



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, courtesy of the New Mexico Tourism Department

Wednesday, December 11, 2019
9:00 am



1. Approval of December 11, 2019, Agenda



STATE OF NEW MEXICO
OFFICE OF THE TREASURER

The Honorable Tim Eichenberg
State Treasurer

Sam Collins
Deputy State Treasurer

STATE TREASURER’S INVESTMENT COMMITTEE
Treasurer’s Conference Room

Wednesday, December 11, 2019, 9:00 am

MEETING AGENDA (5 Minutes)

Roll Call

- 1. Approval of December 11, 2019 Agenda Action
- 2. Approval of October 9, 2019 Minutes Action
- 3. Approval of November 13, 2019 Minutes Action
- 4. Public Comments

INVESTMENT REPORTS (45 minutes)

Month Ended October 31, 2019

- 5. Executive Summary (Vikki Hanges) Informational
- 6. Investment Policy Compliance Report (Arsenio Garduño) Informational
- 7. Investment Accounting Report (David Mahooty) Informational
- 8. Cash Projections (Arsenio Garduño) Informational
- 9. Portfolio Summary—General Fund Investment Pool (Vikki Hanges) Informational
- 10. Portfolio Summary—Local Government Investment Pool (LGIP) (Anna Murphy) Informational
- 11. Portfolio Summary—Tax-Exempt Bond Proceeds Investment Pool (Anna Murphy) Informational
- 12. Portfolio Summary—Taxable Bond Proceeds Investment Pool (Anna Murphy) Informational
- 13. Portfolio Summary—Severance Tax Bonding Fund (Vikki Hanges) Informational
- 14. Broker Dealer Activities (Charmaine Cook) Informational
- 15. Credit (Vikki Hanges) Informational
- 16. Investment Policy Update (Vikki Hanges) Action
- 17. LGIP Investment Policy Update (Vikki Hanges) Action
- 18. Benchmark Review (Vikki Hanges) Action

CASH MANAGEMENT & COLLATERAL REPORTS (10 Minutes)

Month Ended October 31, 2019

- 19. State Agency Deposit Balances (Arsenio Garduño) Informational
- 20. Collateral Report on Agency Deposits & CDs (Arsenio Garduño) Informational

COMMITTEE REPORTS (5 minutes)

- 21. Next Meeting—Wednesday, January 8, 2020, 9:00 am
- 22. Adjournment



2. Approval of October 9, 2019, Minutes

**New Mexico State Treasurer's Office
STIC Committee Meeting
Meeting Minutes
Wednesday, October 9, 2019**

ROLL CALL:

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

Members Present

Deputy State Treasurer Sam Collins (for State Treasurer Tim Eichenberg)
Mr. Marcos Trujillo (for Ms. Ashley Leach), State Board of Finance
Ms. Cilia Aglialoro, Public Member
Mr. Mark Pike, Public Member (via phone)
Ms. Charmaine Cook, Chair, State Cash Manager

Members Absent

State Treasurer Tim Eichenberg

Staff Present

Mr. David Mahooty, Chief Financial Officer
Ms. Vikki Hanges, Chief Investment Office
Ms. Anna Murphy, Portfolio Manager
Mr. Arsenio Garduño, Collateral Manager
Mr. Rich Chavez, Accountant & Auditor

Guests Present

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

Deputy Treasurer Sam Collins called the meeting to order.

1. Approval of October 9, 2019, Agenda

Member Cilia Aglialoro moved approval of the agenda. Motion was seconded by Member Marcos Trujillo and passed 4 to 0 by voice vote.

2. Approval of September 11, 2019, Minutes

Member Mark Pike moved approval of the minutes. Motion was seconded by Member Aglialoro and passed 4 to 0 by voice vote.

3. Public Comments

There were no public comments.

4. Executive Summary

Ms. Vikki Hanges presented highlights of the Executive Summary.

5. Investment Policy Compliance Report

Mr. Arsenio Garduño presented highlights of the Investment Policy Compliance Report. A discussion followed.

6. Investment Accounting Report

Mr. David Mahooty presented highlights of the Investment Accounting Reconciliation Report. A brief discussion followed.

7. Cash Projections

Mr. Garduño presented highlights of Cash Projections. A discussion followed.

8. Portfolio Summary—General Fund Investment Pool

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

Ms. Charmaine Cook entered the meeting at 9:22 am and proceeded to chair the meeting.

9. Portfolio Summary—Local Government Investment Pool

Ms. Anna Murphy presented highlights of the Local Government Investment Pool Portfolio Summary. A brief discussion followed.

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

Ms. Murphy presented highlights of the Tax-Exempt Bond Proceeds Investment Pool Portfolio Summary.

11. Portfolio Summary—Taxable Bond Proceeds Investment Pool

Ms. Murphy 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 discussion followed.

15. State Agency Deposit Balances

Mr. Rick Chavez presented highlights of the State Agency Deposit Balances. A discussion followed.

16. Collateral Report on Agency Deposits & CDs

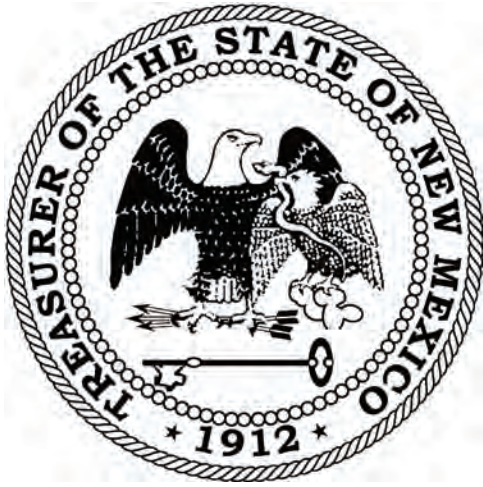
Mr. Chavez presented highlights of the Collateral Report on Agency Deposits and CDs.

Ms. Deanne Woodring made a few remarks about the corporate market. A brief discussion followed.

17. Next Meeting—Wednesday, November 13, 2019, 9:00 am.**18. Adjournment**

Meeting adjourned at 9:40 am.

Minutes were taken by Ms. Julie Filatoff



3. Approval of November 13, 2019, Minutes

**New Mexico State Treasurer's Office
STIC Committee Meeting
Meeting Minutes
Wednesday, November 13, 2019**

ROLL CALL:

A regular meeting of the New Mexico State Treasurer's Investment Committee (STIC) was called to order this date at 9:05 am in the conference room of the State Treasurer's Office (STO), 2055 South Pacheco Street, Suite 100, Santa Fe, New Mexico 87505.

Members Present

State Treasurer Tim Eichenberg	Ms. Charmaine Cook, Chair, State Cash Manager
Ms. Ashley Leach, State Board of Finance	Ms. Cilia Agliandolo, Public Member (via phone)
Mr. Mark Pike, Public Member	

Staff Present

Deputy State Treasurer Sam Collins	Mr. David Mahooty, Chief Financial Officer
Ms. Vikki Hanges, Chief Investment Officer	Ms. Anna Murphy, Portfolio Manager
Mr. Arsenio Garduño, Collateral Manager	

Guests Present

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

Chair Charmaine Cook called the meeting to order.

1. Approval of November 13, 2019, Agenda

Treasurer Tim Eichenberg moved approval of the agenda. Motion was seconded by Member Ashely Leach and passed 3 to 0 by voice vote.

Member Mark Pike entered the room at 9:08. Simultaneously, Member Cilia Agliandolo joined the meeting by telephone.

2. Approval of October 9, 2019, Minutes

Due to the absence of several members at the October 2019 meeting, approval of the minutes was deferred until the next STIC meeting.

3. Public Comments

There were no public comments.

4. Executive Summary

Ms. Vikki Hanges presented highlights of the Executive Summary.

5. Investment Policy Compliance Report

Mr. Arsenio Garduño presented highlights of the Investment Policy Compliance Report. A discussion followed.

6. Investment Accounting Report

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

7. Cash Projections

Mr. Garduño presented highlights of Cash Projections, pointing out that the years were wrong in the middle of page 34.

8. Investment Advisor—September 2019 Quarterly Report

Ms. Deanne Woodring presented highlights of the September 2019 Quarterly Report. There were a few blank pages, an error when compiling the STIC Binder; these were not material. A discussion followed.

9. Quarterly Investment Review

Ms. Hanges presented highlights of the Quarterly Investment Review.

10. Portfolio Summary—General Fund Investment Pool

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

11. Portfolio Summary—Local Government Investment Pool

Ms. Anna Murphy presented highlights of the Local Government Investment Pool Portfolio Summary. A brief discussion followed.

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

Ms. Murphy presented highlights of the Tax-Exempt Bond Proceeds Investment Pool Portfolio Summary.

13. Portfolio Summary—Taxable Bond Proceeds Investment Pool

Ms. Murphy presented highlights of the Taxable Bond Proceeds Investment Pool Portfolio Summary.

14. Portfolio Summary—Severance Tax Bonding Fund

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

15. Broker-Dealer Activities

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

16. Credit Investing

Ms. Hanges presented highlights of Credit Investing.

17. Investment Policy Update

Ms. Hanges presented highlights of the Investment Policy Update. A brief discussion followed.

18. LGIP Investment Policy Update

Ms. Hanges presented highlights of the LGIP Investment Policy Update. A discussion followed. Member Leach requested a summary of recommended changes (both policies) for the State Board of Finance.

19. Benchmark Review

Ms. Hanges presented highlights of the Benchmark Review. A brief discussion followed.

20. State Agency Deposit Balances

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

21. Collateral Report on Agency Deposits & CDs

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

22. Next Meeting—Wednesday, November 13, 2019, 9:00 am.**23. Adjournment**

Meeting adjourned at 10:41 am.

Minutes were taken by Ms. Julie Filatoff



4. Public Comments



5. Executive Summary

Executive Summary

- At the end of October, the State Treasurer managed \$6.3 billion in assets.
- During the month, the office earned approximately \$10.6 million on its investment positions.
- On an unrealized mark-to-market basis the portfolios increased by \$4.2 million.
- US equity markets were higher in October with the S&P 500 Index up 2%, bringing the year-to-date return to 21.2%
- The Federal Funds rate, reduced by 25 basis points in October, is now in the range of 1.50% – 1.75%.
- US Treasury yields were mostly lower as the curve steepened, with shorter maturities fully responding to the 25 basis point cut in the Federal Funds rate, while long maturities lagged.
- The yield differential between two and ten year US Treasuries grew to 17 basis points, as longer maturities underperformed, ending the month higher in yield than where they began.
- The 20 basis point yield inversion from one to five year maturities that existed at the end of September, swiftly turned positive to a pickup of 3 basis points. This helped to still recessionary fears.
- The Fed’s preferred inflation indicator, the Core Personal Consumption Expenditure Index, was reported at an annual rate of 1.7%, slightly lower than the prior 1.8% .
- The US unemployment rate, rose to 3.6%, with nonfarm payrolls increasing a greater than anticipated 131,000, accompanied by an upwardly revised 180,000 for September, good news for the economy.
- Oil prices barely budged during the month of October to \$54.18, or a 0.20% increase, vs. the prior month.
- The US dollar weakend by 2.32% vs. the euro to 1.1152.

Table 1 – Comparative Interest Rates

US Treasury Yields

			<i>Monthly</i>
<u>Maturity</u>	<u>9/30/2019</u>	<u>10/31/2019</u>	<u>Change</u>
3-Month	1.81%	1.53%	-0.28%
6-Month	1.81%	1.54%	-0.27%
1-Year	1.74%	1.49%	-0.25%
2-Year	1.62%	1.52%	-0.10%
3-Year	1.56%	1.52%	-0.04%
5-Year	1.54%	1.52%	-0.02%
10-Year	1.66%	1.69%	0.03%
30-Year	2.11%	2.18%	0.07%

Source: Bloomberg LP

Portfolio Mark-to-Market and Monthly Change

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

Table 2 - Unrealized Gains and Losses

<u>Fund</u>	<u>Unrealized Gain/Loss¹</u>	<u>Monthly Change in Unrealized Gain/Loss²</u>
General Funds	\$36.0 million	Increased \$2.9 million
Bond Proceeds Funds	\$ 5.6 million	Increased \$1.2 million
Local Government Investment Pool	Not Material	Not Material
Severance Tax Bonding Fund	Not Material	Not Material

Source: QED

Portfolio Purchase Yields and Durations

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

Table 3 – Portfolio Purchase Yields and Durations

<u>Fund</u>	<u>Purchase Yield⁴</u>	<u>Effective Duration³</u>		
		<u>Portfolio</u>	<u>Benchmark</u>	<u>Percentage</u>
General Fund Liquidity	1.81%	0.01 Years		
General Fund CORE	2.31%	2.09 Years	2.08 Years	101%
Bond Proceeds – Tax Exempt	1.97%	0.77 Years	1.37 Years	56%
Bond Proceeds – Taxable	2.27%	1.30 Years	1.37 Years	95%
Local Government Investment Pool	1.95%	0.08 Years		
Severance Tax Bonding Fund	1.90%	0.08 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 October, 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	0.59%	2.43%
S&P Government Pools Index (Gross)	<u>0.57%</u>	<u>2.41%</u>
Relative Performance (BPs)	0.02%	0.02%
General Fund CORE	1.15%	4.88%
BAML 0-5 US Treasury	<u>1.14%</u>	<u>5.16%</u>
Relative Performance (BPs)	0.01%	(0.28)%
Bond Proceeds - Tax Exempt	0.78%	3.43%
BAML 0-3 US Treasury	<u>0.93%</u>	<u>3.98%</u>
Relative Performance (BPs)	(0.15)%	(0.55)%
Bond Proceeds - Taxable	0.96%	3.68%
BAML 0-3 US Treasury	<u>0.93%</u>	<u>3.98%</u>
Relative Performance (BPs)	0.03%	(0.30)%
Local Government Investment Pool	0.55%	2.39%
S&P Government Pools Index (Gross)	<u>0.57%</u>	<u>2.41%</u>
Relative Performance (BPs)	(0.02)%	(0.02)%
Severance Tax Bonding Fund	0.57%	2.41%
S&P Government Pools Index (Gross)	<u>0.57%</u>	<u>2.41%</u>
Relative Performance (BPs)	0.00%	0.00%

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 October are summarized in the table below.

Table 5 - Investment Earnings – Periods ended October, 2019

<i>Fund</i>	<i>Investment Net Earnings⁶</i>		
	<i>October FY'20</i>	<i>FY'20 YTD</i>	<i>FY'19 YTD</i>
<i>General Funds</i>	\$7,056,497	\$28,876,036	\$17,511,213
<i>Bond Proceeds Funds</i>	\$1,664,336	\$6,690,608	\$5,764,601
<i>Local Government Investment Pool⁷</i>	\$1,483,340	\$6,346,539	\$5,087,266
<i>Severance Tax Bonding Fund</i>	\$408,042	\$1,028,188	\$929,421

Source: QED

- The General Fund Pool's investment earnings were higher by more than \$11 million vs. the same period in FY'19, as a result of higher interest rates and larger balances. At the end of October 2019, the GF Pool market value was \$4.3 billion vs. \$3.2 billion at the end of October 2018, higher by \$1.1 billion.
- Bond Proceeds funds have exceeded investment earnings vs. FY'19 by over \$900,000 as a result of higher interest rates and larger balances. The market values of the Pools ended the month collectively higher than the previous year by almost \$66 million.
- The LGIP increased investment earnings vs. the same period in FY'19 by over \$1.2 million as a result of higher interest rates and higher fund balances. Fund balances were \$90 million higher vs. the end of October 2018
- The Severance Tax Bonding Fund earnings were almost \$100,000 higher vs. FY'19 as a result of higher interest rates and larger balances. The Fund was larger by \$30 million as tax receipts have been coming in higher than last year.

Compensating Balances at Fiscal Agent Bank

During October, STO maintained Average Daily Collected Balances at the Fiscal Agent Bank of approximately \$41 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>	\$41,152,100
<i>Earnings Credit Rate</i>	1.93%
<i>Monthly Earnings</i>	\$67,456
<i>Estimated Fiscal YTD Earnings</i>	\$293,160

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.

US Treasury yields were mostly lower in October, as short maturities outperformed, steepening the yield curve. The Federal Reserve reduced short term interest rates by 0.25% for the third time this year, leaving the target range at 1.50% - 1.75%. Stronger than anticipated employment data and perceived positive progress on trade negotiations with China spurred a rally in equities, putting upward pressure on longer term US Treasury yields. Expectations for further rate moves by the Fed have been pushed out to the second or third quarter of 2020, as Chairman Powell indicated that short term interest rates were now in a comfortable place. Unless economic data indicates dramatic changes in growth or there is clear movement on trade, the Fed will probably be on hold, perhaps through the elections in 2020.

The STO portfolio durations will continue to be at or close to their benchmarks in portfolios where cash flows allow. The main drivers for markets have been the US/China trade negotiations, the trajectory of the Federal Funds rate and global growth statistics. Since it is extremely difficult to figure out where the US ends up on trade, and day-to-day headline volatility has been high, neutrality is the optimal position at this time. Another consideration is the affect of the Fed's purchases of US Treasury bills, \$60 billion per month, keeping a lid on interest rates shorter than one year. This is in addition to the Fed's ongoing repo operations intended to alleviate the liquidity issues experienced in September. As year end approaches, scarcity of financing will be exasperated by Treasury auctions settlements and corporate tax payments in December. Having the Fed as a liquidity provider over this time frame should keep short term investments closer to the lower band, 1.50%, of the range. As always the investment philosophy employed is to maintain safety, liquidity and yield, in that order.

