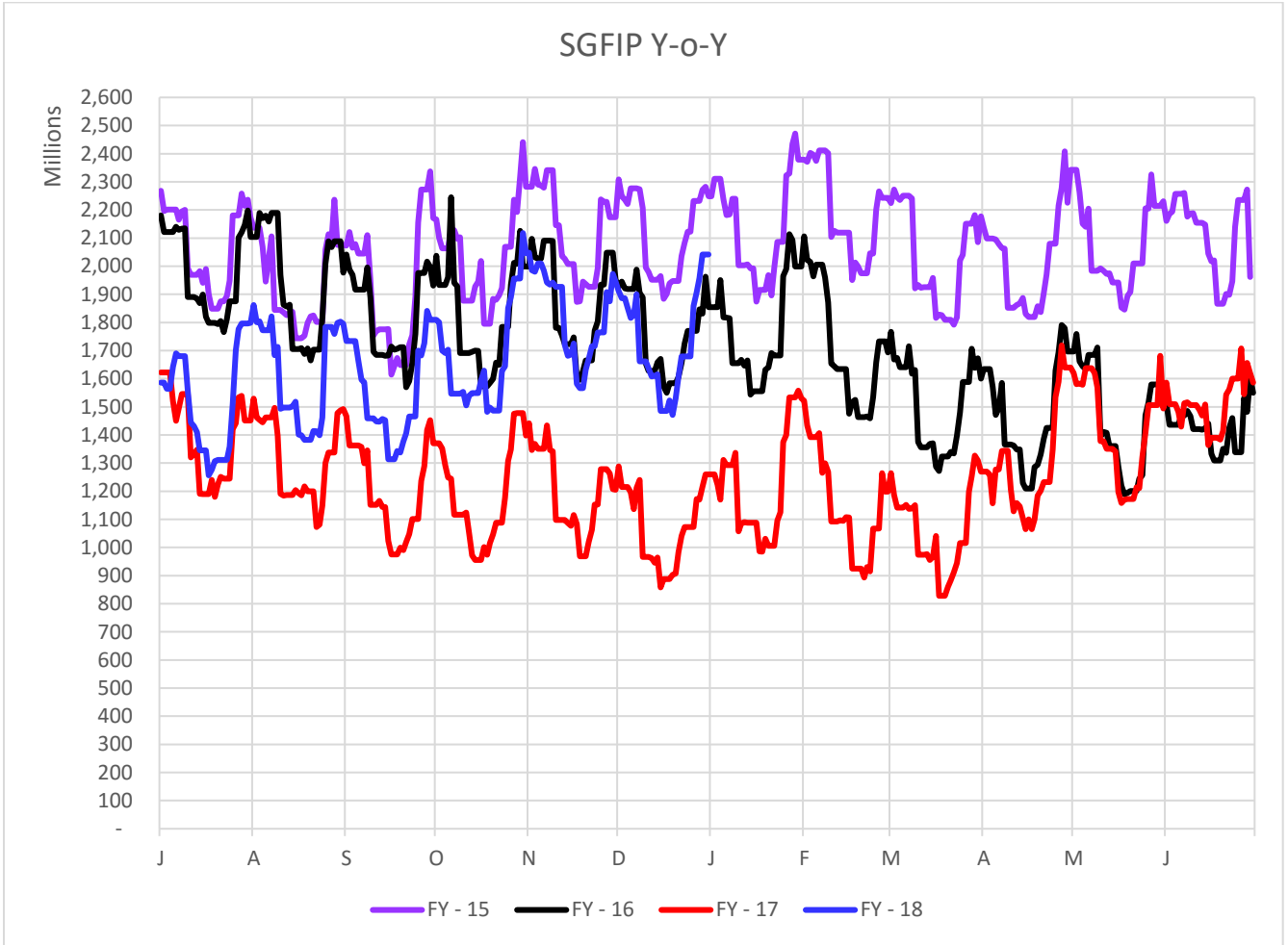


7. Cash Projections



GENERAL FUND	Dec-16	Nov-17	Dec-17	Y-o-Y Change	M-o-M Change
Liquidity	527,800,262	953,570,735	1,020,811,293	493,011,031	67,240,558
CORE	706,441,951	950,923,155	951,175,138	244,733,187	251,983
Wells Fargo - FA	25,737,187	41,202,501	69,659,335	43,922,148	28,456,834
Total	1,259,979,401	1,945,696,391	2,041,645,766	781,666,365	95,949,375



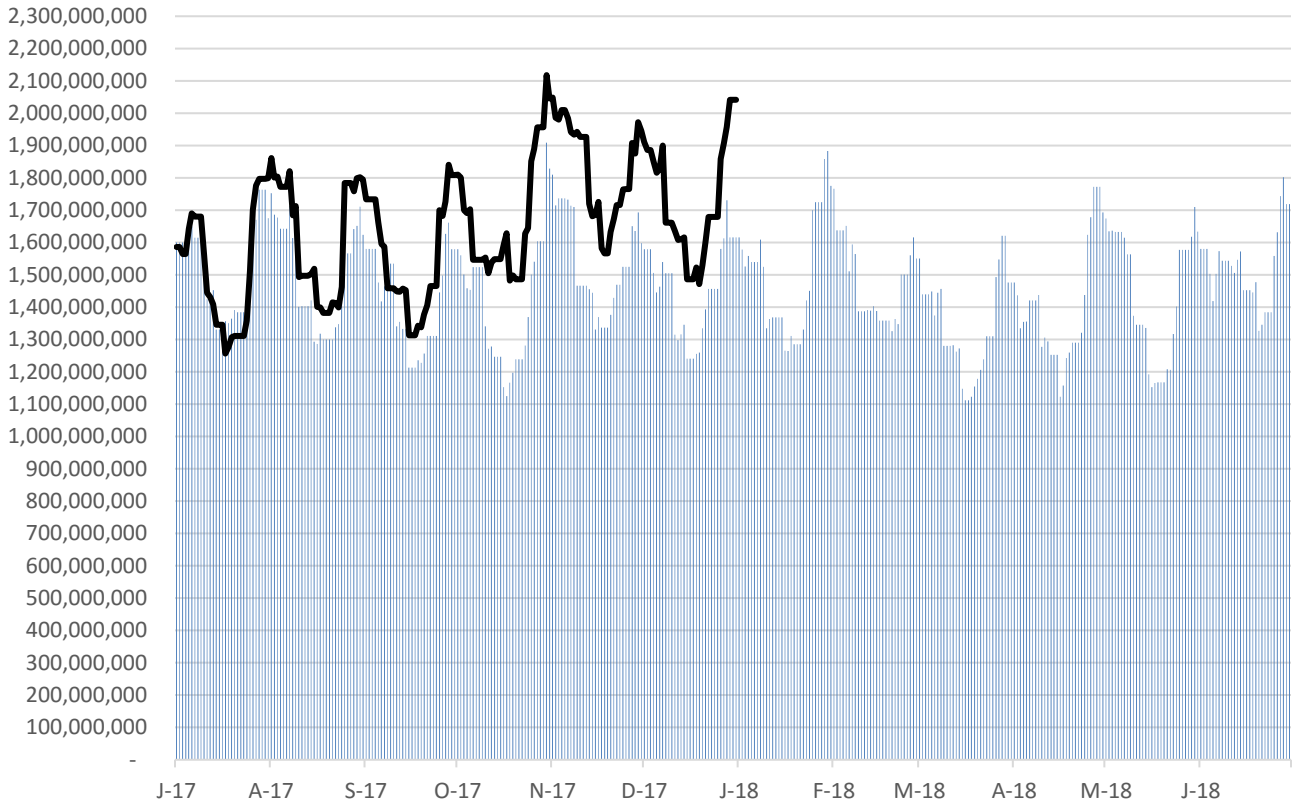


The balance as of December 31, 2017 of the State General Fund Investments Pool (SGFIP) Y-o-Y has increased 62.0% from December 31, 2016 and 10.1% increase from December 31, 2015. M-o-M SGFIP balances increased to \$2.042 billion at December 31, 2017 from \$1.945 billion at November 30, 2017 a increase of \$96.3 million or 5.0%

* These projections are based upon numerous source elements (General Fund Revenue Consensus Group Estimates, HB2 as adopted, LFC Estimates, Fiscal Agent Bank Statements, TRD Estimates, DFA Estimates, Market & Economic Conditions, and Historical Trends) as such represent estimates only.

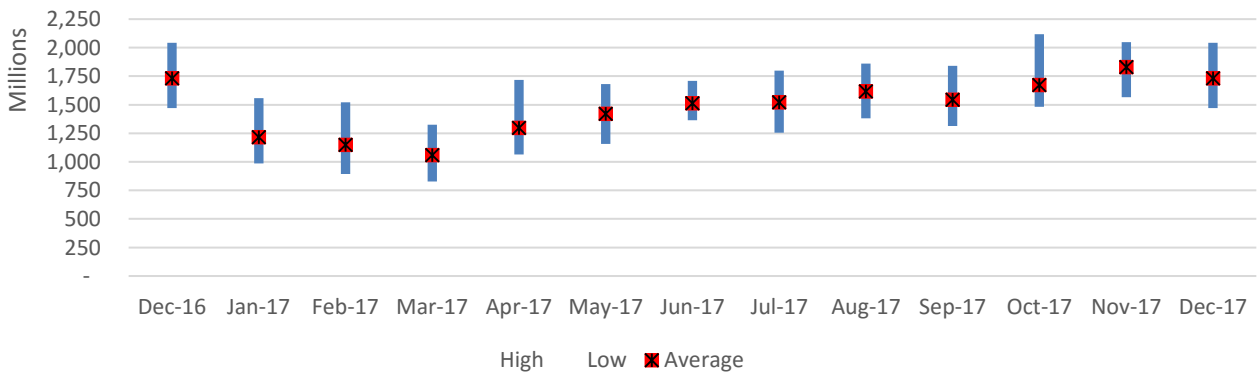


FY - 18 SGFIP Projections vs FY - 18 Actuals



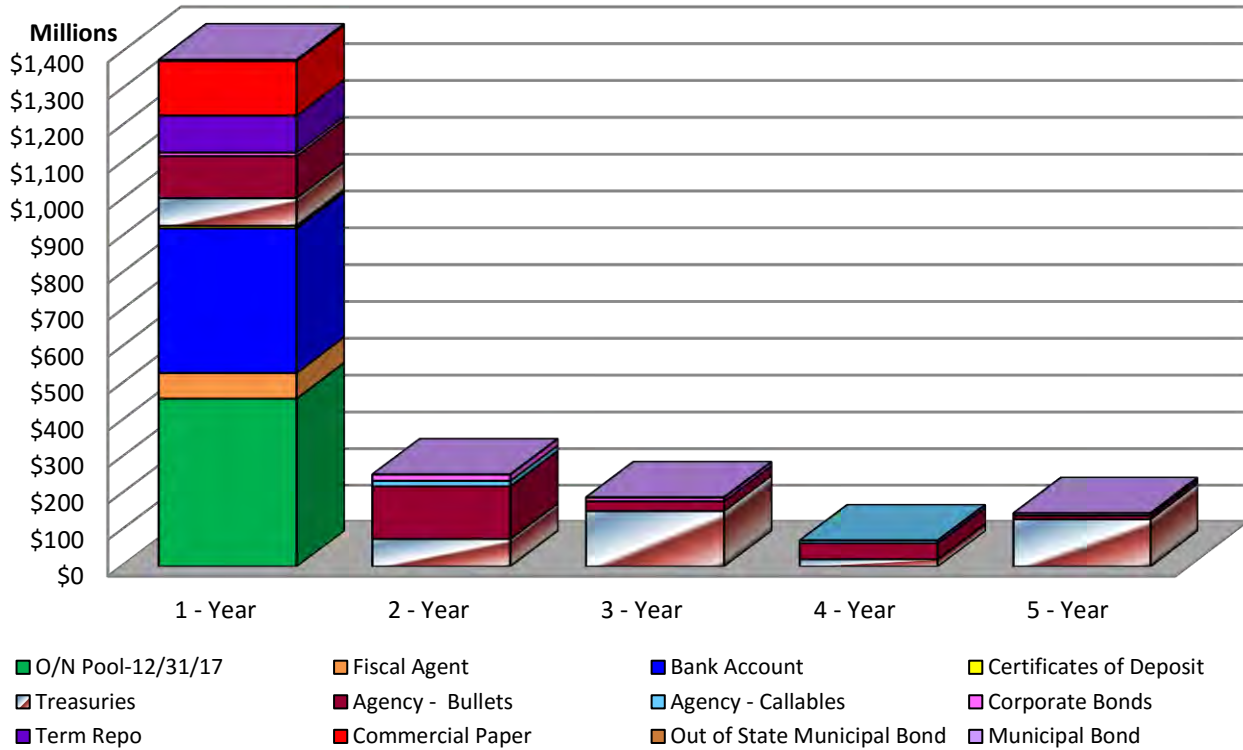
	Dec-17	Dec-16	Change
High	2,041,645,765.99	1,288,128,090.97	36.91%
Low	1,471,602,176.31	858,524,286.42	41.66%
Average	1,731,794,247.54	1,071,467,175.40	38.13%

SGFIP High & Lows

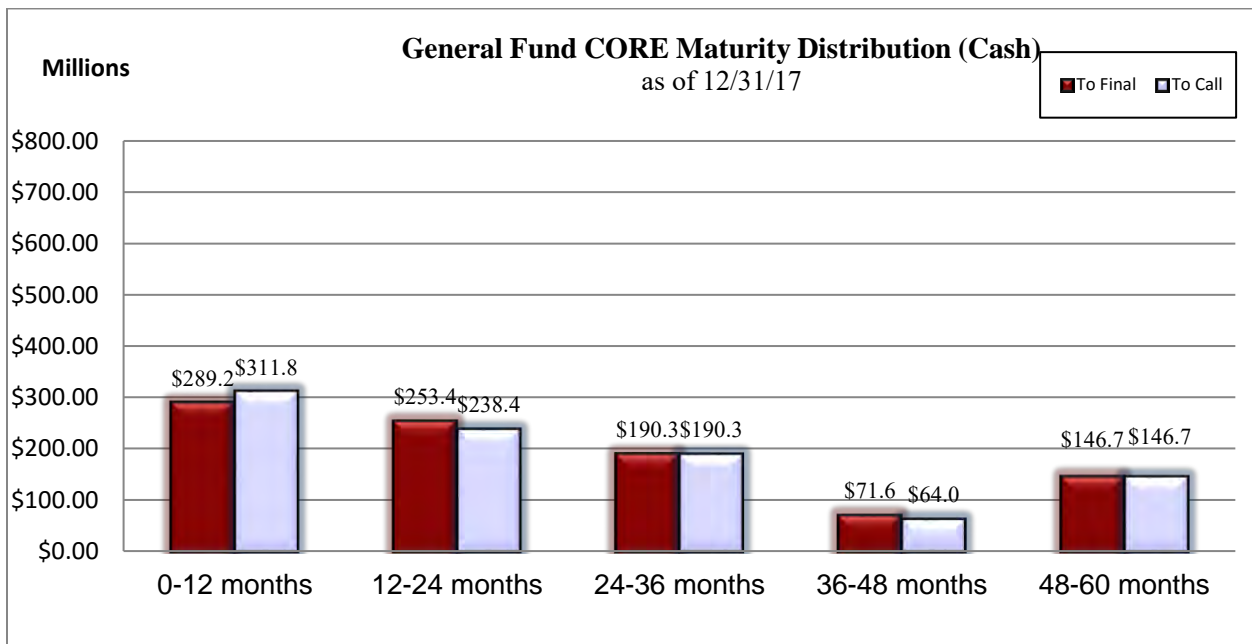
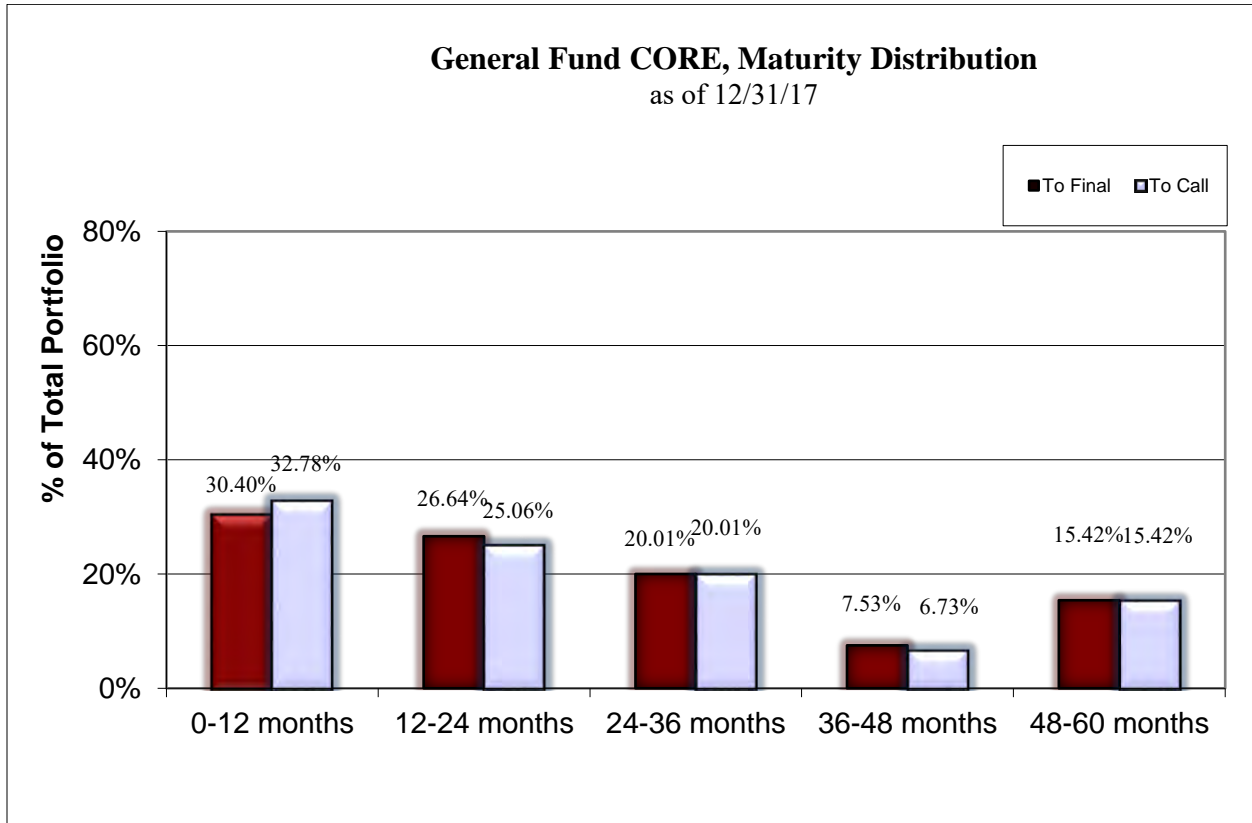




General Fund Maturity Ladder by Year & Asset Type as of December 31, 2017



Asset Allocation	1 - Year	2 - Year	3 - Year	4 - Year	5 - Year	Total	%
Agency - Bullets	113,980,000	145,104,000	27,000,000	44,000,000	10,000,000	340,084,000	17%
Agency - Callables		15,000,000		7,620,000		22,620,000	1%
Corporate Bonds	10,000,000	17,500,000	10,000,000			37,500,000	2%
Term Repo	100,000,000					100,000,000	5%
Certificates of Deposit	7,000,000					7,000,000	0%
Municipal Bond	3,080,000	265,000	1,040,000		6,700,000	11,085,000	1%
Out of State Municipal Bond						0	0%
Commercial Paper	148,000,000					148,000,000	7%
Treasuries	75,000,000	75,500,000	152,250,000	20,000,000	130,000,000	452,750,000	22%
Bank Account	392,626,457					392,626,457	19%
Fiscal Agent	69,659,335					69,659,335	3%
O/N Pool-12/31/17	460,320,975					460,320,975	23%
Total:	1,379,666,767	253,369,000	190,290,000	71,620,000	146,700,000	2,041,645,767	100%
% of Total:	68%	12%	9%	4%	7%		





8. December 2017 Quarterly Investment Report – Investment Advisor



STATE TREASURERS OFFICE
STIC COMMITTEE MEETING
Quarter End Report
12/31/17



GOVERNMENT
PORTFOLIO
ADVISORS

Investment Consultant
Deanne Woodring, CFA
President and Senior Portfolio Advisor
Government Portfolio Advisors
503-248-9973

Table of Contents

Market Commentary	Page	2
Executive Summary	Page	5
Investment Program Review	Page	7
Asset Allocation Report	Page	9
Performance Report	Page	13
Investment Strategy Report	Page	16
Disclosure	Page	20

Market Commentary

Market Yields: Interest rates in the short end of the curve continued to rise steadily during the fourth quarter of 2017. Continued strength in the economy, jobs and the passage of a major tax reform bill have paved the way to expected interest rate hikes in the future. The Dow Jones gained 447 points in the quarter after gaining 1,742 points in the previous quarter. The 2-year Treasury increased 39 basis points and 5-year notes increased 26 basis points during the quarter. The 2-year to 5-year spread flattened from 45 basis points to 32 basis points.

FOMC: As expected, the Fed raised rates by 25 basis points from the range of 1% to 1.25% to a new Fed Funds target range of 1.25% to 1.50%. This is the fifth tightening since December 2015. In addition to raising the Fed Funds target level, they also raised their economic forecast for 2018 and reiterated their expectations for three additional hikes over the next four quarters. There were two dissents to hiking the rate at this quarter's meeting. Regarding inflation, the Fed said that the "near-term risks to the economic outlook appear roughly balanced, but the Committee is monitoring inflation developments closely." The Fed Funds futures are currently pricing in an 82% chance of a rate hike at the 3/21/18 meeting.

Employment: The unemployment rate dipped to a 17 year low of 4.1%. Total nonfarm payrolls were strong, with the only decrease in September which was attributed to the effects of hurricanes Harvey and Irma. The drop in September was followed by increases of 261,000 and 228,000 in October and November respectively.

Market Commentary

GDP: Real GDP increased at an annual rate of 3.2% in the third quarter, according to the “third” estimate. This is compared to the second quarter of 2017 increase of 3.1%. GDP growth in the previous year was 2.1%. The estimate for fourth quarter GDP growth is an increase of 2.4% mainly due to weakness in consumer spending.

Fed Funds: : Interest rate forecasts point to three more rate hikes this year while the market has priced in two. Provided that the economy continues to perform about as expected, most participants anticipate that gradual increases in the Fed Funds rate will continue. The expectation is for increases to 1.65%, 1.90%, 2.05% and 2.20% in the following four quarters.

Current Implied Probabilities of rate changes based on fed funds futures per Bloomberg.

	Prob. Of Hike	Prob. Of Cut	1.50-1.75	1.75-2.00	2.00-2.25
01/31/2018	0.3%	0.0%	0.3%	0.0%	0.0%
03/21/2018	82.0%	0.0%	81.7%	0.3%	0.0%
05/02/2018	82.5%	0.0%	80.0%	2.6%	0.0%
06/13/2018	93.0%	0.0%	42.6%	48.9%	1.5%
08/01/2018	93.6%	0.0%	39.4%	48.3%	5.8%
09/26/2018	96.2%	0.0%	25.9%	44.7%	23.1%
11/08/2018	96.4%	0.0%	24.7%	43.6%	24.3%

SOURCE: BLOOMBERG

2 year: The 2 year Treasury note is forecasted by over 80 economists contributing to Bloomberg to trade at 1.99%, 2.17%, 2.31%, and 2.44% for the end of each of the next four quarters, higher expectations than last quarter.

Oil: Crude oil began the quarter at 51.67 and finished at 60.42.

Economic and Rate Data

Quarterly Yield Change

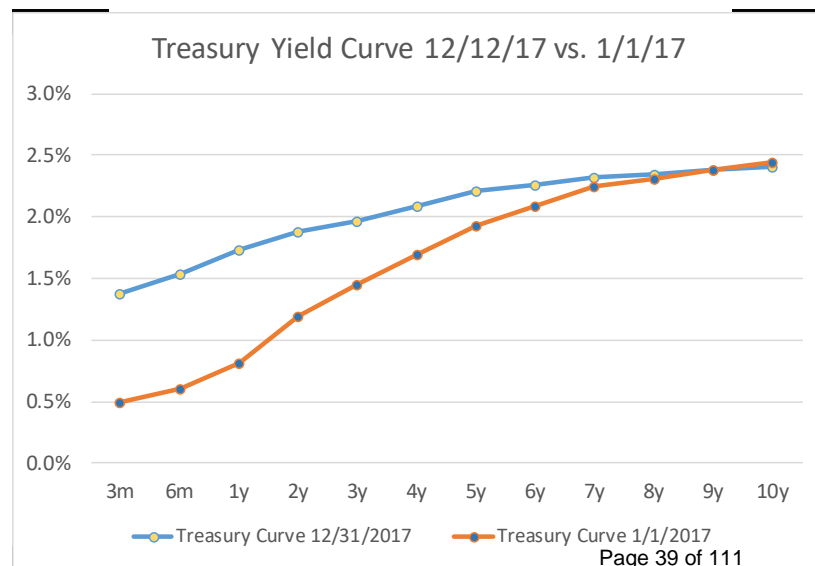
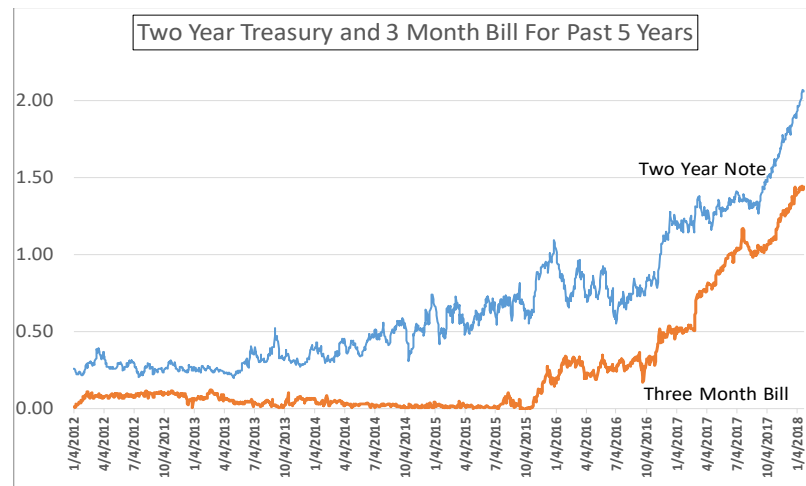
	03/17	06/17	09/17	12/17
3 month Bill	0.75	1.01	1.05	1.38
2-year note	1.26	1.38	1.49	1.885
5-year note	1.92	1.89	1.94	2.21
10 year note	2.39	2.31	2.33	2.41

Economist's Survey Projections

	Q1-18	Q2-18	Q3-18	Q4-18
Real GDP	2.80	2.70	2.50	2.40
CPI (YOY%)	1.90	2.30	2.30	2.10
Unemployment	4.00	4.00	3.90	3.90

Economist's Survey Projections for Rates

	Q1-18	Q2-18	Q3-18	Q4-18
Fed Fnd	1.65	1.85	2.00	2.20
2 Year	1.99	2.17	2.31	2.44
10 Year	2.56	2.69	2.79	2.88



Executive Summary

The purpose of this review is to provide a fixed income investment analysis to provide the Treasurer of New Mexico, the State Treasurer's Investment Council ("STIC") and the State Treasurer's investment team. The analysis will include risk and return components of the investment funds of the New Mexico State Treasurer's Office ("STO") and an overview of performance measurements, asset allocation and investment strategy for the period.

STO's investment strategy is specific to each fund based on the objectives of the funds. The four primary investment funds are the LGIP, General fund core, BPIP taxable and BPIP tax exempt. The remaining funds provide for liquidity and specific cash requirements. The key points of reference throughout this analysis will be on three specific strategies: 1) Management strategies to ensure that the policy objectives are being met, 2) Risk strategies to protect the market value of the funds, and 3) Investment strategy considerations based on the current rate environment.

GPA observations and considerations:

- 1) General fund balances increased by \$182MM this quarter as revenues increased after a long period of declining fund balances. Approximately \$55mm of the increase was allocated to the core investment portfolio and remaining balances stayed in the liquidity component. The Taxable BPIP Fund decreased by \$8.7MM while the Tax Exempt decreased by \$38.6MM.
- 2) Earnings yields increased on all funds as reinvestments of maturities and the allocation to higher balances in the investment core investment fund were completed. The key investment funds (Core and BPIP Funds), weighted average yield increased over the quarter from 1.34% to 1.66%.
- 4) There was a total of 162 individual securities purchased this quarter and 2 securities were sold for a total volume of transactions of \$1,817,210,300. The majority of the transactions were in the General Fund liquidity fund, STB and LGIP.
- 5) Commercial paper purchase included GE Co, Exxon Mobil, GE Capital, Toyota, PEFCO. Corporate issuer names purchased this quarter were Proctor & Gamble, Intel, Pepsico and Walmart - All on the approved list. GE Co. was downgraded by Moody's to A2, which is two levels worse than S&P (AA- negative outlook) and Fitch Ratings (AA- and negative outlook). The downgrade reflects the severe deterioration in the financial performance of GE's power segment that will last through 2019.
- 6) STO continues to monitor the cash flow closely to provide for the immediate funding requirements in all accounts and is planning an allocating funds from liquidity to core once the stability of balances is established.

Executive Summary

Quarterly Statistics:

- ✓ Liquidity requirements were managed across all funds.
- ✓ Realized gains on the sales for the quarter across all funds totaled \$1,742.
- ✓ The LGIP balances remained stable and the yield has increased to a net yield of 1.235% at quarter end.
- ✓ The LGIP balance decreased by \$35.8MM and down \$178MM since fiscal year end.
- ✓ The durations in the investment portfolios finished the quarter at 81% of the benchmark.
- ✓ The General Fund Core was increased by \$55.8MM as overall balances of the total fund continued to increase since fiscal year end.
- ✓ The liquidity balances ended the quarter well above the \$500MM target level and the portfolio managers are evaluating cash flow needs and will determine when additional funds should be allocated to the core investment fund.

STO Fund Balances

STO Total Ex. LGIP	Quarter Change	STO Total	Fiscal Change
9/30/2017	2,905,275,686	6/30/2017	885,076,477
12/31/2017	3,048,118,094	12/31/2017	3,048,118,094
Change	142,842,408	Change	2,163,041,617
<u>General Core Fund</u>	Quarter Change	<u>General Fund Core</u>	Fiscal Change
9/30/2017	887,835,221	6/30/2017	713,757,355
12/31/2017	943,698,374	12/31/2017	943,698,374
Change	55,863,153	Change	229,941,019
<u>General Liquidity</u>	Quarter Change	<u>General Fund Liquidity</u>	Fiscal Change
9/30/2017	894,507,996	6/30/2017	840,768,411
12/31/2017	1,020,736,298	12/31/2017	1,020,736,298
Change	126,228,302	Change	179,967,887
<u>BPIP Combined Funds</u>	Quarter Change	<u>BPIP Funds Combined</u>	Fiscal Change
9/30/2017	959,149,249	6/30/2017	1,126,480,946
12/31/2017	911,807,485	12/31/2017	911,807,485
Change	(47,341,764)	Change	(214,673,461)
LGIP Fund Balance			
<u>LGIP Fund</u>	Quarter Change	<u>LGIP Balances</u>	Fiscal Change
9/30/2017	742,099,882	6/30/2017	885,076,477
12/31/2017	706,288,524	12/31/2017	706,288,524
Change	(35,811,358)	Change	(178,787,953)

Key Points of Focus for the NMSTO – Investment Program

1. Objectives: Safety, Liquidity and Return

The investment policy objectives of safety, liquidity and return will be the basis of evaluation on the quarterly reports. Safety is addressed through asset diversification and credit quality. Liquidity is addressed through maturity distribution, cash flow analysis and overnight investments. Return is achieved through the selection of credit sector and maturity/duration management.

2. Risk: Credit Risk and Interest Rate Risk

The risks associated with STO's investment funds are: 1) Interest rate risk, which represents the negative impact on market value if interest rates move up. This is controlled by the overall maturity of the portfolio. 2) Credit risk, which is the risk associated with the ability of the issuers to pay its debt obligations. 3) Reinvestment rate risk, which is the risk associated with maturities and short-term securities that are coming due and are then reinvested at lower rates during declining interest rate cycles. The LGIP pool remains within the policy constraints of a weighted average maturity of under 60 days.

Ranking on Interest rate risk: **NEUTRAL TO LOW**

Interest rate risk is directly correlated to average duration of each fund and articulates the amount of price movement that will occur given interest rate changes. Market benchmarks have been established for each of the investment funds to create discipline in market exposure. The benchmarks have been reviewed for each fund there are no recommended changes. The portfolios all continue to be managed short of the benchmarks and this is protecting the decline in market value.

Ranking on Credit risk: **LOW**

The portfolio continues to be invested in high quality securities with the majority of investments held in US treasury and Agency securities. There is limited credit exposure in the NM municipal holdings and high quality commercial paper and corporate issuers. Commercial Paper issuers include Toyota, Pefco, Exxon, US Bank, General Electric Co, General Capital US holdings and US Bank. The corporate note exposure has increased and names include: Microsoft, Coca Cola, Apple, Intel, Procter & Gamble, Intel, Toyota Credit, Pepsico and Walmart.

Ranking on Reinvestment Rate risk: **LOW**

Reinvestment risk is the opportunity risk of having too much held in liquidity or being exposed to higher concentrations of callable securities in a declining market. STO is positioned to benefit from rates moving higher given the much higher concentration to liquidity in the total general fund account.

Key Points of Focus for the NMSTO – Investment Program

GPA is reporting on the following key measures:

Asset Allocation:

- 1) Present the current asset allocation by funds.
- 2) Present the changes in asset allocation over the quarter.
- 3) Present asset allocation change fiscal year to date basis.

Performance Measurement and Risk Management:

- 1) Provide a comparison of the duration targets for each investment fund relative to the established benchmark duration.
- 2) Provide a return comparison over the last quarter, fiscal year and rolling one year period on the investment relative to the established benchmarks.
- 3) Potential price changes on the portfolio given changes in interest rates – Shock Analysis for the invested funds and the LGIP.

Investment Strategy Review:

- 1) Provide an analysis on the current strategy
- 2) Considerations of risk based on market outlook and funds objectives

GPA relies on the performance data and information provided from STO's custodial bank JP Morgan, and STO's internal reporting system.

Asset Allocation Report 12/31/17

GPA has compiled a report that provides a summary of the asset allocation in each fund.

Change in the Quarter by Fund

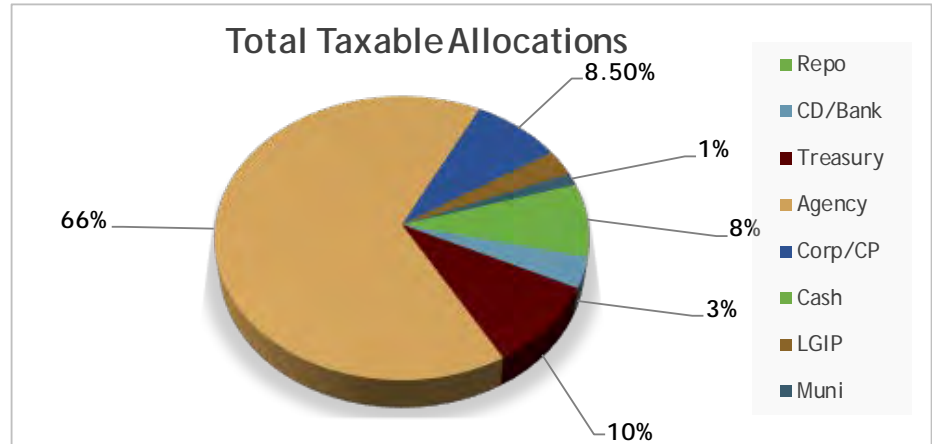
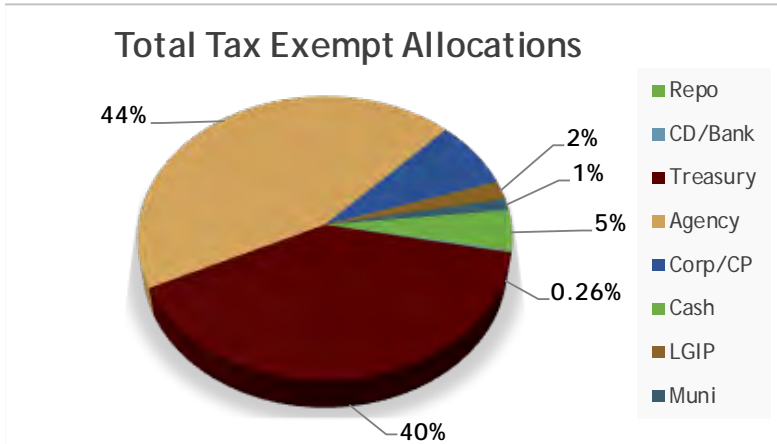
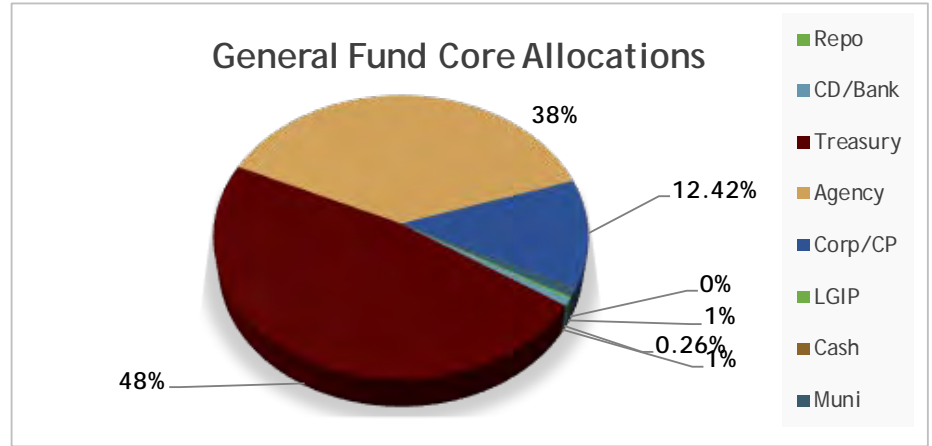
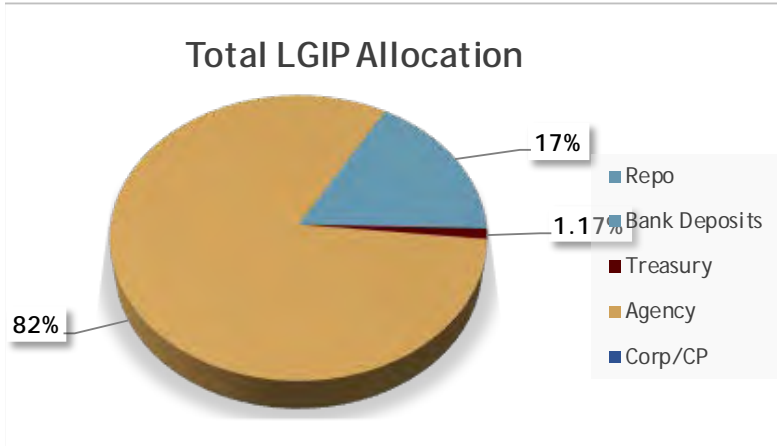
LGIP Fund: The LGIP 's allocations shifter somewhat as US treasuries decreased and Agency discount note were added. The use of Agency discount paper is adding a slight yield spread over US treasury securities.

General Fund: The General Fund liquidity balances are invested primarily in Repurchase agreements and Bank deposits. The Investment Core fund continues to be overweighed in US Treasury securities given the continued tight spreads in agency paper farther out the curve. Corporate allocations increased in the core fund to 12.42% up from 10%.

BPIP Funds: The Tax Exempt Fund decreased by approximately \$38MM and liquidity balances are low in the fund, with 4.82% repo and 2.07% in the LGIP. The Taxable Fund had decreased this quarter by \$8MM and liquidity balances are at approximatley 14% of the fund.

Asset Allocations		Asset Allocations	
General Core Fund		LGIP Pool	
Agency	38.02%	Agency	81.05%
Treasury	47.57%	Treasury	1.17%
Corporate	12.42%	Bank Deposits	0.00%
Muni	0.93%	Repo	16.99%
Repo/Cash	1.06%	Other	0.79%
BPIP Tax Exempt			
Agency	44.27%		
Treasury	39.76%		
Corporate CP	7.72%		
Muni	1.36%		
Repo/Cash	4.82%		
LGIP	2.07%		
BPIP Taxable			
Agency	65.69%		
Treasury	9.60%		
Corporate	8.50%		
Muni	1.39%		
Repo and Cash	11.88%		
LGIP	2.95%		

Asset Allocation By Fund 12/31/17



Asset Allocation Report 12/31/17

Portfolio Name	Market Value+Int	% Fund	Repo	Bank Deposits	Treasury	Agency	Corp/CP	Muni	Other	Cash
Total LGIP	\$ 706,288,524	100%	16.99%	0.00%	1.17%	81.05%	0.00%	0.00%	0.00%	0.79%
Liquidity	\$ 706,288,524	100%								
Investments	\$ -	0%								
LGIP GIP Index Benchmark			23.34%	13.88%	23.72%	37.80%	0.00%	0.00%		1.26%
Portfolio Name	Market Value+Int	% Fund	Repo	CD/Bank	Treasury	Agency	Corp/CP	LGIP	Cash	Muni
Total General Fund	\$ 1,964,434,672	100%								
Liquidity	\$ 1,020,736,298	52%	54.65%				6.66%		38.47%	0.23%
Investment Core	\$ 943,698,374	48%	0.26%	0.74%	47.57%	38.02%	12.42%		0.06%	0.93%
Portfolio Name	Market Value+Int	% Fund	Repo	CD/Bank	Treasury	Agency	Corp/CP	Cash	LGIP	Muni
Total Tax Exempt	\$ 574,249,694	100%	4.54%	0.26%	39.76%	44.27%	7.72%	0.02%	2.07%	1.36%
Liquidity	\$ -	0%								
Investments	\$ 574,249,694	100%								
Portfolio Name	Market Value+Int	% Fund	Repo	CD/Bank	Treasury	Agency	Corp/CP	Cash	LGIP	Muni
Total Taxable	\$ 337,557,791	100%	8.39%	3.47%	9.60%	65.69%	8.50%	0.02%	2.95%	1.39%
Liquidity	\$ -	0%								
Investments	\$ 337,557,791	100%								
Portfolio Name	Market Value+Int	% Fund	Repo	CD/Bank	Treasury	Agency	Corp/CP	LGIP	STIF/Other	Muni
Overnight Repo Pool	\$ 22,795,289	100%	100.00%				0.00%			
Liquidity	\$ 22,795,289	100%								
Investments		0%								
Portfolio Name	Market Value+Int	% Fund	Repo	CD/Bank	Treasury	Agency	Cash	LGIP	CP	Muni
Severance Tax Bonding	\$ 149,080,648	100%	16.42%	0.00%	50.161%	23.47%	-5.53%	0.52%	11.38%	3.58%
Liquidity	\$ 149,080,648	100%								
Investments	\$ -	0%								
TOTAL STO FUNDS Ex LGIP	\$ 3,048,118,094									
TOTAL STO WITH LGIP	\$ 3,754,406,618									

Source: JP Morgan Reports - Balances -Trade Date

Asset Allocation STO - JP Morgan Reports

The benchmarks for STO Funds are 100% US Treasury Securities

Assumption: QED is trade date accounting, therefore, negative cash balances were reduced from Repo or bank deposits

Change in Portfolio from 9/30/17-12/31/17

LGIP Fund	Market Value+Int	Repo	Bank	Treasury	Agency	Corp/CP	STIF	Other	Muni
12/31/2017	\$ 706,288,524	16.99%	0.00%	1.17%	81.05%	0.00%	0.00%	0.79%	
9/30/2017	\$ 742,099,882	16.87%	0.00%	13.49%	66.84%	0.00%	0.00%	2.80%	
Change over Period	\$ (35,811,358)	0.12%	0.00%	-12.33%	14.21%	0.00%	0.00%	-2.01%	
General Fund Liquidity	Market Value+Int	Repo	CD/Bank	Treasury	Agency	Corp/CP	STIF/Bank	LGIP	Muni
12/31/2017	\$ 1,020,736,298	54.65%	0.00%	0.00%	0.00%	6.66%	38.47%	0.00%	0.23%
9/30/2017	\$ 894,507,996	57.79%	0.00%	0.00%	3.91%	5.67%	32.41%	0.00%	0.22%
Change over Period	\$ 126,228,302	-3.14%	0.00%	0.00%	0.00%	0.99%	6.06%	0.00%	0.01%
General Fund Core	Market Value+Int	Repo	CD/Bank	Treasury	Agency	Corp/CP	STIF/Other	LGIP	Muni
12/31/2017	\$ 943,698,374	0.26%	0.74%	47.57%	38.02%	12.42%	0.06%	0.00%	0.93%
9/30/2017	\$ 887,835,221	1.17%	0.85%	52.25%	35.04%	10.42%	0.06%	0.00%	0.22%
Change over Period	\$ 55,863,153	-0.91%	-0.11%	-4.68%	2.98%	2.01%	0.00%	0.00%	0.71%
BPIP Tax Exempt	Market Value+Int	Repo	CD/Other	Treasury	Agency	Corp/CP	Cash	LGIP	Muni
12/31/2017	\$ 574,249,694	4.54%	0.26%	39.76%	44.27%	7.72%	0.02%	2.07%	1.36%
9/30/2017	\$ 612,855,950	2.22%	0.25%	39.97%	48.03%	7.28%	0.04%	1.62%	0.60%
Change over Period	\$ (38,606,256)	2.32%	0.02%	-0.21%	-3.77%	0.45%	-0.03%	0.46%	0.76%
BPIP Taxable	Market Value+Int	Repo	CD/Other	Treasury	Agency	Corp/CP	Cash	LGIP	Muni
12/31/2017	\$ 337,557,791	8.39%	3.47%	9.60%	65.69%	8.50%	0.02%	2.95%	1.39%
9/30/2017	\$ 346,293,299	6.68%	3.39%	9.39%	65.94%	12.10%	0.01%	1.43%	1.06%
Change over Period	\$ (8,735,508)	1.71%	0.08%	0.21%	-0.25%	-3.61%	0.01%	1.52%	0.33%
Overnight Repo Pool	Market Value+Int	Repo	CD/Other	Treasury	Agency	Corp/CP	STIF	LGIP	Muni
12/31/2017	\$ 22,795,289	100%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
9/30/2017	\$ 51,582,040	100%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Change over Period	\$ (28,786,751)								
Severance Tax Bonding	Market Value+Int	Repo	CD/Other	Treasury	Agency	Cash	STIF/CP	LGIP	Muni
12/31/2017	\$ 149,080,648	16.42%	0.00%	50.16%	23.47%	-5.53%	11.38%	0.52%	3.58%
9/30/2017	\$ 112,201,180	4.05%	0.00%	44.95%	33.71%	0.06%	15.66%	1.57%	0.00%
Change over Period	\$ 36,879,468	12.37%	0.00%	0.00%	-10.24%	-5.59%	-4.28%	-1.06%	3.58%
TOTAL STO FUNDS ex LGIP 12/31/17	\$ 3,048,118,094								
TOTAL STO FUNDS ex LGIP 9/30/17	\$ 2,905,275,686								
Total Change	\$ 142,842,408								
TOTAL FUND W/LGIP 12/31/17	\$ 3,754,406,618								

Performance Report

Total Return Performance 12/31/17

General Core Fund

Performance Report

The following performance report compares the total return of each portfolio relative to the established benchmark. The LGIP portfolio is reported on a book yield basis. The only funds that utilize total return tracking are the General Fund Core and the two BPIP funds.

Quarter Performance

All three total return investment portfolios were shortened in duration over the quarter, this positioning added to the total return performance as priced declines were less than those of the relative benchmarks. The performance of the portfolios were consistent with the benchmark returns. The total investments fund combined ended the quarter at an book earnings rate of 1.66% and a total return of .04% versus the weighted benchmark at -.03%. Book yields increased across all funds as new investments were made at higher rates.

Attribution Analysis

The duration positioning was the primary contributor to return this quarter and the shorter durations benefited the investment components. Interest rates have moved up and the yield curve is twisting, therefore, keeping the portfolios aligned with the curve distribution of the benchmarks will help minimize the performance variance.

Observations and Considerations

As the Total General Fund balance increases, the portfolio management team is holding more liquidity balances due to the outlook on rates and the somewhat continued uncertainty in cash flows. The timing of adding funds and extending the duration of the investment component is being effectively managed by the investment team.

The BPIP funds were fully invested this quarter and the volatility of cash flows is being managed through the use of and shorter maturities in the funds including Comm Paper.

	Quarter	Fiscal YTD
Portfolio	-0.16%	0.11%
Benchmark	-0.25%	0.03%
Book Yield	1.78%	

BPIP Tax Exempt	Quarter	Fiscal YTD
Portfolio	-0.01%	0.26%
Benchmark	-0.10%	0.26%
Book Yield	1.70%	

BPIP Taxable	Quarter	Fiscal YTD
Portfolio	0.05%	0.36%
Benchmark	-0.10%	0.26%
Book Yield	1.23%	

NM Investment Funds	Quarter	Fiscal YTD
Portfolio	0.04%	0.31%
Benchmark	-0.03%	0.29%
Book Yield	1.66%	

LGIP	Quarter	Fiscal YTD
Portfolio Net Yield	1.24%	1.03%
Benchmark Net Yield	1.07%	0.91%

Performance Summary

GENERAL FUND			Fiscal Period
	12/31/2017	12/31/2017	6/30/2017-12/31/17
Portfolio Name	Duration	Market Value	Fiscal Year
General Fund Liquidity	0.03	\$ 706,288,524	0.50%
Fund Benchmark S&P LGIP Pool Net Return	0.10		0.55%
Portfolio Name		Market Value	Fiscal Year
General Fund Core	1.89	\$ 943,698,374	0.11%
Fund Benchmark BAML Treasury 0-5 Year	2.15		0.03%
Portfolio Name		Market Value	Fiscal Year
General Fund Total	0.91	\$ 1,649,986,898	0.27%
General Fund Total Benchmark - Weighted	1.08		0.21%

BPIP FUNDS			Fiscal Period
	12/31/2017	12/31/2017	6/30/2017-12/31/17
Portfolio Name		Market Value	Fiscal Year
BPIP Tax Exempt	1.12	\$ 574,249,694	0.26%
Fund Benchmark - BAML Treasury 0-3 Year	1.40		0.26%
Portfolio Name		Market Value	Fiscal Year
BPIP Taxable	0.91	\$ 337,557,791	0.36%
Fund Benchmark - BAML Treasury 0-3 Year	1.40		0.26%

Portfolio Information is from JP Morgan Reporting

Performance By Investment Fund

LGIP FUND	Market Value	Days	12/31/2017	Earnings Yield	
			Quarter End Yield	6/30/17 - 12-31-17 Annualized Rate	
LGIP Daily Gross Yield	\$ 706,288,524	47	1.250%	1.06%	
S&P LGIP Govt Pools Gross Return		43	1.230%	1.07%	
LGIP Daily Net Yield			1.235%	1.03%	
S&P LGIP Govt Pools Net Return			1.070%	0.91%	
STO INVESTMENT FUNDS			Quarter Period	Fiscal Year to Date	
Portfolio Name	Market Value	Duration - End	12/31/2017 12/31/2017	6/30/17 - 12/31/17	% Fund
General Fund Liquidity	\$ 1,020,736,298	0.01	0.26%	0.50%	35.49%
Fund Benchmark S&P LGIP Pool Net Return		0.10	0.25%	0.55%	
Portfolio Name	Market Value	Duration - End	Quarter Return	Fiscal Year	% of STO
General Fund Core	\$ 943,698,374	1.89	-0.16%	0.11%	32.81%
Fund Benchmark Treasury 0-5 Year		2.15	-0.25%	0.03%	
Portfolio Name	Market Value	Duration - End	Quarter Return	Fiscal Year	% of STO
General Fund Total	\$ 1,964,434,672	0.91	0.03%	0.27%	68.30%
General Fund Total Benchmark - Weighted		1.08	-0.05%	0.21%	
Portfolio Name	Market Value	Duration - End	Quarter Return	Fiscal Year	% of STO
BPIP Tax Exempt	\$ 574,249,694	1.12	-0.01%	0.26%	19.97%
Fund Benchmark - Treasury 0-3 Year		1.40	-0.10%	0.26%	
Portfolio Name	Market Value	Duration - End	Quarter Return	Fiscal Year	% of STO
BPIP Taxable	\$ 337,557,791	0.91	0.05%	0.36%	11.74%
Fund Benchmark - Treasury 0-3 Year		1.40	-0.10%	0.26%	
Total STO Investment Funds	\$ 2,876,242,157	0.95	0.04%	0.31%	100.00%
Weighted Benchmark		1.18	-0.03%	0.29%	
STO OTHER FUNDS			12/31/2017	6/30/17 - 12/31/17	
Portfolio Name	Market Value	Duration - End	12/31/2017 Quarter Return	Fiscal Year	
Severance Tax Bonding	\$ 149,080,648	0.17	0.28%	0.67%	
Portfolio Name	Market Value	Duration - End	Quarter Return	Fiscal Year	
Overnight Repo Pool	\$ 22,795,289	0	0.29%	0.55%	
Total STO Investment Funds	\$ 3,048,118,094				

Investment Strategy Report

Portfolio Specific

General Fund:

The overall general fund market value size increased in both the liquidity and core components. The duration of the core fund was held stable at 1.89 years which is 88% of the benchmark.

BPIP Taxable and Tax Exempt Funds:

The taxable fund dropped in balances this quarter by \$8.7MM and the duration remained short the benchmark ending the quarter at .91 years. The tax exempt fund dropped by \$38.6MM and the portfolio was extended through purchases of longer maturities and the reduction of repo. The portfolio durations remained shorter than the benchmarks with the taxable in at 65% and the tax exempt at 80%. These funds continue to experience volatile cash and both funds had increased allocations at year end and those funds were placed into repurchase agreements pending investment decisions.

LGIP Fund:

The LGIP balance remained relatively stable this quarterly versus last quarter. The earnings rate continued to rise on the pool with the fed funds moved and ended the quarter at a rate net rate of 1.235%.

Investment Objectives

STO continued to focus on cash flow management as the overall balances continue to be volatile.

Investment Strategy

General Core Fund		Total NM Investment Funds	
Portfolio Duration	1.89	Portfolio Duration	0.95
Benchmark Duration	2.15	Benchmark Duration	1.18
% BM	88%	% BM	81%
BPIP Tax Exempt		LGIP	
Portfolio Duration	1.12	Portfolio DTM	47
Benchmark Duration	1.40	Benchmark DTM	43
% BM	80%		
BPIP Taxable		DTM=Days to maturity	
Portfolio Duration	0.91		
Benchmark Duration	1.40		
% BM	65%		

Transactions

Purchase Par Amount All Funds

Count=162 1,811,210,300

Sales Amount All Funds

Count=2 6,000,000

Realized Gains All Funds 1,742

Shock Analysis Report

Shock Analysis

The following shock analysis report illustrates market value change that can be expected given instantaneous interest rate changes.

Strategy to Manage Risk

It is inherent in owning longer term fixed income securities that the market value will change given interest rate moves. It is also inherent that the longer maturities historically have provided higher returns over interest rate cycles. The purpose of the shock analysis is to illustrate and manage the expected change in market value on the portfolio given a change in current interest rates.

Change in Market Value

The total market value of the investment portfolios will move by approximately \$6,834,818 given a 25 basis point instantaneous change in market yield and a parallel yield curve shift. This does not incorporate credit spread changes or yield curve shift. The exposure is less than the established benchmark by approximately \$1,428M and the variance is due to the shorter duration of the investment funds of 1.47 versus 1.78 for the weighted benchmark duration.