Vikki Hanges
Chief Investment Officer

New Mexico State Treasurer
Monthly Fund Summary Report
(Unaudited)
As of October 31, 2019

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
General Fund													
<i>Sub-Account</i>	<i>Cost Basis</i>	<i>Market Value</i>	<i>Unrealized Gain/Loss</i>	<i>12-Month Total Return</i>	<i>Benchmark</i>	<i>Index Return</i>	<i>Relative Performance</i>	<i>Earnings</i>	<i>Change in Gain/Loss</i>	<i>Total</i>	<i>Earnings</i>	<i>Change in Gain/Loss</i>	<i>Total</i>
Cash Balances	\$ 26,889,532	\$ 26,889,532	\$ -										
Liquidity	1,824,095,561	1,824,101,098	5,537	2.43%	S&P LGIP Gross	2.41%	0.02%	\$ 2,432,626	\$ 7,220	\$ 2,439,845	\$ 10,220,618	\$ 5,537	\$ 10,226,155
CORE	2,382,084,464	2,418,080,786	35,996,323	4.88%	ML Treasury 0-5	5.16%	-0.28%	4,623,871	\$ 2,937,762	7,561,633	18,655,419	\$ 7,437,118	26,092,537
TRAN	-	-	-	0.00%	All-In Tran TIC	0.00%	0.00%	-	-	-	-	-	-
Totals	\$ 4,233,069,556	\$ 4,269,071,416	\$ 36,001,860	3.83%	Blended	3.98%	-0.15%	\$ 7,056,497	\$ 2,944,982	\$ 10,001,479	\$ 28,876,036	\$ 7,442,655	\$ 36,318,692
Bond Proceeds Investment Pool (BPIP)													
<i>Sub-Account</i>	<i>Cost Basis</i>	<i>Market Value</i>	<i>Unrealized Gain/Loss</i>	<i>12-Month Total Return</i>	<i>Benchmark</i>	<i>Index Return</i>	<i>Relative Performance</i>	<i>Earnings</i>	<i>Change in Gain/Loss</i>	<i>Total</i>	<i>Earnings</i>	<i>Change in Gain/Loss</i>	<i>Total</i>
Tax-Exempt	\$ 461,597,466	\$ 463,422,280	\$ 1,824,813	3.43%	ML Treasury 0-3	3.98%	-0.55%	\$ 785,623	\$ 558,407	\$ 1,344,030	\$ 3,016,187	\$ 1,007,206	\$ 4,023,393
Taxable	456,918,644	460,677,877	3,759,232	3.68%	ML Treasury 0-3	3.98%	-0.30%	878,713	\$ 610,373	1,489,086	\$ 3,674,421	\$ 1,180,307	4,854,728
Totals	\$ 918,516,111	\$ 924,100,156	\$ 5,584,046	3.55%	Blended	3.98%	-0.43%	\$ 1,664,336	\$ 1,168,780	\$ 2,833,116	\$ 6,690,608	\$ 2,187,513	\$ 8,878,121
Local Government Investment Pool (LGIP)													
<i>Sub-Account</i>	<i>Cost Basis</i>	<i>Market Value</i>	<i>Unrealized Gain/Loss</i>	<i>12-Month Total Return</i>	<i>Benchmark</i>	<i>Index Return</i>	<i>Relative Performance</i>	<i>Earnings</i>	<i>Change in Gain/Loss</i>	<i>Total</i>	<i>Earnings</i>	<i>Change in Gain/Loss</i>	<i>Total</i>
LGIP (See Note 5)	\$ 863,912,130	\$ 863,999,481	\$ 87,351	2.39%	S&P LGIP Gross	2.41%	-0.02%	\$ 1,483,340	\$ 39,238	\$ 1,522,578	\$ 6,346,539	\$ (9,877)	\$ 6,336,662
Severance Tax Bonding Fund													
<i>Sub-Account</i>	<i>Cost Basis</i>	<i>Market Value</i>	<i>Unrealized Gain/Loss</i>	<i>12-Month Total Return</i>	<i>Benchmark</i>	<i>Index Return</i>	<i>Relative Performance</i>	<i>Earnings</i>	<i>Change in Gain/Loss</i>	<i>Total</i>	<i>Earnings</i>	<i>Change in Gain/Loss</i>	<i>Total</i>
STBF	\$ 271,706,736	\$ 271,725,812	\$ 19,076	2.41%	S&P LGIP Gross	2.41%	0.00%	\$ 408,042	\$ 5,979	\$ 414,021	\$ 1,028,188	\$ 18,617	\$ 1,046,805
Estimated Totals (all funds)		\$ 6,328,896,865	\$ 41,692,331					\$ 10,612,215	\$ 4,158,978	\$ 14,771,194	\$ 42,941,372	\$ 9,638,908	\$ 52,580,280

- 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.



6. Investment Policy Compliance Report

Investment Compliance Review

Primary and Secondary Bond Purchases/ Sales

During the month of October

Table 1 - Primary/Secondary Market Volume - October 2019

Primary Bond Volume	\$327,631,000	40%
Secondary Bond Volume	<u>\$490,895,000</u>	<u>60%</u>
Total	\$818,526,000	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 October, total holdings of Variable Rate Notes were \$393,413,000.

Table 2 - Variable Rate Note Holdings - October, 2019

General Fund	\$116,000,000
Tax Exempt BPIP	\$16,500,000
Taxable BPIP	\$14,463,000
LGIP	\$210,375,000
STBF	\$36,075,000
Total Holdings	\$393,413,000
Source: QED	

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

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

Transaction Variances and Inter-Portfolio Transactions

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

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

There were 0 inter-portfolio trades during the month.

Unrealized Gains and Losses

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 5 sales which resulted in realized gains/losses.

Table 3 - Realized Gains and Losses on Securities Sold – October 2019

Trade Date	Account	Par Amount	Security	Realized G/L
10/9/2019	GF CORE	10,000,000	T 1.750 07/15/2022	15,561.08
10/9/2019	GF CORE	10,779,000	P&G 2.150 08/11/2022	83,005.68
10/10/2019	GF CORE	20,000,000	T 1.750 07/15/2022	2,340.51
10/16/2019	GF CORE	14,000,000	FAMCA 1.800 06/28/2022	53,760.00
10/18/2019	GF CORE	5,000,000	FAMCA 2.620 02/26/2024	201,300.00
Total Realized gain (loss)				355,967.27

Trade Documentation

Purchase/Sales Activity¹

There were a total of 63 security trades tracked during the month of October by the Trade Compliance Officer.

Table 4 – Securities Trades – October 2019

	Quantity	Par-Value	Cost/Proceeds	Realized Gain/Loss
Purchases	58	758,747,000	758,097,047	0
Sales	5	779,000	60,401,037	355,967
Totals:	63	759,526,000	818,498,084	355,967

Trade documentation and Investment Processing Compliance

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

During the month of October there were 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.

New Mexico State Treasurer's Office

Investment Policy Compliance

October 31, 2019

	Percentage	State General Fund	Bond Proceeds	Bond Proceeds	Severance Tax	Local Government
	Allowed	Investment Pool	Investment Pool Tax Exempt	Investment Pool Taxable	Bonding Fund	Investment Pool
US Treasury	100%	33%	57%	46%	9%	27%
US Agency	100%	20%	21%	36%	41%	51%
Primary						
FNMA	35%	4%	8%	9%	13%	6%
FHLMC	35%	0%	3%	2%	6%	6%
FFCB	35%	5%	0%	16%	0%	13%
FHLB	35%	7%	6%	6%	18%	25%
Secondary						
FAMAC	5%	2%	4%	3%	3%	0%
TVA	10%	1%	0%	0%	1%	1%
FICO	5%	0%	0%	0%	0%	0%
HUD	5%	0%	0%	0%	0%	0%
PEFCO	5%	0%	0%	0%	0%	0%
REFCORP	5%	0%	0%	0%	0%	0%
US Agency MBS	25%					
Bank Demand Deposits	100%	14%	5%	0%	31%	14%
Per Issuer						
Bank of the West	25%	8%	5%	0%	17%	12%
BBVA Compass	25%	5%	0%	0%	14%	2%
Wells Fargo Bank	25%	0%	0%	0%	0%	0%
Washington Federal	25%	1%	0%	0%	0%	0%
Certificate of Deposit	\$400mm					
Linked Deposit	\$40mm					
CP, Corp, & ABS	40%					
Commercial Paper		3%	3%	0%	14%	0%
Corporate Bonds		18%	6%	10%	3%	0%
Assest Backed		0%	0%	0%	0%	0%
NM LGIP	100%	0%	0%	0%	0%	0%
Municipal Securities	15%	0%	0%	0%	0%	0%
Repurchase Agreement	100%	17%	6%	2%	17%	12%
Per Counterparty	35%	or \$200 million				
Natwest		17%	8%	7%	3%	0%
Deutsche		0%	0%	0%	0%	0%
RBC Capital		0%	0%	0%	0%	0%
Mizuho		0%	0%	0%	0%	0%
HSBC		7%	0%	0%	0%	8%
BMO		0%	0%	0%	0%	0%
Mitsubishi		0%	0%	0%	0%	0%
Variable Rate Obligations	25%	3%	4%	3%	13%	24%
Per Issuer Non - Agency	5%					
Treasury		0%	0%	0%	0%	4%
FNMA		0%	0%	0%	4%	0%
FHLMC		0%	0%	0%	6%	3%
FFCB		0%	0%	0%	0%	12%
FHLB		1%	0%	0%	4%	5%
FAMAC		0%	3%	3%	0%	0%
WalMart		0%	1%	0%	0%	0%
Toyota		0%	0%	0%	0%	0%
BONY Mellon		0%	0%	0%	0%	0%
Wells Fargo		1%	0%	0%	0%	0%
Callable	25%	4%	2%	6%	0%	6%
Open Ended 2a-7 Rate Funds	100%	0%	0%	0%	0%	0%
Per Issuer	10%					

Total are limits on assets classes and same security could be in multiple asset classes

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 10/01/19 Through 10/31/19

TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
PURCHASE TRANSACTIONS													
10/01/19	30229BY5	COMMERCIAL PAPE	33868	EXXON MOBIL CORP		11/05/19	1.9536	BROKER DIRECT	1000	50,000,000.00	49,907,916.67		
10/08/19	7426M2E8	COMMERCIAL PAPE	33915	PRIVATE EXPORT FUND COR		5/08/20	1.8193	WILLIAMS CAPITA	4000	5,000,000.00	4,947,000.00		
10/08/19	7426M2E8	COMMERCIAL PAPE	33913	PRIVATE EXPORT FUND COR		5/08/20	1.8193	WILLIAMS CAPITA	4001	4,000,000.00	3,957,600.00		
10/11/19	7426M3ZD	COMMERCIAL PAPE	33949	PRIVATE EXPORT FUNDING		12/13/19	1.8154	WILLIAMS CAPITA	1000	15,000,000.00	14,955,504.17		
10/11/19	7426M3ZD	COMMERCIAL PAPE	33948	PRIVATE EXPORT FUNDING		12/13/19	1.8154	WILLIAMS CAPITA	4001	5,000,000.00	4,985,168.06		
10/21/19	89233GDH	COMMERCIAL PAPE	33984	TOYOTA MOTOR CREDIT COR		4/17/20	1.9180	BROKER DIRECT	4001	2,000,000.00	1,981,211.11		
10/22/19	30229ABM	COMMERCIAL PAPE	34005	EXXON MOBIL CORP		2/21/20	1.8312	BROKER DIRECT	4001	2,000,000.00	1,987,765.56		
10/22/19	90349WE4	COMMERCIAL PAPE	34004	US BANK NATL ASSOC		5/04/20	1.8176	BROKER DIRECT	4001	2,831,000.00	2,803,539.30		
10/24/19	7426M2AX	COMMERCIAL PAPE	34028	PRIVATE EXPORT FUNDING		1/31/20	1.7786	WILLIAMS CAPITA	1000	25,000,000.00	24,879,541.67		
10/28/19	30229AAP	COMMERCIAL PAPE	34050	EXXON MOBIL CORP		1/23/20	1.8078	BROKER DIRECT	4001	2,000,000.00	1,991,400.00		
10/28/19	30229BZX	COMMERCIAL PAPE	34049	EXXON MOBIL CORP		12/31/19	1.8057	BROKER DIRECT	4001	5,500,000.00	5,482,675.00		
10/10/19	912796WD	U.S. TREASURY B	33938	UNITED STATES TREASURY		11/12/19	1.7223	TD SECURITIES	4101	20,000,000.00	19,973,244.40		
10/17/19	912796WE	U.S. TREASURY B	33789	UNITED STATES TREASURY		11/19/19	1.7223	MIZUHO SECURITI	4101	20,000,000.00	19,973,244.40		
10/21/19	912796WJ	U.S. TREASURY B	33994	UNITED STATES TREASURY		12/17/19	1.6643	WELLS FARGO SEC	4101	20,000,000.00	19,948,355.56		
10/24/19	912796WF	U.S. TREASURY B	34025	UNITED STATES TREASURY		11/26/19	1.7123	HSBC	4101	8,482,000.00	8,470,718.94		
10/24/19	912796WF	U.S. TREASURY B	34025	UNITED STATES TREASURY		11/26/19	1.7123	HSBC	4101	11,518,000.00	11,502,681.06		
10/24/19	912796WK	U.S. TREASURY B	34024	UNITED STATES TREASURY		12/24/19	1.6844	HSBC	4101	20,000,000.00	19,947,733.40		
10/09/19	912828S2	US TREASURY NOT	33530	UNITED STATES TREASURY	1.125	6/30/21	1.5516	WELLS FARGO SEC	1001	11,000,000.00	10,920,507.81		
10/10/19	9128282F	US TREASURY NOT	33940	UNITED STATES TREASURY	1.125	8/31/21	1.5649	BARCLAYS	1001	20,000,000.00	19,836,718.75		
10/16/19	9128282F	US TREASURY NOT	33940	UNITED STATES TREASURY	1.125	8/31/21	1.6051	BARCLAYS	1001	15,000,000.00	14,867,578.13		
10/18/19	9128282F	US TREASURY NOT	33940	UNITED STATES TREASURY	1.125	8/31/21	1.5864	BARCLAYS	1001	10,000,000.00	9,915,625.00		
10/30/19	912828G9	US TREASURY NOT	34067	UNITED STATES TREASURY	1.625	12/31/19	1.6632	BMO CAPTIAL MAR	4001	10,000,000.00	9,999,218.75		
10/08/19	3133EK7	AGENCY US BOND	33912	FEDERAL FARM CREDIT BAN	1.600	9/17/24	1.4711	RBC CAPITAL MAR	1001	15,500,000.00	15,594,782.50		
10/09/19	313382W3	AGENCY US BOND	33926	FEDERAL HOME LOAN BANKS	1.250	11/13/19	1.8545	BOSC, INC	4101	1,000,000.00	999,438.11		
10/09/19	3133EK7	AGENCY US BOND	33912	FEDERAL FARM CREDIT BAN	1.600	9/17/24	1.4909	MORGAN STANLEY	1001	5,000,000.00	5,025,850.00		
10/09/19	880591EV	AGENCY US BOND	33928	TENNESSEE VALLEY AUTHOR	2.250	3/15/20	1.7533	BARCLAYS	4001	4,000,000.00	4,008,443.52		
10/09/19	880591EV	AGENCY US BOND	33927	TENNESSEE VALLEY AUTHOR	2.250	3/15/20	1.7533	BARCLAYS	4101	11,000,000.00	11,023,219.68		
10/16/19	3130A0JR	AGENCY US BOND	33965	FEDERAL HOME LOAN BANKS	2.375	12/13/19	1.7813	DEUTSCHE BANK S	4101	20,000,000.00	20,017,969.09		
10/16/19	3130AHDQ	AGENCY US BOND	33966	FEDERAL HOME LOAN BANK	1.830	10/21/20	1.8299	LOOP CAPITAL MA	4101	10,000,000.00	10,000,000.00		1/21/20
10/01/19	880592NA	AGENCY US DISC	33860	TENNESSEE VALLEY AUTHOR		10/16/19	1.8514	TD SECURITIES	4101	25,000,000.00	24,980,729.17		
10/10/19	313384QD	AGENCY US DISC	33939	FEDERAL HOME LOAN BANKS		12/06/19	1.7105	BANCROFT SECURI	4101	10,000,000.00	9,973,462.22		
10/22/19	313384SC	AGENCY US DISC	34006	FEDERAL HOME LOAN BANKS		1/22/20	1.6569	LOOP CAPITAL MA	4101	10,000,000.00	9,958,291.67		
10/24/19	31315KPE	AGENCY US DISC	34026	FEDERAL AGRICULTURAL MO		11/13/19	1.7416	MIZUHO SECURITI	1000	19,500,000.00	19,482,092.50		
10/25/19	313384QT	AGENCY US DISC	34040	FEDERAL HOME LOAN BANKS		12/20/19	1.7043	DEUTSCHE BANK S	1000	50,000,000.00	49,874,861.11		
10/25/19	313384QT	AGENCY US DISC	34039	FEDERAL HOME LOAN BANKS		12/20/19	1.7043	DEUTSCHE BANK S	4001	25,000,000.00	24,937,430.56		
10/25/19	313384QT	AGENCY US DISC	34038	FEDERAL HOME LOAN BANKS		12/20/19	1.7043	DEUTSCHE BANK S	4101	10,000,000.00	9,974,972.22		
10/25/19	313588NP	AGENCY US DISC	34036	FEDERAL NATIONAL MORTGA		10/29/19	1.8201	MIZUHO SECURITI	4101	25,000,000.00	24,998,736.11		
10/29/19	880592NX	AGENCY US DISC	34058	TENNESSEE VALLEY AUTHOR		11/06/19	1.7406	TD SECURITIES	1000	40,000,000.00	39,986,466.67		