LGIP Market Value Change

The LGIP shock report is included and this analysis shows the NAV price change expected on the LGIP fund given changes in interest rates and overall portfolio size. The LGIP policy establishes for the NAV to remain between 99.85 and 100.15. The LGIP NAV as of quarter end was 99.97, and the portfolio is reviewed and reported to S&P on a weekly basis.

Market Price Change

If Rates Rise by 25 basis points

General Core Fund	
25 Basis point change	(4,458,975)
BPIP Tax Exempt	
25 Basis point change	(1,607,899)
BPIP Taxable	
25 Basis point change	(767,944)
Total NM Funds	
25 Basis point change	(6,834,818)
LGIP	
25 Basis point change	
Current NAV*	0.9999
Potential Change	0.9996

*This NAV is based on Market Value /Book Value and may differ from the NMSTO participant report.

Shock Analysis

Review of price sensitivity of investments to rate changes

STO FUNDS		RISK	Up 25 Basis Pts	Up 50 Basis Pts	Up 100 Basis Pts
Portfolio Name	Market Value	Duration - End	Market Change	Market Change	Market Change
General Fund Core	\$ 943,698,374.00	1.89	\$ (4,458,974.82)	\$ (8,917,949.63)	\$ (17,835,899.27)
Fund Benchmark		2.15	\$ (5,072,378.76)	\$ (10,144,757.52)	\$ (20,289,515.04)
Portfolio Name	Market Value	Duration - End	Market Change	Market Change	Market Change
BPIP Tax Exempt	\$ 574,249,694.00	1.12	\$ (1,607,899.14)	\$ (3,215,798.29)	\$ (6,431,596.57)
Fund Benchmark		1.40	\$ (2,009,873.93)	\$ (4,019,747.86)	\$ (8,039,495.72)
Portfolio Name	Market Value	Duration - End	Market Change	Market Change	Market Change
BPIP Taxable	\$ 337,557,791.00	0.91	\$ (767,943.97)	\$ (1,535,887.95)	\$ (3,071,775.90)
Fund Benchmark		1.40	\$ (1,181,452.27)	\$ (2,362,904.54)	\$ (4,725,809.07)
Total STO Investment Funds	\$ 1,855,505,859.00	1.47	\$ (6,834,817.93)	\$ (13,669,635.87)	\$ (27,339,271.74)
Total Benchmark Change		1.78	\$ (8,263,704.96)	\$ (16,527,409.92)	\$ (33,054,819.83)

Assumptions:

1. Assumes parallel yield curve shift
2. Assume point in time change
3. Represents market value change that is unrealized

* Data Source: JP Morgan Custodial Reports

* 3 year returns assume the same as current rates for the next 3 years. Cash rate based on current LGIP Pool rate on report date.

ASSUMED EARNINGS COMPARISON OF PORTFOLIO TO CASH EARNINGS ANNUALIZED					
		12/31/2017	1 year		3 year*
Portfolio Name	Market Value	Book Yield	Earnings	Earnings	Earnings
General Fund Core	\$ 943,698,374.00	1.78%	\$ 16,797,831.06	\$ 50,393,493.17	
Cash		1.25%	\$ 11,796,229.68	\$ 35,388,689.03	
Portfolio Name	Market Value	Book Yield	Earnings	Earnings	Earnings
BPIP Tax Exempt	\$ 574,249,694.00	1.70%	\$ 9,762,244.80	\$ 29,286,734.39	
Cash		1.25%	\$ 7,178,121.18	\$ 21,534,363.53	
Portfolio Name	Market Value	Book Yield	Earnings	Earnings	Earnings
BPIP Taxable	\$ 337,557,791.00	1.23%	\$ 4,151,960.83	\$ 12,455,882.49	
Cash		1.25%	\$ 4,219,472.39	\$ 12,658,417.16	
Total STO Investment Funds	\$ 1,855,505,859.00	1.655%	\$ 30,712,036.68	\$ 92,136,110.05	

Sensitivity Analysis

Weighted Average Maturity:	46.9	Date S&P report 1/1/18					
Participant Shares S&P 1/1/18	706,610,850.15						
Market Value (NAV):	0.99977						
Total \$ Unrealized Loss:	(\$160,850)						
Total \$ Unrealized Gain:	\$0						
S&P Report Market 1/1/18	\$706,450,000						
Basis Point Shift							Unrealized Gain (Loss)
150	0.996921	0.997606	0.997732	0.997845	0.997948	0.998041	0.998342 \$ (1,522,770)
125	0.997380	0.997962	0.998070	0.998166	0.998254	0.998333	0.998589 \$ (1,295,783)
100	0.997839	0.998319	0.998408	0.998487	0.998559	0.998625	0.998836 \$ (1,068,797)
75	0.998298	0.998676	0.998746	0.998809	0.998865	0.998917	0.999084 \$ (841,810)
50	0.998757	0.999033	0.999084	0.999130	0.999171	0.999209	0.999331 \$ (614,823)
25	0.999216	0.999390	0.999422	0.999451	0.999477	0.999501	0.999578 \$ (387,837)
0	0.999675	0.999747	0.999760	0.999772	0.999783	0.999793	0.999825 \$ (160,850)
-25	1.000134	1.000104	1.000099	1.000094	1.000089	1.000085	1.000072 \$ 66,136
-50	1.000593	1.000461	1.000437	1.000415	1.000395	1.000377	1.000319 \$ 293,123
-75	1.001052	1.000818	1.000775	1.000736	1.000701	1.000669	1.000566 \$ 520,110
-100	1.001510	1.001175	1.001113	1.001057	1.001007	1.000961	1.000813 \$ 747,096
-125	1.001969	1.001532	1.001451	1.001379	1.001313	1.001253	1.001060 \$ 974,083
-150	1.002428	1.001889	1.001789	1.001700	1.001619	1.001545	1.001308 \$ 1,201,070

Redemption/Inflow	-30%	-10%	-5%	0%	5%	10%	30%
O/S Shares	494,627,595	635,949,765	671,280,308	706,610,850	741,941,393	777,271,935	918,594,105

$$\text{Duration upon NAV} = (\text{NAV} + \text{Change}) / (1 + \text{Change})$$

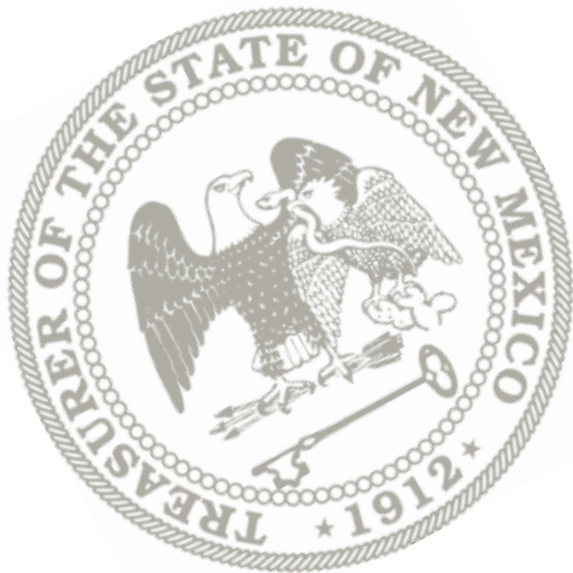
Source: S&P rating matrix

* Provided by STO on S&P Report

Note: Market Value of LGIP differs on S&P report from JP Morgan report

Disclaimer

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9. Quarterly Investment Review – Portfolio Managers

Quarterly Investment Review

Market Summary

The fourth quarter of 2017 brought about some noteworthy events. Interest rates continued to rise in conjunction with the third Federal Funds rate increase of 2017 that occurred in December. The Fed began the unwinding of its balance sheet by reducing its reinvestment of maturities and pay downs of US Treasury and mortgage-backed securities. Janet Yellen gave her final press conference before preparing to hand over the reins to the incoming Federal Reserve Bank Chairman, Jerome Powell, in early February. Although health care reform was a bust for the Trump administration, passage of a tax package was successful, fueling the equity markets further into the stratosphere, to the detriment of fixed income securities.

For the calendar year 2017 short term US Treasury yields were higher by 80 to 90 basis points, reflecting Fed tightening, whereas the 30 year Treasury bond ended the year lower by 33 basis points due to below target inflation growth. The fourth quarter of 2017 followed a similar flattening pattern with the 30 year Treasury outperforming all maturities. Strengthening economic data in housing, employment and solid 3% GDP growth, lent credence to the Fed's tightening path.

The STO portfolios were positioned with durations shorter than their benchmarks and as a result outperformed. Maturities stacked around the December Federal Open Market Committee meeting were rewarded with higher reinvestment rates. Spread sectors continued to grind tighter vs. equivalent maturity US Treasuries. Walmart and Proctor & Gamble were two new issue, high quality fixed rate corporate securities that were added to portfolios in the fourth quarter. STO also participated in a PepsiCo floating rate 1 year note issue that will allow the portfolios to increase coupon income as rates rise. Commercial paper continued to be a staple for adding yield to portfolios in short maturities. Municipal securities offered a small window of opportunity at year end as variable rate demand note coupons spiked due to factors tied to tax reform. STO also participated in an attractively priced NM Finance Authority taxable new issue.

Table 11 – Comparative Quarterly Interest Rates

<i>US Treasury Yields</i>			
<i>Maturity</i>	<i>09/30/17</i>	<i>12/31/17</i>	<i>Change</i>
3-Month	1.04%	1.38%	0.34%
6-Month	1.19%	1.53%	0.34%
1-Year	1.29%	1.73%	0.44%
2-Year	1.48%	1.88%	0.40%
3-Year	1.62%	1.97%	0.35%
5-Year	1.94%	2.21%	0.27%
10-Year	2.33%	2.40%	0.07%
30-Year	2.86%	2.74%	-0.12%

Source: Bloomberg LP

Expectations for the Upcoming Quarter and Year

Interest rates have continued their march higher in January 2018. Expectations for strengthened economic growth that may be accompanied by inflation will continue to pressure yields higher. With the potential for three short term interest rate increases, as indicated by the Fed, the portfolios will be positioned with durations that are shorter than benchmarks to preserve principal.

General Fund Investment Pool

The cash balances in the General Fund Investment Pool have risen by about \$200 million since the end of the previous quarter. The Core was approximately 47% of the total pool at quarter end, with an ongoing target ratio of about 70% Core/30% Liquidity. Cash will be transferred to meet this target as investment opportunities arise. The duration of the Core will remain shorter than the benchmark to preserve principal in this rising interest rate environment.

Bond Proceeds Pools

The Bond Proceeds Pools have experienced declining balances and will be invested with the main objective of meeting liquidity needs. The Pool durations will continue to recede vs. benchmarks as fresh cash will not materialize during the first quarter of 2018. Existing cash equivalents and maturities will be needed for capital project withdrawals and are not being redeployed into longer term investments.

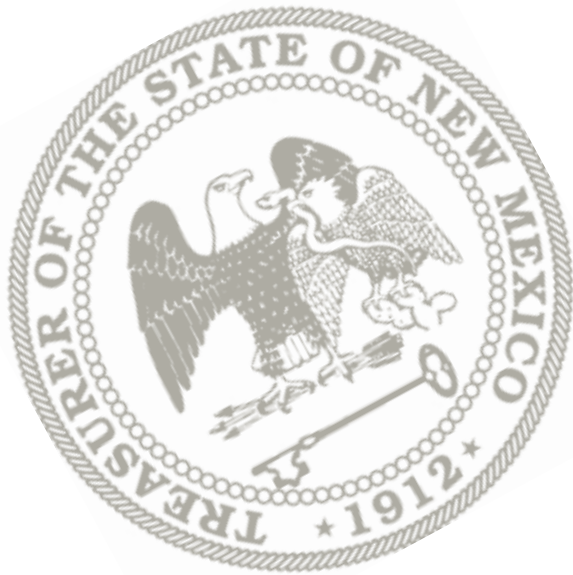
Local Government Investment Pool

The gross yield on the Pool was 1.20% at the end of the quarter, continuing to rise as maturities are reinvested at higher interest rates. The Pool's weighted average maturity has drifted lower than the 60 day maximum allowable. Expectations for more Fed activity this year will encourage this trend to continue, facilitating opportunistic reinvestment. US Treasury repo has, and will be, an attractive investment vs. other alternatives out to three months. Floating rate notes will continue to be a source of additional yield for the Pool.

Severance Tax Bonding Fund

The Severance Tax Bonding Fund will see generally increasing balances over the quarter as deposits are made on a monthly basis. Deposits have been averaging \$30-\$35 million per month. The Fund is being actively managed to maximize the return on short term investments that mature close to the next debt service payment date of July 1, 2018.

Vikki Hanges
Portfolio Manager



10. 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 December at \$2 Billion.

Portfolio Mix

- At month end, 99% of the General Fund CORE portfolio was invested in fixed income securities and 1% in floating rate notes; 48% in US Government Securities; 38% in Government Related Securities (Municipal Bonds and Agency Securities), 4% in Corporate Securities and the balance ~10% in cash and cash equivalents.
- 31% of the portfolio was invested in securities that mature in one year; 28% in securities that mature from 1-2 years; 26% in 2-4 years and 15% within 5 years.
- The General Fund Core portfolio held positions in 73 securities at the end of December.
- The Weighted Average Life of the CORE portion of the General Fund was 1.98 years. The Weighted Average duration was 1.89 years.
- The benchmark duration for the CORE portfolio was 2.12 years.
- The maximum security term for the CORE portfolio is 5 years.

Performance

- For the last month, the General Fund outperformed its benchmark, returning 0.03% vs. 0.02%, as interest rates rose.
- For the last 3 months, the General Fund outperformed its benchmark, returning (0.16)% vs. (0.25)%, as interest rates moved higher.
- For the last 12 months, the General Fund outperformed its benchmark. The General Fund return was 0.74% vs. 0.69% vs. the benchmark.

Market Value and Investment Earnings

- Unrealized gains/losses in the Core Portfolio at the end of December were \$(6,168,950).
- Over the month, the unrealized value of the portfolio decreased \$968,122.
- Monthly net earnings for December on the General Fund Portfolios were \$1,968,055.
- Total monthly earnings including mark-to-market were \$999,933.
- Year-to-date net earnings were \$10,480,237.
- Total year-to-date earnings including mark-to-market were \$4,380,615.
- Earnings on the General Fund are used to offset General Fund Spending.

Investment Highlights

- There were no balance transfers from the Liquidity to Core portfolio in December.
- The Core portfolio duration remained shorter vs. the benchmark in December.

STATE OF NEW MEXICO
GENERAL FUND (1000)
Portfolio Classification Summary
Positions Held as of 12/31/17 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	2	1.3418	.00550	457,839,836	457,839,836	457,839,836		44.854
REPURCHASE AGREEMENTS (TERM)	1	1.3181	.01370	100,000,000	100,000,000	100,000,000		9.797
COMMERCIAL PAPER-DISCOUNT BASED	3	1.4342	.07942	68,000,000	67,925,005	67,925,005		6.655
MUNICIPAL BOND REVENUE ACT/ACT	2	1.7299	10.29273	2,345,000	2,345,000	2,345,000		.230
CASH ACCOUNT	2			392,626,457	392,626,457	392,626,457		38.465
	<u>10</u>	<u>.8304</u>	<u>.05321</u>	<u>1,020,811,293</u>	<u>1,020,736,298</u>	<u>1,020,736,298</u>		<u>100.000</u>

STATE OF NEW MEXICO
GENERAL FUND CORE (1001)
Portfolio Classification Summary
Positions Held as of 12/31/17 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	1.3485	.00550	2,481,138	2,481,138	2,481,138		.263
COMMERCIAL PAPER-DISCOUNT BASED	4	1.3833	.10890	80,000,000	79,884,661	79,884,661		8.465
CERTIFICATES OF DEPOSIT	3	1.1643	.52600	7,000,000	7,000,000	7,000,000		.742
US TREASURY NOTE ACT/ACT 2X	23	1.6102	2.73377	452,750,000	452,844,076	448,867,243	-3,976,833	47.565
CORPORATE BONDS	1	1.5653	1.69860	10,000,000	9,992,617	9,916,600	-76,017	1.051
AGENCY US FLOAT ACT/360 12X	1	1.2159	.00550	1,900,000	1,900,000	1,900,000		.201
AGENCY US BOND 30/360 2X	7	1.4598	2.10078	76,080,000	75,908,640	74,959,967	-948,673	7.943
AGENCY US DISC ACT/360 360 DAY	4	1.2859	.09667	55,000,000	54,933,198	54,933,384	186	5.821
AGENCY 30/360 2X	2	1.4897	2.38190	25,000,000	24,943,103	24,672,450	-270,653	2.614
AGENCY US BOND 30/360 ZERO CPN	1	1.9646	1.77260	65,104,000	62,994,062	62,701,662	-292,400	6.644
AGENCY US NOTES 30/360 2X	9	1.6935	1.45865	132,000,000	132,557,213	132,115,180	-442,033	14.000
FED NATL MORTGAGE ASSN DEBS	2	1.1100	2.37680	7,620,000	7,618,236	7,558,762	-59,474	.801
CORP US NOTE 30/360 2X	6	1.7454	1.56011	22,500,000	22,494,506	22,410,975	-83,531	2.375
CORP US FLOAT ACT/360 4X	1	1.3602	.78900	5,000,000	5,000,000	4,995,800	-4,200	.529
MUNI US 30/360 2X	6	1.5399	1.60530	2,040,000	2,099,577	2,084,255	-15,322	.221
MUNICIPAL BOND REVENUE ACT/ACT	1	1.7299	8.41640	6,700,000	6,700,000	6,700,000		.710
CASH ACCOUNT	1			516,297	516,297	516,297		.055
	73	1.5848	2.01496	951,691,435	949,867,324	943,698,374	-6,168,950	100.000

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 12/31/17 (Trade)

BOOK VALUES AMORTIZED THROUGH 12/31/17

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
200,332,356	COMPASS BANK DEPOSIT	COMPASBA	.250			1.00000	200,332,355.61	200,332,356.00	.39
192,294,101	BANK OF THE WEST	CASHCASH				1.00000	192,294,100.88	192,294,101.00	.12
							392,626,457	392,626,457.00	.51

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

100,000,000	OVERNIGHT REPO AGREEMENT	0102ONRP	1.300	1/02/18	1.300	100.00000	100,000,000.00	100,000,000.00	
357,839,836	OVERNIGHT REPO	0102RP	1.330	1/02/18	1.330	100.00000	357,839,836.30	357,839,836.30	
100,000,000	TERM REPURCHASE AGREEMENT	0105TMRP	1.300	1/05/18	1.300	100.00000	100,000,000.00	100,000,000.00	
18,000,000	PEFCO - CP	7426M3AN		1/22/18	1.351	99.92125	17,985,825.00	17,985,825.00	
25,000,000	EXXON MOBIL CORP	30229BAW		1/30/18	1.422	99.88561	24,971,402.77	24,971,402.77	
25,000,000	TOYOTA MOTOR CORP	89233HB2		2/02/18	1.453	99.87111	24,967,777.78	24,967,777.78	
							625,839,836	625,764,841.85	625,764,841.85

====> 0006 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2018 <====

1,245,000	UNIVERSITY N MEX UNIV REVS	914692WL	1.340	6/01/26	1.730	100.00000	1,245,000.00	1,245,000.00	
							1,245,000	1,245,000.00	1,245,000.00

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

1,100,000	UNIVERSITY N MEX UNIV REVS	914692XL	1.340	6/01/30	1.730	100.00000	1,100,000.00	1,100,000.00	
							1,100,000	1,100,000.00	1,100,000.00

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

							1,020,811,293	1020736298.34	1020736298.85	.51
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====> 0010 ITEMS IN SUBTOTAL FOR ====> FUND NAME..... ====> GENERAL FUND <====

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 12/31/17 (Trade)
BOOK VALUES AMORTIZED THROUGH 12/31/17

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
516,297	(TD)-CASH KEY	CASHCASH				1.00000	516,296.91	516,297.00	.09
516,297							516,296.91	516,297.00	.09

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

1,900,000	FEDERAL FARM CREDIT BANKS	3133EEWS	1.412	1/02/18	1.199	100.00000	1,900,000.00	1,900,000.00	
2,481,138	OVERNIGHT REPO	0102RP	1.330	1/02/18	1.330	100.00000	2,481,138.26	2,481,138.26	
20,000,000	EXXON MOBIL CORP	30229BA8		1/08/18	1.411	99.97258	19,994,516.66	19,994,516.66	
6,580,000	FEDERAL HOME LOAN BANKS	3130A8QM	.700	1/12/18	1.128	99.98680	6,579,131.65	6,579,342.00	210.35
20,000,000	FEDERAL HOME LOAN BANKS	313385RX		1/17/18	1.241	99.94493	19,988,986.67	19,989,200.00	213.33
5,000,000	UNITED STATES TREASURY NOTES	912828UJ	.875	1/31/18	1.309	99.96425	4,998,212.70	4,998,600.00	387.30
15,000,000	FEDERAL HOME LOAN BANKS	313385SM		1/31/18	1.274	99.89408	14,984,112.50	14,984,400.00	287.50
20,000,000	TOYOTA MOTOR CREDIT CORP	89233HB9		2/09/18	1.379	99.85158	19,970,316.67	19,970,316.67	
20,000,000	GE CAPITAL US HOLDING INC	36164KBD		2/13/18	1.339	99.84114	19,968,227.78	19,968,227.78	
8,800,000	FEDERAL HOME LOAN BANKS	313385TL		2/23/18	1.294	99.81008	8,783,287.33	8,783,192.00	- 95.33
11,200,000	FEDERAL HOME LOAN BANKS	313385TR		2/28/18	1.289	99.79297	11,176,812.89	11,176,592.00	- 220.89
15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADP	.875	3/07/18	1.454	99.89341	14,984,012.09	14,987,100.00	3,087.91
20,000,000	PEFCO CP	7426M3C8		3/08/18	1.328	99.75800	19,951,600.00	19,951,600.00	
2,000,000	FARMERS & STOCKMENS BANK	8521052	1.050	4/27/18	1.050	100.00000	2,000,000.00	2,000,000.00	
2,000,000	FARMERS & STOCKMENS BANK	4282017	1.150	4/27/18	1.150	100.00000	2,000,000.00	2,000,000.00	
25,000,000	UNITED STATES TREASURY NOTES	912828UZ	.625	4/30/18	1.188	99.81537	24,953,841.31	24,935,500.00	- 18,341.31
25,000,000	UNITED STATES TREASURY NOTES	912828VE	1.000	5/31/18	1.228	99.90610	24,976,525.60	24,949,250.00	- 27,275.60
150,000	LAS CRUCES N MEX HOLD HARMLESSGR	51748QAY	4.000	6/01/18	1.500	101.03311	151,549.67	151,072.50	- 477.17
360,000	SANDOVAL COUNTY	800050FG	2.000	6/01/18	.920	100.44758	361,611.28	360,820.80	- 790.48
225,000	SAN JUAN CNTY N MEX CENT CONS IN	798359KT	1.000	8/01/18	1.000	99.99967	224,999.26	223,857.00	- 1,142.26
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0YM	1.875	9/18/18	1.438	100.30842	20,061,684.28	20,017,400.00	- 44,284.28
5,000,000	PEPSICO INC	713448DW	1.350	10/15/18	1.342	100.00000	5,000,000.00	4,995,800.00	- 4,200.00
3,000,000	FARMERS & STOCKMENS BANK	8521082	1.250	10/19/18	1.250	100.00000	3,000,000.00	3,000,000.00	
5,000,000	THE COCA-COLA COMPANY	191216BF	1.650	11/01/18	1.438	100.17435	5,008,717.70	4,996,350.00	- 12,367.70
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0YT	1.625	11/27/18	1.747	99.89030	14,983,544.61	14,976,300.00	- 7,244.61
20,000,000	UNITED STATES TREASURY NOTES	912828RT	1.375	11/30/18	1.404	99.97373	19,994,746.09	19,925,800.00	- 68,946.09
500,000	FEDERAL HOME LOAN BANKS	313382F7	1.100	12/27/18	1.100	99.99982	499,999.11	496,035.00	- 3,964.11
289,196,138							288,977,574.11	288,792,410.67	- 185,163.44

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

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 12/31/17 (Trade)
BOOK VALUES AMORTIZED THROUGH 12/31/17

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
15,000,000	FEDERAL HOME LOAN BANKS	3130AAM8	1.625	1/18/19	1.309	100.01448	15,002,171.55	14,955,600.00	- 46,571.55
2,500,000	APPLE INC	037833CE	1.550	2/08/19	1.589	99.95724	2,498,931.04	2,491,850.00	- 7,081.04
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0ZA	1.875	2/19/19	1.678	100.21959	20,043,917.91	20,005,200.00	- 38,717.91
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EACA	3.750	3/27/19	1.762	102.42358	20,484,716.27	20,467,600.00	- 17,116.27
35,000,000	UNITED STATES TREASURY NOTES	912828C6	1.625	3/31/19	1.744	99.85285	34,948,498.17	34,897,450.00	- 51,048.17
5,000,000	PEPSICO INC	713448DR	1.550	5/02/19	1.588	99.94896	4,997,448.10	4,972,450.00	- 24,998.10
265,000	SANDOVAL COUNTY	800050FH	3.000	6/01/19	1.070	102.70537	272,169.24	270,154.25	- 2,014.99
16,000,000	UNITED STATES TREASURY NOTES	912828TH	.875	7/31/19	1.507	99.01532	15,842,451.17	15,758,720.00	- 83,731.17
5,000,000	FANNIE MAE	3135G0N3	.875	8/02/19	.932	99.91045	4,995,522.73	4,919,850.00	- 75,672.73
10,000,000	APPLE INC.	037833CZ	1.500	9/12/19	1.544	99.92616	9,992,616.12	9,916,600.00	- 76,016.12
13,000,000	FEDERAL AGRICULTURAL MORTGAGE CO	31315P3R	1.900	9/18/19	1.920	99.96532	12,995,491.83	13,016,900.00	21,408.17
65,104,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313586RC		10/09/19	1.938	96.75913	62,994,062.42	62,701,662.40	- 292,400.02
24,500,000	UNITED STATES TREASURY NOTES	912828F6	1.500	10/31/19	1.561	99.88993	24,473,032.90	24,331,685.00	- 141,347.90
8,000,000	FEDERAL FARM CREDIT BANKS	3133EEBN	1.800	11/12/19	1.755	100.08099	8,006,479.48	7,977,680.00	- 28,799.48
14,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0ZY	1.750	11/26/19	1.701	100.09066	14,012,692.55	13,952,680.00	- 60,012.55
253,369,000							251,560,201.48	250,636,081.65	- 924,119.83

====> 0015 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2019 <====

5,000,000	US BANK	90331HNB	2.000	1/24/20	2.073	99.85291	4,992,645.65	4,978,900.00	- 13,745.65
2,500,000	MICROSOFT CORP	594918BV	1.850	2/06/20	1.873	99.95211	2,498,802.63	2,492,600.00	- 6,202.63
33,750,000	UNITED STATES TREASURY NOTES	912828UV	1.125	3/31/20	1.387	99.42270	33,555,159.78	33,173,887.50	- 381,272.28
13,500,000	UNITED STATES TREASURY NOTES	912828K5	1.375	4/30/20	1.501	99.71214	13,461,139.30	13,332,870.00	- 128,269.30
2,500,000	APPLE INC.	037833CS	1.800	5/11/20	1.835	99.91845	2,497,961.28	2,478,825.00	- 19,136.28
650,000	NEW MEXICO FIN AUTH REV	64711NA7	5.000	6/15/20	1.830	107.57636	699,246.33	690,495.00	- 8,751.33
390,000	NEW MEXICO FIN AUTH REV	64711NX7	2.135	6/15/20	2.135	100.00000	390,000.00	387,855.00	- 2,145.00
20,000,000	FNMA	3135G0T6	1.500	7/30/20	1.604	99.73790	19,947,580.29	19,752,600.00	- 194,980.29
20,000,000	UNITED STATES TREASURY NOTES	912828XM	1.625	7/31/20	1.550	100.18754	20,037,508.32	19,846,200.00	- 191,308.32
4,000,000	UNITED STATES TREASURY NOTES	912828VV	2.125	8/31/20	1.654	101.21877	4,048,750.91	4,018,440.00	- 30,310.91
7,000,000	FEDERAL HOME LOAN BANK	3130ACE2	1.375	9/28/20	1.483	99.71072	6,979,750.70	6,877,990.00	- 101,760.70
41,000,000	UNITED STATES TREASURY NOTES	912828WC	1.750	10/31/20	1.462	100.79444	41,325,719.56	40,767,940.00	- 557,779.56
20,000,000	US TREASURY N/B	912828A4	2.000	11/30/20	1.783	100.61241	20,122,482.98	20,018,800.00	- 103,682.98
20,000,000	UNITED STATES TREASURY NOTES	912828N4	1.750	12/31/20	1.383	101.07278	20,214,556.29	19,861,000.00	- 353,556.29
190,290,000							190,771,304.02	188,678,402.50	- 2,092,901.52

====> 0014 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2020 <====

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 12/31/17 (Trade)
BOOK VALUES AMORTIZED THROUGH 12/31/17

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	99.58441	33,858,698.91	33,239,420.00	- 619,278.91
2,620,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134GBWE	1.500	6/29/21	1.494	100.00000	2,620,000.00	2,606,061.60	- 13,938.40
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G9D8	.750	6/30/21	.885	99.96472	4,998,235.75	4,952,700.00	- 45,535.75
5,000,000	FHLB	3130A8QS	1.125	7/14/21	1.227	99.64822	4,982,411.06	4,833,900.00	- 148,511.06
10,000,000	UNITED STATES TREASURY NOTES	912828T3	1.125	9/30/21	1.724	97.83459	9,783,458.60	9,648,800.00	- 134,658.60
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI FEDERAL HOME LOAN BANKS	3135G0Q8 3130AA5F	1.375 1.000	10/07/21 12/16/21	1.410	99.87180	4,993,589.96	4,862,600.00	- 130,989.96
10,000,000	UNITED STATES TREASURY NOTES	912828U8	2.000	12/31/21	1.730	101.03679	10,103,678.91	9,949,200.00	- 154,478.91
71,620,000							71,340,073.19	70,092,681.60	- 1,247,391.59

====> 0008 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2021 <====

20,000,000	UNITED STATES TREASURY NOTES	912828XR	1.750	5/31/22	1.756	99.97489	19,994,977.45	19,651,600.00	- 343,377.45
20,000,000	UNITED STATES TREASURY NOTES	912828XG	2.125	6/30/22	1.861	101.13459	20,226,918.29	19,963,200.00	- 263,718.29
20,000,000	UNITED STATES TREASURY NOTES	912828XQ	2.000	7/31/22	1.878	100.53050	20,106,100.25	19,847,600.00	- 258,500.25
20,000,000	UNITED STATES TREASURY NOTES	912828L2	1.875	8/31/22	1.754	100.54034	20,108,067.20	19,718,800.00	- 389,267.20
10,000,000	FEDERAL AGRICULTURAL MTG CO	3132X0WS	1.900	9/01/22	1.905	99.97561	9,997,560.91	9,829,400.00	- 168,160.91
20,000,000	UNITED STATES TREASURY NOTES	912828L5	1.750	9/30/22	2.020	98.78297	19,756,594.85	19,599,200.00	- 157,394.85
10,000,000	UNITED STATES TREASURY NOTES	912828M4	1.875	10/31/22	2.005	99.40459	9,940,459.01	9,854,700.00	- 85,759.01
20,000,000	UNITED STATES TREASURY NOTES	912828M8	2.000	11/30/22	2.139	99.35599	19,871,198.43	19,818,000.00	- 53,198.43
140,000,000							140,001,876.39	138,282,500.00	- 1,719,376.39

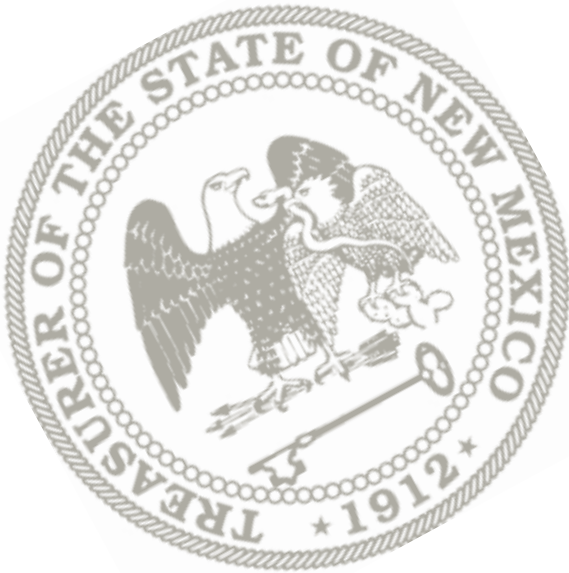
====> 0008 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2022 <====

6,700,000	UNIVERSITY N MEX UNIV REVS	914692WL	1.730	6/01/26	1.730	100.00000	6,700,000.00	6,700,000.00	
6,700,000							6,700,000.00	6,700,000.00	

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

951,691,435							949,867,326.10	943,698,373.42	- 6,168,952.68
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====> 0074 ITEMS IN SUBTOTAL FOR ==> FUND NAME..... ==> GENERAL FUND CORE <====



11. Portfolio Summary- Local Government Investment Pool

Portfolio Summary – Local Government Investment Pool (LGIP)

Summary

- Ending December market value for the LGIP was \$706.7mil representing a decrease relative to November's reported closing value of \$695.9mil.
- The LGIP maintains a AAAM rating by Standard & Poor's.
- At the end of December the STO participant balance was \$22.6mil or 3% of the Pool, the Judicial District Court participant balance was \$3.5mil or 0.5% of the Pool.

Portfolio Mix

- At the end of December the portfolio was invested as follows: 61% in US government agencies, 1% in Treasuries, 1% in collateralized demand deposit accounts with qualified banking institutions, 20% in floating rate securities, and 17% in repurchase agreements.
- At month-end, the LGIP held positions in 74 securities.

Investment Earnings

- During December the fund earned \$706,713.
- For FY2018, the fund has earned \$4,133,978.
- 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 1.21% at the end of December.
- Net yield to participants was 1.15%.

Investment Highlights

- For the LGIP, the WAM(R) of 47 days, and WAM (F) of 108 days, were within their maximums of 60 and 120 days respectively.
- The LGIP purchased \$204mil in US agency securities during the month. Approximately, \$80.5mil of these transactions were in securities that mature within one month or less.
- The LGIP engaged in 21 repo trades during the month, consisting of 17 overnight and 4 term trades. Trade amounts varied in size from \$15mil to \$70mil at rates spanning 1.01% to 1.35%.

Investment Strategy

- LGIP WAMs are currently 50 and 115 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 \$0.99978.

STATE OF NEW MEXICO
LGIP FUND (4101)
Portfolio Classification Summary
Positions Held as of 12/31/17 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	1.3688	.00550	70,000,000	70,000,000	70,000,000		9.911
REPURCHASE AGREEMENTS (TERM)	1	1.3181	.00820	50,000,000	50,000,000	50,000,000		7.079
US TREASURY VAR NOTE ACT/360 4X	1	1.4094	.32880	8,231,000	8,237,073	8,237,091	18	1.166
AGENCY US FLOAT ACT/360 12X	5	1.3394	.79411	42,250,000	42,246,986	42,252,805	5,819	5.982
AGENCY US BOND 30/360 2X	13	1.3885	.35033	46,720,000	46,735,013	46,716,946	-18,067	6.614
AGENCY US DISC ACT/360 360 DAY	18	1.2185	.12482	319,485,000	318,998,034	318,947,378	-50,656	45.158
AGENCY US NOTES 30/360 2X	17	1.2909	.31083	61,560,000	61,479,563	61,426,985	-52,578	8.697
FED NATL MORTGAGE ASSN DEBS	1	1.3537	.46850	1,500,000	1,499,051	1,497,150	-1,901	.212
AGENCY US VARIABLE ACT/360 4X	13	1.3794	.97977	101,600,000	101,610,534	101,628,894	18,360	14.389
CASH ACCOUNT	2			5,581,275	5,581,275	5,581,275		.790
	72	1.2812	.30324	706,927,275	706,387,529	706,288,524	-99,005	100.000

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 12/31/17 (Trade)
BOOK VALUES AMORTIZED THROUGH 12/31/17

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
1,597,657	WELLS FARGO CASH ACCOUNT	CASHCASH	.100			1.00000	1,597,656.93	1,597,657.00	.07
3,983,618	BANK OF THE WEST	CASHCASH	.250			1.00000	3,983,618.01	3,983,618.00	-.01
5,581,275							5,581,274.94	5,581,275.00	.06

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

70,000,000	OVERNIGHT REPO AGREEMENT	0102ONRP	1.350	1/02/18	1.350	100.00000	70,000,000.00	70,000,000.00	
20,000,000	FEDERAL HOME LOAN BANKS	313385RH		1/03/18	1.210	99.99328	19,998,656.67	19,999,200.00	543.33
50,000,000	TERM REPO AGREEMENT	1228ONRP	1.300	1/03/18	1.300	100.00000	50,000,000.00	50,000,000.00	
10,000,000	FEDERAL HOME LOAN BANKS	313385RK		1/05/18	1.241	99.98622	9,998,622.22	9,998,900.00	277.78
55,000,000	TENNESSEE VALLEY AUTHORITY	880590RP		1/09/18	1.235	99.97258	54,984,916.67	54,986,250.00	1,333.33
1,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADN	.750	1/12/18	1.148	99.98773	999,877.27	999,840.00	-37.27
20,000,000	FEDERAL HOME LOAN BANKS	313385RX		1/17/18	1.241	99.94659	19,989,317.78	19,989,200.00	-117.78
20,000,000	FEDERAL HOME LOAN BANKS	313385SC		1/22/18	1.085	99.93700	19,987,400.00	19,985,600.00	-1,800.00
1,000,000	FEDERAL FARM CREDIT BANKS	3133EFR7	1.463	1/23/18	1.147	100.01522	1,000,152.24	1,000,110.00	-42.24
10,000,000	TENNESSEE VALLEY AUTHORITY	880590SD		1/23/18	1.271	99.92239	9,992,238.89	9,992,500.00	261.11
10,000,000	FEDERAL HOME LOAN BANKS	313385SE		1/24/18	1.118	99.92876	9,992,876.39	9,992,100.00	-776.39
15,000,000	FEDERAL HOME LOAN BANKS	313385SG		1/26/18	1.128	99.92188	14,988,281.25	14,987,100.00	-1,181.25
8,930,000	FEDERAL FARM CREDIT BANKS	3133ECE2	.940	1/30/18	1.184	99.97997	8,928,211.59	8,927,410.30	-801.29
35,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	313397SN		2/01/18	1.123	99.90399	34,966,395.14	34,961,500.00	-4,895.14
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	313397SP		2/02/18	1.075	99.90489	19,980,977.78	19,977,200.00	-3,777.78
15,000,000	FEDERAL HOME LOAN BANKS	313385SS		2/05/18	1.298	99.87410	14,981,114.58	14,981,250.00	135.42
5,000,000	FEDERAL FARM CREDIT BANKS	3133EEMX	1.004	2/06/18	.917	100.02917	5,001,458.66	5,000,650.00	-808.66
13,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0TG	.875	2/08/18	1.130	99.97346	13,496,417.12	13,493,520.00	-2,897.12
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313589SZ		2/12/18	1.114	99.87050	19,974,100.00	19,970,000.00	-4,100.00
4,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	313397TB		2/14/18	1.145	99.86067	3,994,426.67	3,993,680.00	-746.67
12,000,000	FEDERAL FARM CREDIT BANKS	3133EEQM	1.110	2/20/18	1.195	99.98777	11,998,531.99	11,996,760.00	-1,771.99
2,500,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G8M7	1.050	2/26/18	1.208	99.97524	2,499,381.00	2,498,825.00	-556.00
800,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3G2	1.100	2/28/18	1.268	99.97880	799,830.40	799,664.00	-166.40
6,800,000	FEDERAL HOME LOAN BANKS	3130A9A2	.930	3/06/18	1.047	100.01743	6,801,185.44	6,800,408.00	-777.44
750,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADP	.875	3/07/18	1.269	99.92723	749,454.23	749,355.00	-99.23
4,800,000	FEDERAL FARM CREDIT BANKS	3133EEV8	.520	3/09/18	1.566	99.99111	4,799,573.23	4,801,536.00	1,962.77
10,000,000	FEDERAL FARM CREDIT BANK	3133EGH3	.510	3/14/18	1.526	99.99861	9,999,861.48	10,002,100.00	2,238.52
10,000,000	FEDL HOME LN MTG CORP DISC NT	313397UF		3/14/18	1.190	99.76300	9,976,300.00	9,973,400.00	-2,900.00
4,000,000	FEDERAL FARM CREDIT BANKS	3133EEZ5	.542	3/22/18	1.614	99.98467	3,999,386.92	4,001,680.00	2,293.08
1,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G36H	1.000	3/26/18	1.350	99.91679	999,167.85	999,050.00	-117.85
850,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G1GZ	1.000	3/28/18	1.375	99.90882	849,224.97	849,209.50	-15.47
3,000,000	TENNESSEE VALLEY AUTHORITY	880591EC	4.500	4/01/18	1.285	100.79763	3,023,928.75	3,022,350.00	-1,578.75

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 12/31/17 (Trade)
BOOK VALUES AMORTIZED THROUGH 12/31/17

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
1,000,000	FEDERAL FARM CREDIT BANKS	3133EDG8	1.250	4/03/18	1.250	100.00000	1,000,000.00	999,570.00	- 430.00
11,650,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EAEA	.750	4/09/18	1.145	99.89234	11,637,457.97	11,628,564.00	- 8,893.97
2,000,000	FEDERAL FARM CREDIT BANKS	3133ECL4	1.000	4/11/18	1.339	99.90535	1,998,107.04	1,996,700.00	- 1,407.04
25,000,000	FEDERAL HOME LOAN BANKS	313385VT		4/19/18	1.386	99.58600	24,896,500.00	24,896,750.00	250.00
2,000,000	FEDERAL HOME LOAN BANKS	3130A55T	1.000	4/27/18	1.390	99.87409	1,997,481.80	1,997,020.00	- 461.80
8,231,000	UNITED STATES TREASURY NOTES	912828Q8	1.280	4/30/18	1.390	100.07378	8,237,072.79	8,237,090.94	18.15
900,000	FEDERAL HOME LOAN BANKS	3130ABE7	1.125	5/08/18	1.250	99.95527	899,597.45	898,830.00	- 767.45
2,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G9JD	1.000	5/11/18	1.323	99.88310	1,997,661.91	1,996,260.00	- 1,401.91
1,558,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0WJ	.875	5/21/18	1.307	99.83234	1,555,387.92	1,553,918.04	- 1,469.88
3,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G44Z	1.000	5/25/18	1.465	99.81450	2,994,435.03	2,993,370.00	- 1,065.03
14,485,000	FEDERAL FARM CREDIT BANKS	313313XK		5/29/18	1.265	99.48406	14,410,265.45	14,400,407.60	- 9,857.85
1,000,000	FEDERAL FARM CREDIT BANKS	31331YW6	4.900	6/12/18	1.276	101.60987	1,016,098.71	1,014,790.00	- 1,308.71
1,000,000	FEDERAL FARM CREDIT BANKS	3133EAUG	1.250	6/14/18	1.566	99.85749	998,574.94	998,370.00	- 204.94
1,500,000	FEDERAL HOME LOAN BANKS	313383C2	1.200	6/20/18	1.335	99.93672	1,499,050.82	1,497,150.00	- 1,900.82
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G9UY	1.000	6/29/18	1.361	99.82252	4,991,125.87	4,985,500.00	- 5,625.87
3,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G9A3	.920	6/29/18	1.546	99.69255	2,990,776.48	2,989,590.00	- 1,186.48
5,000,000	FEDERAL HOME LOAN BANKS	3130A8PZ	.840	7/12/18	1.553	99.62465	4,981,232.26	4,977,650.00	- 3,582.26
10,000,000	FEDERAL HOME LOAN BANKS	313385ZV	4.960	7/26/18	1.255	99.29044	9,929,044.44	9,914,600.00	- 14,444.44
4,700,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G9Q6	1.050	7/27/18	1.047	100.00000	4,700,000.00	4,683,973.00	- 16,027.00
6,000,000	FEDERAL FARM CREDIT BANKS	313313ZZ		7/30/18	1.255	99.27667	5,956,600.00	5,947,740.00	- 8,860.00
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134GA4D	.759	8/10/18	1.024	100.00000	5,000,000.00	4,998,750.00	- 1,250.00
1,215,000	FEDERAL HOME LOAN BANKS	3133X0PF	5.375	8/15/18	1.409	102.44675	1,244,728.01	1,242,568.35	- 2,159.66
3,752,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134GABQ	1.000	8/15/18	1.407	99.74841	3,742,560.31	3,736,016.48	- 6,543.83
15,000,000	FEDERAL HOME LOAN BANKS	3130ACVA	1.153	8/20/18	1.160	99.99228	14,998,842.54	14,999,400.00	557.46
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134GAGS	1.040	8/23/18	1.629	99.62371	4,981,185.64	4,977,200.00	- 3,985.64
1,500,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134GAGF	1.100	9/13/18	1.520	99.70790	1,495,618.53	1,493,130.00	- 2,488.53
3,675,000	TENNESSEE VALLEY AUTHORITY	880591EQ	1.750	10/15/18	1.697	100.04017	3,676,476.08	3,675,477.75	- 998.33
5,000,000	FEDERAL FARM CREDIT BANKS	3133ECNS	1.100	11/06/18	1.767	99.44085	4,972,042.63	4,969,450.00	- 2,592.63
7,250,000	FEDERAL FARM CREDIT BANKS	3133EG6H	.693	11/09/18	1.370	99.98076	7,248,604.89	7,251,015.00	2,410.11
10,000,000	FEDERAL FARM CREDIT BANKS	3133EHLT	1.012	12/05/18	1.501	99.99951	9,999,950.73	10,008,300.00	8,349.27
626,346,000							625,797,747.42	625,689,498.96	- 108,248.46

====> 0062 ITEMS IN SUBTOTAL FOR ==== FINAL-MATURITY.. ==== 2018 <====

15,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G8B9	1.149	2/14/19	1.392	100.00000	15,000,000.00	15,000,600.00	600.00
5,000,000	FEDERAL FARM CREDIT BANKS	3133EHME	1.170	3/12/19	1.396	100.02834	5,001,417.10	5,000,500.00	- 917.10
10,000,000	FEDERAL FARM CREDIT BANKS	3133EHKC	.987	3/25/19	1.531	99.99887	9,999,886.80	10,005,100.00	5,213.20
10,000,000	FEDERAL FARM CREDIT BANKS	3133EHDN	.980	3/27/19	1.486	99.99262	9,999,262.29	10,008,100.00	8,837.71

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 12/31/17 (Trade)
BOOK VALUES AMORTIZED THROUGH 12/31/17

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
10,000,000	FEDERAL FARM CREDIT BANKS	3133EHQT	1.145	4/10/19	1.395	99.99165	9,999,164.55	9,997,900.00	- 1,264.55
10,000,000	FEDERAL FARM CREDIT BANKS	3133EHFF	1.200	4/12/19	1.115	100.10185	10,010,184.57	10,014,700.00	4,515.43
5,000,000	FEDERAL FARM CREDIT BANK	3133EHSF	1.135	4/25/19	1.395	99.99170	4,999,585.11	4,995,750.00	- 3,835.11
10,000,000	FEDERAL FARM CREDIT BANKS	3133EH4P	1.435	12/26/19	1.440	99.99004	9,999,004.21	9,995,100.00	- 3,904.21
75,000,000							75,008,504.63	75,017,750.00	9,245.37

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

706,927,275	706,387,526.99	706,288,523.96	- 99,003.03
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====> 0072 ITEMS IN SUBTOTAL FOR ==> FUND NAME..... ==> LGIP FUND <===



12. 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 December at \$576mil vs. \$591mil at the end of November.
- The Pool received \$14.1mil in draw requests for capital spending during the month and paid out \$22.2mil for capital projects.

Portfolio Mix

- 100% of the Tax-Exempt BPIP portfolio was invested in fixed income securities: 40% in US treasuries, 44% in US agency securities, 8% in corporate securities and commercial paper, 1% in NM municipal securities and the balance, approximately 7%, was held in cash equivalents and collateralized NM bank CDs.
- 51% of the portfolio was invested in securities that mature in one year, 31% in securities that mature from 1-2 years, 18% in securities that mature from 2-4 years and 1% in securities out to 5 years.
- The Tax-Exempt BPIP held positions in 73 securities.
- Weighted Average Life of the Tax Exempt BPIP was 1.16 years. The Weighted Average duration was 1.12 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 \$(3,450,130) on December 31st.
- Monthly net earnings on the portfolio for December were \$576,846.
- Net earnings for FY2018 were \$3,317,600.
- 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 December was 1.12 yrs. vs. the Benchmark at 1.42 yrs.
- There were no trades, other than repo, in the Pool during the month.

Performance

- The purchase yield was 1.20% at the end of December vs. 1.19% reported for the previous month.
- The Tax-Exempt BPIP returned 0.05% for the month of December and (0.01)% for the three months ended December 31, 2017, vs. Index returns of 0.04% and (0.10)% respectively. For the trailing 12 mos. the Pool returned 0.70% vs. 0.56% for the benchmark.

Investment Strategy

- The option-adjusted duration of the Tax-Exempt BPIP portfolio is currently 1.15 yrs. vs. 1.37 yrs.
- To date, the Pool has received \$16mil in capital project withdrawal requests for January.
- 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 position.

STATE OF NEW MEXICO
BOND PROCEEDS INV POOL1 TAX EX (4000)
Portfolio Classification Summary
Positions Held as of 12/31/17 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	1.3485	.00550	26,078,542	26,078,542	26,078,542		4.541
COMMERCIAL PAPER-DISCOUNT BASED	1	1.3469	.10680	15,000,000	14,979,100	14,979,100		2.608
CERTIFICATES OF DEPOSIT	1	.7800	.51230	1,500,000	1,500,000	1,500,000		.261
US TREASURY NOTE ACT/ACT 2X	15	1.2280	1.42251	230,000,000	229,853,323	228,341,200	-1,512,123	39.763
CORPORATE BONDS	2	1.6509	1.81806	12,500,000	12,491,702	12,406,525	-85,177	2.160
AGENCY US BOND 30/360 2X	14	1.0147	.64878	85,585,000	85,843,684	85,361,911	-481,773	14.865
AGENCY 30/360 2X	4	1.3501	1.74331	47,500,000	47,461,907	46,983,150	-478,757	8.182
AGENCY US BOND 30/360 ZERO CPN	1	1.5892	1.77260	25,000,000	24,336,019	24,077,500	-258,519	4.193
AGENCY US NOTES 30/360 2X	18	1.1425	.86196	98,340,000	98,342,981	97,770,011	-572,970	17.026
CORP US NOTE 30/360 2X	4	1.4325	1.23493	12,000,000	12,021,934	11,976,325	-45,609	2.086
CORP US FLOAT ACT/360 4X	1	1.3602	.78900	5,000,000	5,000,000	4,995,800	-4,200	.870
MUNI US 30/360 2X	5	1.0180	.56393	2,250,000	2,259,093	2,249,743	-9,350	.392
MUNICIPAL BOND REVENUE	3	1.1685	.44430	545,000	547,935	546,283	-1,652	.095
MUNICIPAL BOND REVENUE ACT/ACT	1	1.3400	8.41640	5,000,000	5,000,000	5,000,000		.871
UNITS - INVESTMENT POOL 1	1			11,895,110	11,895,110	11,895,110		2.071
CASH ACCOUNT	1			88,494	88,494	88,494		.015
	<u>73</u>	<u>1.2035</u>	<u>1.20464</u>	<u>578,282,146</u>	<u>577,699,824</u>	<u>574,249,694</u>	<u>-3,450,130</u>	<u>100.000</u>

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 12/31/17 (Trade)

BOOK VALUES AMORTIZED THROUGH 12/31/17

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
88,494	(TD)-CASH KEY	CASHCASH				1.00000	88,493.70	88,494.00	.30
11,895,110	UNITS - INVESTMENT POOL 1	UNITS001				1.00000	11,895,109.51	11,895,109.51	
11,983,604							11,983,603.21	11,983,603.51	.30

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

26,078,542	OVERNIGHT REPO	0102RP	1.330	1/02/18	1.330	100.00000	26,078,541.64	26,078,541.64	
24,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADN	.750	1/12/18	.904	99.99520	23,998,848.65	23,996,160.00	- 2,688.65
5,000,000	UNITED STATES TREASURY NOTES	912828P2	.750	1/31/18	.723	100.00204	5,000,102.23	4,998,100.00	- 2,002.23
15,000,000	PEFCO - CP	7426M3B8		2/08/18	1.328	99.86067	14,979,100.00	14,979,100.00	
20,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EADP	.875	3/07/18	.928	99.98985	19,997,969.74	19,982,800.00	- 15,169.74
13,585,000	FEDERAL HOME LOAN BANKS	313378A4	1.375	3/09/18	.966	100.07628	13,595,362.53	13,585,950.95	- 9,411.58
25,000,000	UNITED STATES TREASURY NOTES	912828J6	1.000	3/15/18	.899	100.01988	25,004,970.20	24,982,500.00	- 22,470.20
12,500,000	FEDERAL HOME LOAN BANKS	3130A7CX	.875	3/19/18	.822	100.01093	12,501,366.44	12,486,875.00	- 14,491.44
20,000,000	UNITED STATES TREASURY NOTES	912828Q4	.875	3/31/18	.746	100.03112	20,006,223.48	19,975,000.00	- 31,223.48
2,000,000	FEDERAL FARM CREDIT BANKS	3133EDHU	1.420	4/02/18	.820	100.15060	2,003,011.96	2,000,060.00	- 2,951.96
10,000,000	FEDERAL FARM CREDIT BANKS	3133EG3A	1.040	4/04/18	1.032	100.00141	10,000,140.85	9,990,100.00	- 10,040.85
1,000,000	FEDERAL HOME LOAN BANKS	3133807A	1.060	5/30/18	.850	100.08623	1,000,862.25	998,100.00	- 2,762.25
5,000,000	UNITED STATES TREASURY NOTES	912828VE	1.000	5/31/18	.719	100.11521	5,005,760.33	4,989,850.00	- 15,910.33
100,000	SANDOVAL CNTY N MEX INCENTIVE PA	800051AW	1.952	6/01/18	1.460	100.20265	100,202.65	99,784.00	- 418.65
155,000	RUIDOSO N MEX GROSS RCPTS TAX RE	781336BB	2.000	6/01/18	1.100	100.37250	155,577.37	155,289.85	- 287.52
260,000	ARTESIA N MEX GROSS RCPTS TAX RE	043053BV	2.000	6/01/18	1.000	100.41417	261,076.84	260,624.00	- 452.84
250,000	UNIVERSITY N MEX UNIV REVS	9146922G	1.220	6/01/18	1.220	100.00000	250,000.00	249,642.50	- 357.50
1,000,000	FEDERAL HOME LOAN BANKS	313379DT	1.250	6/08/18	.832	100.18133	1,001,813.32	998,590.00	- 3,223.32
5,000,000	FEDERAL HOME LOAN BANKS	313379DT	1.250	6/08/18	.840	100.17777	5,008,888.63	4,992,950.00	- 15,938.63
1,000,000	UNIVERSITY N MEX UNIV REVS	914692W6	1.438	6/20/18	1.060	100.17625	1,001,762.50	998,340.00	- 3,422.50
185,000	ABQ NM GROSS RCPT LODGERS TAX RE	01354MFV	3.000	7/01/18	1.200	100.89455	186,654.91	185,875.05	- 779.86
1,500,000	FARMERS AND STOCKMENS BANK	8521060	.780	7/06/18	.780	100.00000	1,500,000.00	1,500,000.00	
1,300,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G0QW	1.350	7/11/18	.865	100.25471	1,303,311.24	1,297,868.00	- 5,443.24
5,000,000	PRIVATE EXPORT FUNDING CORP.	742651DS	1.875	7/15/18	.962	100.48927	5,024,463.73	5,004,600.00	- 19,863.73
1,000,000	FEDERAL FARM CREDIT BANKS	3133EAZX	1.060	7/24/18	.875	100.10368	1,001,036.82	996,980.00	- 4,056.82
7,500,000	FEDERAL HOME LOAN BANKS	3130A8U5	.830	7/25/18	.864	99.98051	7,498,538.33	7,467,975.00	- 30,563.33
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G9HJ	1.000	8/10/18	1.143	99.91315	4,995,657.52	4,979,400.00	- 16,257.52
60,000	HOBBS N MEX MUN SCH DIST NO 16	43385QUA	1.000	9/15/18	.950	100.03460	60,020.76	59,688.00	- 332.76
2,000,000	FEDERAL FARM CREDIT BANKS	3133ED2C	1.950	9/17/18	.905	100.73842	2,014,768.41	2,003,880.00	- 10,888.41
1,250,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3K7	1.200	9/24/18	.943	100.18664	1,252,333.03	1,245,112.50	- 7,220.53
10,000,000	UNITED STATES TREASURY NOTES	912828T4	.750	9/30/18	1.086	99.75104	9,975,103.58	9,928,900.00	- 46,203.58
785,000	JAL N MEX PUB SCH DIST NO 19	470143AS	2.000	10/01/18	.850	100.85738	791,730.45	786,781.95	- 4,948.50