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 10/01/19 Through 10/31/19

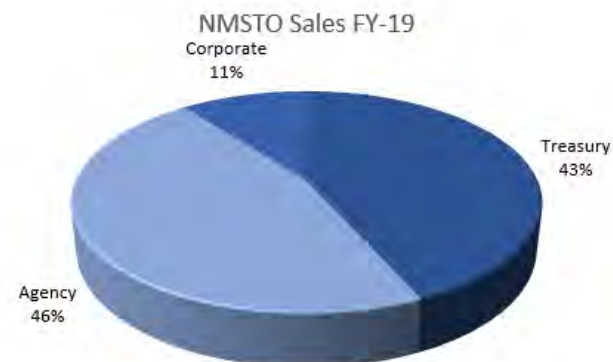
TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
10/30/19	313384NR	AGENCY US DISC	33576	FEDERAL HOME LOAN BANKS		10/31/19	1.7301	HSBC	4101	34,000,000.00	33,998,366.11		
10/03/19	313400BV	AGENCY US BOND	33886	FEDERAL HOME LOAN MORTG		11/29/19	1.8840	KEYBANC CAPITAL	4101	15,000,000.00	14,956,950.00		
10/08/19	3134G8PP	AGENCY US NOTES	33911	FEDERAL HOME LOAN MORTG	1.500	9/30/20	1.8118	BANK OF OKLAHOM	4101	750,000.00	747,750.00		
10/23/19	31315PUC	AGENCY US NOTES	34014	FEDERAL AGRICULTURAL MO	2.660	4/12/22	1.7003	RBC CAPITAL MAR	1001	7,000,000.00	7,161,636.37		
10/01/19	3134GUFRR	AGENCY US VARIA	33876	FEDERAL HOME LOAN MORTG	2.390	4/03/20	2.3636	LOOP CAPITAL MA	4101	10,000,000.00	10,000,000.00		
10/02/19	3130AHAP	AGENCY US VARIA	33878	FEDERAL HOME LOAN BANKS	2.000	10/07/20	1.9888	BANCROFT SECURI	4101	10,000,000.00	10,000,000.00		
10/11/19	3130AHD2	AGENCY US VARIA	33950	FEDERAL HOME LOAN BANKS	1.980	10/16/20	1.9690	WILLIAMS CAPITA	4101	10,000,000.00	10,000,000.00		
10/21/19	3134GTLJ	AGENCY US VARIA	33992	FEDERAL HOME LOAN MORTG	1.920	4/29/20	1.9046	BARCLAYS	4001	15,000,000.00	14,999,579.40		
10/21/19	3134GTLJ	AGENCY US VARIA	33993	FEDERAL HOME LOAN MORTG	1.920	4/29/20	1.9046	BARCLAYS	4101	5,000,000.00	4,999,859.80		
10/29/19	3130AEMQ	AGENCY US VARIA	34060	FEDERAL HOME LOAN BANKS	1.752	1/17/20	1.7595	WELLS FARGO SEC	4101	3,000,000.00	2,999,653.74		
10/29/19	3135G0V9	AGENCY US VARIA	34059	FEDERAL NATIONAL MORTGA	1.815	2/24/20	1.8195	BARCLAYS	4001	10,000,000.00	9,998,827.00		
10/08/19	91159HHP	CORP US NOTE 30	33917	U.S. BANCORP	2.625	1/24/22	1.8120	TD SECURITIES	1001	13,000,000.00	13,227,240.00		12/23/21
10/08/19	91159HHP	CORP US NOTE 30	33916	U.S. BANCORP	2.625	1/24/22	1.8120	TD SECURITIES	4002	3,000,000.00	3,052,440.00		12/23/21
10/09/19	91159HHL	CORP US NOTE 30	33929	U.S. BANCORP	2.350	1/29/21	1.7717	TD SECURITIES	1001	10,291,000.00	10,362,316.63		12/29/20
10/10/19	89236TEC	CORP US NOTE 30	33268	TOYOTA MOTOR CREDIT COR	2.150	9/08/22	1.8414	KEYBANC CAPITAL	1001	10,000,000.00	10,086,700.00		
10/10/19	89236TEC	CORP US NOTE 30	33269	TOYOTA MOTOR CREDIT COR	2.150	9/08/22	1.8354	BARCLAYS	4002	2,000,000.00	2,017,680.00		
10/21/19	90331HNB	CORP US NOTE 30	33995	U.S. BANK NATIONAL ASSO	2.000	1/24/20	1.8193	INCAPITAL LLC	4000	4,000,000.00	4,001,160.00		12/24/19
10/17/19	94988J5J	CORP US FLOAT A	33975	WELLS FARGO BANK, NATIO	2.762	12/06/19	1.8238	WELLS FARGO SEC	4001	1,075,000.00	1,076,195.31		
10/25/19	94988J5Q	CORP US FLOAT A	34037	WELLS FARGO BANK, NATIO	2.434	7/23/21	2.1487	MIZUHO SECURITI	1001	20,000,000.00	20,039,000.00		7/23/20
10/11/19	CMSD2019	MUNICIPAL BOND	33974	CARLSBAD MUNICIPAL SCHO	1.990	11/21/19	1.9707	ISSUER DIRECT	1000	10,300,000.00	10,300,000.00		
58 PURCHASES DURING PERIOD TOTAL.....										758,747,000.00	758,097,047.23		
SALE TRANSACTIONS													
10/09/19	9128287C	US TREASURY NOT	33656	UNITED STATES TREASURY	1.750	7/15/22		TD SECURITIES	1001	10,000,000.00	10,080,078.13	15,561.08	
10/10/19	9128287C	US TREASURY NOT	33656	UNITED STATES TREASURY	1.750	7/15/22		BARCLAYS	1001	20,000,000.00	20,131,250.00	2,340.51	
10/16/19	31422BHJ	AGENCY US BOND	33137	FARMER MAC	1.800	6/28/22		CANTOR FITZGERA	1001	14,000,000.00	14,053,760.00	53,760.00	
10/18/19	31422BCZ	AGENCY 30/360 2	32272	FAMCA	2.620	2/26/24		MORGAN STANLEY	1001	5,000,000.00	5,201,300.00	201,300.00	
10/09/19	742718EU	CORP US NOTE 30	33509	THE PROCTER & GAMBLE CO	2.150	8/11/22		INCAPITAL LLC	1001	10,779,000.00	10,934,648.76	83,005.68	
5 SALES DURING PERIOD TOTAL.....										59,779,000.00	60,401,036.89	355,967.27	
== GRAND-TOTAL ==>										818,526,000.00	818,498,084.12	355,967.27	

*** END-OF-REPORT ***

NM State Treasurer's Office

TRADE ACTIVITY FOR OCTOBER 2019

NM STO Trade Activity FY 2020			Oct-19	
Purchase	Volume	Trades	Volume	Trades
Treasury	680,797,000	49	166,000,000	11
Agency	1,377,878,000	98	390,750,000	26
Callable	33,830,000	4	10,000,000	1
CP	174,231,000	20	118,331,000	11
Corporate	194,840,000	26	63,366,000	8
CD's	3,750,000	2		
Muni	13,410,000	4	10,300,000	1
Total Purchase	2,478,736,000	203	758,747,000	58
Sale	Volume	Trades	Volume	Trades
Treasury	65,500,000	6	30,000,000	2
Agency	70,004,000	3	19,000,000	2
Callable				
CP				
Corporate	15,779,000	2	10,779,000	1
Muni				
Total Sale	151,283,000	11	59,779,000	5
Total Volume	2,630,019,000	214	818,526,000	63
LGIP Repo			LGIP Repo	
Overnight	8,356,000,000	98	1,049,000,000	20
Term	1,209,000,000	23	149,000,000	5
	9,565,000,000	121	1,198,000,000	25



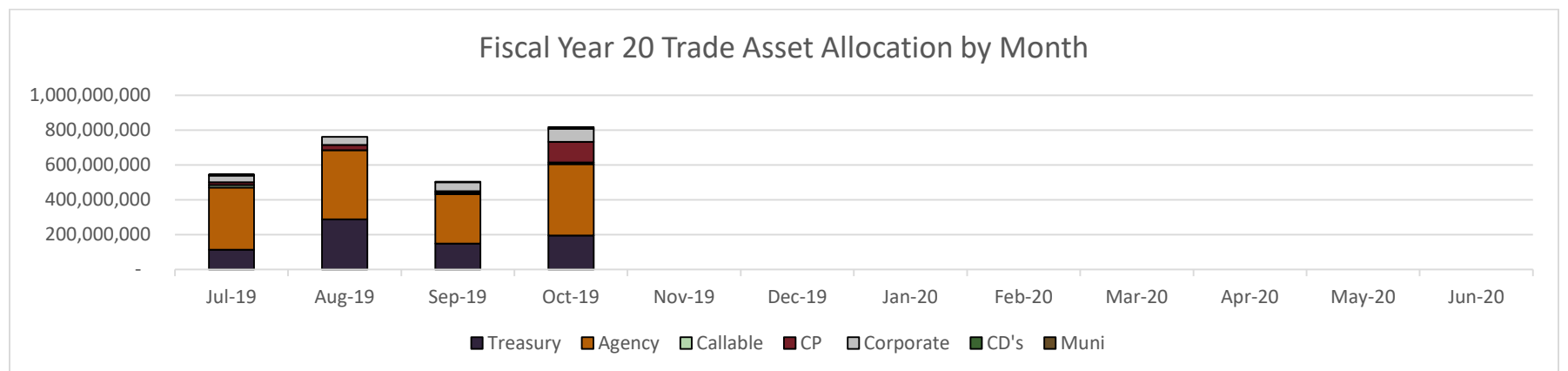
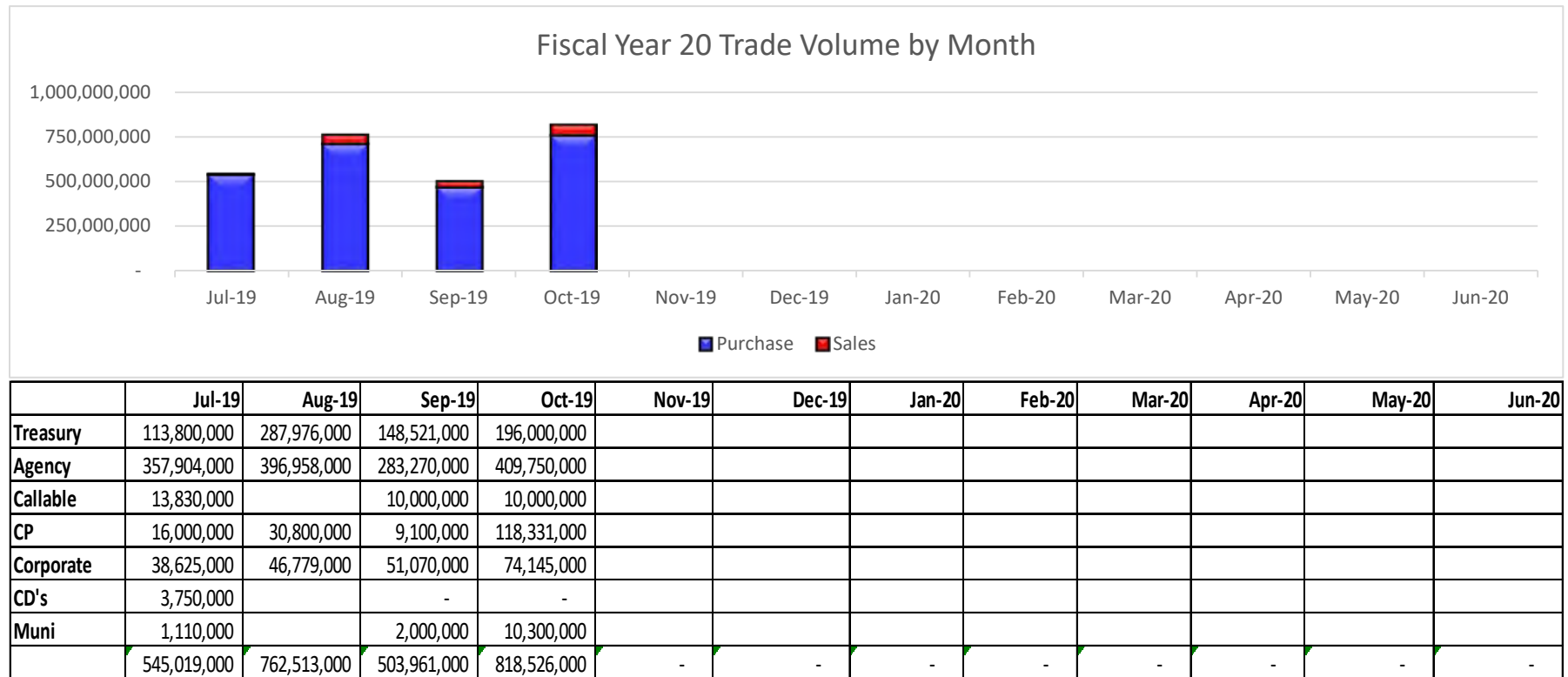
NM State Treasurer's Office

TRADE ACTIVITY FOR OCTOBER 2019

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			56,000,000	4					10,000,000	1	100,000,000	6
Agency	109,500,000	3	27,500,000	3					54,000,000	4	199,750,000	16
Callable											10,000,000	1
CP	90,000,000	3			5,000,000	1			23,331,000	7		
Corporate			53,291,000	4	4,000,000	1	5,000,000	2	1,075,000	1		
CD's												
Muni	10,300,000	1										
Total Purchase	209,800,000	7	136,791,000	11	9,000,000	2	5,000,000	2	88,406,000	13	309,750,000	23
Sale	Volume	Trades	Volume	Trades	Volume	Trades	Volume	Trades	Volume	Trades	Volume	Trades
Treasury			30,000,000	2								
Agency			19,000,000	2								
Callable												
CP												
Corporate			10,779,000	1								
Muni												
Total Sale	-	-	59,779,000	5	-	-	-	-	-	-	-	-
Total Volume	209,800,000	7	136,791,000	11	9,000,000	2	5,000,000	2	88,406,000	13	309,750,000	23
LGIP												
Overnight											1,049,000,000	20
Term	300,000,000	2									149,000,000	5
	300,000,000	2	-	-	-	-	-	-	-	-	1,198,000,000	25

NM State Treasurer's Office

TRADE ACTIVITY FOR OCTOBER 2019



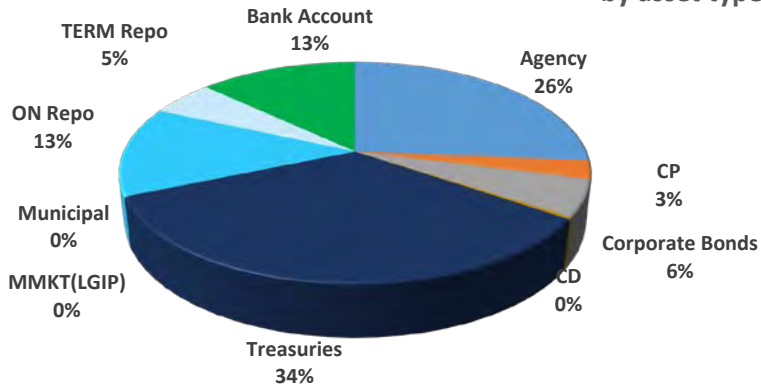
NM State Treasurer Office Security Holding by Portfolio

October 31, 2019

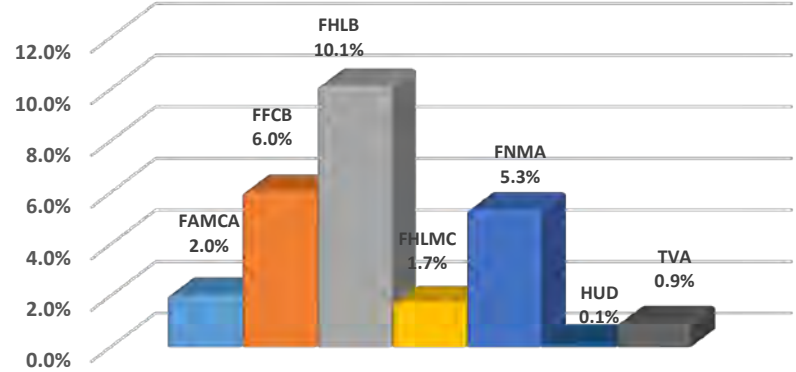
Values are based on position holdings

Portfolio Balance	GF LIQ	GF CORE	BPIP TE	BPIP TX	STB	LGIP	STO Holdings	
	1,824,431,318	2,386,693,874	462,029,604	458,199,105	272,026,466	864,456,565	6,267,836,932	
Agency	144,500,000	685,728,000	96,015,000	165,827,000	111,000,000	443,524,000	1,646,594,000	26.3%
FAMCA	19,500,000	70,000,000	17,500,000	12,500,000	8,000,000	-	127,500,000	2.0%
FFCB	-	192,178,000	-	72,882,000	-	112,105,000	377,165,000	6.0%
FHLB	85,000,000	226,480,000	30,000,000	28,500,000	49,000,000	214,970,000	633,950,000	10.1%
FHLMC	-	16,070,000	13,750,000	9,745,000	15,000,000	52,750,000	107,315,000	1.7%
FNMA	-	170,000,000	34,765,000	42,200,000	35,000,000	52,699,000	334,664,000	5.3%
HUD	-	8,000,000	-	-	-	-	8,000,000	0.1%
TVA	40,000,000	3,000,000	-	-	4,000,000	11,000,000	58,000,000	0.9%
CP	115,000,000	-	15,000,000	-	36,731,000	-	166,731,000	2.7%
Corporate Bonds	-	257,596,000	25,944,000	43,616,000	7,165,000	-	334,321,000	5.3%
CD	-	13,000,000	-	6,200,000	-	-	19,200,000	0.3%
Treasuries	-	1,397,350,000	265,000,000	212,000,000	25,000,000	231,021,000	2,130,371,000	34.0%
Municipal	-	3,340,000	-	-	-	-	3,340,000	0.1%
MMKT(LGIP)	-	-	-	-	795,379	-	795,379	0.0%
ON Repo	676,596,885	29,679,874	35,027,248	30,556,105	7,587,656	42,000,000	821,447,768	13.1%
TERM Repo	300,000,000	-	-	-	-	28,000,000	328,000,000	5.2%
Bank Account	588,334,433	-	25,043,356	-	83,747,430	119,911,565	817,036,784	13.0%