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 12/31/17 (Trade)

BOOK VALUES AMORTIZED THROUGH 12/31/17

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
5,000,000	FEDERAL HOME LOAN BANKS	3130A9AE	.875	10/01/18	.908	99.97529	4,998,764.33	4,966,750.00	- 32,014.33
5,000,000	PEPSICO INC	713448DW	1.350	10/15/18	1.342	100.00000	5,000,000.00	4,995,800.00	- 4,200.00
2,500,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G42X	1.050	10/30/18	.878	100.14168	2,503,542.02	2,483,500.00	- 20,042.02
15,000,000	UNITED STATES TREASURY NOTES	912828WD	1.250	10/31/18	.944	100.25144	15,037,716.40	14,940,300.00	- 97,416.40
20,000,000	UNITED STATES TREASURY NOTES	912828RT	1.375	11/30/18	1.300	100.06758	20,013,516.79	19,925,800.00	- 87,716.79
5,000,000	FREDDIE MAC	3134G9WB	1.000	12/28/18	1.000	100.00000	5,000,000.00	4,961,000.00	- 39,000.00
275,008,542							275,108,739.93	274,528,568.44	- 580,171.49

====> 0038 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==>> 2018 <====

5,000,000	UNITED STATES TREASURY NOTES	912828B3	1.500	1/31/19	1.092	100.43725	5,021,862.55	4,981,650.00	- 40,212.55
15,000,000	UNITED STATES TREASURY NOTES	912828C2	1.500	2/28/19	1.309	100.21870	15,032,804.44	14,940,300.00	- 92,504.44
10,000,000	FEDERAL HOME LOAN BANKS	3133782M	1.500	3/08/19	1.127	100.43801	10,043,801.42	9,958,900.00	- 84,901.42
20,000,000	UNITED STATES TREASURY NOTES	912828ST	1.250	4/30/19	1.332	99.89201	19,978,401.79	19,841,400.00	- 137,001.79
2,500,000	PEPSICO INC	713448DR	1.550	5/02/19	1.588	99.94896	2,498,724.05	2,486,225.00	- 12,499.05
2,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3YF	1.500	7/18/19	1.249	100.38350	2,007,669.98	1,988,140.00	- 19,529.98
20,000,000	UNITED STATES TREASURY NOTES	9128282K	1.375	7/31/19	1.345	100.04627	20,009,254.39	19,849,200.00	- 160,054.39
10,525,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G3K4	1.260	8/02/19	1.256	100.00000	10,525,000.00	10,405,015.00	- 119,985.00
7,500,000	FEDERAL HOME LOAN BANK	3130A8Y7	.875	8/05/19	.940	99.89723	7,492,291.97	7,378,050.00	- 114,241.97
25,000,000	FHLMC	3137EAEH	1.375	8/15/19	1.436	99.90275	24,975,687.87	24,785,500.00	- 190,187.87
5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G3A9	1.400	8/22/19	1.587	99.69723	4,984,861.68	4,953,500.00	- 31,361.68
10,000,000	APPLE INC.	037833CZ	1.500	9/12/19	1.544	99.92616	9,992,616.12	9,916,600.00	- 76,016.12
5,000,000	FEDERAL HOME LOAN BANK	3130A9EP	1.000	9/26/19	1.029	99.94978	4,997,489.19	4,923,400.00	- 74,089.19
25,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313586RC		10/09/19	1.567	97.34408	24,336,018.92	24,077,500.00	- 258,518.92
2,000,000	WALMART STORES INC	931142DY	1.750	10/09/19	1.751	99.99725	1,999,945.03	1,992,900.00	- 7,045.03
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G4EL	1.125	10/11/19	1.125	100.00000	5,000,000.00	4,927,050.00	- 72,950.00
2,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G0T7	1.320	10/22/19	1.423	99.81547	1,996,309.45	1,978,580.00	- 17,729.45
1,500,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G2YA	1.400	11/26/19	1.400	100.00000	1,500,000.00	1,478,445.00	- 21,555.00
173,025,000							172,392,738.85	170,862,355.00	- 1,530,383.85

====> 0018 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==>> 2019 <====

5,000,000	FEDERAL HOME LOAN MORTGAGE CORPO	3137EAEE	1.500	1/17/20	1.502	99.99598	4,999,798.81	4,952,700.00	- 47,098.81
2,500,000	MICROSOFT CORP	594918BV	1.850	2/06/20	1.873	99.95211	2,498,802.63	2,492,600.00	- 6,202.63
10,000,000	FANNIE MAE	3135G0T2	1.500	2/28/20	1.517	99.96438	9,996,438.35	9,896,200.00	- 100,238.35

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 12/31/17 (Trade)
BOOK VALUES AMORTIZED THROUGH 12/31/17

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	101.75329	10,175,328.97	9,955,700.00	- 219,628.97
1,265,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G0E5	1.625	3/27/20	1.097	101.16312	1,279,713.48	1,255,499.85	- 24,213.63
1,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G4AC	1.250	3/27/20	1.560	99.31960	993,195.95	984,320.00	- 8,875.95
2,500,000	TOYOTA MOTOR CREDIT CORP	89236TDU	1.950	4/17/20	1.966	99.96342	2,499,085.57	2,489,925.00	- 9,160.57
1,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G12H	1.400	6/05/20	1.149	100.59868	1,005,986.76	986,220.00	- 19,766.76
30,000,000	UNITED STATES TREASURY NOTES	912828XU	1.500	6/15/20	1.485	100.00000	30,000,000.00	29,697,600.00	- 302,400.00
5,000,000	FEDERAL HOME LOAN BANKS	3130AANA	1.750	7/30/20	1.750	100.00000	5,000,000.00	4,959,100.00	- 40,900.00
10,000,000	UNITED STATES TREASURY NOTES	912828L3	1.375	8/31/20	1.518	99.62746	9,962,746.04	9,853,900.00	- 108,846.04
10,000,000	UNITED STATES TREASURY NOTES	912828N4	1.750	12/31/20	1.585	100.48122	10,048,121.94	9,930,500.00	- 117,621.94
88,265,000							88,459,218.50	87,454,264.85	- 1,004,953.65

====> 0012 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2020 <====

20,000,000	UNITED STATES TREASURY NOTES	912828Q3	1.250	3/31/21	1.636	98.78368	19,756,736.50	19,506,200.00	- 250,536.50
20,000,000							19,756,736.50	19,506,200.00	- 250,536.50

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

5,000,000	FEDERAL AGRICULTURAL MTG CO	3132X0WS	1.900	9/01/22	1.905	99.97561	4,998,780.45	4,914,700.00	- 84,080.45
5,000,000							4,998,780.45	4,914,700.00	- 84,080.45

====> 0001 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2022 <====

5,000,000	UNIVERSITY N MEX UNIV REVS	914692WL	1.340	6/01/26	1.340	100.00000	5,000,000.00	5,000,000.00	
5,000,000							5,000,000.00	5,000,000.00	

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

578,282,146							577,699,817.44	574,249,691.80	- 3,450,125.64
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====> 0073 ITEMS IN SUBTOTAL FOR ====> FUND NAME..... ====> BOND PROCEEDS INV POOL1 TAX EX <



13. 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 December at \$338.5mil vs. \$332mil at the end of November.
- The Pool received \$14.5mil in draw requests for capital spending during the month and paid out \$19mil for capital projects.

Portfolio Mix

- 100% of the Taxable BPIP portfolio was invested in fixed income securities: 10% in US treasuries, 66% in US agency securities, 8% in commercial paper and corporate securities, 1% in NM municipal securities and the balance, approximately 15%, was held in cash equivalents and collateralized NM bank CDs.
- 67% of the portfolio was invested in securities that mature in one year, 26% in securities that mature from 1-2 years, 7% in securities that mature from 2-4 years and 0% in securities out to 5 years.
- The Taxable BPIP held positions in 57 securities.
- Weighted Average Life of the Taxable BPIP was 0.96 years. The Weighted Average duration was 0.91 years.
- The maximum security term for the Taxable BPIP portfolio is 5 years.

Investment Earnings

- The unrealized gains in the Taxable BPIP were \$(1,642,660) as of December 31st.
- Monthly net earnings on the portfolio for December were \$306,958.
- FY2018 net earnings were roughly \$2,082,373.
- Earnings on the Bond Proceeds Investment Pool are used to offset capital and debt service spending.

Investment Highlights

- The Taxable BPIP duration at the end of December was 0.91 years vs. the Benchmark at 1.42 yrs.
- During December the Pool purchased \$10mil in commercial paper.

Performance

- Purchase Yield at the end of December was 1.17% relative to 1.15% at the end of the prior month.
- The Taxable BPIP returned 0.06% for the month of December and 0.05% for the three months ended December 31, 2017, vs. Index returns of 0.04% and (0.10)% respectively. For the trailing 12 mos. the Pool returned 0.83% vs. 0.56% for the benchmark.

Investment Strategy

- The option-adjusted duration of the Taxable BPIP portfolio is currently 0.91 yrs. vs. 1.37 yrs.
- To date, the Pool has paid \$11.96mil in capital project withdrawals for December.
- The Taxable BPIP has maintained duration shorter than that of the benchmark in order to provide adequate liquidity for project withdrawals while minimizing overnight cash position.

STATE OF NEW MEXICO
BOND PROCEEDS INV POOL2 TAXABLE (4002)
Portfolio Classification Summary
Positions Held as of 12/31/17 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	1.3485	.00550	28,329,396	28,329,396	28,329,396		8.392
COMMERCIAL PAPER-DISCOUNT BASED	1	1.3906	.07120	10,000,000	9,990,486	9,990,486		2.960
CERTIFICATES OF DEPOSIT	4	1.1657	.72585	7,700,000	7,700,000	7,700,000		2.281
LINKED-CERTIFICATE OF DEPOSIT	2	.9500	.03290	4,000,000	4,000,000	4,000,000		1.185
US TREASURY NOTE ACT/ACT 2X	4	.9456	.60990	32,500,000	32,530,892	32,389,350	-141,542	9.595
CORPORATE BONDS	2	1.9040	2.08279	4,500,000	4,498,430	4,483,725	-14,705	1.328
AGENCY US BOND 30/360 2X	14	.9607	.60562	91,500,000	91,733,123	91,333,960	-399,163	27.057
AGENCY 30/360 2X	3	1.4249	1.69228	32,500,000	32,514,681	32,239,900	-274,781	9.551
AGENCY US BOND 30/360 ZERO CPN	2	1.3787	1.62819	16,616,000	16,263,875	16,054,145	-209,730	4.756
AGENCY US NOTES 30/360 2X	10	1.2739	1.07126	78,830,000	78,938,280	78,500,475	-437,805	23.255
FED NATL MORTGAGE ASSN DEBS	1	.8976	3.49590	3,665,000	3,663,707	3,630,329	-33,378	1.075
CORP US NOTE 30/360 2X	3	1.8236	2.43977	14,273,000	14,307,951	14,201,978	-105,973	4.207
MUNI US 30/360 2X	7	1.2954	.91527	4,695,000	4,724,687	4,699,104	-25,583	1.392
UNITS - INVESTMENT POOL 1	1			9,948,058	9,948,058	9,948,058		2.947
CASH ACCOUNT	1			56,885	56,885	56,885		.017
	<u>56</u>	<u>1.1708</u>	<u>.94081</u>	<u>339,113,339</u>	<u>339,200,451</u>	<u>337,557,791</u>	<u>-1,642,660</u>	<u>100.000</u>

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 12/31/17 (Trade)

BOOK VALUES AMORTIZED THROUGH 12/31/17

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
56,885	(TD)-CASH KEY	CASHCASH				1.00000	56,885.21	56,885.00	-.21
9,948,058	UNITS - INVESTMENT POOL 1	UNITS001				1.00000	9,948,057.79	9,948,057.79	
10,004,943							10,004,943.00	10,004,942.79	-.21

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

28,329,396	OVERNIGHT REPO	0102RP	1.330	1/02/18	1.330	100.00000	28,329,395.98	28,329,395.98	
2,000,000	WESTERN COMMERCE BANK	2013171	.950	1/12/18	.950	100.00000	2,000,000.00	2,000,000.00	
2,000,000	WESTERN COMMERCE BANK	2013172	.950	1/12/18	.950	100.00000	2,000,000.00	2,000,000.00	
5,000,000	FEDERAL HOME LOAN BANKS	3130A8RY	.750	1/19/18	.812	99.99675	4,999,837.32	4,999,150.00	- 687.32
10,000,000	PEFCO CP	7426M3AS		1/26/18	1.372	99.90486	9,990,486.11	9,990,486.11	
1,000,000	FINANCING CORPORATION	317705AD	9.400	2/08/18	1.052	100.85307	1,008,530.69	1,008,680.00	149.31
7,500,000	UNITED STATES TREASURY NOTES	912828J6	1.000	3/15/18	1.006	99.99820	7,499,865.01	7,494,750.00	- 5,115.01
12,500,000	FEDERAL HOME LOAN BANKS	3130A7CX	.875	3/19/18	.822	100.01093	12,501,366.44	12,486,875.00	- 14,491.44
10,000,000	FNMA	3135G0J6	.875	3/28/18	.973	99.97585	9,997,584.62	9,987,800.00	- 9,784.62
1,616,000	RESOLUTION FUNDING CORP	76116ECJ		4/15/18	1.338	99.61824	1,609,830.82	1,607,645.28	- 2,185.54
5,000,000	UNITED STATES TREASURY NOTES	912828VE	1.000	5/31/18	.719	100.11521	5,005,760.33	4,989,850.00	- 15,910.33
5,000,000	FEDERAL HOME LOAN BANKS	313379DT	1.250	6/08/18	.840	100.17777	5,008,888.63	4,992,950.00	- 15,938.63
500,000	FEDERAL FARM CREDIT BANKS	3133EEZ2	1.160	6/18/18	.912	100.11419	500,570.95	498,930.00	- 1,640.95
7,750,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G32U	.875	6/26/18	.874	100.00048	7,750,036.87	7,722,255.00	- 27,781.87
1,100,000	WESTERN BANK ALAMOGORDO	81186499	1.260	6/30/18	1.260	100.00000	1,100,000.00	1,100,000.00	
1,950,000	NEW MEXICO ST SEVERANCE TAX	647310X8	2.000	7/01/18	1.100	100.44731	1,958,722.59	1,951,111.50	- 7,611.09
290,000	ALBUQUERQUE N MEX ARPT REV	013538HB	5.110	7/01/18	1.535	101.77381	295,144.06	293,346.60	- 1,797.46
5,000,000	FEDERAL HOME LOAN BANKS	3130A8KR	.820	7/06/18	.884	99.96716	4,998,357.76	4,978,900.00	- 19,457.76
2,600,000	WESTERN BANK CLOVIS	159850	.900	7/13/18	.900	100.00000	2,600,000.00	2,600,000.00	
275,000	LOS LUNAS N MEX SCH DIST NO 1	545562RX	2.000	7/15/18	1.020	100.52496	276,443.64	275,624.25	- 819.39
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0E3	1.125	7/20/18	1.205	99.95593	14,993,388.77	14,957,100.00	- 36,288.77
2,500,000	WESTERN BANK ALAMOGORDO	81187124	1.260	7/23/18	1.260	100.00000	2,500,000.00	2,500,000.00	
7,500,000	FEDERAL HOME LOAN BANKS	3130A8U5	.830	7/25/18	.864	99.98051	7,498,538.33	7,467,975.00	- 30,563.33
3,800,000	FNMA	3136G3YU	.850	7/26/18	.850	100.00000	3,800,000.00	3,782,710.00	- 17,290.00
285,000	CITY OF BELEN N MEX GO BDS	077563DT	2.000	8/01/18	.950	100.60887	286,735.29	285,929.10	- 806.19
25,000,000	FEDERAL HOME LOAN BANKS	313375K4	2.000	9/14/18	.989	100.70554	25,176,384.92	25,041,750.00	- 134,634.92
5,000,000	FEDERAL FARM CREDIT BANKS	3133EGUY	.875	9/20/18	.931	99.95948	4,997,973.81	4,970,400.00	- 27,573.81
5,000,000	UNITED STATES TREASURY NOTES	912828T4	.750	9/30/18	1.086	99.75104	4,987,551.80	4,964,450.00	- 23,101.80
5,000,000	FEDERAL HOME LOAN BANKS	3130A9AE	.875	10/01/18	.908	99.97529	4,998,764.33	4,966,750.00	- 32,014.33
10,000,000	FEDERAL FARM CREDIT BANKS	3133EFX6	.960	10/05/18	.846	100.08597	10,008,596.52	9,940,500.00	- 68,096.52
5,000,000	FREDDIE MAC	3137EAED	.875	10/12/18	.896	99.98347	4,999,173.45	4,965,400.00	- 33,773.45
3,000,000	TENNESSEE VALLEY AUTHORITY	880591EQ	1.750	10/15/18	1.334	100.32446	3,009,733.79	3,000,390.00	- 9,343.79

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 12/31/17 (Trade)

BOOK VALUES AMORTIZED THROUGH 12/31/17

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	100.25144	15,037,716.40	14,940,300.00	- 97,416.40
5,000,000	FEDERAL HOME LOAN BANKS	313376BR	1.750	12/14/18	1.208	100.51159	5,025,579.42	4,994,550.00	- 31,029.42
216,495,396							216,750,958.65	216,085,953.82	- 665,004.83

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

2,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G2EH	1.375	2/27/19	1.375	100.00000	2,000,000.00	1,989,640.00	- 10,360.00
2,500,000	PEPSICO INC	713448DR	1.550	5/02/19	1.588	99.94896	2,498,724.05	2,486,225.00	- 12,499.05
1,045,000	NEW MEXICO FIN AUTH REV	64711NX6	1.883	6/15/19	1.883	100.00000	1,045,000.00	1,041,384.30	- 3,615.70
1,500,000	FARMERS & STOCKMENS BANK	07052017	1.400	7/05/19	1.400	100.00000	1,500,000.00	1,500,000.00	-
315,000	BELEN N MEX CONS SCH DIST NO 2	077581QE	2.000	8/01/19	1.050	101.48711	319,684.41	315,633.15	- 4,051.26
535,000	BELEN N MEX CONS SCH DIST NO 2	077581QT	2.000	8/01/19	1.050	101.48712	542,956.07	536,075.35	- 6,880.72
7,500,000	FEDERAL HOME LOAN BANK	3130A8Y7	.875	8/05/19	.940	99.89723	7,492,291.97	7,378,050.00	- 114,241.97
20,000,000	FANNIE MAE	3135G0ZG	1.750	9/12/19	1.658	100.15283	20,030,566.06	19,943,400.00	- 87,166.06
2,000,000	FEDERAL HOME LOAN BANKS	3130A4G8	1.650	9/24/19	1.650	100.00000	2,000,000.00	1,986,160.00	- 13,840.00
15,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	313586RC		10/09/19	1.362	97.69362	14,654,043.64	14,446,500.00	- 207,543.64
5,000,000	FANNIE MAE	3135G0R3	1.000	10/24/19	1.091	99.83646	4,991,823.11	4,918,450.00	- 73,373.11
2,000,000	PROCTOR & GAMBLE	742718EZ	1.750	10/25/19	1.768	99.96726	1,999,345.27	1,993,800.00	- 5,545.27
20,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3135G0ZY	1.750	11/26/19	1.727	100.04305	20,008,609.01	19,932,400.00	- 76,209.01
5,000,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136G3TF	1.200	12/30/19	1.200	100.00000	5,000,000.00	4,927,950.00	- 72,050.00
84,395,000							84,083,043.59	83,395,667.80	- 687,375.79

====> 0014 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2019 <====

5,200,000	FEDERAL NATIONAL MORTGAGE ASSOCI	3136FTB7	2.000	2/07/20	.984	102.10555	5,309,488.51	5,203,328.00	- 106,160.51
2,500,000	TOYOTA MOTOR CREDIT CORP	89236TDU	1.950	4/17/20	1.966	99.96342	2,499,085.57	2,489,925.00	- 9,160.57
2,500,000	APPLE INC.	037833CS	1.800	5/11/20	1.835	99.91845	2,497,961.28	2,478,825.00	- 19,136.28
5,080,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134GBVN	1.650	7/10/20	1.650	100.00000	5,080,000.00	5,031,892.40	- 48,107.60
9,273,000	MICROSOFT CORPORATION	594918BG	2.000	11/03/20	1.845	100.41266	9,311,265.58	9,236,928.03	- 74,337.55
24,553,000							24,697,800.94	24,440,898.43	- 256,902.51

====> 0005 ITEMS IN SUBTOTAL FOR ==> FINAL-MATURITY.. ==> 2020 <====

STATE OF NEW MEXICO

TREASURERS OFFICE

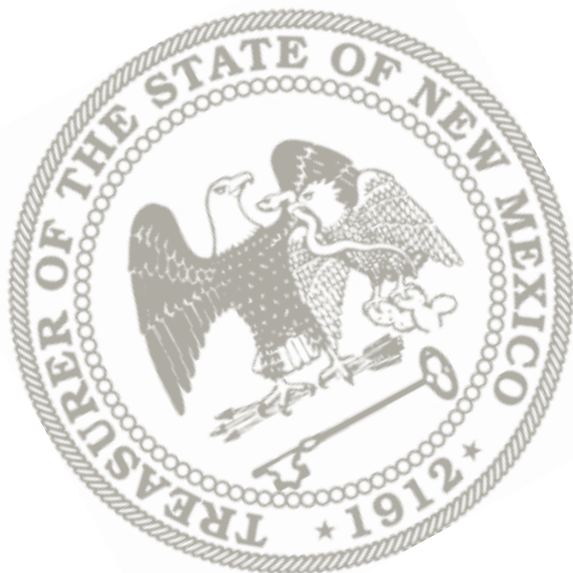
Position holdings as of 12/31/17 (Trade)
BOOK VALUES AMORTIZED THROUGH 12/31/17

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
3,665,000	FEDERAL HOME LOAN MORTGAGE CORPO	3134G9D8	.750	6/30/21	.885	99.96471	3,663,706.80	3,630,329.10	- 33,377.70
							3,663,706.80	3,630,329.10	- 33,377.70
3,665,000									

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

339,113,339		339,200,452.98	337,557,791.94	- 1,642,661.04
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====> 0056 ITEMS IN SUBTOTAL FOR ====> FUND NAME..... ====> BOND PROCEEDS INV POOL2 TAXABLE<



14. Portfolio Summary- Severance Tax Bonding Fund

Portfolio Summary – Severance Tax Bonding Fund

Summary

- The Severance Tax Bonding Fund closed the month of December at \$149MM.
- The Severance Tax Bonding Fund net earnings were \$181,356 for December.

Portfolio Mix

- The Severance Tax Bonding Fund is primarily invested in the overnight repurchase agreement pool, short US Treasury and Agency securities, and high quality commercial paper.
- Severance Tax Bonding Fund holdings are pledged and used to pay debt service on Severance Tax and Supplemental Severance Tax Bonds.
 - Once debt service needs are met, the balance in the Severance Tax Bonding Fund is transferred to the Severance Tax Permanent Fund.
 - On June 30th and December 30th, the STBF transfers available balances, in excess of debt service needs, to the Severance Tax Permanent Fund.
- Severance Taxes are remitted to the Treasury on a monthly basis and are ranging between \$25MM and \$35MM per month.
 - The STB Fund received \$31MM in December.

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 \$36MM in January from Severance Taxes.

STATE OF NEW MEXICO
STB FUND (4001)
Portfolio Classification Summary
Positions Held as of 12/31/17 (TRADE Basis)

AMTZ ADDED: NO

ASSET CLASSIFICATION	ITEMS	YIELD	AVG-TERM	PRINCIPAL	COST-BASIS	MARKET-VALUE	GAIN/LOSS	%MARKET
REPURCHASE AGREEMENTS (O/N)	1	1.3485	.00550	24,478,325	24,478,325	24,478,325		16.420
COMMERCIAL PAPER-DISCOUNT BASED	7	1.4645	.12715	17,000,000	16,967,925	16,967,925		11.382
U.S. TREASURY BILLS	3	1.3691	.21935	75,000,000	74,778,329	74,780,550	2,221	50.161
AGENCY US FLOAT ACT/360 12X	4	1.3724	.33750	19,300,000	19,302,214	19,301,018	-1,196	12.947
AGENCY US DISC ACT/360 360 DAY	2	1.2393	.00939	13,171,000	13,169,918	13,170,333	415	8.834
AGENCY US BOND 30/360 ZERO CPN	2	1.2679	.11186	2,520,000	2,516,614	2,515,935	-679	1.688
MUNI US 30/360 2X	1	1.8649	.45480	945,000	945,000	944,310	-690	.633
MUNICIPAL BOND REVENUE ACT/ACT	1	1.3400	8.41640	4,400,000	4,400,000	4,400,000		2.951
UNITS - INVESTMENT POOL 1	1			767,088	767,088	767,088		.515
CASH ACCOUNT	2			-8,244,836	-8,244,836	-8,244,836		-5.530
	24	1.4348	.40257	149,336,577	149,080,577	149,080,648	71	100.000

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 12/31/17 (Trade)
BOOK VALUES AMORTIZED THROUGH 12/31/17

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
63,901	BBVA COMPASS BANK DEPOSIT	COMPASBA	.400			1.00000	63,901.12	63,901.00	-.12
- 8,308,737	(TD)-CASH KEY	CASHCASH				1.00000	- 8,308,737.09	- 8,308,737.00	.09
767,088	UNITS - INVESTMENT POOL 1	UNITS001				1.00000	767,088.19	767,088.19	
							<u>63,901.12</u>	<u>63,901.00</u>	<u>-.12</u>
- 7,477,748							- 7,477,747.78	- 7,477,747.81	-.03

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

12,000,000	TENNESSEE VALLEY AUTHORITY	880590RG		1/02/18	1.222	99.99661	11,999,593.00	12,000,000.00	407.00
1,000,000	FEDERAL FARM CREDIT BANKS	3133EEWS	1.412	1/02/18	1.199	100.00000	1,000,000.00	1,000,000.00	
24,478,325	OVERNIGHT REPO	0102RP	1.330	1/02/18	1.330	100.00000	24,478,325.24	24,478,325.24	
1,100,000	PEFCO - CP	7426M3AC		1/12/18	1.173	99.96425	1,099,606.75	1,099,606.75	
1,171,000	FEDERAL HOME LOAN MORTGAGE CORPO	313397RY		1/18/18	1.222	99.94239	1,170,325.38	1,170,332.53	7.15
4,000,000	PEFCO - CP	7426M3AN		1/22/18	1.351	99.92125	3,996,850.00	3,996,850.00	
1,000,000	TOYOTA MOTOR CORP	89233HB2		2/02/18	1.383	99.87733	998,773.33	998,773.33	
1,093,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31358CY7		2/07/18	1.251	99.87520	1,091,635.97	1,091,360.50	- 275.47
1,427,000	FEDERAL NATIONAL MORTGAGE ASSOCI	31358BAB		2/12/18	1.250	99.85829	1,424,977.84	1,424,574.10	- 403.74
4,100,000	EXXON MOBIL CORP - CP	30229BBD		2/13/18	1.443	99.82800	4,092,948.00	4,092,948.00	
1,300,000	US BANK NAT'L ASSOC	9033A1BL		2/20/18	1.374	99.80972	1,297,526.39	1,297,526.39	
1,100,000	EXXON MOBIL	30229BBL		2/20/18	1.433	99.80139	1,097,815.28	1,097,815.28	
10,000,000	UNITED STATES TREASURY BILLS	912796NU		3/08/18	1.274	99.76725	9,976,725.29	9,976,600.00	- 125.29
3,800,000	FEDERAL FARM CREDIT BANKS	3133EFL3	1.577	3/08/18	1.253	100.05823	3,802,212.70	3,802,508.00	295.30
4,500,000	FEDERAL HOME LOAN BANKS	3130ABLT	1.350	3/19/18	1.350	100.00002	4,500,000.68	4,499,910.00	- 90.68
4,400,000	TOYOTA MOTOR CREDIT CO	89233HCM		3/21/18	1.637	99.64560	4,384,406.28	4,384,406.28	
55,000,000	UNITED STATES TREASURY BILLS	912796NX		3/22/18	1.352	99.70145	54,835,799.96	54,836,650.00	850.04
10,000,000	UNITED STATES TREASURY BILLS	912796LS		3/29/18	1.420	99.65804	9,965,804.16	9,967,300.00	1,495.84
945,000	NEW MEXICO FIN AUTH REV	64711NX5	1.840	6/15/18	1.839	100.00000	945,000.00	944,310.15	- 689.85
10,000,000	FHLB FRN	3130ADB9	1.409	6/26/18	1.409	100.00000	10,000,000.00	9,998,600.00	- 1,400.00
							<u>152,414,325</u>	<u>152,158,326.25</u>	<u>70.30</u>

====> 0020 ITEMS IN SUBTOTAL FOR ====> FINAL-MATURITY.. ====> 2018 <====

4,400,000	UNIVERSITY N MEX UNIV REVS	914692WL	1.340	6/01/26	1.340	100.00000	4,400,000.00	4,400,000.00	
							<u>4,400,000.00</u>	<u>4,400,000.00</u>	

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

STATE OF NEW MEXICO

TREASURERS OFFICE

Position holdings as of 12/31/17 (Trade)
BOOK VALUES AMORTIZED THROUGH 12/31/17

POSITION-SIZE	DESCRIPTION	SEC-ID	RATE	MATURITY	YIELD	BOOK PRICE	BOOK VALUE	MARKET VALUE	MARK-TO-MARKET
149,336,577							149,080,578.47	149,080,648.74	70.27

====> 0024 ITEMS IN SUBTOTAL FOR ====> FUND NAME..... ====> STB FUND <====



15. 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 Office - Investment Division

Transaction Volumes and Percentages - Active Broker-Dealers Only *

Broker-Dealers:	FY18 after 6 months		FY17		FY16	
	YTD \$\$	YTD %	Total \$\$	%	Total \$\$	%
Academy Securities	-		16,900	0.2%		
P Barclays	359,000	8.9%	696,465	9.7%	298,455	7.2%
BB and T (Scott & Stringfellow)	56,674	1.4%	64,746	0.9%	194,965	4.7%
P BMO Capital Markets	170,000	4.2%	228,221	3.2%	124,677	3.0%
BNP Paribus					1,800	0.0%
BOK Financial Service (fka BOSC, Inc)	31,655	0.8%	92,189	1.3%	27,410	0.7%
P Cantor Fitzgerald	15,400	0.4%	5,961	0.1%	16,750	0.4%
CastleOak Securities LP	111,288	2.8%	291,050	4.0%	247,000	6.0%
P Citigroup	-		10,000	0.1%		
P Daiwa Capital Markets America	22,624	0.6%	217,992	3.0%	143,600	3.5%
P Deutsche Bank	149,477	3.7%	288,500	4.0%	165,829	4.0%
Drexel Hamilton LLC	-		-		10,000	0.2%
First Southwest - Became Hilltop					18,500	0.4%
FTN Financial	17,006	0.4%	36,100	0.5%	52,000	1.3%
George K Baum & Co	-				380	0.0%
Guggenheim Securities LLC	54,800	1.4%	423,074	5.9%	31,000	0.8%
Hilltop / Southwest Securities	-		21,890	0.3%	26,897	0.7%
P HSBC	87,000	2.2%	184,000	2.6%	202,500	4.9%
Intl FCStone	127,711	3.2%	427,084	5.9%	438,979	10.6%
P Jefferies	356,615	8.9%	700,260	9.7%	161,783	3.9%
KeyBanc Capital Markets	37,520	0.9%	36,557	0.5%	172,883	4.2%
Loop Capital Markets	171,900	4.3%	351,800	4.9%	5,000	0.1%
P Mizuho Securities USA	111,600	2.8%	302,208	4.2%	193,968	4.7%
P Morgan Stanley	147,503	3.7%	274,850	3.8%	94,723	2.3%
Mutual Securities Inc.	-		1,900	0.0%	-	
Piper Jaffray					285	0.0%
P RBC Capital Markets, LLC (Trades & Repo in FY18; Repo only in FY16 & FY17)	20,000	0.5%	N/A		N/A	
P NatWest / RBS Securities	95,000	2.4%	110,970	1.5%	102,000	2.5%
Robert W. Baird & Co.	2,620	0.1%	17,990	0.2%	17,765	0.4%
Samuel A Ramirez & Co.	156,750	3.9%	151,165	2.1%	34,000	0.8%
SG Americas Securities					47,842	1.2%
Stifel Nicklaus & Co	-		10,000	0.1%	255	0.0%
P TD Securities	482,267	12.0%	544,530	7.6%	371,679	9.0%
UBS Financial Services	27,790	0.7%	116,215	1.6%	15,000	0.4%
Vining Sparks	650	0.0%	-		-	
Wedbush Securities					49,180	1.2%
P Wells Fargo Securities	215,810	5.4%	735,138	10.2%	490,101	11.9%
Williams Capital Group, LP	237,108	5.9%				
Direct Purchase	758,881	18.9%	818,229	11.4%	178,574	4.3%
Interfund Transfers	-		26,500	0.4%	191,600	4.6%
P = Primary Broker-Dealer						
	4,024,649	100.0%	7,202,484	100.0%	4,127,380	100.0%
Number of Active Broker-Dealers in FY:	24		28		32	

* This report does not include all approved Broker-Dealers by Fiscal Year; only those with transaction volumes exclusive of overnight repo through AVM.

New Mexico State Treasurer's Office - Investment Division

Transaction Analysis and Recommendations

	FY18	FY17	FY16
<u>Broker-Dealer Transactions vs. Direct Purchases</u>			
Transaction volume by Primary Broker-Dealer	55.5%	59.7%	57.3%
Transaction volume by Secondary Broker-Dealer	25.7%	28.6%	33.7%
Transaction volume - Interfund Transfers	-	0.4%	4.6%
Transaction volume in Direct Purchases	18.9%	11.4%	4.3%

Approved Broker-Dealers by Fiscal Year

Total # of Approved Broker-Dealers	38	37	42
# of Primary Broker-Dealers	14	14	15
# of Secondary Broker-Dealers	24	23	27
# Approved for Repo Only	1	2	2
# Approved and Active	24	28	32

Observations:

1	The make-up of the Broker-Dealer List is consistent from year to year.
2	The percentage of Direct Purchase transactions is increasing as a result of rising interest rates.
3	The number of active Broker-Dealers is evidence that the 3 bid process distributes activity among Broker-Dealers.
4	There isn't a need or benefit to STO for executing the Broker-Dealer application and selection process on an annual basis.

Recommendations:

1	The effective date on the current Broker-Dealer List be extended to 6/30/2019
2	The full application and selection process be executed for the creation of a new Broker-Dealer List to be effective from 7/1/2019 - 6/30/2021

- * Approved Broker-Dealers will be contacted annually for any updates or changes to the organizations and/or representatives working directly with STO.
- * FINRA reports will be run by Cash Management staff on the entity and all representatives to ensure compliance with all STO requirements.

**New Mexico State Treasurer's
Executive Summary of Investment Activity
Summary of Broker Participation
Purchases and Sales By Broker, Market & Security Type
All Funds
2017-2018**

Volume at Par (\$ in thousands)

Broker/Dealer:	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	YTD Total	YTD Percent
Academy Securities													-	0.0%
Barclays	170,000	48,000	50,000	46,000	45,000								359,000	8.9%
BB and T (Scott & Stringfellow)		42,183	700	1,500	3,616	8,675							56,674	1.4%
BMO Capital Markets			80,000	10,000	35,000	45,000							170,000	4.2%
BNP Paribas													-	0.0%
BOSC, Inc	2,675	5,000	8,580	3,050	11,850	500							31,655	0.8%
Cantor, Fitzgerald				15,400									15,400	0.4%
CastleOak Securities LP	37,788	20,000	23,500		5,000	25,000							111,288	2.8%
Citigroup													-	0.0%
Daiwa Capital Markets America	4,167	7,286	10,000			1,171							22,624	0.6%
Deutsche Bank	50,000	26,677	27,500		22,000	23,300							149,477	3.7%
Drexel Hamilton LLC													-	0.0%
First Southwest													-	0.0%
FTN Financial					17,006								17,006	0.4%
George K Baum & Co													-	0.0%
Guggenheim Securities LLC		25,000	20,000	1,000	8,800								54,800	1.4%
HSBC	30,000	20,000	25,000	12,000									87,000	2.2%
Intl FCStone	18,000	10,525	25,000	53,628	6,558	14,000							127,711	3.2%
Jefferies	69,400	36,100	60,000	94,515	70,000	26,600							356,615	8.9%
JP Morgan & Co													-	0.0%
KeyBanc Capital Markets		20,000	15,000	2,520									37,520	0.9%
Loop Capital Markets	93,000		5,000	5,000		68,900							171,900	4.3%
MBS (Multi-Bank Securities)													-	0.0%
MFR Securities													-	0.0%
Mizuho Securities USA	45,000	26,600			25,000	15,000							111,600	2.8%
Morgan Stanley	29,163	46,000	3,455	16,485	46,200	6,200							147,503	3.7%
Mutual Securities nInc.													-	0.0%
Raymond, James & Associates													-	0.0%
RBC Capital Markets								20,000					20,000	0.5%
NatWest/RBS Securities		5,000	10,000	80,000									95,000	2.4%
Robert W. Baird & Co.		2,620											2,620	0.1%
Samuel A Ramirez & Co.		61,750		50,000	35,000	10,000							156,750	3.9%
Societe General Americas													-	0.0%
Southwest Securities/Hilltop													-	0.0%
Stifel Nicklaus & Co													-	0.0%
TD Securities	71,000	128,300	74,000	59,267	114,700	35,000							482,267	12.0%
UBS Financial Services	27,790												27,790	0.7%
Vining Sparks		650											650	0.0%
Wedbush Securities													-	0.0%
Wells Fargo Securities	68,400	61,290	3,740	15,000	27,380	40,000							215,810	5.4%
Williams Capital Group		77,800	35,200	36,100	10,000	78,008							237,108	5.9%
Direct Purchase	126,200	112,300	105,100	109,400	132,900	172,981							758,881	18.9%
Interfund													-	0.0%
Total	842,583	783,081	581,775	610,865	616,010	590,335	-	-	-	-	-	-	4,024,649	100.0%

Market type:	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	YTD Total	YTD %
-														
Primary Market	126,200	248,400	244,300	174,500	135,280	186,536							1,115,216	27.7%
Secondary Market	716,383	534,681	337,475	436,365	480,730	403,799							2,909,433	72.3%
Total	842,583	783,081	581,775	610,865	616,010	590,335	-	-	-	-	-	-	4,024,649	100.0%

Security type:	Jul-16	Aug-16	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	YTD Total	YTD %
- 2														
ABS													-	0.0%
Agencies	493,383	442,331	294,020	412,134	415,730	290,354							2,347,952	58.3%
Certificates of Deposit/Bank MMDA	4,000												4,000	0.1%
Commercial Paper	118,200	130,100	134,300	110,500	132,900	149,100							775,100	19.3%
Corporate Bonds			25,000	19,000									44,000	1.1%
MBS													-	0.0%
Municipal/Sponge	4,000	650	5,455		2,380	55,881							68,366	1.7%
Treasuries	223,000	210,000	123,000	69,231	65,000	95,000							785,231	19.5%
Total	842,583	783,081	581,775	610,865	616,010	590,335	-	-	-	-	-	-	4,024,649	100.0%

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 12/01/17 Through 12/31/17

TXN-DATE	CUSIP#	ASSET-TYPE	INVST#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
PURCHASE TRANSACTIONS													
12/04/17	30229AZV	COMMERCIAL PAPE	29256	EXXON MOBIL		12/29/17	1.2110	ISSUER DIRECT	4001	1,000,000.00	999,193.33		
12/04/17	36960LZU	COMMERCIAL PAPE	29257	GENERAL ELECTRIC CO		12/28/17	1.3011	ISSUER DIRECT	4001	1,000,000.00	999,169.44		
12/04/17	89233HB2	COMMERCIAL PAPE	29258	TOYOTA MOTOR CORP		2/02/18	1.3831	ISSUER DIRECT	4001	1,000,000.00	997,738.33		
12/14/17	30229AZU	COMMERCIAL PAPE	29330	EXXON MOBIL CORP - CP		12/28/17	1.3407	ISSUER DIRECT	4001	3,900,000.00	3,898,112.83		
12/14/17	89233HB2	COMMERCIAL PAPE	29331	TOYOTA MOTOR CORP		2/02/18	1.4529	ISSUER DIRECT	1000	25,000,000.00	24,950,659.72		
12/15/17	36960LZU	COMMERCIAL PAPE	29341	GENERAL ELECTRIC CO		12/28/17	1.4206	ISSUER DIRECT	1000	25,000,000.00	24,990,138.89		
12/15/17	36960LZU	COMMERCIAL PAPE	29257	GENERAL ELECTRIC CO		12/28/17	1.4206	ISSUER DIRECT	4001	2,700,000.00	2,698,935.00		
12/18/17	89233HCM	COMMERCIAL PAPE	29349	TOYOTA MOTOR CREDIT CO		3/21/18	1.5763	ISSUER DIRECT	4001	1,100,000.00	1,095,586.56		
12/21/17	30229BBL	COMMERCIAL PAPE	29380	EXXON MOBIL		2/20/18	1.4334	ISSUER DIRECT	4001	1,100,000.00	1,097,378.33		
12/21/17	36960LZU	COMMERCIAL PAPE	29257	GENERAL ELECTRIC CO		12/28/17	1.4003	ISSUER DIRECT	4001	1,100,000.00	1,099,743.33		
12/21/17	89233HCM	COMMERCIAL PAPE	29349	TOYOTA MOTOR CREDIT CO		3/21/18	1.6366	ISSUER DIRECT	4001	2,300,000.00	2,290,731.64		
12/22/17	36960LZV	COMMERCIAL PAPE	29394	GENERAL ELECTRIC CO		12/29/17	1.4002	ISSUER DIRECT	4001	1,800,000.00	1,799,790.00		
12/22/17	7426M3AN	COMMERCIAL PAPE	29391	PEFCO - CP		1/22/18	1.3514	WILLIAMS CAPITA	1000	18,000,000.00	17,981,775.00		
12/22/17	7426M3AN	COMMERCIAL PAPE	29393	PEFCO - CP		1/22/18	1.3514	WILLIAMS CAPITA	4001	4,000,000.00	3,995,950.00		
12/22/17	89233HCM	COMMERCIAL PAPE	29349	TOYOTA MOTOR CREDIT CO		3/21/18	1.6363	ISSUER DIRECT	4001	1,000,000.00	996,151.39		
12/27/17	30229BA8	COMMERCIAL PAPE	29415	EXXON MOBIL CORP		1/08/18	1.4106	ISSUER DIRECT	1001	20,000,000.00	19,991,383.33		
12/27/17	30229BAW	COMMERCIAL PAPE	29416	EXXON MOBIL CORP		1/30/18	1.4219	ISSUER DIRECT	1000	25,000,000.00	24,967,458.33		
12/27/17	7426M3AS	COMMERCIAL PAPE	29414	PEFCO CP		1/26/18	1.3715	WILLIAMS CAPITA	4002	10,000,000.00	9,988,963.89		
12/28/17	30229BBD	COMMERCIAL PAPE	29427	EXXON MOBIL CORP - CP		2/13/18	1.4427	ISSUER DIRECT	4001	4,100,000.00	4,092,456.00		
12/05/17	912796NU	U.S. TREASURY B	29267	UNITED STATES TREASURY		3/08/18	1.2737	LOOP CAPITAL MA	4001	10,000,000.00	9,967,556.46		
12/15/17	912796NX	U.S. TREASURY B	29340	UNITED STATES TREASURY		3/22/18	1.3451	BMO CAPTIAL MAR	4001	10,000,000.00	9,966,115.10		
12/20/17	912796NX	U.S. TREASURY B	29340	UNITED STATES TREASURY		3/22/18	1.3652	BMO CAPTIAL MAR	4001	20,000,000.00	19,931,219.17		
12/21/17	912796NX	U.S. TREASURY B	29340	UNITED STATES TREASURY		3/22/18	1.3354	LOOP CAPITAL MA	4001	25,000,000.00	24,916,812.50		
12/27/17	912796LS	U.S. TREASURY B	29405	UNITED STATES TREASURY		3/29/18	1.4201	LOOP CAPITAL MA	4001	10,000,000.00	9,964,231.94		
12/07/17	912828M8	US TREASURY NOT	29289	UNITED STATES TREASURY	2.000	11/30/22	2.1386	RBC CAPITAL MAR	1001	20,000,000.00	19,869,531.25		
12/05/17	3133EWS	AGENCY US FLOAT	29263	FEDERAL FARM CREDIT BAN	1.412	1/02/18	1.1993	LOOP CAPITAL MA	1001	1,900,000.00	1,900,228.00		
12/05/17	3133EWS	AGENCY US FLOAT	29270	FEDERAL FARM CREDIT BAN	1.412	1/02/18	1.1993	LOOP CAPITAL MA	4001	1,000,000.00	1,000,120.00		
12/08/17	3130ACVA	AGENCY US FLOAT	29291	FEDERAL HOME LOAN BANKS	1.153	8/20/18	1.1601	MIZUHO SECURITI	4101	15,000,000.00	14,999,250.00		
12/15/17	3133EFR7	AGENCY US FLOAT	29333	FEDERAL FARM CREDIT BAN	1.463	1/23/18	1.1468	INTL FCSTONE PA	4101	1,000,000.00	1,000,315.00		
12/27/17	3130ADB9	AGENCY US FLOAT	29411	FHLB FRN	1.409	6/26/18	1.4090	RAMIREZ & CO, I	4001	10,000,000.00	10,000,000.00		
12/29/17	3130ABLT	AGENCY US FLOAT	29438	FEDERAL HOME LOAN BANKS	1.350	3/19/18	1.3499	DEUTSCHE BANK S	4001	4,500,000.00	4,500,000.68		
12/29/17	3133EFL3	AGENCY US FLOAT	29437	FEDERAL FARM CREDIT BAN	1.577	3/08/18	1.2530	DEUTSCHE BANK S	4001	3,800,000.00	3,802,212.70		
12/04/17	880591EQ	AGENCY US BOND	29259	TENNESSEE VALLEY AUTHOR	1.750	10/15/18	1.6974	BB&T CAPITAL MA	4101	3,675,000.00	3,676,646.40		
12/08/17	3133EAUG	AGENCY US BOND	29290	FEDERAL FARM CREDIT BAN	1.250	6/14/18	1.5660	LOOP CAPITAL MA	4101	1,000,000.00	998,380.00		
12/21/17	3133ECNS	AGENCY US BOND	29381	FEDERAL FARM CREDIT BAN	1.100	11/06/18	1.7672	BB&T CAPITAL MA	4101	5,000,000.00	4,971,250.00		
12/01/17	313385QV	AGENCY US DISC	28774	FEDERAL HOME LOAN BANKS		12/22/17	1.1407	MORGAN STANLEY	4001	6,200,000.00	6,196,466.00		
12/01/17	313385RC	AGENCY US DISC	29245	FEDERAL HOME LOAN BANKS		12/29/17	1.1910	WELLS FARGO SEC	4001	10,000,000.00	9,991,736.11		
12/01/17	313397RY	AGENCY US DISC	29246	FEDERAL HOME LOAN MORTG		1/18/18	1.2219	DAIWA CAPITAL M	4001	1,171,000.00	1,169,214.23		

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 12/01/17 Through 12/31/17

TXN-DATE	CUSIP#	ASSET-TYPE	INVST#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
12/05/17	313385RH	AGENCY US DISC	29272	FEDERAL HOME LOAN BANKS		1/03/18	1.2101	LOOP CAPITAL MA	4101	20,000,000.00	19,981,193.33		
12/05/17	313385SM	AGENCY US DISC	29262	FEDERAL HOME LOAN BANKS		1/31/18	1.2735	DEUTSCHE BANK S	1001	15,000,000.00	14,970,343.33		
12/05/17	880590RP	AGENCY US DISC	29260	TENNESSEE VALLEY AUTHOR		1/09/18	1.2164	TD SECURITIES	4101	25,000,000.00	24,970,468.75		
12/07/17	313385QV	AGENCY US DISC	29288	FEDERAL HOME LOAN BANKS		12/22/17	1.2006	JEFFRIES & CO	1000	26,600,000.00	26,587,586.67		
12/07/17	313385RK	AGENCY US DISC	29287	FEDERAL HOME LOAN BANKS		1/05/18	1.2412	CASTLEOAK SECUR	4101	10,000,000.00	9,990,355.56		
12/11/17	313385QK	AGENCY US DISC	29298	FEDERAL HOME LOAN BANKS		12/12/17	1.0000	BMO CAPTIAL MAR	4101	15,000,000.00	14,999,583.33		
12/11/17	880590RP	AGENCY US DISC	29260	TENNESSEE VALLEY AUTHOR		1/09/18	1.2513	WELLS FARGO SEC	4101	30,000,000.00	29,969,791.67		
12/12/17	313385SS	AGENCY US DISC	29315	FEDERAL HOME LOAN BANKS		2/05/18	1.2975	WILLIAMS CAPITA	4101	15,000,000.00	14,970,862.50		
12/13/17	313385QM	AGENCY US DISC	29316	FEDERAL HOME LOAN BANKS		12/14/17	1.0000	CASTLEOAK SECUR	4101	15,000,000.00	14,999,583.33		
12/22/17	313385RA	AGENCY US DISC	29395	FEDERAL HOME LOAN BANKS		12/27/17	1.2001	WILLIAMS CAPITA	4001	6,008,000.00	6,007,799.73		
12/22/17	880590SD	AGENCY US DISC	29384	TENNESSEE VALLEY AUTHOR		1/23/18	1.2714	TD SECURITIES	4101	10,000,000.00	9,988,711.11		
12/29/17	313385VT	AGENCY US DISC	29430	FEDERAL HOME LOAN BANKS		4/19/18	1.3859	WILLIAMS CAPITA	4101	25,000,000.00	24,893,625.00		
12/20/17	3134G32W	AGENCY US NOTES	29371	FEDERAL HOME LOAN MORTG	1.250	12/26/17	1.9583	BOSC, INC	4101	500,000.00	499,950.00		
12/21/17	3134G9A3	AGENCY US NOTES	29382	FEDERAL HOME LOAN MORTG	.920	6/29/18	1.5465	INTL FCSTONE PA	4101	3,000,000.00	2,990,520.00		
12/20/17	3133EH4P	AGENCY US VARIA	29372	FEDERAL FARM CREDIT BAN	1.435	12/26/19	1.4401	INTL FCSTONE PA	4101	10,000,000.00	9,999,000.00		
12/27/17	STN17SC	MUNICIPAL BOND	29413	STN SERIES 2017S-C	1.545	12/29/17	1.5332	ISSUER DIRECT	1000	5,094,000.00	5,094,000.00		
12/27/17	STN17SD	MUNICIPAL BOND	29412	STN SERIES 2017S-D	1.545	12/29/17	1.5332	ISSUER DIRECT	1000	32,342,300.00	32,342,300.00		
12/20/17	914692WL	MUNICIPAL BOND	29367	UNIVERSITY N MEX UNIV R	1.340	6/01/26	1.3400	ISSUER DIRECT	1000	1,245,000.00	1,245,000.00		
12/20/17	914692WL	MUNICIPAL BOND	29369	UNIVERSITY N MEX UNIV R	1.340	6/01/26	1.3400	ISSUER DIRECT	4000	5,000,000.00	5,000,000.00		
12/20/17	914692WL	MUNICIPAL BOND	29368	UNIVERSITY N MEX UNIV R	1.340	6/01/26	1.3400	ISSUER DIRECT	4001	4,400,000.00	4,400,000.00		
12/20/17	914692XL	MUNICIPAL BOND	29370	UNIVERSITY N MEX UNIV R	1.340	6/01/30	1.3400	ISSUER DIRECT	1000	1,100,000.00	1,100,000.00		
12/27/17	914692WL	MUNICIPAL BOND	29407	UNIVERSITY N MEX UNIV R	1.730	6/01/26	1.7299	ISSUER DIRECT	1001	6,700,000.00	6,700,000.00		
60 PURCHASES DURING PERIOD TOTAL.....										590,335,300.00	589,453,275.19		
=== GRAND-TOTAL ==>										590,335,300.00	589,453,275.19		
*** END-OF-REPORT ***													