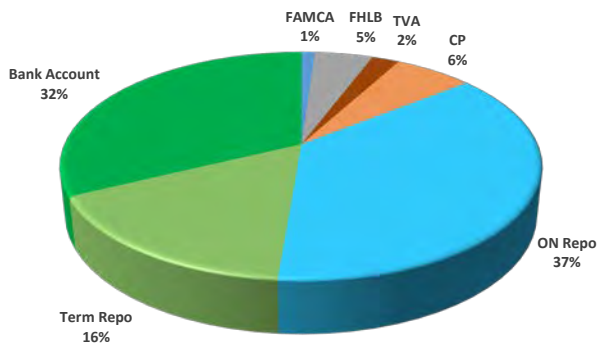
STO Holdings by asset type



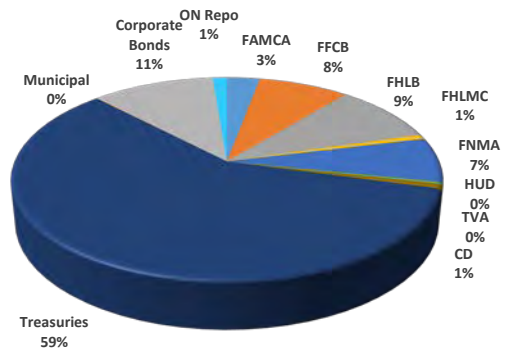
STO US Agency Holdings



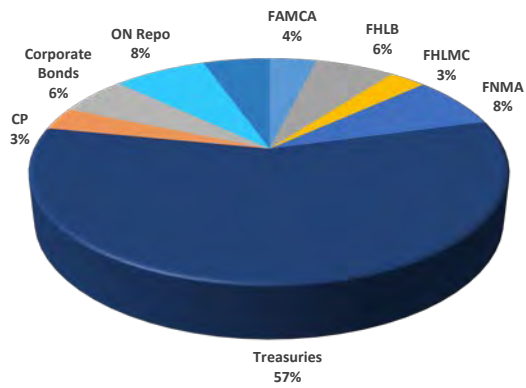
GF Liquidity Holdings
October 31, 2019



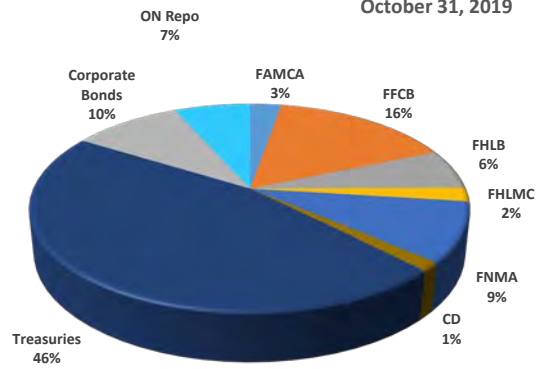
GF CORE Holdings
October 31, 2019



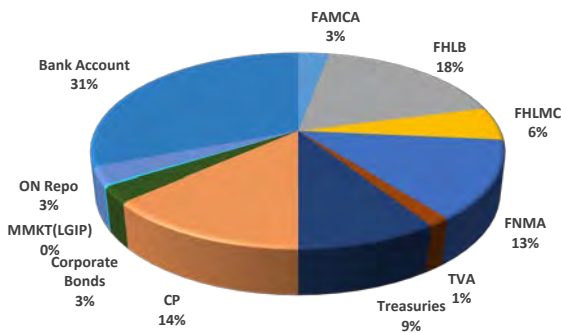
BPIP Tax-Exempt Holdings
October 31, 2019



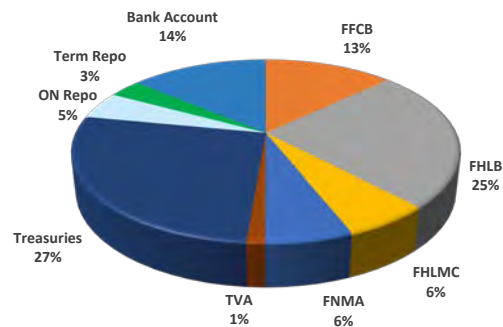
BPIP Taxable Holdings
October 31, 2019

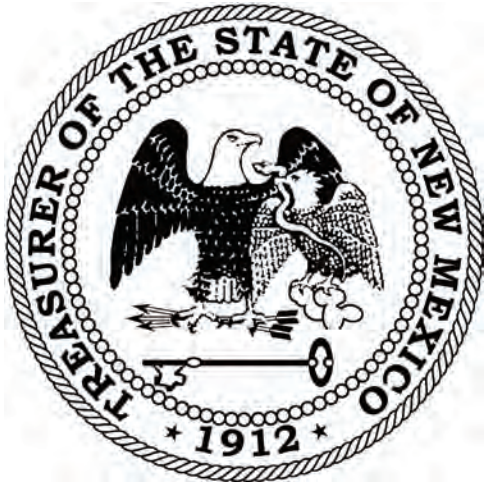


STB Holdings
October 31, 2019



LGIP Holdings
October 31, 2019





7. Investment Accounting Report



STATE OF NEW MEXICO
OFFICE OF THE TREASURER

Interoffice Memorandum

Date: November 12, 2019
To: Sam Collins, Deputy Treasurer
From: David Mahooty, STO Chief Financial Officer
CC: STO Investments Division
Subject: October 2019 Investment Reconciliation & State General Fund Distribution

The October 2019 investment reconciliation included the following to verify the completeness and accuracy of the JP Morgan reporting:

1. Net asset values of all investment accounts.
2. Change in transaction activity between September 30 and October 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 Deal Management position reconciliation.
9. JP Morgan to QED income reconciliation.

Note, commencing with the September 2018 investment recon, reporting from Deal Management (DM) is being included for the Cost and Position Reconciliation.

Below is the reconciliation for October 2019. The differences that exceed the BPS Dollar Threshold are explained below:

Inventory Holdings:

- P09336/1000 GF Liquidity – A \$10,300,000 Carlsbad Municipal Schools private placement GO Bond, STO CUSIP #CMSD2019 with a trade date of 10/11/19 and a settlement date of 11/20/19 was recorded in QED and Share/DM but not in JP Morgan as Share/DM uses the trade date to record the asset whereas JPM utilizes the settlement date to record.

Income Reconciliation

- P09336/1000 GF Liquidity – A refund was paid to STO from Cantor Fitzgerald in the amount of \$209,302.46 believed to be from a FY06 transaction. The proceeds were placed in the GF Liquidity pool as miscellaneous income.

Market Value Reconciliation						
Account	Market Value			JPM to		BPS Dollar Threshold
	JPM	QED	SHARE GL	QED Variance	SHARE GL Variance	
P 09336/1000 GF LIQ	1,824,101,097.71	1,834,200,766.96		(10,099,669.25)		912,050.55
P 09337/1001 GF CORE	2,418,080,786.19	2,418,153,759.50		(72,973.31)		1,209,040.39
P 09334/1101 REPO	101,552,231.76	101,586,352.89		(34,121.13)		50,776.12
P 89523/4001 STBF	271,725,811.62	271,652,185.06		73,626.56		135,862.91
Fund 10099 Subtotal	4,615,459,927.28	4,625,593,064.41	4,615,459,927.28		-	
P 09335/4000 BPIP TE	463,422,279.62	463,355,245.58		67,034.04		231,711.14
P 09339/4002 BPIP TA	460,677,876.82	460,696,152.81		(18,275.99)		230,338.94
Fund 10199 Subtotal	924,100,156.44	924,051,398.39	924,100,156.44		-	
P 09333/4101/68599 LGIP	863,999,481.06	863,999,403.41	863,999,481.06	77.65		431,999.74
Total	6,403,559,564.78	6,413,643,866.21	6,403,559,564.78	(10,084,301.43)	-	3,201,779.78

Cost Reconciliation						
Account	Cost			JPM to		BPS Dollar Threshold
	JPM	QED	SHARE DM	QED Variance	SHARE DM Variance	
P 09336/1000 GF LIQ	1,823,875,007.24	1,834,175,007.24	1,834,175,007.24	(10,300,000.00)	(10,300,000.00)	911,937.50
P 09337/1001 GF CORE	2,378,192,065.97	2,378,127,834.72	2,378,199,076.08	64,231.25	(7,010.11)	1,189,096.03
P 09334/1101 REPO	101,552,231.76	101,586,352.89	101,552,231.76	(34,121.13)	-	50,776.12
P 89523/4001 STBF	271,420,341.86	271,420,341.85	271,420,341.85	0.01	0.01	135,710.17
P 09335/4000 BPIP TE	461,340,052.55	461,340,052.55	461,243,996.35	-	96,056.20	230,670.03
P 09339/4002 BPIP TA	455,880,524.10	455,880,524.10	455,880,524.10	-	-	227,940.26
P 09333/4101 LGIP	863,077,350.94	863,077,350.93	863,077,350.89	0.01	0.05	431,538.68
Total	6,355,337,574.42	6,365,607,464.28	6,365,548,528.27	(10,269,889.86)	(10,210,953.85)	3,177,668.79

Position Reconciliation						
Account	Position Size			JPM to		BPS Dollar Threshold
	JPM	QED	SHARE DM	QED Variance	SHARE DM Variance	
P 09336/1000 GF LIQ	1,824,431,317.51	1,834,731,317.51	1,834,731,317.51	(10,300,000.00)	(10,300,000.00)	912,215.66
P 09337/1001 GF CORE	2,386,722,873.78	2,386,693,873.78	2,386,693,873.78	29,000.00	29,000.00	1,193,361.44
P 09334/1101 REPO	101,552,231.76	101,586,352.89	101,552,231.76	(34,121.13)	-	50,776.12
P 89523/4001 STBF	272,026,465.68	272,026,465.67	272,026,465.67	0.01	0.01	136,013.23
P 09335/4000 BPIP TE	462,029,603.90	462,029,603.90	462,029,603.90	-	-	231,014.80
P 09339/4002 BPIP TA	458,199,105.23	458,199,105.23	458,199,105.23	-	-	229,099.55
P 09333/4101 LGIP	864,456,654.99	864,456,654.99	864,456,654.99	-	-	432,228.33
Total	6,369,418,252.85	6,379,723,373.97	6,379,689,252.84	(10,305,121.12)	(10,270,999.99)	3,184,709.13

*Basis Point (BPS)Dollar Threshold

JPM Market Value x 5 BPS

JPM Cost x 5 BPS

JPM Postion Size x 5 BPS

0.0005

Income Reconciliation						
Account	JPM	QED	SHARE GL	JPM to		
	Earned Interest	Earned Interest	Earned Interest	QED	SHARE GL	BPS Dollar Threshold *
P 09336/1000 GF LIQ	2,154,420.02	1,944,454.10		209,965.92		91,205.05
P 09337/1001 GF CORE	4,209,738.96	4,215,218.32		(5,479.36)		120,904.04
P 09334/1101 REPO	125,104.68	125,104.67		0.01		5,077.61
P 89523/4001 STBF	226,161.97	221,992.54		4,169.43		13,586.29
Fund 10099 Subtotal	6,715,425.63	6,506,769.63	6,715,425.63		-	
P 09335/4000 BPIP TE	692,256.65	692,317.99		(61.34)		23,171.11
P 09339/4002 BPIP TA	759,997.86	757,535.36		2,462.50		23,033.89
Fund 10199 Subtotal	1,452,254.51	1,449,853.35	1,452,254.51		-	
P 09333/4101/68599 LGIP	867,351.66	848,721.55	867,351.66	18,630.11	-	43,199.97
Total	9,035,031.80	8,805,344.53	9,035,031.80	229,687.27	-	320,177.98

Amortization / Accretion Reconciliation					
Account	JPM	QED	SHARE GL	JPM to	
	Amortization/Accretion	Amortization/Accretion	Amortization Accretion	QED	SHARE GL
P 09336/1000 GF LIQ	278,205.91	275,144.27		3,061.64	
P 09337/1001 GF CORE	414,132.42	395,094.90		19,037.52	
P 09334/1101 REPO	-	-		-	
P 89523/4001 STBF	181,879.85	181,149.94		729.91	
Fund 10099 Subtotal	874,218.18	851,389.11	874,218.18		-
P 09335/4000 BPIP TE	93,366.59	90,476.91		2,889.68	
P 09339/4002 BPIP TA	118,715.38	118,401.82		313.56	
Fund 10199 Subtotal	212,081.97	208,878.73	212,081.97		-
P 09333/4101/68599 LGIP	615,987.91	612,910.46	615,987.91	3,077.45	-
Total	1,702,288.06	1,673,178.30	1,702,288.06	29,109.76	-

* BPS Dollar Threshold

JPM Market Value x 0.5 Basis Points (BPS)
 0.00005

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.

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

October 2019 SGF Distribution

[Bing Maps](#)

Mark -

The State Treasurer’s Office will make a distribution to the State General Fund for October 2019 in the amount of \$7,717,211.81 as seen below:

October 2019

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*	\$ 2,432,625.93	\$ 4,623,871.38	\$ (2,639,762.77)	\$ 4,416,734.54
Realized Gains/(Losses)		355,495.76		\$ 355,495.76
Unrealized Gains/(Losses)	7,219.51	2,937,762.00		\$ 2,944,981.51
Distribution Total	\$ 2,439,845.44	\$ 7,917,129.14	\$ (2,639,762.77)	\$ 7,717,211.81

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

Self-Earning Interest Rate Determination	GFL	GFC	Total
Beginning Cost Balance	1,514,326,195.69	2,388,938,159.01	3,903,264,354.70
Ending Cost Balance	<u>1,824,713,428.39</u>	<u>2,393,883,119.03</u>	<u>4,218,596,547.42</u>
Average Cost Balance	1,669,519,812.04	2,391,410,639.02	4,060,930,451.06
Combined GFL & GFC Earnings			10,356,974.58
Total Return for the Current Month			3.060473%
Offsetting Prior Accumulated Negative Returns to Balance Distribution			-0.466154%
Applicable Self-Earning Interest Rate			2.594319%

Below is the year-to-date FY20 distribution summary:

Month	General Fund	Self-Earnings
July 2019	1,267,913.87	482,435.49
August 2019	18,112,421.93	8,069,995.61
September 2019	(1,495,953.26)	-
October 2019	7,717,211.81	2,639,762.77
November 2019	-	-
December 2019	-	-
January 2020	-	-
February 2020	-	-
March 2020	-	-
April 2020	-	-
May 2020	-	-
June 2020	-	-
Total	<u>25,601,594.35</u>	<u>11,192,193.87</u>

Please let me know if there are any questions.

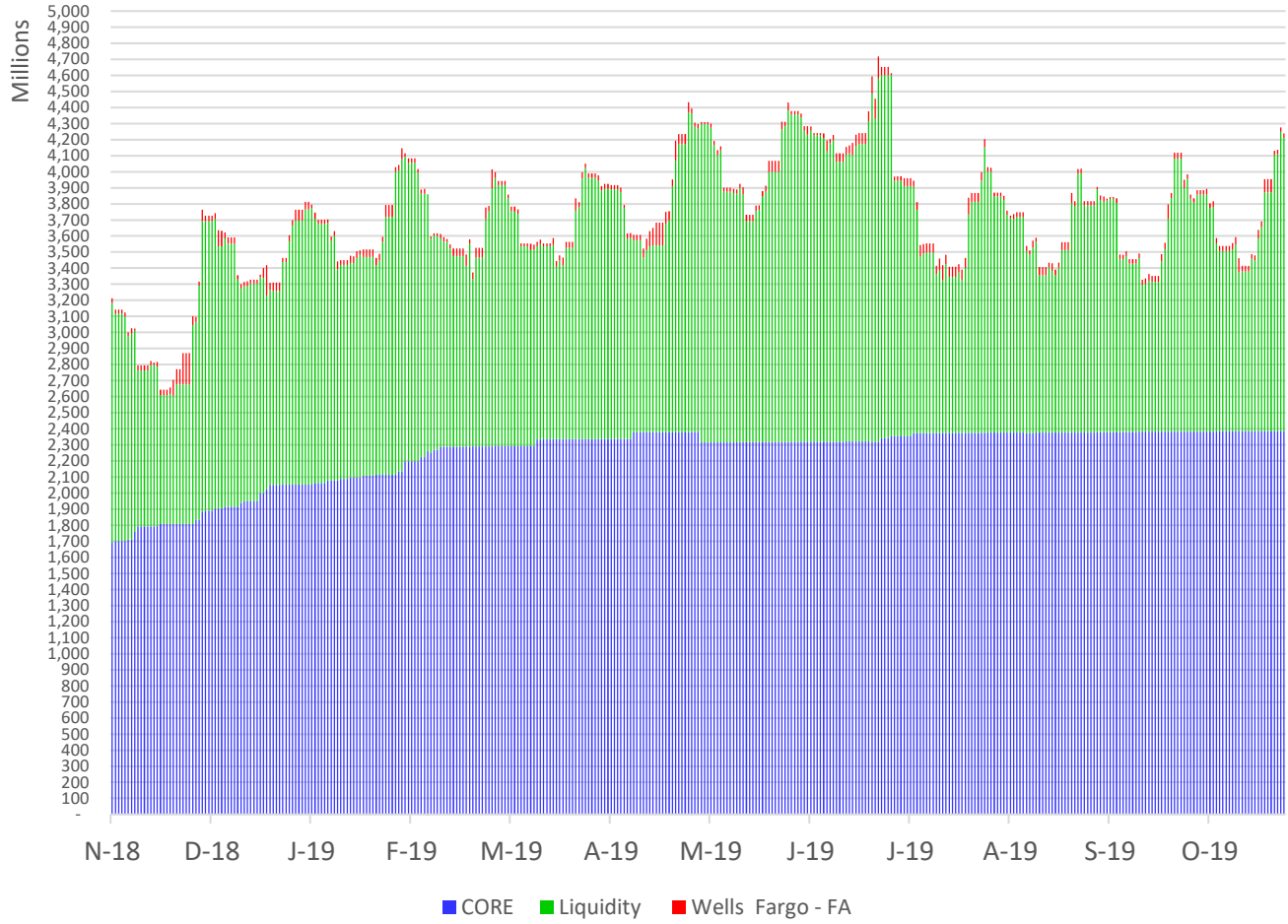
David Mahooty
 Chief Financial Officer
 New Mexico State Treasurer’s Office
 2055 S Pacheco St (Suite 100) Santa Fe, NM 87505
 Direct: 505.955.1189 | Email: david.mahooty@state.nm.us