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TXN-DATE	CUSIP#	ASSET-TYPE	INVST#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
PURCHASE TRANSACTIONS													
10/02/17	36164JZJ	COMMERCIAL	PAPE	28855	GE CAPITAL TRASURY LLC	12/18/17	1.2231	ISSUER DIRECT	4001	1,100,000.00	1,097,166.89		
10/03/17	36960LYL	COMMERCIAL	PAPE	28871	GENERAL ELECTRIC COMPAN	11/20/17	1.1818	ISSUER DIRECT	1000	25,000,000.00	24,961,486.11		
10/04/17	30229AXH	COMMERCIAL	PAPE	28875	EXXON MOBIL - CP	10/17/17	1.0704	ISSUER DIRECT	1001	20,000,000.00	19,992,866.67		
10/04/17	30229AY2	COMMERCIAL	PAPE	28872	EXXON MOBIL	11/02/17	1.1009	ISSUER DIRECT	1000	25,000,000.00	24,978,611.11		
10/12/17	89233GYG	COMMERCIAL	PAPE	28924	TOYCC CP	11/16/17	1.1613	ISSUER DIRECT	1000	25,000,000.00	24,972,611.11		
10/18/17	30229AZN	COMMERCIAL	PAPE	28971	EXXON MOBIL CORP	12/22/17	1.1423	ISSUER DIRECT	4001	1,100,000.00	1,097,770.67		
10/18/17	36164JZN	COMMERCIAL	PAPE	28970	GE CAPITAL TREASURY LLC	12/22/17	1.2227	ISSUER DIRECT	4001	1,100,000.00	1,097,614.22		
10/18/17	7426M3AC	COMMERCIAL	PAPE	28969	PEFCO - CP	1/12/18	1.1732	WILLIAMS CAPITA	4001	1,100,000.00	1,096,961.25		
10/20/17	89233GZN	COMMERCIAL	PAPE	28603	TOYCC CP	12/22/17	1.2225	ISSUER DIRECT	4001	1,100,000.00	1,097,763.33		
10/25/17	30229AY6	COMMERCIAL	PAPE	29022	EXXON MOBIL CORP	11/06/17	1.0903	ISSUER DIRECT	1001	10,000,000.00	9,996,972.22		
11/01/17	30229AYD	COMMERCIAL	PAPE	29070	EXXON MOBIL CORP - CP	11/13/17	1.1004	ISSUER DIRECT	1000	25,000,000.00	24,991,597.22		
11/01/17	30229AZU	COMMERCIAL	PAPE	29071	EXXON MOBIL CORP - CP	12/28/17	1.1822	ISSUER DIRECT	1001	10,000,000.00	9,981,644.44		
11/03/17	30229AZU	COMMERCIAL	PAPE	29071	EXXON MOBIL CORP - CP	12/28/17	1.1820	ISSUER DIRECT	1001	10,000,000.00	9,982,955.56		
11/03/17	89233GZ4	COMMERCIAL	PAPE	29090	TOYCC	12/04/17	1.1811	ISSUER DIRECT	4002	10,000,000.00	9,990,822.22		
11/13/17	30229AZT	COMMERCIAL	PAPE	29139	EXXON MOBIL CORP	12/27/17	1.2218	ISSUER DIRECT	1000	25,000,000.00	24,963,569.44		
11/16/17	89233GZF	COMMERCIAL	PAPE	29160	TOYOTA MOTOR CREDIT CO	12/15/17	1.1911	ISSUER DIRECT	1000	25,000,000.00	24,976,861.11		
11/17/17	36960LZJ	COMMERCIAL	PAPE	29163	GENERAL ELECTRIC CO	12/18/17	1.2011	ISSUER DIRECT	1000	25,000,000.00	24,976,666.67		
11/17/17	36960LZJ	COMMERCIAL	PAPE	29162	GENERAL ELECTRIC CO	12/18/17	1.2011	ISSUER DIRECT	4001	1,600,000.00	1,598,506.67		
11/27/17	9033A1BL	COMMERCIAL	PAPE	29205	US BANK NAT'L ASSOC	2/20/18	1.3744	ISSUER DIRECT	4001	1,300,000.00	1,295,844.33		
12/04/17	30229AZV	COMMERCIAL	PAPE	29256	EXXON MOBIL	12/29/17	1.2110	ISSUER DIRECT	4001	1,000,000.00	999,193.33		
12/04/17	36960LZU	COMMERCIAL	PAPE	29257	GENERAL ELECTRIC CO	12/28/17	1.3011	ISSUER DIRECT	4001	1,000,000.00	999,169.44		
12/04/17	89233HB2	COMMERCIAL	PAPE	29258	TOYOTA MOTOR CORP	2/02/18	1.3831	ISSUER DIRECT	4001	1,000,000.00	997,738.33		
12/14/17	30229AZU	COMMERCIAL	PAPE	29330	EXXON MOBIL CORP - CP	12/28/17	1.3407	ISSUER DIRECT	4001	3,900,000.00	3,898,112.83		
12/14/17	89233HB2	COMMERCIAL	PAPE	29331	TOYOTA MOTOR CORP	2/02/18	1.4529	ISSUER DIRECT	1000	25,000,000.00	24,950,659.72		
12/15/17	36960LZU	COMMERCIAL	PAPE	29341	GENERAL ELECTRIC CO	12/28/17	1.4206	ISSUER DIRECT	1000	25,000,000.00	24,990,138.89		
12/15/17	36960LZU	COMMERCIAL	PAPE	29257	GENERAL ELECTRIC CO	12/28/17	1.4206	ISSUER DIRECT	4001	2,700,000.00	2,698,935.00		
12/18/17	89233HCM	COMMERCIAL	PAPE	29349	TOYOTA MOTOR CREDIT CO	3/21/18	1.5763	ISSUER DIRECT	4001	1,100,000.00	1,095,586.56		
12/21/17	30229BBL	COMMERCIAL	PAPE	29380	EXXON MOBIL	2/20/18	1.4334	ISSUER DIRECT	4001	1,100,000.00	1,097,378.33		
12/21/17	36960LZU	COMMERCIAL	PAPE	29257	GENERAL ELECTRIC CO	12/28/17	1.4003	ISSUER DIRECT	4001	1,100,000.00	1,099,743.33		
12/21/17	89233HCM	COMMERCIAL	PAPE	29349	TOYOTA MOTOR CREDIT CO	3/21/18	1.6366	ISSUER DIRECT	4001	2,300,000.00	2,290,731.64		
12/22/17	36960LZV	COMMERCIAL	PAPE	29394	GENERAL ELECTRIC CO	12/29/17	1.4002	ISSUER DIRECT	4001	1,800,000.00	1,799,790.00		
12/22/17	7426M3AN	COMMERCIAL	PAPE	29391	PEFCO - CP	1/22/18	1.3514	WILLIAMS CAPITA	1000	18,000,000.00	17,981,775.00		
12/22/17	7426M3AN	COMMERCIAL	PAPE	29393	PEFCO - CP	1/22/18	1.3514	WILLIAMS CAPITA	4001	4,000,000.00	3,995,950.00		
12/22/17	89233HCM	COMMERCIAL	PAPE	29349	TOYOTA MOTOR CREDIT CO	3/21/18	1.6363	ISSUER DIRECT	4001	1,000,000.00	996,151.39		
12/27/17	30229BA8	COMMERCIAL	PAPE	29415	EXXON MOBIL CORP	1/08/18	1.4106	ISSUER DIRECT	1001	20,000,000.00	19,991,383.33		
12/27/17	30229BAW	COMMERCIAL	PAPE	29416	EXXON MOBIL CORP	1/30/18	1.4219	ISSUER DIRECT	1000	25,000,000.00	24,967,458.33		
12/27/17	7426M3AS	COMMERCIAL	PAPE	29414	PEFCO CP	1/26/18	1.3715	WILLIAMS CAPITA	4002	10,000,000.00	9,988,963.89		
12/28/17	30229BBD	COMMERCIAL	PAPE	29427	EXXON MOBIL CORP - CP	2/13/18	1.4427	ISSUER DIRECT	4001	4,100,000.00	4,092,456.00		

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TXN-DATE	CUSIP#	ASSET-TYPE	INVST#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
10/30/17	912796RX	U.S. TREASURY B	29044	UNITED STATES TREASURY		12/08/17	1.0311	JEFFRIES & CO	1000	25,000,000.00	24,973,534.72		
10/31/17	912796ME	U.S. TREASURY B	29055	UNITED STATES TREASURY		11/30/17	1.0208	JEFFRIES & CO	1000	14,622,500.00	14,610,899.48		
10/31/17	912796ME	U.S. TREASURY B	29055	UNITED STATES TREASURY		11/30/17	1.0208	JEFFRIES & CO	1000	10,377,500.00	10,369,267.18		
11/09/17	912796MJ	U.S. TREASURY B	29120	UNITED STATES TREASURY		12/28/17	1.0867	MIZUHO SECURITI	1000	25,000,000.00	24,966,085.94		
11/28/17	912796MJ	U.S. TREASURY B	29206	UNITED STATES TREASURY		12/28/17	1.1210	BMO CAPTIAL MAR	4101	20,000,000.00	19,981,333.33		
12/05/17	912796NU	U.S. TREASURY B	29267	UNITED STATES TREASURY		3/08/18	1.2737	LOOP CAPITAL MA	4001	10,000,000.00	9,967,556.46		
12/15/17	912796NX	U.S. TREASURY B	29340	UNITED STATES TREASURY		3/22/18	1.3451	BMO CAPTIAL MAR	4001	10,000,000.00	9,966,115.10		
12/20/17	912796NX	U.S. TREASURY B	29340	UNITED STATES TREASURY		3/22/18	1.3652	BMO CAPTIAL MAR	4001	20,000,000.00	19,931,219.17		
12/21/17	912796NX	U.S. TREASURY B	29340	UNITED STATES TREASURY		3/22/18	1.3354	LOOP CAPITAL MA	4001	25,000,000.00	24,916,812.50		
12/27/17	912796LS	U.S. TREASURY B	29405	UNITED STATES TREASURY		3/29/18	1.4201	LOOP CAPITAL MA	4001	10,000,000.00	9,964,231.94		
10/18/17	912828L5	US TREASURY NOT	28972	UNITED STATES TREASURY	1.750	9/30/22	2.0013	BARCLAYS	1001	10,000,000.00	9,882,031.25		
11/01/17	912828L5	US TREASURY NOT	28972	UNITED STATES TREASURY	1.750	9/30/22	2.0200	BARCLAYS	1001	10,000,000.00	9,874,218.75		
11/03/17	912828M4	US TREASURY NOT	29091	UNITED STATES TREASURY	1.875	10/31/22	2.0048	MORGAN STANLEY	1001	10,000,000.00	9,938,671.88		
12/07/17	912828M8	US TREASURY NOT	29289	UNITED STATES TREASURY	2.000	11/30/22	2.1386	RBC CAPITAL MA	1001	20,000,000.00	19,869,531.25		
10/24/17	912828Q8	US TREASURY VAR	29012	UNITED STATES TREASURY	1.280	4/30/18	1.0351	INTL FCSTONE PA	4101	8,231,000.00	8,240,786.66		
10/23/17	742718EZ	CORPORATE BONDS	28996	PROCTOR & GAMBLE	1.750	10/25/19	1.7679	HSBC	4002	2,000,000.00	1,999,300.00		
11/16/17	3130ABLJ	AGENCY US FLOAT	29159	FEDERAL HOME LOAN BANKS	1.095	12/13/17	1.0699	WELLS FARGO SEC	4101	25,000,000.00	25,000,448.69		
12/05/17	3133EEWS	AGENCY US FLOAT	29263	FEDERAL FARM CREDIT BAN	1.412	1/02/18	1.1993	LOOP CAPITAL MA	1001	1,900,000.00	1,900,228.00		
12/05/17	3133EEWS	AGENCY US FLOAT	29270	FEDERAL FARM CREDIT BAN	1.412	1/02/18	1.1993	LOOP CAPITAL MA	4001	1,000,000.00	1,000,120.00		
12/08/17	3130ACVA	AGENCY US FLOAT	29291	FEDERAL HOME LOAN BANKS	1.153	8/20/18	1.1601	MIZUHO SECURITI	4101	15,000,000.00	14,999,250.00		
12/15/17	3133EFR7	AGENCY US FLOAT	29333	FEDERAL FARM CREDIT BAN	1.463	1/23/18	1.1468	INTL FCSTONE PA	4101	1,000,000.00	1,000,315.00		
12/27/17	3130ADB9	AGENCY US FLOAT	29411	FHLB FRN	1.409	6/26/18	1.4090	RAMIREZ & CO, I	4001	10,000,000.00	10,000,000.00		
12/29/17	3130ABLT	AGENCY US FLOAT	29438	FEDERAL HOME LOAN BANKS	1.350	3/19/18	1.3499	DEUTSCHE BANK S	4001	4,500,000.00	4,500,000.68		
12/29/17	3133EFL3	AGENCY US FLOAT	29437	FEDERAL FARM CREDIT BAN	1.577	3/08/18	1.2530	DEUTSCHE BANK S	4001	3,800,000.00	3,802,212.70		
10/04/17	3133EEAQ	AGENCY US BOND	28882	FEDERAL FARM CREDIT BAN	2.470	11/17/21	1.2534	CANTOR FITZGERA	1001	10,000,000.00	10,013,700.00		
10/11/17	3133EEAQ	AGENCY US BOND	28882	FEDERAL FARM CREDIT BAN	2.470	11/17/21	1.4360	CANTOR FITZGERA	1001	5,400,000.00	5,405,346.00		
10/18/17	3133X0PF	AGENCY US BOND	28975	FEDERAL HOME LOAN BANKS	5.375	8/15/18	1.4088	INTL FCSTONE PA	4101	1,215,000.00	1,254,256.65		
10/23/17	3133ECE2	AGENCY US BOND	28998	FEDERAL FARM CREDIT BAN	.940	1/30/18	1.1842	INTL FCSTONE PA	4101	8,930,000.00	8,924,141.92		
10/26/17	3130A6SW	AGENCY US BOND	27768	FEDERAL HOME LOAN BANKS	1.000	12/19/17	1.0794	INTL FCSTONE PA	4101	5,000,000.00	4,999,400.00		
11/09/17	3133ECL4	AGENCY US BOND	29128	FEDERAL FARM CREDIT BAN	1.000	4/11/18	1.3390	BB&T CAPITAL MA	4101	2,000,000.00	1,997,218.00		
11/28/17	3130A55T	AGENCY US BOND	29210	FEDERAL HOME LOAN BANKS	1.000	4/27/18	1.3900	BOSC, INC	4101	2,000,000.00	1,996,780.00		
11/29/17	3130A8PZ	AGENCY US BOND	29229	FEDERAL HOME LOAN BANKS	.840	7/12/18	1.5530	CASTLEOAK SECUR	4101	5,000,000.00	4,978,206.05		
12/04/17	880591EQ	AGENCY US BOND	29259	TENNESSEE VALLEY AUTHOR	1.750	10/15/18	1.6974	BB&T CAPITAL MA	4101	3,675,000.00	3,676,646.40		
12/08/17	3133EAUG	AGENCY US BOND	29290	FEDERAL FARM CREDIT BAN	1.250	6/14/18	1.5660	LOOP CAPITAL MA	4101	1,000,000.00	998,380.00		
12/21/17	3133ECNS	AGENCY US BOND	29381	FEDERAL FARM CREDIT BAN	1.100	11/06/18	1.7672	BB&T CAPITAL MA	4101	5,000,000.00	4,971,250.00		
10/03/17	880590NJ	AGENCY US DISC	28863	TENNESSEE VALLEY AUTHOR		10/24/17	1.0026	TD SECURITIES	4101	25,000,000.00	24,985,387.50		
10/10/17	313397TB	AGENCY US DISC	28909	FEDERAL HOME LOAN MORTG		2/14/18	1.1446	INTL FCSTONE PA	4101	4,000,000.00	3,984,040.00		
10/10/17	880590NR	AGENCY US DISC	28901	TENNESSEE VALLEY AUTHOR		10/31/17	1.0016	TD SECURITIES	4101	25,000,000.00	24,985,402.08		
10/11/17	313313XK	AGENCY US DISC	28921	FEDERAL FARM CREDIT BAN		5/29/18	1.2651	MORGAN STANLEY	4101	14,485,000.00	14,369,363.43		
10/11/17	313385NM	AGENCY US DISC	28911	FEDERAL HOME LOAN BANKS		10/27/17	1.0105	JEFFRIES & CO	4101	4,600,000.00	4,597,935.11		
10/11/17	313385NQ	AGENCY US DISC	28912	FEDERAL HOME LOAN BANKS		10/30/17	1.0105	JEFFRIES & CO	4101	9,915,000.00	9,909,714.75		

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10/17/17	313385RX	AGENCY US DISC	28958	FEDERAL HOME LOAN BANKS		1/17/18	1.0930	LOOP CAPITAL MA	4101	5,000,000.00	4,986,223.61		
10/18/17	313385PB	AGENCY US DISC	28976	FEDERAL HOME LOAN BANKS		11/10/17	1.0106	NATWEST MARKETS	4101	80,000,000.00	79,950,622.22		
10/23/17	313589SZ	AGENCY US DISC	28997	FEDERAL NATIONAL MORTGA		2/12/18	1.1138	WILLIAMS CAPITA	4101	20,000,000.00	19,931,550.00		
10/24/17	313385NT	AGENCY US DISC	29002	FEDERAL HOME LOAN BANKS		11/02/17	1.0002	JEFFRIES & CO	1000	30,000,000.00	29,993,333.33		
10/24/17	313385QZ	AGENCY US DISC	29001	FEDERAL HOME LOAN BANKS		12/26/17	1.0670	RAMIREZ & CO, I	4001	10,000,000.00	9,981,658.33		
10/24/17	313385SE	AGENCY US DISC	29004	FEDERAL HOME LOAN BANKS		1/24/18	1.1182	RAMIREZ & CO, I	4101	10,000,000.00	9,971,815.28		
10/26/17	313385PR	AGENCY US DISC	29031	FEDERAL HOME LOAN BANKS		11/24/17	1.0258	RAMIREZ & CO, I	4101	10,000,000.00	9,992,027.78		
10/27/17	313385QV	AGENCY US DISC	28774	FEDERAL HOME LOAN BANKS		12/22/17	1.0516	HSBC	4001	10,000,000.00	9,984,541.67		
10/30/17	313589PP	AGENCY US DISC	29043	FEDERAL NATIONAL MORTGA		11/22/17	1.0106	BARCLAYS	1000	30,000,000.00	29,981,483.33		
10/31/17	313385PW	AGENCY US DISC	29062	FEDERAL HOME LOAN BANKS		11/29/17	1.0308	RAMIREZ & CO, I	4101	20,000,000.00	19,983,977.78		
10/31/17	880590PV	AGENCY US DISC	29052	TENNESSEE VALLEY AUTHOR		11/28/17	1.0108	WELLS FARGO SEC	4101	15,000,000.00	14,988,216.67		
10/31/17	880590PV	AGENCY US DISC	29052	TENNESSEE VALLEY AUTHOR		11/28/17	1.0138	TD SECURITIES	4101	9,267,000.00	9,259,698.63		
11/02/17	313397UF	AGENCY US DISC	29082	FEDL HOME LN MTG CORP D		3/14/18	1.1901	WILLIAMS CAPITA	4101	10,000,000.00	9,956,879.17		
11/03/17	313385SG	AGENCY US DISC	29092	FEDERAL HOME LOAN BANKS		1/26/18	1.1279	BMO CAPTIAL MAR	4101	15,000,000.00	14,962,031.25		
11/07/17	313385RA	AGENCY US DISC	29109	FEDERAL HOME LOAN BANKS		12/27/17	1.1016	FTN FINANCIAL S	1000	17,006,000.00	16,980,538.24		
11/13/17	313385PJ	AGENCY US DISC	29140	FEDERAL HOME LOAN BANKS		11/17/17	1.0101	JEFFRIES & CO	4101	70,000,000.00	69,994,108.33		
11/13/17	880590QC	AGENCY US DISC	29130	TENNESSEE VALLEY AUTHOR		12/05/17	1.0407	TD SECURITIES	4101	17,700,000.00	17,688,750.67		
11/21/17	313385PW	AGENCY US DISC	29187	FEDERAL HOME LOAN BANKS		12/15/17	1.1258	DEUTSCHE BANK S	1000	22,000,000.00	21,984,187.50		
11/21/17	313385RX	AGENCY US DISC	29188	FEDERAL HOME LOAN BANKS		1/17/18	1.2414	RAMIREZ & CO, I	1001	20,000,000.00	19,961,453.33		
11/21/17	313385RX	AGENCY US DISC	28958	FEDERAL HOME LOAN BANKS		1/17/18	1.2414	RAMIREZ & CO, I	4101	15,000,000.00	14,971,090.00		
11/21/17	880590QC	AGENCY US DISC	29130	TENNESSEE VALLEY AUTHOR		12/05/17	1.0394	TD SECURITIES	4101	10,000,000.00	9,995,959.44		
11/27/17	313385QB	AGENCY US DISC	29196	FEDERAL HOME LOAN BANKS		12/04/17	1.0452	TD SECURITIES	4101	50,000,000.00	49,989,840.28		
11/28/17	313313PW	AGENCY US DISC	29207	FEDERAL FARM CREDIT BAN		11/29/17	1.0000	BARCLAYS	4101	35,000,000.00	34,999,027.78		
11/28/17	313385RA	AGENCY US DISC	29109	FEDERAL HOME LOAN BANKS		12/27/17	1.1841	MORGAN STANLEY	1000	25,000,000.00	24,977,818.75		
11/28/17	313385TL	AGENCY US DISC	29218	FEDERAL HOME LOAN BANKS		2/23/18	1.2940	GUGGENHEIM SECU	1001	8,800,000.00	8,772,881.33		
11/28/17	313385TR	AGENCY US DISC	29217	FEDERAL HOME LOAN BANKS		2/28/18	1.2892	MORGAN STANLEY	1001	11,200,000.00	11,163,620.22		
11/28/17	880590RG	AGENCY US DISC	29219	TENNESSEE VALLEY AUTHOR		1/02/18	1.2224	TD SECURITIES	4001	12,000,000.00	11,986,162.00		
11/29/17	313385RA	AGENCY US DISC	29220	FEDERAL HOME LOAN BANKS		12/27/17	1.1861	TD SECURITIES	4101	25,000,000.00	24,976,958.33		
12/01/17	313385QV	AGENCY US DISC	28774	FEDERAL HOME LOAN BANKS		12/22/17	1.1407	MORGAN STANLEY	4001	6,200,000.00	6,196,466.00		
12/01/17	313385RC	AGENCY US DISC	29245	FEDERAL HOME LOAN BANKS		12/29/17	1.1910	WELLS FARGO SEC	4001	10,000,000.00	9,991,736.11		
12/01/17	313397RY	AGENCY US DISC	29246	FEDERAL HOME LOAN MORTG		1/18/18	1.2219	DAIWA CAPITAL M	4001	1,171,000.00	1,169,214.23		
12/05/17	313385RH	AGENCY US DISC	29272	FEDERAL HOME LOAN BANKS		1/03/18	1.2101	LOOP CAPITAL MA	4101	20,000,000.00	19,981,193.33		
12/05/17	313385SM	AGENCY US DISC	29262	FEDERAL HOME LOAN BANKS		1/31/18	1.2735	DEUTSCHE BANK S	1001	15,000,000.00	14,970,343.33		
12/05/17	880590RP	AGENCY US DISC	29260	TENNESSEE VALLEY AUTHOR		1/09/18	1.2164	TD SECURITIES	4101	25,000,000.00	24,970,468.75		
12/07/17	313385QV	AGENCY US DISC	29288	FEDERAL HOME LOAN BANKS		12/22/17	1.2006	JEFFRIES & CO	1000	26,600,000.00	26,587,586.67		
12/07/17	313385RK	AGENCY US DISC	29287	FEDERAL HOME LOAN BANKS		1/05/18	1.2412	CASTLEOAK SECUR	4101	10,000,000.00	9,990,355.56		
12/11/17	313385QK	AGENCY US DISC	29298	FEDERAL HOME LOAN BANKS		12/12/17	1.0000	BMO CAPTIAL MAR	4101	15,000,000.00	14,999,583.33		
12/11/17	880590RP	AGENCY US DISC	29260	TENNESSEE VALLEY AUTHOR		1/09/18	1.2513	WELLS FARGO SEC	4101	30,000,000.00	29,969,791.67		
12/12/17	313385SS	AGENCY US DISC	29315	FEDERAL HOME LOAN BANKS		2/05/18	1.2975	WILLIAMS CAPITA	4101	15,000,000.00	14,970,862.50		
12/13/17	313385QM	AGENCY US DISC	29316	FEDERAL HOME LOAN BANKS		12/14/17	1.0000	CASTLEOAK SECUR	4101	15,000,000.00	14,999,583.33		
12/22/17	313385RA	AGENCY US DISC	29395	FEDERAL HOME LOAN BANKS		12/27/17	1.2001	WILLIAMS CAPITA	4001	6,008,000.00	6,007,799.73		

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 10/01/17 Through 12/31/17

TXN-DATE	CUSIP#	ASSET-TYPE	INVS#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
12/22/17	880590SD	AGENCY US DISC	29384	TENNESSEE VALLEY AUTHOR		1/23/18	1.2714	TD SECURITIES	4101	10,000,000.00	9,988,711.11		
12/29/17	313385VT	AGENCY US DISC	29430	FEDERAL HOME LOAN BANKS		4/19/18	1.3859	WILLIAMS CAPITA	4101	25,000,000.00	24,893,625.00		
10/11/17	31358BAB	AGENCY US BOND	28919	FEDERAL NATIONAL MORTGA		2/12/18	1.2502	KEYBANC CAPITAL	4001	1,427,000.00	1,421,077.95		
10/11/17	31358CY7	AGENCY US BOND	28920	FEDERAL NATIONAL MORTGA		2/07/18	1.2509	KEYBANC CAPITAL	4001	1,093,000.00	1,088,649.86		
11/01/17	76116ECJ	AGENCY US BOND	29072	RESOLUTION FUNDING CORP		4/15/18	1.3376	BB&T CAPITAL MA	4002	1,616,000.00	1,606,271.68		
10/03/17	3137EABA	AGENCY US NOTES	28601	FEDERAL HOME LOAN MORTG	5.125	11/17/17	1.0556	BARCLAYS	4001	1,000,000.00	1,004,830.00		
10/04/17	3134G9Q6	AGENCY US NOTES	28721	FEDERAL HOME LOAN MORTG	1.050	7/27/18	4.8680	INTL FCSTONE PA	4101	4,000,000.00	3,990,640.00		1/27/18
10/12/17	3137EAEA	AGENCY US NOTES	27797	FEDERAL HOME LOAN MORTG	.750	4/09/18	1.2541	INTL FCSTONE PA	4101	1,000,000.00	997,550.00		
10/16/17	3134G8M7	AGENCY US NOTES	28950	FEDERAL HOME LOAN MORTG	1.050	2/26/18	1.2080	INTL FCSTONE PA	4101	2,500,000.00	2,498,575.00		
10/17/17	3134G3G2	AGENCY US NOTES	28960	FEDERAL HOME LOAN MORTG	1.100	2/28/18	1.2681	BOSC, INC	4101	800,000.00	799,560.00		
10/17/17	3137EADP	AGENCY US NOTES	28959	FEDERAL HOME LOAN MORTG	.875	3/07/18	1.2693	BOSC, INC	4101	750,000.00	748,860.00		
10/18/17	3134GAGF	AGENCY US NOTES	28973	FEDERAL HOME LOAN MORTG	1.100	9/13/18	1.5204	BOSC, INC	4101	1,500,000.00	1,494,384.76		
10/18/17	3135G0TG	AGENCY US NOTES	28623	FEDERAL NATIONAL MORTGA	.875	2/08/18	1.1812	INTL FCSTONE PA	4101	2,000,000.00	1,998,140.00		
10/18/17	3137EADN	AGENCY US NOTES	28974	FEDERAL HOME LOAN MORTG	.750	1/12/18	1.1478	INTL FCSTONE PA	4101	1,000,000.00	999,080.00		
10/23/17	3134GABQ	AGENCY US NOTES	28999	FEDERAL HOME LOAN MORTG	1.000	8/15/18	1.4070	INTL FCSTONE PA	4101	3,752,000.00	3,739,768.48		
10/23/17	3135GORT	AGENCY US NOTES	28989	FEDERAL NATIONAL MORTGA	.875	12/20/17	1.1102	BMO CAPTIAL MAR	4101	10,000,000.00	9,996,230.00		
10/25/17	3134G9JD	AGENCY US NOTES	29023	FEDERAL HOME LOAN MORTG	1.000	5/11/18	1.3234	INTL FCSTONE PA	4101	2,000,000.00	1,996,520.00		
11/01/17	3134G9UY	AGENCY US NOTES	29073	FEDERAL HOME LOAN MORTG	1.000	6/28/18	1.3613	INTL FCSTONE PA	4101	5,000,000.00	4,988,250.00		
11/01/17	3135G0WJ	AGENCY US NOTES	29074	FEDERAL NATIONAL MORTGA	.875	5/21/18	1.3070	INTL FCSTONE PA	4101	1,558,000.00	1,554,323.12		
11/20/17	3134G36H	AGENCY US NOTES	29178	FEDERAL HOME LOAN MORTG	1.000	3/26/18	1.3500	BOSC, INC	4101	1,000,000.00	998,783.26		
11/21/17	3136G1GZ	AGENCY US NOTES	29186	FEDERAL NATIONAL MORTGA	1.000	3/28/18	1.3750	BOSC, INC	4101	850,000.00	848,883.61		
11/28/17	3134G44Z	AGENCY US NOTES	29208	FEDERAL HOME LOAN MORTG	1.000	5/25/18	1.4650	BOSC, INC	4101	3,000,000.00	2,993,188.51		
11/28/17	3134GAGS	AGENCY US NOTES	29209	FEDERAL HOME LOAN MORTG	1.040	8/23/18	1.6287	BOSC, INC	4101	5,000,000.00	4,978,550.00		
12/20/17	3134G32W	AGENCY US NOTES	29371	FEDERAL HOME LOAN MORTG	1.250	12/26/17	1.9583	BOSC, INC	4101	500,000.00	499,950.00		
12/21/17	3134G9A3	AGENCY US NOTES	29382	FEDERAL HOME LOAN MORTG	.920	6/29/18	1.5465	INTL FCSTONE PA	4101	3,000,000.00	2,990,520.00		
10/12/17	313383C2	FED NATL MORTGA	28933	FEDERAL HOME LOAN BANKS	1.200	6/20/18	1.3352	BB&T CAPITAL MA	4101	1,500,000.00	1,498,620.00		
10/02/17	3133EHFF	AGENCY US VARIA	28862	FEDERAL FARM CREDIT BAN	1.200	4/12/19	1.1145	INTL FCSTONE PA	4101	10,000,000.00	10,012,240.00		
12/20/17	3133EH4P	AGENCY US VARIA	29372	FEDERAL FARM CREDIT BAN	1.435	12/26/19	1.4401	INTL FCSTONE PA	4101	10,000,000.00	9,999,000.00		
10/11/17	931142DY	CORP US NOTE 30	28922	WALMART STORES INC	1.750	10/09/19	1.7510	MORGAN STANLEY	4000	2,000,000.00	1,999,960.00		
10/27/17	458140AL	CORP US NOTE 30	29041	INTEL CORPORATION	1.350	12/15/17	1.2495	WILLIAMS CAPITA	4001	5,000,000.00	5,000,400.00		
10/05/17	713448DW	CORP US FLOAT A	28891	PEPSICO INC	1.350	10/15/18	1.3416	WILLIAMS CAPITA	1001	5,000,000.00	5,000,000.00		
10/05/17	713448DW	CORP US FLOAT A	28892	PEPSICO INC	1.350	10/15/18	1.3416	WILLIAMS CAPITA	4000	5,000,000.00	5,000,000.00		
11/08/17	64711NX5	MUNI US 30/360	29117	NEW MEXICO FIN AUTH REV	1.840	6/15/18	1.8394	WELLS FARGO SEC	4001	945,000.00	945,000.00		
11/08/17	64711NX6	MUNI US 30/360	29118	NEW MEXICO FIN AUTH REV	1.883	6/15/19	1.8828	WELLS FARGO SEC	4002	1,045,000.00	1,045,000.00		
11/08/17	64711NX7	MUNI US 30/360	29119	NEW MEXICO FIN AUTH REV	2.135	6/15/20	2.1348	WELLS FARGO SEC	1001	390,000.00	390,000.00		
12/27/17	STN17SC	MUNICIPAL BOND	29413	STN SERIES 2017S-C	1.545	12/29/17	1.5332	ISSUER DIRECT	1000	5,094,000.00	5,094,000.00		
12/27/17	STN17SD	MUNICIPAL BOND	29412	STN SERIES 2017S-D	1.545	12/29/17	1.5332	ISSUER DIRECT	1000	32,342,300.00	32,342,300.00		
12/20/17	914692WL	MUNICIPAL BOND	29367	UNIVERSITY N MEX UNIV R	1.340	6/01/26	1.3400	ISSUER DIRECT	1000	1,245,000.00	1,245,000.00		
12/20/17	914692WL	MUNICIPAL BOND	29369	UNIVERSITY N MEX UNIV R	1.340	6/01/26	1.3400	ISSUER DIRECT	4000	5,000,000.00	5,000,000.00		
12/20/17	914692WL	MUNICIPAL BOND	29368	UNIVERSITY N MEX UNIV R	1.340	6/01/26	1.3400	ISSUER DIRECT	4001	4,400,000.00	4,400,000.00		
12/20/17	914692XL	MUNICIPAL BOND	29370	UNIVERSITY N MEX UNIV R	1.340	6/01/30	1.3400	ISSUER DIRECT	1000	1,100,000.00	1,100,000.00		

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 10/01/17 Through 12/31/17

TXN-DATE	CUSIP#	ASSET-TYPE	INVST#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
12/27/17	914692WL	MUNICIPAL BOND	29407	UNIVERSITY N MEX UNIV R	1.730	6/01/26	1.7299	ISSUER DIRECT	1001	6,700,000.00	6,700,000.00		
162 PURCHASES DURING PERIOD TOTAL.....										1811210300.00	1808838827.28		
<u>SALE TRANSACTIONS</u>													
10/27/17	912796LB	U.S. TREASURY B	28668	UNITED STATES TREASURY		12/07/17		GUGGENHEIM SECU	4001	1,000,000.00	999,018.47	72.97	
10/25/17	3133EHPR	AGENCY US VARIA	28159	FEDERAL FARM CREDIT BAN	1.170	6/27/19		BARCLAYS	4101	5,000,000.00	5,001,668.95	1,668.95	
2 SALES DURING PERIOD TOTAL.....										6,000,000.00	6,000,687.42	1,741.92	
=== GRAND-TOTAL ==>										1817210300.00	1814839514.70	1,741.92	
*** END-OF-REPORT ***													



16. Credit Investing

APPROVED MEDIUM TERM NOTE/CORPORATE BOND ISSUERS
December 2017

	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-	NEG	A+	NEG				
COLGATE-PALM CO	\$59.47	Aa3	STABLE	AA-	STABLE	NR	NR				
EXXON MOBIL CORP	\$330.64	Aaa	STABLE	AA+	NEG	NR	NR				
GEN ELECTRIC CO	\$283.71	A2	STABLE	A	NEG	A+	NEG	12/4/17 - S&P Downgrade from AA- to A			
								11/16/17 - Moodys Downgrade from A1 to A2			
								11/28/17- Fitch Downgrade from AA- to A+			
IBM CORP	\$146.48	A1	STABLE	A+	STABLE	A+	NEG				
INTEL CORP	\$153.17	A1	STABLE	A+	POS	A+	STABLE				
JOHNSON & JOHNSON	\$265.03	Aaa	STABLE	AAA	STABLE	AAA	STABLE				
MICROSOFT CORP	\$375.95	Aaa	STABLE	AAA	STABLE	AA+	STABLE				
PEPSICO INC	\$143.72	A1	STABLE	A+	STABLE	A	STABLE				
PFIZER INC	\$206.44	A1	STABLE	AA	STABLE	A+	NEG				
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+/*-	NEG	A	STABLE	12/14/17 - S&P Watchlist Negative			
WELLS FARGO CO	\$267.53	A2	STABLE	A	NEG	A+	STABLE				
WELLS FARGO BANK	\$267.53	Aa2	STABLE	AA-	NEG	AA-	STABLE				

APPROVED COMMERCIAL PAPER ISSUERS

December 2017

Issuer	Rating/Credit Outlook						Comments:				
	Moody's		S&P		Fitch						
BANK OF NY CO INC.	P-1	STABLE	A-1	STABLE	F1+	STABLE					
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	STABLE	A-1+	NEG	NR	NR					
GE CO/CAPITAL TREASURY	P-1	STABLE	A-1	NEG	F1	STABLE	12/4/17 - S&P Downgrade from A-1+ to A-1				
							11/28/17 - Fitch Downgrade from F1+ to F1				
HSBC USA INC	P-1	STABLE	A-1	STABLE	F1+	STABLE					
IBM CORP	P-1	STABLE	A-1	STABLE	F1	NEG					
PEFCO	P-1	STABLE	NR	NR	F1+	STABLE					
PNC BANK NA	P-1	STABLE	A-1	STABLE	F1	STABLE					
PROCTER & GAMBLE CO	P-1	STABLE	A-1+	STABLE	NR	NR					
TOYOTA MOTOR CREDIT CORP	P-1	STABLE	A-1+	STABLE	F1	STABLE					
USAA CAPITAL CORP	P-1	STABLE	A-1+	STABLE	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+ *-	NEG	F1	STABLE	12/14/17- S&P Watchlist Negative				
WELLS FARGO & COMPANY	P-1	STABLE	A-1	NEG	F1	STABLE					

Portfolio Credit Exposure
December 2017

Portfolio	Issuer	Face Amount	Yield	Maturity	% of Port	Total %
GF CORE	AAPL	2,500,000	1.59%	2/8/2019	0.26%	
	AAPL	10,000,000	1.54%	9/12/2019	1.06%	
	AAPL	2,500,000	1.84%	5/11/2020	0.26%	
	KO	5,000,000	1.44%	11/1/2018	0.53%	
	XON	20,000,000	1.41%	1/8/2018	2.12%	
	GE TSY/CO	20,000,000	1.33%	2/13/2018	2.12%	
	MSFT	2,500,000	1.87%	2/6/2020	0.26%	
	PEFCO	20,000,000	1.33%	3/8/2018	2.12%	
	PEP FRN	5,000,000	1.35%	10/15/2018	0.53%	
	PEP	5,000,000	1.59%	5/2/2019	0.53%	
	TOYCC	20,000,000	1.37%	2/9/2018	2.12%	
	USB	5,000,000	2.07%	1/24/2020	0.53%	
	USB - 7 day Put	6,700,000	1.73%	6/1/2026	0.71%	
						13.16%
GF LIQUIDITY	XON	25,000,000	1.42%	1/30/2018	2.45%	
	PEFCO	18,000,000	1.35%	1/22/2018	1.76%	
	TOYCC	25,000,000	1.45%	2/2/2018	2.45%	
	USB - 7 day Put	1,245,000	1.73%	6/1/2026	0.12%	
	USB - 7 day Put	1,100,000	1.73%	6/1/2030	0.11%	
						6.89%
BPIP TE	AAPL	10,000,000	1.54%	9/12/2019	1.74%	
	GE TSY/CO	7,000,000	1.08%	12/6/2017	1.22%	
	MSFT	2,500,000	1.87%	2/6/2020	0.44%	
	PEFCO	15,000,000	1.33%	2/8/2018	2.61%	
	PEFCO	5,000,000	0.96%	7/15/2018	0.87%	
	PEP FRN	5,000,000	1.35%	10/15/2018	0.87%	
	PEP	2,500,000	1.59%	5/2/2019	0.44%	
	TOYCC	2,500,000	1.97%	4/17/2020	0.44%	
	USB - 7 day Put	6,700,000	1.73%	6/1/2026	1.17%	
	WMT	2,000,000	1.75%	10/9/2019	0.35%	
BPIP TAX	AAPL	2,500,000	1.84%	5/11/2020	0.74%	
	MSFT	9,273,000	1.85%	11/3/2020	2.75%	
	PEFCO	10,000,000	1.37%	1/26/2018	2.96%	
	PEP	2,500,000	1.59%	5/2/2019	0.74%	
	PG	2,000,000	1.77%	10/25/2019	0.59%	
	TOYCC	10,000,000	1.18%	12/4/2017	2.96%	
	TOYCC	2,500,000	1.97%	4/17/2020	0.74%	
STBF	XON	4,100,000	1.44%	2/13/2018	2.75%	
	XON	1,100,000	1.43%	2/20/2018	0.74%	
	PEFCO	1,100,000	1.17%	1/12/2018	0.74%	
	PEFCO	4,000,000	1.35%	1/22/2018	2.68%	
	TOYCC	1,000,000	1.38%	2/2/2018	0.67%	
	TOYCC	4,400,000	1.63%	3/21/2018	2.95%	
	USB	1,300,000	1.37%	2/20/2018	0.87%	
	USB - 7 day Put	4,400,000	1.73%	6/1/2026	2.95%	
All Portfolios	AAPL	27,500,000			0.73%	
	XON	50,200,000			1.33%	
	KO	5,000,000			0.13%	
	GE TSY/CO	27,000,000			0.71%	
	MSFT	14,273,000			0.38%	
	PEFCO	73,100,000			1.93%	
	PEP	20,000,000			0.53%	
	PG	2,000,000			0.05%	
	TOYCC	65,400,000			1.73%	
	USB	26,445,000			0.70%	
WMT	2,000,000			0.05%		
Total Credit Exposure		312,918,000				8.27%



17. State Agency Deposit Balances



Tim Eichenberg
State Treasurer

STATE OF NEW MEXICO
OFFICE OF THE TREASURER

Samuel Collins
Deputy State Treasurer

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

Date: January 23, 2018
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 December 31, 2017

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 December 31, 2017.

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 December 31, 2017.

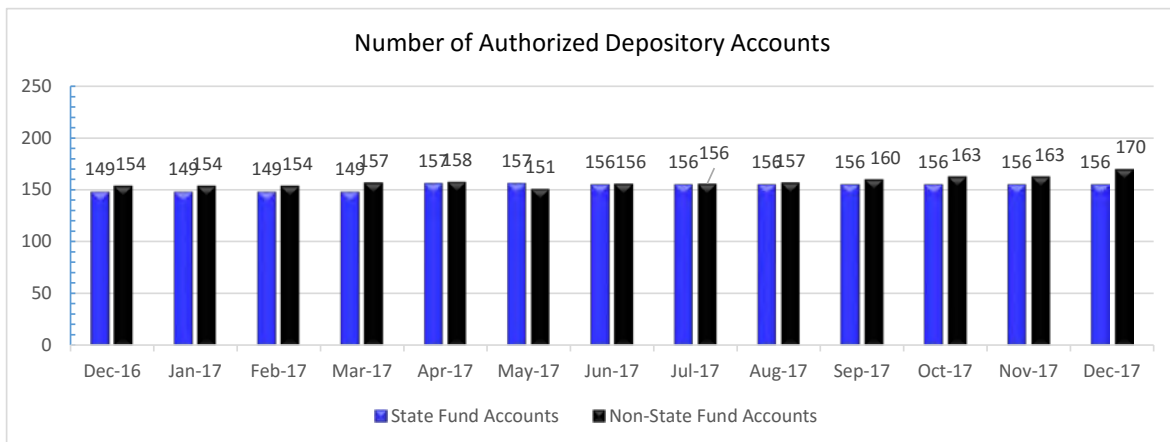
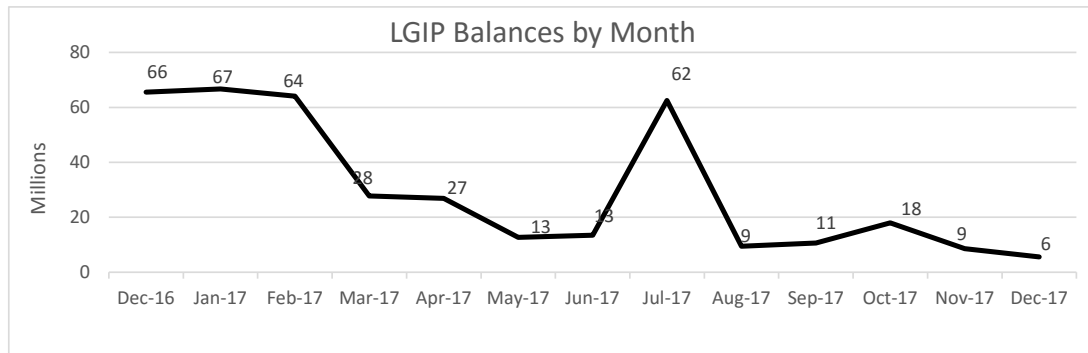
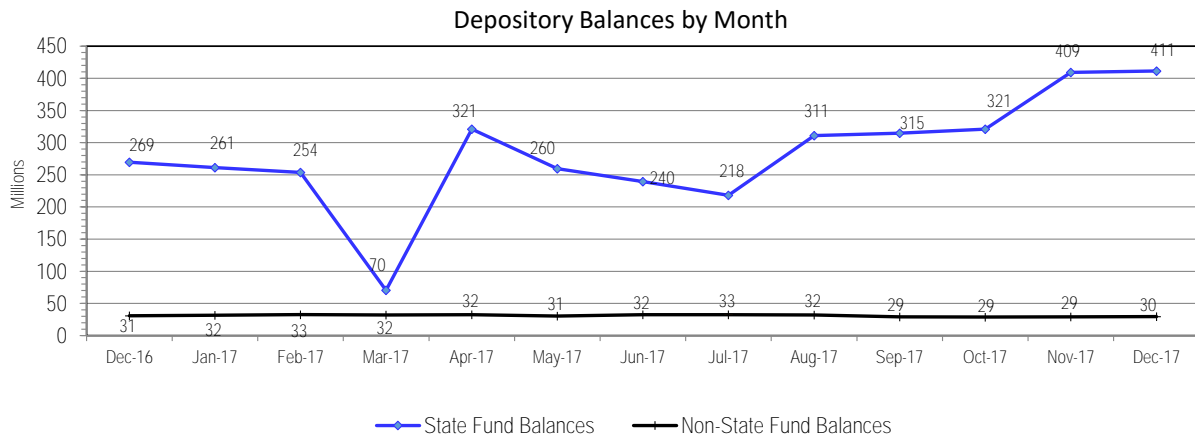
(Attachments 3)

State Fund Balances by Financial Institution December 2017

First National Bank/Alamogordo	\$	103,267
Century Bank/Santa Fe	\$	500
Bank of America/Albuquerque	\$	129,920
Wells Fargo Bank/Albuquerque	\$	10,969,461
Compass Bank/Albuquerque	\$	203,319,427
Bank of the West/Albuquerque	\$	192,294,086
First American Bank/Artesia	\$	30,947
Carlsbad National Bank/Carlsbad	\$	600
Western Commerce Bank/Carlsbad	\$	68,515
Farmers/Stockmens Bank/Clayton	\$	8,661
First National Bank/Clayton	\$	2,496,856
Citizens Bank/Clovis	\$	3,888
NM Bank & Trust/Albuquerque	\$	98,566
Lea County State Bank/Hobbs	\$	94,733
Southwest Capitol/Las Vegas	\$	122,198
Community 1st Bank/Las Vegas	\$	249,256
Western Bank/Lordsburg	\$	27,855
Los Alamos National Bank/Los Alamos	\$	7,791
International Bank/Raton	\$	15,696
Valley Bank of Commerce/Roswell	\$	85,009
First State Bank/Socorro	\$	5,821
Centinel Bank/Taos	\$	41,734
US Bank/Albuquerque	\$	12,938
Bank of the Southwest/Roswell	\$	1,253,071
Washington Federal	\$	11,856
Citizens Bank/Aztec	\$	189

Total: \$ 411,452,841

Depository Account Summary for December 2017



Depository accounts authorized in December 2017 pursuant to Section 6-1-13 NMSA :

Depository accounts opened in December 2017 7 13th Judicial

Depository accounts closed in December 2017



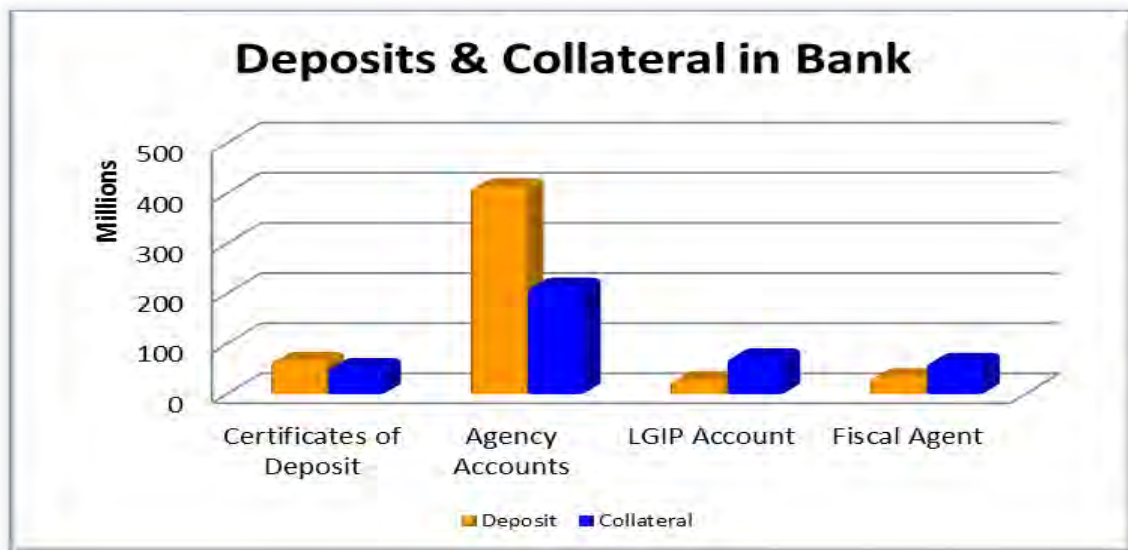
18. Collateral Report on Agency Deposits & CD's

Office of the Treasurer

Collateral Summary Review

December 31, 2017

As of December 31, 2017 there was one depository institution holding state funds that was deficient in their collateral levels. Bank of the Southwest was deficient by \$57,522. Once notified of their deficiency Bank of the Southwest 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>
Certificates of Deposit	\$ 20.2 Million	\$	13.6 Million		67.2%
Agency Accounts	441.3 Million		304.2 Million		68.9%
LGIP Account	5.6 Million		30.8 Million		551.0%
Fiscal Agent	42.5 Million		83.8 Million		197.3%
Totals:	509.6 Million		432.4 Million		84.9%

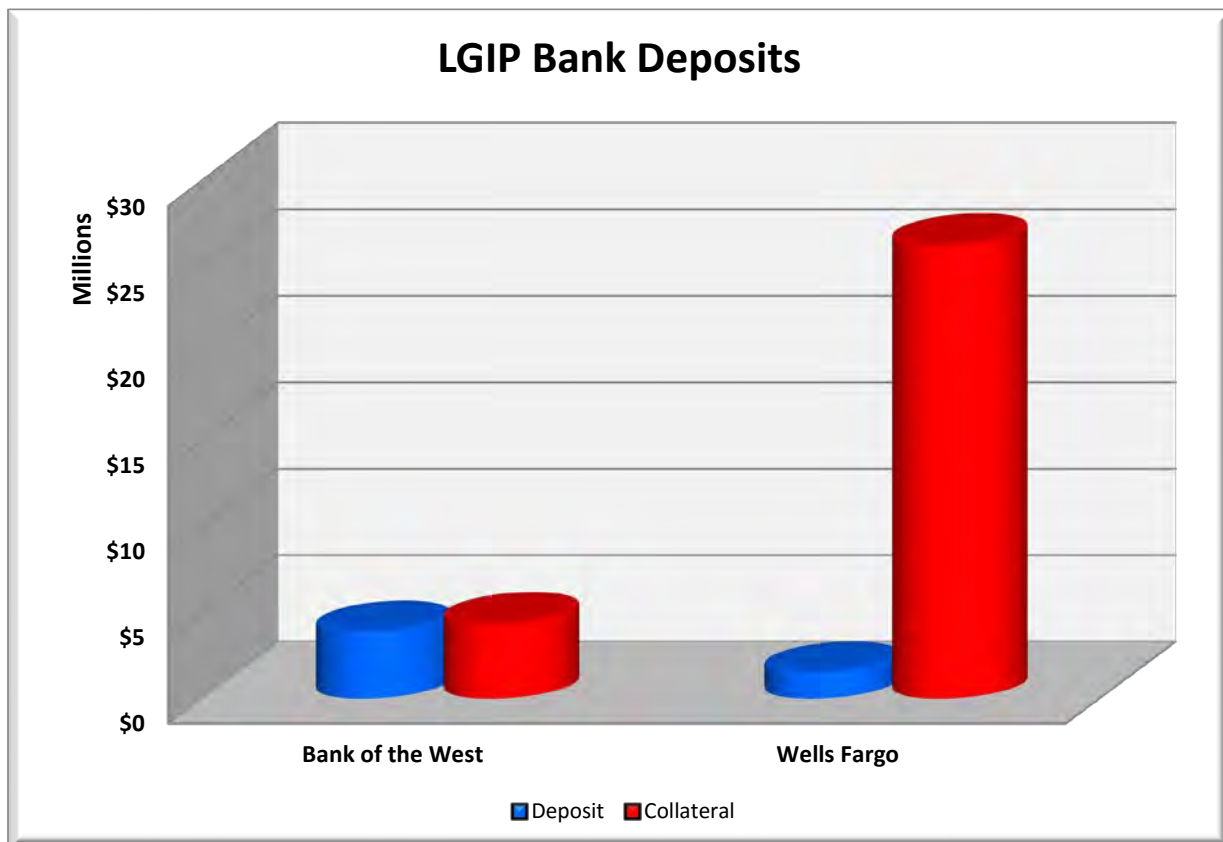


Office of the Treasurer
Collateral Review
Accumulated Total by Institution
December 31, 2017

FINANCIAL INSTITUTION	%	TOTAL	FDIC / NCUA	LESS INSURANCE	SUBJECT TO BE	COLLATERAL	EXCESS
		DEPOSITS	INSURANCE	COVERAGE	COLLATERALIZED	PLEGGED	(UNDER)
First National - Alamogordo	50%	103,267	103,267	0	0	901,052	901,052
Western - Alamogordo	50%	3,600,000	250,000	3,350,000	1,675,000	4,389,749	2,714,749
Bank of America	50%	204,011	204,011	0	0	0	0
Bank of the West	50%	196,873,055	250,000	196,623,055	98,311,528	103,541,198	5,229,671
BBVA Compass	75%	203,319,441	250,000	203,069,441	152,302,081	153,500,000	1,197,919
US Bank	50%	1,051,062	250,000	801,062	400,531	1,100,000	699,469
Wells Fargo	50%	36,186,088	250,000	35,936,088	17,968,044	69,197,635	51,229,591
First American	50%	30,947	30,947	0	0	0	0
My Bank	50%	350,805	250,000	100,805	50,402	250,000	199,598
Carlsbad National	50%	600	600	0	0	0	0
Western Commerce	50%	4,068,515	250,000	3,818,515	1,909,257	2,530,315	621,058
Farmers & Stockmen	50%	10,015,578	250,000	9,765,578	4,882,789	5,120,000	237,211
First National - Clayton	50%	2,496,856	250,000	2,246,856	1,123,428	1,780,956	657,528
Bank of Clovis	50%	933,949	250,000	683,949	341,974	809,822	467,847
Citizens - Clovis	50%	3,888	3,888	0	0	250,000	250,000
NM Bank & Trust	50%	285,959	250,000	35,959	17,979	259,458	241,478
Western - Clovis	50%	2,600,000	250,000	2,350,000	1,175,000	1,661,347	486,347
Lea County State	50%	94,732	94,732	0	0	0	0
Southwest Capital	50%	606,639	250,000	356,639	178,319	496,897	318,578
Community 1st - Las Vegas	102%	249,256	249,256	0	0	425,389	425,389
Western - Lordsburg	50%	39,855	39,855	0	0	355,043	355,043
Los Alamos National	75%	7,791	7,791	0	0	0	0
International	50%	69,837	69,837	0	0	149,023	149,023
Bank of the Southwest	50%	1,764,489	250,000	1,514,489	757,245	699,723	(57,522)
Valley Commerce	50%	85,009	85,009	0	0	0	0
Century	50%	1,894,078	250,000	1,644,078	822,039	1,132,390	310,351
First State	50%	73,928	73,928	0	0	0	0
Centinel	50%	41,735	41,735	0	0	0	0
Guadalupe Credit	50%	0	0	0	0	0	0
Washington Federal	50%	11,856	11,856	0	0	0	0
Citizens Bank of Aztec	50%	804	804	0	0	0	0
		467,063,226	4,766,712	462,296,513	281,915,617	348,549,997	66,634,380

LGIP Bank Deposits December 31, 2017

<u>Financial Institution</u>	<u>Percentage</u>	<u>Deposit</u>	<u>Collateral</u>
Bank of the West	111.3%	3,983,618	4,432,879
Wells Fargo	1647.5%	1,597,657	26,321,187
Totals	1328.6%	5,581,276	74,154,067



Standards & Poor's requires bank deposits to be collateralized @ a minimal of 100% collateral levels to maintain rating