8. Cash Projections



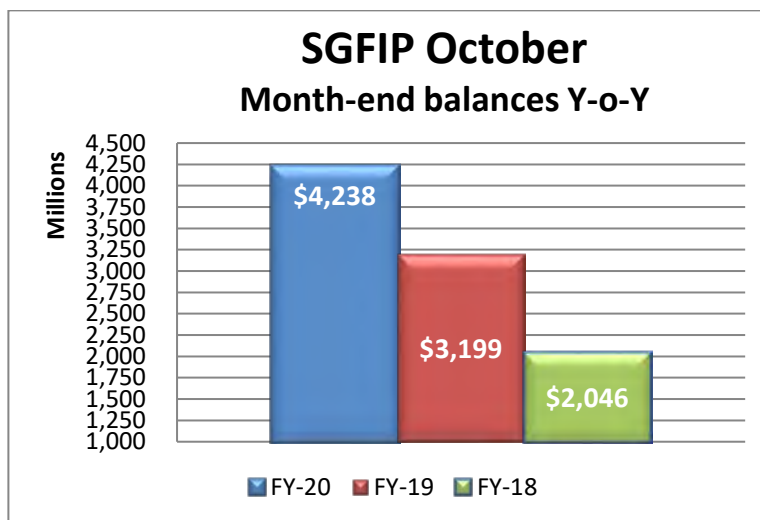
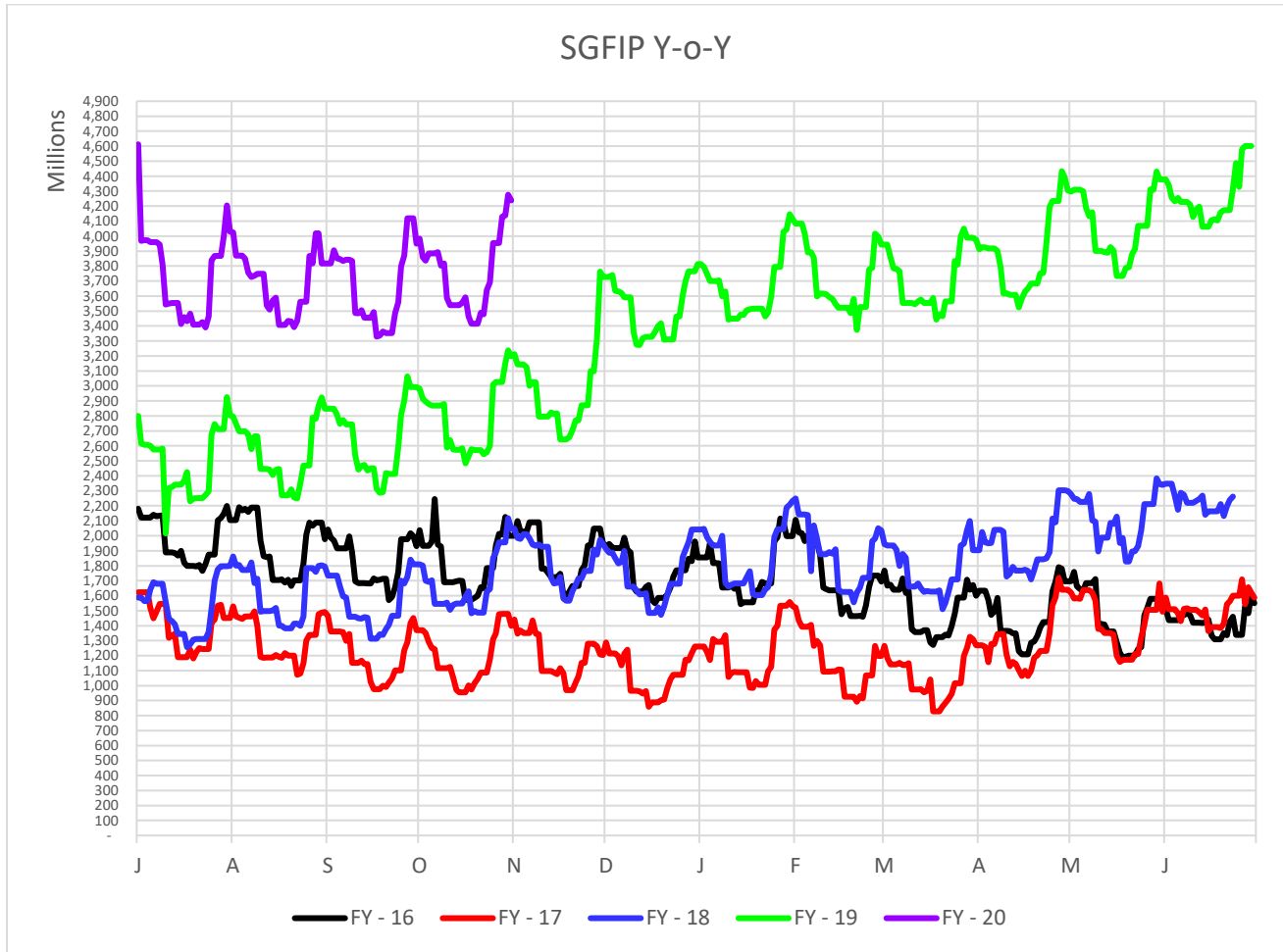
1 Year -Cash Balances (Liquidity, Core, & Fiscal Agent Accounts)



GENERAL FUND	Oct-18	Sep-19	Oct-19	Y-o-Y Change	M-o-M Change
Liquidity	1,479,906,919	1,513,991,417	1,824,430,623	344,523,704	310,439,206
CORE	1,692,206,732	2,383,511,071	2,386,693,874	694,487,142	3,182,803
Wells Fargo - FA	26,508,842	52,683,696	26,889,532	380,690	(25,794,164)
(Closed Collected Balance)	3,198,622,493	3,950,186,185	4,238,014,029	1,039,391,536	287,827,845



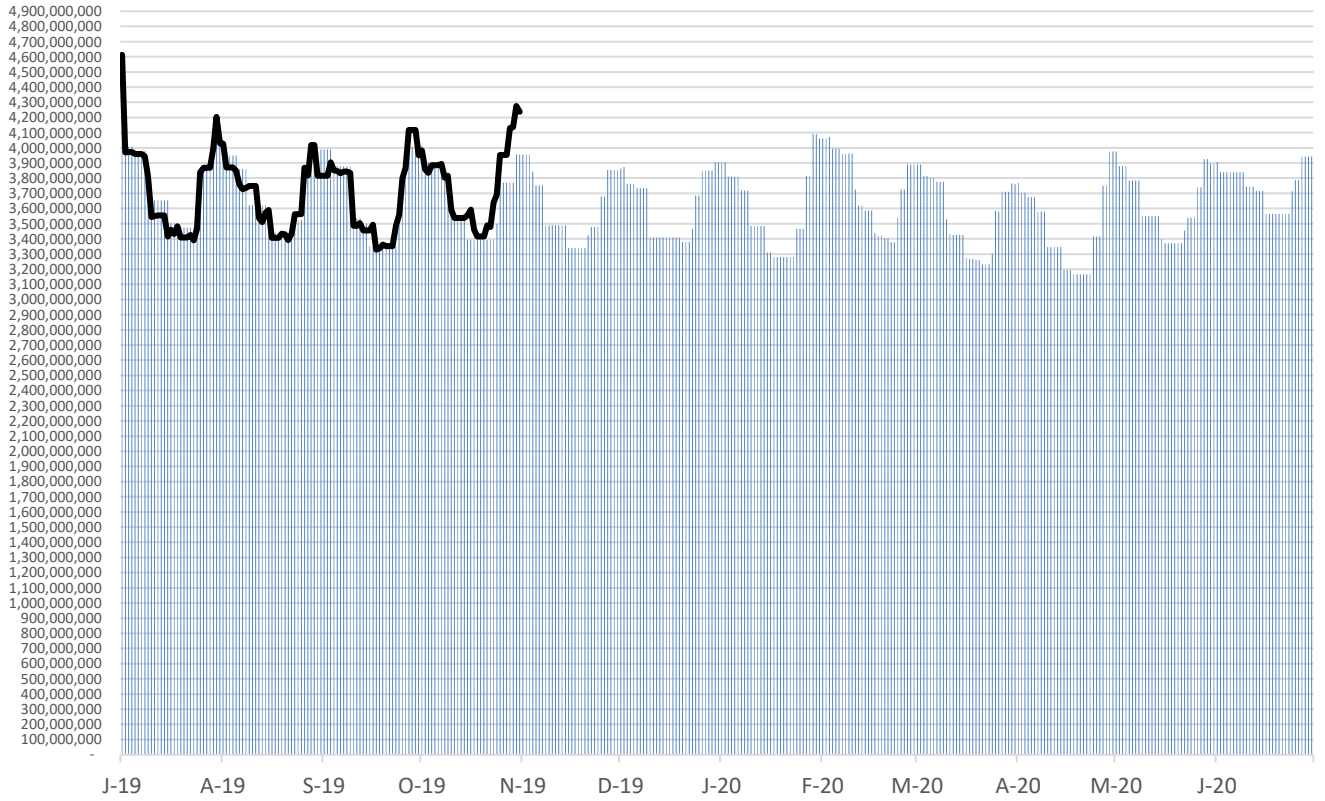
* These projections are based upon numerous source elements (General Fund Revenue Consensus Group Estimates, HB2 as adopted, LFC Estimates, Fiscal Agent Bank Statements, TRD Estimates, DFA Estimates, Market & Economic Conditions, and Historical Trends) as such represent estimates only.



The balance as of October 31, 2019 of the State General Fund Investments Pool (SGFIP) Y-o-Y has increased 32.5% from October 31, 2018 and 107.1% from October 31, 2017 . M-o-M SGFIP balances increased to \$4.238 billion at October 31, 2019 from \$3.950 billion at September 30, 2019 an increase of \$288 million or 7.3%.

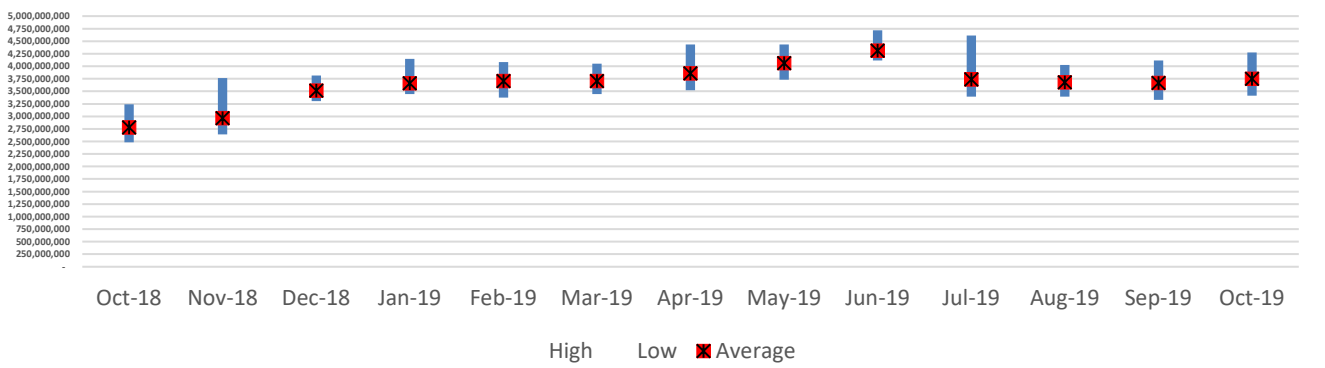


FY - 20 SGFIP Projections vs FY - 20 Actuals



	Oct-19	Oct-18	Change
High	4,275,422,290.64	3,237,462,935.70	32.06%
Low	3,414,502,078.11	2,482,705,624.82	37.53%
Average	3,754,047,629.71	2,781,913,053.33	34.94%

SGFIP High & Lows



* 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.



9. Portfolio Summary— General Fund Investment Pool

Portfolio Summary – General Fund Investment Pool

Summary

- The General Fund Investment Pool (Bank balances, Liquidity and Core Portfolios) closed the month of October at \$4.3 billion.

Portfolio Mix

- At month end, 97% of the General Fund CORE portfolio was invested in fixed income securities and 3% in floating rate notes; 58% in US Government Securities; 29% in Government Related Securities (Municipal Bonds and Agency Securities), 11% in Corporate Securities and the balance 2% in cash and cash equivalents.
- 26% of the portfolio was invested in securities that mature in one year; 24% in securities that mature from 1-2 years; 40% in 2-4 years and 10% within 5 years.
- The General Fund Core portfolio held positions in 143 securities at the end of October.
- The Weighted Average Life of the CORE portion of the General Fund was 2.28 years. The Weighted Average duration was 2.09 years.
- The benchmark duration for the CORE portfolio was 2.08 years.
- The maximum security term for the CORE portfolio is 5 years.

Performance

- For the last month, the General Fund outperformed its benchmark, returning 0.33% vs. 0.31%.
- For the last 3 months, the General Fund outperformed its benchmark, returning 1.15% vs. 1.14%.
- For the last 12 months, the General Fund underperformed its benchmark. The General Fund return was 4.88% vs. 5.16% for the benchmark.

Market Value and Investment Earnings

- Unrealized gains/losses in the GF Portfolios at the end of October were \$36,001,860.
- Over the month, the unrealized value of the portfolio increased \$2,944,982.
- Monthly net earnings for October on the General Fund Portfolios were \$7,056,497.
- Total monthly earnings including mark-to-market were \$10,001,479.
- Year-to-date net earnings were \$28,876,036.
- Total year-to-date earnings including mark-to-market were \$36,318,692.
- Earnings on the General Fund are used to offset General Fund Spending.

Investment Highlights

- The Core portfolio duration ended the month slightly longer vs. the benchmark in October.

Fixed Income - Standard Report
New Mexico State Treasurers Office (06677)
 October 2019

Account / Holdings	Market Value	Cost	% of Total	Return	Coupon Rate	Modified Duration	Option Adjusted Spread	Spread Duration	Static Yield	Effective Duration	Effective Convexity	Weighted Average Life	Yield to Maturity	Moody Quality Rating	S&P Quality Rating
General Fund Liquidity(10933600)	1,824,718,965.28	1,823,875,007.24	100.00%	0.16	0.04	0.02	1.90	0.02	0.80	0.01	0.00	0.02	0.80		
FIXED INCOME + CASH AND CASH EQUIVALENT	1,824,718,965.28	1,823,875,007.24	100.00%	0.16	0.04	0.02	1.90	0.02	0.80	0.01	0.00	0.02	0.80	Aa3	A+
Fixed Income	35,105,950.76	34,994,050.00	1.92%	0.17	1.90	0.09	48.40	0.09	1.99	0.09	0.00	0.09	1.99	Agy	AA+
Government Related	35,105,950.76	34,994,050.00	1.92%	0.17	1.90	0.09	48.40	0.09	1.99	0.09	0.00	0.09	1.99	Agy	AA+
Agencies	35,105,950.76	34,994,050.00	1.92%	0.17	1.90	0.09	48.40	0.09	1.99	0.09	0.00	0.09	1.99	Agy	AA+
Cash And Cash Equivalent	1,789,613,014.52	1,788,880,957.24	98.08%	0.16	0.00	0.01	0.99	0.01	0.78	0.01	0.00	0.01	0.78	Aa3	A+
Short Term Investment	1,789,613,014.52	1,788,880,957.24	98.08%	0.16	0.00	0.01	0.99	0.01	0.78	0.01	0.00	0.01	0.78	Aa3	A+
Commercial Paper (Interest Bearing)	114,806,836.40	114,606,219.45	6.29%	0.16	0.00	0.09	14.20	0.10	1.67	0.09	0.00	0.10	1.67	Aa1	BBB
Repurchase Agreements	976,733,835.51	976,596,885.12	53.53%	0.15	0.00	0.00	0.00	0.00	0.04	0.00	0.00	0.00	0.04	Aaa	AA+
Discounted Notes	109,366,093.80	109,343,420.28	5.99%	0.11	0.00	0.07	1.33	0.07	1.53	0.07	0.00	0.08	1.53	Agy	AAA
Miscellaneous	588,706,248.81	588,334,432.39	32.26%	0.17	0.00	0.01	0.00	0.01	1.69	0.00	0.00	0.01	1.69	Baa3	BB+

* Sector and total level ratings represent a weighted average of all investments. Unrated securities will lower credit ratings in aggregate.

** Credit quality ratings are delivered where available by J.P. Morgan's fixed income analytics vendor BlackRock Solutions.

Fixed Income - Standard Report
New Mexico State Treasurers Office (06677)
 October 2019

Account / Holdings	Market Value	Cost	% of Total	Return	Coupon Rate	Modified Duration	Option Adjusted Spread	Spread Duration	Static Yield	Effective Duration	Effective Convexity	Weighted Average Life	Yield to Maturity	Moody Quality Rating	S&P Quality Rating
General Fund Core(10933700)	2,429,879,441.72	2,378,192,065.97	100.00%	0.32	2.10	2.16	11.48	2.13	1.69	2.09	0.03	2.28	1.71		
FIXED INCOME + CASH AND CASH EQUIVALENT	2,429,879,441.72	2,378,192,065.97	100.00%	0.32	2.10	2.16	11.48	2.13	1.69	2.09	0.03	2.28	1.71	Agy	AA+
Fixed Income	2,365,240,588.93	2,313,984,197.79	97.34%	0.32	2.15	2.21	11.31	2.19	1.70	2.14	0.03	2.33	1.72	Agy	AA+
Corporates	251,478,856.07	248,127,392.76	10.35%	0.32	2.48	1.83	26.22	1.92	1.86	1.77	0.01	2.15	1.90	Aa3	AA-
Industrial	149,838,123.69	147,632,436.13	6.17%	0.38	2.46	2.15	21.47	2.16	1.80	2.08	0.01	2.31	1.81	Aa2	AA
Financial Institutions	101,640,732.38	100,494,956.63	4.18%	0.22	2.51	1.34	33.23	1.56	1.94	1.31	0.01	1.91	2.05	Aa3	A+
Government Related	716,839,590.49	698,671,810.95	29.50%	0.34	2.36	2.76	5.46	2.65	1.63	2.55	(0.02)	2.92	1.68	Agy	AA+
Agencies	715,770,662.74	697,575,299.95	29.46%	0.34	2.36	2.77	5.44	2.65	1.63	2.56	(0.02)	2.92	1.68	Agy	AA+
Local Authorities	1,068,927.75	1,096,511.00	0.04%	0.31	3.94	0.61	20.86	0.61	1.81	0.61	0.01	0.62	1.81	Aa2	AAA
Treasuries	1,396,922,142.37	1,367,184,994.08	57.49%	0.31	1.97	2.00	11.64	2.00	1.72	2.00	0.06	2.07	1.72	Govt	AA+
Treasuries	1,396,922,142.37	1,367,184,994.08	57.49%	0.31	1.97	2.00	11.64	2.00	1.72	2.00	0.06	2.07	1.72	Govt	AA+
Cash And Cash Equivalent	64,638,852.79	64,207,868.18	2.66%	0.19	0.51	0.24	17.61	0.24	1.08	0.24	0.00	0.24	1.08	Aaa	AA+
Short Term Investment	64,638,852.79	64,207,868.18	2.66%	0.19	0.51	0.24	17.61	0.24	1.08	0.24	0.00	0.24	1.08	Aaa	AA+
Treasury Bills	19,900,800.00	19,498,994.40	0.82%	0.25	0.00	0.32	(6.18)	0.32	1.53	0.32	0.00	0.32	1.53	Govt	AAA
Certificate Of Deposit	13,027,777.46	13,000,000.00	0.54%	0.21	2.53	0.44	96.49	0.44	2.49	0.44	0.00	0.44	2.49	Aaa	AA+
Repurchase Agreements	29,681,275.33	29,679,873.78	1.22%	0.15	0.00	0.00	0.00	0.00	0.04	0.00	0.00	0.00	0.04	Aaa	AA+
Miscellaneous	2,029,000.00	2,029,000.00	0.08%	0.00	0.00	1.55	2.04	1.55	2.69	1.55	0.04	1.56	2.90	NR	NR

* Sector and total level ratings represent a weighted average of all investments. Unrated securities will lower credit ratings in aggregate.

** Credit quality ratings are delivered where available by J.P. Morgan's fixed income analytics vendor BlackRock Solutions.

As of: 31-Oct-2019

Institutional Accounting

Detailed Net Asset Valuation

Account : P 09336 STATEOFNM STO-GEN FD LIQ [FINAL]

Base Currency : USD

Security Number	Description	Quantity	Cost Local	Market Price	Market Value Local	Cost Base	Market Value Base	Accrued Income Base	Unrealized Gain/Loss Base	Market Value + Accrued Income Base	% of Fund
<i>Currency: USD Rate: 1.0000 Base: USD Nav Value: 1,824,718,965.28</i>											
89499LC10	BANK OF THE WEST MONTHLY VARIABLE 12/31/2049	323,544,773.77	323,544,773.77	100.0000	323,544,773.77	323,544,773.77	323,544,773.77	0.00	0.00	323,544,773.77	17.73%
AAI9989O2	BBVA COMPASS BANK	213,553,096.61	213,553,096.61	1.0000	213,553,096.61	213,553,096.61	213,553,096.61	371,816.42	0.00	213,924,913.03	11.72%
99KT80025	REPO BANK OF NEW YORK (HSBCSI) HSVH102419 1.800% 11/04/2019	52,895,126.60	52,895,126.60	100.0000	52,895,126.60	52,895,126.60	52,895,126.60	18,513.29	0.00	52,913,639.89	2.90%
99KT80023	REPO BANK OF NEW YORK (HSBCSI) HSVH102419B 1.800% 11/04/2019	52,895,126.60	52,895,126.60	100.0000	52,895,126.60	52,895,126.60	52,895,126.60	18,513.29	0.00	52,913,639.89	2.90%
99KT80026	REPO BANK OF NEW YORK (HSBCSI) HSVH102419C 1.800% 11/04/2019	44,209,746.80	44,209,746.80	100.0000	44,209,746.80	44,209,746.80	44,209,746.80	15,473.41	0.00	44,225,220.21	2.42%
99KT80022	REPO BANK OF NEW YORK (HSBCSI) HSVH102419D 1.800% 11/04/2019	50,265,064.44	50,265,064.44	100.0000	50,265,064.44	50,265,064.44	50,265,064.44	17,592.77	0.00	50,282,657.21	2.76%
99KT80024	REPO BANK OF NEW YORK (HSBCSI) HSVH102419E 1.800% 11/04/2019	50,265,064.44	50,265,064.44	100.0000	50,265,064.44	50,265,064.44	50,265,064.44	17,592.77	0.00	50,282,657.21	2.76%
99KT80021	REPO BANK OF NEW YORK (HSBCSI) HSVH102419F 1.800% 11/04/2019	49,469,871.12	49,469,871.12	100.0000	49,469,871.12	49,469,871.12	49,469,871.12	17,314.45	0.00	49,487,185.57	2.71%
99KU40073	REPO BANK OF NEW YORK (NWMSI) 103119H 1.700% 11/01/2019	49,796,000.00	49,796,000.00	100.0000	49,796,000.00	49,796,000.00	49,796,000.00	2,351.48	0.00	49,798,351.48	2.73%
99KU40072	REPO BANK OF NEW YORK (NWMSI) 103119I 1.700% 11/01/2019	49,796,000.00	49,796,000.00	100.0000	49,796,000.00	49,796,000.00	49,796,000.00	2,351.48	0.00	49,798,351.48	2.73%
99KU40071	REPO BANK OF NEW YORK (NWMSI) 103119J 1.700% 11/01/2019	49,797,240.00	49,797,240.00	100.0000	49,797,240.00	49,797,240.00	49,797,240.00	2,351.54	0.00	49,799,591.54	2.73%
99KU40070	REPO BANK OF NEW YORK (NWMSI) 103119K 1.700% 11/01/2019	51,266,000.00	51,266,000.00	100.0000	51,266,000.00	51,266,000.00	51,266,000.00	2,420.89	0.00	51,268,420.89	2.81%
99KU40069	REPO BANK OF NEW YORK (NWMSI) 103119L 1.700% 11/01/2019	51,266,000.00	51,266,000.00	100.0000	51,266,000.00	51,266,000.00	51,266,000.00	2,420.89	0.00	51,268,420.89	2.81%
99KU40068	REPO BANK OF NEW YORK (NWMSI) 103119M 1.700% 11/01/2019	51,267,240.00	51,267,240.00	100.0000	51,267,240.00	51,267,240.00	51,267,240.00	2,420.95	0.00	51,269,660.95	2.81%
99KU40067	REPO BANK OF NEW YORK (NWMSI) 103119N 1.700% 11/01/2019	50,837,000.00	50,837,000.00	100.0000	50,837,000.00	50,837,000.00	50,837,000.00	2,400.64	0.00	50,839,400.64	2.79%
99KU40066	REPO BANK OF NEW YORK (NWMSI) 103119O 1.700% 11/01/2019	50,838,000.00	50,838,000.00	100.0000	50,838,000.00	50,838,000.00	50,838,000.00	2,400.68	0.00	50,840,400.68	2.79%
99KU40065	REPO BANK OF NEW YORK (NWMSI) 103119P 1.700% 11/01/2019	51,388,000.00	51,388,000.00	100.0000	51,388,000.00	51,388,000.00	51,388,000.00	2,426.66	0.00	51,390,426.66	2.82%
99KU40064	REPO BANK OF NEW YORK (NWMSI) 103119Q 1.700% 11/01/2019	51,388,000.00	51,388,000.00	100.0000	51,388,000.00	51,388,000.00	51,388,000.00	2,426.66	0.00	51,390,426.66	2.82%
99KU40063	REPO BANK OF NEW YORK (NWMSI) 103119R 1.700% 11/01/2019	25,696,120.00	25,696,120.00	100.0000	25,696,120.00	25,696,120.00	25,696,120.00	1,213.43	0.00	25,697,333.43	1.41%
99KU40062	REPO BANK OF NEW YORK (NWMSI) 103119S 1.700% 11/01/2019	51,450,000.00	51,450,000.00	100.0000	51,450,000.00	51,450,000.00	51,450,000.00	2,429.58	0.00	51,452,429.58	2.82%
99KU40061	REPO BANK OF NEW YORK (NWMSI) 103119T 1.700% 11/01/2019	49,551,740.00	49,551,740.00	100.0000	49,551,740.00	49,551,740.00	49,551,740.00	2,339.94	0.00	49,554,079.94	2.72%
99KU40060	REPO BANK OF NEW YORK (NWMSI) 103119U 1.700% 11/01/2019	42,259,545.12	42,259,545.12	100.0000	42,259,545.12	42,259,545.12	42,259,545.12	1,995.59	0.00	42,261,540.71	2.32%
AAT9939H6	WASHINGTON FEDERAL	51,236,562.01	51,236,562.01	1.0000	51,236,562.01	51,236,562.01	51,236,562.01	0.00	0.00	51,236,562.01	2.81%
Total Cash Equivalents		1,564,931,317.51	1,564,931,317.51		1,564,931,317.51	1,564,931,317.51	1,564,931,317.51	508,766.81	0.00	1,565,440,084.32	85.79%
3130AFHY6	FEDERAL HOME LOAN BANKS BOND VARIABLE 03/DEC/2019 QUARTERLY FLOATING 12/03/2019	35,000,000.00	34,997,881.13	99.9910	34,996,850.00	34,997,881.13	34,996,850.00	109,100.76	(1,031.13)	35,105,950.76	1.92%
Total Fixed Income		35,000,000.00	34,997,881.13		34,996,850.00	34,997,881.13	34,996,850.00	109,100.76	(1,031.13)	35,105,950.76	1.92%
30229BY50	EXXON MOBIL CORP CORPORATE COMMERCIAL PAPER 0.000% 11/05/2019	50,000,000.00	49,986,845.24	99.9781	49,989,041.50	49,986,845.24	49,989,041.50	0.00	2,196.26	49,989,041.50	2.74%
31315KPE4	FEDERAL AGRICULTURAL MORTGAGE CORP DISCOUNT NOTES ZERO CPN 13/NOV/2019 USD 1000	19,500,000.00	19,488,360.13	99.9440	19,489,080.00	19,488,360.13	19,489,080.00	0.00	719.87	19,489,080.00	1.07%
313384QT9	FEDERAL HOME LOAN BANKS DISCOUNT NOTES ZERO CPN 0.000% 12/20/2019	50,000,000.00	49,888,268.85	99.7727	49,886,347.00	49,888,268.85	49,886,347.00	0.00	(1,921.85)	49,886,347.00	2.73%
7426M2AX9	PRIVATE EXP. FUNDING CORPORATE COMMERCIAL PAPER 0.000% 01/31/2020	25,000,000.00	24,888,058.93	99.5446	24,886,150.00	24,888,058.93	24,886,150.00	0.00	(1,908.93)	24,886,150.00	1.36%
7426M3ZD4	PRIVATE EXP. FUNDING CORPORATE COMMERCIAL PAPER	15,000,000.00	14,969,629.83	99.7978	14,969,667.15	14,969,629.83	14,969,667.15	0.00	37.32	14,969,667.15	0.82%

Please refer to the disclaimer page at the end of this report for further information. D-560-300-207

As of: 31-Oct-2019

Institutional Accounting

Detailed Net Asset Valuation

Account : P 09336 STATEOFNM STO-GEN FD LIQ [FINAL]

Base Currency : USD

Security Number	Description	Quantity	Cost Local	Market Price	Market Value Local	Cost Base	Market Value Base	Accrued Income Base	Unrealized Gain/Loss Base	Market Value + Accrued Income Base	% of Fund
<i>Currency: USD</i>		<i>Rate: 1.0000</i>		<i>Base: USD</i>		<i>Nav Value: 1,824,718,965.28</i>					
	0.000% 12/13/2019										
880592NX4	TENNESSEE VALLEY AUTHORITY DISCOUNT NOTES ZERO CPN 0.000% 11/06/2019	40,000,000.00	39,989,850.00	99.9767	39,990,666.80	39,989,850.00	39,990,666.80	0.00	816.80	39,990,666.80	2.19%
89233HZ23	TOYOTA MOTOR CREDIT CORPORATE COMMERCIAL PAPER 0.000% 12/02/2019	25,000,000.00	24,955,349.20	99.8479	24,961,977.75	24,955,349.20	24,961,977.75	0.00	6,628.55	24,961,977.75	1.37%
Total Short Term Investments		224,500,000.00	224,166,362.18		224,172,930.20	224,166,362.18	224,172,930.20	0.00	6,568.02	224,172,930.20	12.29%
Total USD		1,824,431,317.51	1,824,095,560.82		1,824,101,097.71	1,824,095,560.82	1,824,101,097.71	617,867.57	5,536.89	1,824,718,965.28	100.00%
Total P 09336		1,824,431,317.51				1,824,095,560.82	1,824,101,097.71	617,867.57	5,536.89	1,824,718,965.28	100.00%

As of: 31-Oct-2019

Institutional Accounting

Detailed Net Asset Valuation

Account : P 09337 STATEOFNM STO-GEN FD CORE [FINAL]

Base Currency : USD

Security Number	Description	Quantity	Cost Local	Market Price	Market Value Local	Cost Base	Market Value Base	Accrued Income Base	Unrealized Gain/Loss Base	Market Value + Accrued Income Base	% of Fund
<i>Currency: USD Rate: 1.0000 Base: USD</i>		<i>Nav Value: 2,429,879,441.72</i>									
99KU40074	REPO BANK OF NEW YORK (NWMSI) 103119G 1.700% 11/01/2019	29,679,873.78	29,679,873.78	100.0000	29,679,873.78	29,679,873.78	29,679,873.78	1,401.55	0.00	29,681,275.33	1.22%
Total Cash Equivalents		29,679,873.78	29,679,873.78		29,679,873.78	29,679,873.78	29,679,873.78	1,401.55	0.00	29,681,275.33	1.22%
88579YBA8	3M CO CALLABLE MEDIUM TERM NOTE FIXED 3% SEMI-ANN. 3.000% 09/14/2021	4,000,000.00	3,994,806.02	102.0100	4,080,400.00	3,994,806.02	4,080,400.00	15,666.67	85,593.98	4,096,066.67	0.17%
037833DL1	APPLE INC CALLABLE NOTES FIXED 1.7% 11/SEP/2022 SEMI-ANN. 1.700% 09/11/2022	5,000,000.00	4,999,188.74	100.0070	5,000,350.00	4,999,188.74	5,000,350.00	11,805.56	1,161.26	5,012,155.56	0.21%
037833CS7	APPLE INC CALLABLE NOTES FIXED 1.8% 11/MAY/2020 SEMI-ANN. 1.800% 05/11/2020	2,500,000.00	2,499,541.72	100.0265	2,500,662.50	2,499,541.72	2,500,662.50	21,250.00	1,120.78	2,521,912.50	0.10%
037833DC1	APPLE INC CALLABLE NOTES FIXED 2.1% 12/SEP/2022 SEMI-ANN. 2.100% 09/12/2022	20,000,000.00	20,032,761.99	100.9240	20,184,794.00	20,032,761.99	20,184,794.00	57,166.67	152,032.01	20,241,960.67	0.83%
037833AR1	APPLE INC CALLABLE NOTES FIXED 2.85% 06/MAY/2021 SEMI-ANN. 2.850% 05/06/2021	14,425,000.00	14,499,406.47	101.6130	14,657,675.25	14,499,406.47	14,657,675.25	199,846.35	158,268.78	14,857,521.60	0.61%
06405LAB7	BANK OF NEW YORK MELLON/THE CALLABLE MEDIUM TERM QUARTERLY FLOATING 06/04/2021	7,000,000.00	7,000,000.00	100.1330	7,009,310.00	7,000,000.00	7,009,310.00	27,210.44	9,310.00	7,036,520.44	0.29%
3132X07F2	FEDERAL AGRICULTURAL MORTGAGE CORP CALLABLE MEDIUM SEMI-ANN. 3.600% 11/15/2023	5,000,000.00	5,000,000.00	100.0530	5,002,650.00	5,000,000.00	5,002,650.00	83,000.00	2,650.00	5,085,650.00	0.21%
31315PUC1	FEDERAL AGRICULTURAL MORTGAGE CORP MEDIUM TERM SEMI-ANN. 2.660% 04/12/2022	7,000,000.00	7,160,233.86	102.6540	7,185,780.00	7,160,233.86	7,185,780.00	9,827.22	25,546.14	7,195,607.22	0.30%
3132X0WS6	FEDERAL AGRICULTURAL MORTGAGE CORP MEDIUM TERM SEMI-ANN. 1.900% 09/01/2022	10,000,000.00	9,998,554.75	100.9760	10,097,600.00	9,998,554.75	10,097,600.00	31,666.67	99,045.25	10,129,266.67	0.42%
31422BF72	FEDERAL AGRICULTURAL MORTGAGE CORP MEDIUM TERM SEMI-ANN. 2.250% 11/01/2022	25,000,000.00	24,995,615.19	101.7020	25,425,500.00	24,995,615.19	25,425,500.00	245,312.50	429,884.81	25,670,812.50	1.06%
31422BGA2	FEDERAL AGRICULTURAL MORTGAGE CORP MEDIUM TERM SEMI-ANN. 2.150% 06/05/2024	10,000,000.00	10,052,044.94	102.4040	10,240,400.00	10,052,044.94	10,240,400.00	87,194.44	188,355.06	10,327,594.44	0.43%
31422BKM1	FEDERAL AGRICULTURAL MORTGAGE CORP MEDIUM TERM SEMI-ANN. 1.560% 01/22/2024	13,000,000.00	13,000,000.00	99.4400	12,927,200.00	13,000,000.00	12,927,200.00	39,996.67	(72,800.00)	12,967,196.67	0.53%
3133EKGP5	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND QUARTERLY FLOATING 04/11/2022	15,000,000.00	15,000,000.00	99.9040	14,985,600.00	15,000,000.00	14,985,600.00	16,976.65	(14,400.00)	15,002,576.65	0.62%
3133EKMB9	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND VARIABLE 20/MAY/2022 USD 1000	6,000,000.00	6,000,000.00	100.0520	6,003,120.00	6,000,000.00	6,003,120.00	27,853.33	3,120.00	6,030,973.33	0.25%
3133EEB99	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND FIXED 1.8% 12/NOV/2019 USD 1000	8,000,000.00	8,000,008.94	100.0070	8,000,560.00	8,000,008.94	8,000,560.00	67,600.00	551.06	8,068,160.00	0.33%
3133EJ2B4	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND FIXED SEMI-ANN. 3.000% 12/06/2023	31,140,000.00	31,281,358.04	105.8060	32,947,988.40	31,281,358.04	32,947,988.40	376,275.00	1,666,630.36	33,324,263.40	1.37%
3133EJ3Q0	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND FIXED SEMI-ANN. 2.875% 12/21/2023	16,100,000.00	16,250,250.02	105.3550	16,962,155.00	16,250,250.02	16,962,155.00	167,149.31	711,904.98	17,129,304.31	0.70%
3133EJJD2	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND FIXED SEMI-ANN. 2.540% 04/05/2021	11,728,000.00	11,718,317.78	101.3060	11,881,167.68	11,718,317.78	11,881,167.68	21,514.36	162,849.90	11,902,682.04	0.49%
3133EJQ85	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND FIXED SEMI-ANN. 3.050% 11/06/2023	22,000,000.00	21,936,380.15	105.9030	23,298,660.00	21,936,380.15	23,298,660.00	326,180.56	1,362,279.85	23,624,840.56	0.97%
3133EKBV7	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND FIXED SEMI-ANN. 2.550% 03/01/2022	25,000,000.00	25,012,935.08	102.2170	25,554,250.00	25,012,935.08	25,554,250.00	106,250.00	541,314.92	25,660,500.00	1.06%
3133EKP75	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND FIXED SEMI-ANN. 1.600% 09/17/2024	20,500,000.00	20,619,157.74	100.1280	20,526,240.00	20,619,157.74	20,526,240.00	40,088.89	(92,917.74)	20,566,328.89	0.85%
3133EKPC4	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND FIXED SEMI-ANN. 2.125% 09/06/2022	20,000,000.00	20,113,010.94	101.7770	20,355,400.00	20,113,010.94	20,355,400.00	64,930.56	242,389.06	20,420,330.56	0.84%
3133EKS7	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND FIXED SEMI-ANN. 1.770% 06/26/2023	20,125,000.00	20,048,837.26	101.0430	20,334,903.75	20,048,837.26	20,334,903.75	123,684.90	286,066.49	20,458,588.65	0.84%
3133EKT8	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND FIXED SEMI-ANN. 1.900% 07/01/2024	11,585,000.00	11,594,759.54	101.5170	11,760,744.45	11,594,759.54	11,760,744.45	73,371.67	165,984.91	11,834,116.12	0.49%
3130A8QS5	FEDERAL HOME LOAN BANKS BOND FIXED 1.125% SEMI-ANN. 1.125% 07/14/2021	5,000,000.00	4,991,443.90	99.2970	4,964,850.00	4,991,443.90	4,964,850.00	16,718.75	(26,593.90)	4,981,568.75	0.21%
3130A7CV5	FEDERAL HOME LOAN BANKS BOND FIXED 1.375% SEMI-ANN. 1.375% 02/18/2021	34,000,000.00	33,940,959.36	99.7040	33,899,360.00	33,940,959.36	33,899,360.00	94,798.61	(41,599.36)	33,994,158.61	1.40%
3130ACE26	FEDERAL HOME LOAN BANKS BOND FIXED 1.375% SEMI-ANN. 1.375% 09/28/2020	7,000,000.00	6,993,224.31	99.7660	6,983,620.00	6,993,224.31	6,983,620.00	8,822.92	(9,604.31)	6,992,442.92	0.29%
313378CR0	FEDERAL HOME LOAN BANKS BOND FIXED 2.25%	2,000,000.00	2,000,630.09	101.6450	2,032,900.00	2,000,630.09	2,032,900.00	6,250.00	32,269.91	2,039,150.00	0.08%

Please refer to the disclaimer page at the end of this report for further information.
D-560-300-207

As of: 31-Oct-2019

Institutional Accounting

Detailed Net Asset Valuation

Account : P 09337 STATEOFNM STO-GEN FD CORE [FINAL]

Base Currency : USD

Security Number	Description	Quantity	Cost Local	Market Price	Market Value Local	Cost Base	Market Value Base	Accrued Income Base	Unrealized Gain/Loss Base	Market Value + Accrued Income Base	% of Fund
<i>Currency: USD</i>		<i>Rate: 1.0000</i>	<i>Base: USD</i>	<i>Nav Value: 2,429,879,441.72</i>							
313378WG2	SEMI-ANN. 2.250% 03/11/2022 FEDERAL HOME LOAN BANKS BOND FIXED 2.5%	34,500,000.00	34,714,854.18	102.1310	35,235,195.00	34,714,854.18	35,235,195.00	119,791.67	520,340.82	35,354,986.67	1.46%
3130AEWA4	SEMI-ANN. 2.500% 03/11/2022 FEDERAL HOME LOAN BANKS BOND FIXED 2.625%	5,000,000.00	4,995,162.00	100.8930	5,044,650.00	4,995,162.00	5,044,650.00	10,937.50	49,488.00	5,055,587.50	0.21%
3130ADRG9	SEMI-ANN. 2.625% 10/01/2020 FEDERAL HOME LOAN BANKS BOND FIXED 2.75%	25,000,000.00	25,063,113.27	103.8170	25,954,250.00	25,063,113.27	25,954,250.00	97,395.83	891,136.73	26,051,645.83	1.07%
3130A1XJ2	SEMI-ANN. 2.750% 03/10/2023 FEDERAL HOME LOAN BANKS BOND FIXED 2.875%	20,000,000.00	20,888,667.83	105.7140	21,142,800.00	20,888,667.83	21,142,800.00	218,819.44	254,132.17	21,361,619.44	0.88%
3130A0F70	SEMI-ANN. 2.875% 06/14/2024 FEDERAL HOME LOAN BANKS BOND FIXED 3.375%	45,500,000.00	46,435,436.63	107.0890	48,725,495.00	46,435,436.63	48,725,495.00	609,984.38	2,290,058.37	49,335,479.38	2.03%
3130ACF66	SEMI-ANN. 3.375% 12/08/2023 FEDERAL HOME LOAN BANKS CALLABLE BOND FIXED 2.15%	21,000,000.00	20,611,615.39	100.0150	21,003,150.00	20,611,615.39	21,003,150.00	43,895.83	391,534.61	21,047,045.83	0.87%
313381BJ3	SEMI-ANN. 2.150% 09/26/2022 FEDERAL HOME LOAN BANKS CALLABLE BOND FIXED 2.19%	12,480,000.00	12,407,353.41	99.7960	12,454,540.80	12,407,353.41	12,454,540.80	116,157.60	47,187.39	12,570,698.40	0.52%
3134G75M9	SEMI-ANN. 2.190% 11/28/2022 FEDERAL HOME LOAN MORTGAGE CORP CALLABLE MEDIUM	4,000,000.00	3,990,554.46	100.0010	4,000,040.00	3,990,554.46	4,000,040.00	34,222.25	9,485.54	4,034,262.25	0.17%
3134G9D87	SEMI-ANN. FLOATING 11/27/2020 FEDERAL HOME LOAN MORTGAGE CORP CALLABLE MEDIUM	5,000,000.00	4,999,156.14	100.0890	5,004,450.00	4,999,156.14	5,004,450.00	33,611.14	5,293.86	5,038,061.14	0.21%
3134GBV41	SEMI-ANN. 06/30/2021 FEDERAL HOME LOAN MORTGAGE CORP CALLABLE MEDIUM	1,450,000.00	1,449,236.01	100.0060	1,450,087.00	1,449,236.01	1,450,087.00	10,544.72	850.99	1,460,631.72	0.06%
3134GBWE8	SEMI-ANN. 1.700% 11/27/2019 FEDERAL HOME LOAN MORTGAGE CORP CALLABLE MEDIUM	2,620,000.00	2,618,578.21	100.0430	2,621,126.60	2,618,578.21	2,621,126.60	17,757.79	2,548.39	2,638,884.39	0.11%
3137EAEM7	SEMI-ANN. FLOATING 06/29/2021 FEDERAL HOME LOAN MORTGAGE CORP NOTES FIXED 2.5%	3,000,000.00	2,999,840.97	100.4270	3,012,810.00	2,999,840.97	3,012,810.00	1,666.67	12,969.03	3,014,476.67	0.12%
3135G0Q89	SEMI-ANN. 2.500% 04/23/2020 FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES FIXED	5,000,000.00	4,996,684.62	99.6350	4,981,750.00	4,996,684.62	4,981,750.00	4,583.33	(14,934.62)	4,986,333.33	0.21%
3135G0T60	SEMI-ANN. 1.375% 10/07/2021 FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES FIXED	20,000,000.00	19,984,660.60	99.9080	19,981,600.00	19,984,660.60	19,981,600.00	75,833.33	(3,060.60)	20,057,433.33	0.83%
3135G0U27	SEMI-ANN. 1.500% 07/30/2020 FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES FIXED	20,000,000.00	19,985,332.55	101.3350	20,267,000.00	19,985,332.55	20,267,000.00	25,000.00	281,667.45	20,292,000.00	0.84%
3135G0U35	SEMI-ANN. 2.500% 04/13/2021 FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES FIXED	20,000,000.00	19,997,432.82	101.8590	20,371,800.00	19,997,432.82	20,371,800.00	197,083.33	374,367.18	20,568,883.33	0.85%
3135G0U43	SEMI-ANN. 2.750% 06/22/2021 FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES FIXED	25,000,000.00	24,919,426.51	104.8840	26,221,000.00	24,919,426.51	26,221,000.00	97,829.86	1,301,573.49	26,318,829.86	1.08%
3135G0U84	SEMI-ANN. 2.875% 09/12/2023 FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES FIXED	20,000,000.00	19,994,132.38	101.2170	20,243,400.00	19,994,132.38	20,243,400.00	1,597.22	249,267.62	20,244,997.22	0.83%
3135G0V34	SEMI-ANN. 2.875% 10/30/2020 FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES FIXED	26,000,000.00	25,909,528.33	103.7200	26,967,200.00	25,909,528.33	26,967,200.00	155,277.78	1,057,671.67	27,122,477.78	1.12%
3135G0V75	SEMI-ANN. 2.500% 02/05/2024 FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES FIXED	20,000,000.00	19,928,793.18	100.7600	20,152,000.00	19,928,793.18	20,152,000.00	109,861.11	223,206.82	20,261,861.11	0.83%
3135G0ZY2	SEMI-ANN. 1.750% 07/02/2024 FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES FIXED	14,000,000.00	14,000,505.76	100.0090	14,001,260.00	14,000,505.76	14,001,260.00	105,486.11	754.24	14,106,746.11	0.58%
594918BV5	SEMI-ANN. 1.750% 11/26/2019 MICROSOFT CORP CALLABLE NOTES FIXED 1.85%	2,500,000.00	2,499,849.05	100.0250	2,500,625.00	2,499,849.05	2,500,625.00	10,920.14	775.95	2,511,545.14	0.10%
64711NA70	SEMI-ANN. 1.850% 02/06/2020 NEW MEXICO FIN AUTH REV REVOLVING FD REV BDS	650,000.00	662,644.79	101.9510	662,681.50	662,644.79	662,681.50	12,277.78	36.71	674,959.28	0.03%
64711NX75	SEMI-ANN. 5.000% 06/15/2020 NEW MEXICO FIN AUTH REV SUB LIEN PUB PROJ	390,000.00	390,000.00	100.2110	390,822.90	390,000.00	390,822.90	3,145.57	822.90	393,968.47	0.02%
64711N4P7	SEMI-ANN. 2.135% 06/15/2020 NEW MEXICO FIN AUTH REV SUB PUB PROJ REVOLVING	300,000.00	300,000.00	100.5940	301,782.00	300,000.00	301,782.00	3,134.80	1,782.00	304,916.80	0.01%
717081ER0	SEMI-ANN. 2.766% 06/15/2020 PFIZER INC CALLABLE NOTES FIXED 2.8% 11/MAR/2022	5,000,000.00	4,999,761.93	102.2414	5,112,070.50	4,999,761.93	5,112,070.50	19,444.44	112,308.57	5,131,514.94	0.21%
717081EM1	SEMI-ANN. 2.800% 03/11/2022 PFIZER INC CALLABLE NOTES FIXED 3% 15/SEP/2021 USD	5,000,000.00	4,995,748.36	102.3620	5,118,100.00	4,995,748.36	5,118,100.00	19,166.67	122,351.64	5,137,266.67	0.21%
AAS9995O3	SEMI-ANN. 3.000% 09/15/2021 PP- CNM TAXABLE-GENERAL OBLIGATION BONDS, SERIES 2018B	2,029,000.00	2,029,000.00	1.0000	2,029,000.00	2,029,000.00	2,029,000.00	0.00	0.00	2,029,000.00	0.08%
88059E4Q4	TENNESSEE VALLEY AUTHORITY BOND ZERO CPN	3,000,000.00	2,773,999.40	93.9670	2,819,010.00	2,773,999.40	2,819,010.00	0.00	45,010.60	2,819,010.00	0.12%

Please refer to the disclaimer page at the end of this report for further information.
D-560-300-207

As of: 31-Oct-2019

Institutional Accounting

Detailed Net Asset Valuation

Account : P 09337 STATEOFNM STO-GEN FD CORE [FINAL]

Base Currency : USD

Security Number	Description	Quantity	Cost Local	Market Price	Market Value Local	Cost Base	Market Value Base	Accrued Income Base	Unrealized Gain/Loss Base	Market Value + Accrued Income Base	% of Fund
<i>Currency: USD</i>		<i>Rate: 1.0000</i>		<i>Base: USD</i>		<i>Nav Value: 2,429,879,441.72</i>					
89236TEC5	SEMI-ANN. 0.000% 03/15/2023 TOYOTA MOTOR CREDIT CORP CALLABLE MEDIUM TERM NOTE	38,000,000.00	38,029,880.98	100.8361	38,317,702.80	38,029,880.98	38,317,702.80	120,280.56	287,821.82	38,437,983.36	1.58%
89236TGH2	SEMI-ANN. 2.150% 09/08/2022 TOYOTA MOTOR CREDIT CORP CALLABLE MEDIUM TERM NOTE	5,980,000.00	5,980,000.00	99.7230	5,963,435.40	5,980,000.00	5,963,435.40	12,142.72	(16,564.60)	5,975,578.12	0.25%
89236TFQ3	SEMI-ANN. 3.050% 01/08/2021 TOYOTA MOTOR CREDIT CORP MEDIUM TERM NOTE FIXED	20,000,000.00	20,062,801.22	101.5360	20,307,200.00	20,062,801.22	20,307,200.00	191,472.22	244,398.78	20,498,672.22	0.84%
89236TFX8	SEMI-ANN. 2.650% 04/12/2022 TOYOTA MOTOR CREDIT CORP MEDIUM TERM NOTE FIXED	18,000,000.00	17,990,689.10	101.9681	18,354,250.80	17,990,689.10	18,354,250.80	25,175.00	363,561.70	18,379,425.80	0.76%
911759MV7	SEMI-ANN. 2.547% 08/01/2022 UNITED STATES DEPARTMENT OF HOUSING AND URBAN	4,000,000.00	4,000,000.00	102.3800	4,095,200.00	4,000,000.00	4,095,200.00	25,470.00	95,200.00	4,120,670.00	0.17%
911759MV5	SEMI-ANN. 2.618% 08/01/2023 UNITED STATES DEPARTMENT OF HOUSING AND URBAN	4,000,000.00	4,000,000.00	103.5600	4,142,400.00	4,000,000.00	4,142,400.00	26,180.00	142,400.00	4,168,580.00	0.17%
9128282F6	SEMI-ANN. 1.125% 08/31/2021 UNITED STATES OF AMERICA NOTES FIXED 1.125%	45,000,000.00	44,629,067.65	99.1990	44,639,550.00	44,629,067.65	44,639,550.00	86,229.40	10,482.35	44,725,779.40	1.84%
912828S27	SEMI-ANN. 1.125% 06/30/2021 UNITED STATES OF AMERICA NOTES FIXED 1.125%	21,000,000.00	20,831,732.02	99.2460	20,841,660.00	20,831,732.02	20,841,660.00	79,605.98	9,927.98	20,921,265.98	0.86%
912828T34	SEMI-ANN. 1.125% 09/30/2021 UNITED STATES OF AMERICA NOTES FIXED 1.125%	25,000,000.00	24,437,283.63	99.1720	24,793,000.00	24,437,283.63	24,793,000.00	24,590.16	355,716.37	24,817,590.16	1.02%
912828UV0	SEMI-ANN. 1.125% 03/31/2020 UNITED STATES OF AMERICA NOTES FIXED 1.125%	33,750,000.00	33,713,744.33	99.8010	33,682,837.50	33,713,744.33	33,682,837.50	33,196.72	(30,906.83)	33,716,034.22	1.39%
912828S92	SEMI-ANN. 1.250% 07/31/2023 UNITED STATES OF AMERICA NOTES FIXED 1.25%	16,800,000.00	16,692,894.06	99.0270	16,636,536.00	16,692,894.06	16,636,536.00	53,070.65	(56,358.06)	16,689,606.65	0.69%
912828K58	SEMI-ANN. 1.375% 04/30/2020 UNITED STATES OF AMERICA NOTES FIXED 1.375%	15,000,000.00	14,939,660.82	99.8830	14,982,450.00	14,939,660.82	14,982,450.00	566.62	42,789.18	14,983,016.62	0.62%
912828L32	SEMI-ANN. 1.375% 08/31/2020 UNITED STATES OF AMERICA NOTES FIXED 1.375%	25,000,000.00	24,749,324.78	99.8130	24,953,250.00	24,749,324.78	24,953,250.00	58,550.82	203,925.22	25,011,800.82	1.03%
912828L65	SEMI-ANN. 1.375% 09/30/2020 UNITED STATES OF AMERICA NOTES FIXED 1.375%	63,000,000.00	62,332,043.24	99.7770	62,859,510.00	62,332,043.24	62,859,510.00	75,737.70	527,466.76	62,935,247.70	2.59%
912828Q78	SEMI-ANN. 1.375% 04/30/2021 UNITED STATES OF AMERICA NOTES FIXED 1.375%	17,500,000.00	17,222,651.68	99.6760	17,443,300.00	17,222,651.68	17,443,300.00	661.06	220,648.32	17,443,961.06	0.72%
912828X96	SEMI-ANN. 1.500% 05/15/2020 UNITED STATES OF AMERICA NOTES FIXED 1.5%	20,000,000.00	19,863,263.89	99.9450	19,989,000.00	19,863,263.89	19,989,000.00	138,586.96	125,736.11	20,127,586.96	0.83%
912828G95	SEMI-ANN. 1.625% 12/31/2019 UNITED STATES OF AMERICA NOTES FIXED 1.625%	23,000,000.00	22,963,127.41	99.9680	22,992,640.00	22,963,127.41	22,992,640.00	125,937.50	29,512.59	23,118,577.50	0.95%
912828T91	SEMI-ANN. 1.625% 10/31/2023 UNITED STATES OF AMERICA NOTES FIXED 1.625%	20,000,000.00	20,035,247.73	100.4060	20,081,200.00	20,035,247.73	20,081,200.00	892.86	45,952.27	20,082,092.86	0.83%
912828XM7	SEMI-ANN. 1.625% 07/31/2020 UNITED STATES OF AMERICA NOTES FIXED 1.625%	20,000,000.00	20,011,048.41	100.0080	20,001,600.00	20,011,048.41	20,001,600.00	82,133.15	(9,448.41)	20,083,733.15	0.83%
912828L57	SEMI-ANN. 1.750% 09/30/2022 UNITED STATES OF AMERICA NOTES FIXED 1.75%	26,800,000.00	26,633,272.84	100.6680	26,979,024.00	26,633,272.84	26,979,024.00	41,005.46	345,751.16	27,020,029.46	1.11%
912828N48	SEMI-ANN. 1.750% 12/31/2020 UNITED STATES OF AMERICA NOTES FIXED 1.75%	20,000,000.00	20,084,275.06	100.1450	20,029,000.00	20,084,275.06	20,029,000.00	117,934.78	(55,275.06)	20,146,934.78	0.83%
912828U65	SEMI-ANN. 1.750% 11/30/2021 UNITED STATES OF AMERICA NOTES FIXED 1.75%	45,000,000.00	44,154,007.40	100.4060	45,182,700.00	44,154,007.40	45,182,700.00	331,352.46	1,028,692.60	45,514,052.46	1.87%
912828WC0	SEMI-ANN. 1.750% 10/31/2020 UNITED STATES OF AMERICA NOTES FIXED 1.75%	41,000,000.00	41,115,363.25	100.1370	41,056,170.00	41,115,363.25	41,056,170.00	1,971.15	(59,193.25)	41,058,141.15	1.69%
912828XR6	SEMI-ANN. 1.750% 05/31/2022 UNITED STATES OF AMERICA NOTES FIXED 1.75%	43,000,000.00	43,090,217.82	100.5700	43,245,100.00	43,090,217.82	43,245,100.00	316,625.68	154,882.18	43,561,725.68	1.79%
912828L24	SEMI-ANN. 1.875% 08/31/2022 UNITED STATES OF AMERICA NOTES FIXED 1.875%	70,000,000.00	68,946,912.25	100.9960	70,697,200.00	68,946,912.25	70,697,200.00	223,557.69	1,750,287.75	70,920,757.69	2.92%
912828M49	SEMI-ANN. 1.875% 10/31/2022 UNITED STATES OF AMERICA NOTES FIXED 1.875%	10,000,000.00	9,962,386.39	101.0430	10,104,300.00	9,962,386.39	10,104,300.00	515.11	141,913.61	10,104,815.11	0.42%
912828V72	SEMI-ANN. 1.875% 01/31/2022 UNITED STATES OF AMERICA NOTES FIXED 1.875%	10,000,000.00	9,880,494.87	100.7190	10,071,900.00	9,880,494.87	10,071,900.00	47,384.51	191,405.13	10,119,284.51	0.42%
912828W55	SEMI-ANN. 1.875% 02/28/2022 UNITED STATES OF AMERICA NOTES FIXED 1.875%	25,000,000.00	24,640,353.02	100.7540	25,188,500.00	24,640,353.02	25,188,500.00	79,842.03	548,146.98	25,268,342.03	1.04%
912828W89	UNITED STATES OF AMERICA NOTES FIXED 1.875%	25,000,000.00	24,463,038.51	100.8130	25,203,250.00	24,463,038.51	25,203,250.00	40,983.61	740,211.49	25,244,233.61	1.04%

As of: 31-Oct-2019

Institutional Accounting

Detailed Net Asset Valuation

Account : P 09337 STATEOFNM STO-GEN FD CORE [FINAL]

Base Currency : USD

Security Number	Description	Quantity	Cost Local	Market Price	Market Value Local	Cost Base	Market Value Base	Accrued Income Base	Unrealized Gain/Loss Base	Market Value + Accrued Income Base	% of Fund
<i>Currency: USD</i>		<i>Rate: 1.0000</i>	<i>Base: USD</i>	<i>Nav Value: 2,429,879,441.72</i>							
912828N9	SEMI-ANN. 1.875% 03/31/2022 UNITED STATES OF AMERICA NOTES FIXED 2.125% SEMI-ANN. 2.125% 07/31/2024	17,000,000.00	17,228,637.41	102.6680	17,453,560.00	17,228,637.41	17,453,560.00	91,294.16	224,922.59	17,544,854.16	0.72%
912828U57	UNITED STATES OF AMERICA NOTES FIXED 2.125% SEMI-ANN. 2.125% 11/30/2023	25,000,000.00	24,500,643.91	102.3440	25,586,000.00	24,500,643.91	25,586,000.00	223,531.42	1,085,356.09	25,809,531.42	1.06%
912828VV9	UNITED STATES OF AMERICA NOTES FIXED 2.125% SEMI-ANN. 2.125% 08/31/2020	29,000,000.00	28,882,963.36	100.4220	29,122,380.00	28,882,963.36	29,122,380.00	104,965.66	239,416.64	29,227,345.66	1.20%
912828W48	UNITED STATES OF AMERICA NOTES FIXED 2.125% SEMI-ANN. 2.125% 02/29/2024	31,000,000.00	30,771,983.40	102.4730	31,766,630.00	30,771,983.40	31,766,630.00	112,204.67	994,646.60	31,878,834.67	1.31%
912828XG0	UNITED STATES OF AMERICA NOTES FIXED 2.125% SEMI-ANN. 2.125% 06/30/2022	20,000,000.00	20,136,783.04	101.5780	20,315,600.00	20,136,783.04	20,315,600.00	143,206.52	178,816.96	20,458,806.52	0.84%
912828V80	UNITED STATES OF AMERICA NOTES FIXED 2.25% SEMI-ANN. 2.250% 01/31/2024	28,000,000.00	27,790,166.79	102.9450	28,824,600.00	27,790,166.79	28,824,600.00	159,211.96	1,034,433.21	28,983,811.96	1.19%
9128283U2	UNITED STATES OF AMERICA NOTES FIXED 2.375% SEMI-ANN. 2.375% 01/31/2023	25,000,000.00	24,658,681.47	102.6720	25,668,000.00	24,658,681.47	25,668,000.00	150,050.95	1,009,318.53	25,818,050.95	1.06%
9128284B3	UNITED STATES OF AMERICA NOTES FIXED 2.375% SEMI-ANN. 2.375% 03/15/2021	30,000,000.00	29,927,397.12	101.0470	30,314,100.00	29,927,397.12	30,314,100.00	91,998.63	386,702.88	30,406,098.63	1.25%
9128284G2	UNITED STATES OF AMERICA NOTES FIXED 2.375% SEMI-ANN. 2.375% 04/15/2021	25,000,000.00	24,915,125.35	101.1090	25,277,250.00	24,915,125.35	25,277,250.00	27,578.55	362,124.65	25,304,828.55	1.04%
912828D56	UNITED STATES OF AMERICA NOTES FIXED 2.375% SEMI-ANN. 2.375% 08/15/2024	15,000,000.00	15,660,409.46	103.8280	15,574,200.00	15,660,409.46	15,574,200.00	75,509.51	(86,209.46)	15,649,709.51	0.64%
9128284Q0	UNITED STATES OF AMERICA NOTES FIXED 2.5% SEMI-ANN. 2.500% 05/31/2020	25,000,000.00	24,953,271.34	100.5000	25,125,000.00	24,953,271.34	25,125,000.00	262,978.14	171,728.66	25,387,978.14	1.04%
912828WJ5	UNITED STATES OF AMERICA NOTES FIXED 2.5% SEMI-ANN. 2.500% 05/15/2024	14,000,000.00	14,261,469.56	104.2190	14,590,660.00	14,261,469.56	14,590,660.00	161,684.78	329,190.44	14,752,344.78	0.61%
912828XY1	UNITED STATES OF AMERICA NOTES FIXED 2.5% SEMI-ANN. 2.500% 06/30/2020	45,000,000.00	44,923,396.86	100.5630	45,253,350.00	44,923,396.86	45,253,350.00	379,076.09	329,953.14	45,632,426.09	1.88%
9128284T4	UNITED STATES OF AMERICA NOTES FIXED 2.625% SEMI-ANN. 2.625% 06/15/2021	20,000,000.00	19,987,711.00	101.6450	20,329,000.00	19,987,711.00	20,329,000.00	199,385.25	341,289.00	20,528,385.25	0.84%
9128284Y3	UNITED STATES OF AMERICA NOTES FIXED 2.625% SEMI-ANN. 2.625% 08/31/2020	25,000,000.00	24,993,885.60	100.8360	25,209,000.00	24,993,885.60	25,209,000.00	111,778.85	215,114.40	25,320,778.85	1.04%
9128285R7	UNITED STATES OF AMERICA NOTES FIXED 2.625% SEMI-ANN. 2.625% 12/15/2021	25,000,000.00	24,937,049.68	102.2930	25,573,250.00	24,937,049.68	25,573,250.00	249,231.56	636,200.32	25,822,481.56	1.06%
912828Y20	UNITED STATES OF AMERICA NOTES FIXED 2.625% SEMI-ANN. 2.625% 07/15/2021	25,000,000.00	24,917,262.51	101.7380	25,434,500.00	24,917,262.51	25,434,500.00	194,378.40	517,237.49	25,628,878.40	1.05%
9128284W7	UNITED STATES OF AMERICA NOTES FIXED 2.75% SEMI-ANN. 2.750% 08/15/2021	25,000,000.00	24,993,501.65	102.0510	25,512,750.00	24,993,501.65	25,512,750.00	145,720.11	519,248.35	25,658,470.11	1.06%
9128284X5	UNITED STATES OF AMERICA NOTES FIXED 2.75% SEMI-ANN. 2.750% 08/31/2023	25,000,000.00	24,986,461.47	104.5270	26,131,750.00	24,986,461.47	26,131,750.00	117,101.65	1,145,288.53	26,248,851.65	1.08%
9128285A4	UNITED STATES OF AMERICA NOTES FIXED 2.75% SEMI-ANN. 2.750% 09/15/2021	25,000,000.00	24,967,839.59	102.1880	25,547,000.00	24,967,839.59	25,547,000.00	88,770.60	579,160.41	25,635,770.60	1.06%
912828Y61	UNITED STATES OF AMERICA NOTES FIXED 2.75% SEMI-ANN. 2.750% 07/31/2023	20,000,000.00	19,953,995.73	104.4340	20,886,800.00	19,953,995.73	20,886,800.00	138,994.57	932,804.27	21,025,794.57	0.87%
9128285F3	UNITED STATES OF AMERICA NOTES FIXED 2.875% SEMI-ANN. 2.875% 10/15/2021	20,000,000.00	19,955,916.58	102.5160	20,503,200.00	19,955,916.58	20,503,200.00	26,707.65	547,283.42	20,529,907.65	0.84%
9128283Q1	UNITED STATES OF AMERICA NOTES FIXED 2% SEMI-ANN. 2.000% 01/15/2021	50,000,000.00	49,668,975.48	100.4770	50,238,500.00	49,668,975.48	50,238,500.00	296,195.65	569,524.52	50,534,695.65	2.08%
912828A42	UNITED STATES OF AMERICA NOTES FIXED 2% SEMI-ANN. 2.000% 11/30/2020	20,000,000.00	20,046,177.05	100.4100	20,082,000.00	20,046,177.05	20,082,000.00	168,306.01	35,822.95	20,250,306.01	0.83%
912828M80	UNITED STATES OF AMERICA NOTES FIXED 2% SEMI-ANN. 2.000% 11/30/2022	20,000,000.00	19,917,673.56	101.4180	20,283,600.00	19,917,673.56	20,283,600.00	168,306.01	365,926.44	20,451,906.01	0.84%
912828U81	UNITED STATES OF AMERICA NOTES FIXED 2% SEMI-ANN. 2.000% 12/31/2021	25,000,000.00	24,818,034.00	100.9570	25,239,250.00	24,818,034.00	25,239,250.00	168,478.26	421,216.00	25,407,728.26	1.05%
912828VP2	UNITED STATES OF AMERICA NOTES FIXED 2% SEMI-ANN. 2.000% 07/31/2020	25,000,000.00	24,879,517.19	100.2850	25,071,250.00	24,879,517.19	25,071,250.00	126,358.70	191,732.81	25,197,608.70	1.04%
912828X70	UNITED STATES OF AMERICA NOTES FIXED 2% SEMI-ANN. 2.000% 04/30/2024	17,500,000.00	17,627,196.43	102.0040	17,850,700.00	17,627,196.43	17,850,700.00	961.54	223,503.57	17,851,661.54	0.73%
912828XQ8	UNITED STATES OF AMERICA NOTES FIXED 2%	20,000,000.00	20,064,866.44	101.2930	20,258,600.00	20,064,866.44	20,258,600.00	101,086.96	193,733.56	20,359,686.96	0.84%

Please refer to the disclaimer page at the end of this report for further information.
D-560-300-207

As of: 31-Oct-2019

Institutional Accounting

Detailed Net Asset Valuation

Account : P 09337 STATEOFNM STO-GEN FD CORE [FINAL]

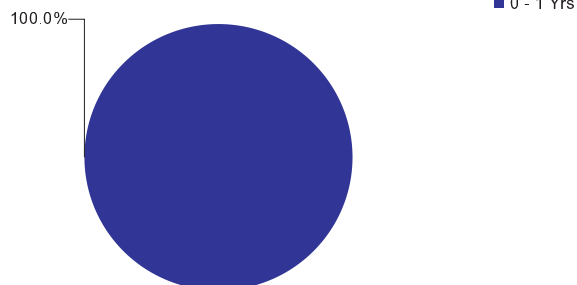
Base Currency : USD

Security Number	Description	Quantity	Cost Local	Market Price	Market Value Local	Cost Base	Market Value Base	Accrued Income Base	Unrealized Gain/Loss Base	Market Value + Accrued Income Base	% of Fund
<i>Currency: USD</i>		<i>Rate: 1.0000</i>	<i>Base: USD</i>	<i>Nav Value: 2,429,879,441.72</i>							
91159HHL7	SEMI-ANN. 2.000% 07/31/2022 US BANCORP CALLABLE MEDIUM TERM NOTE FIXED 2.35% SEMI-ANN. 2.350% 01/29/2021	10,291,000.00	10,359,218.36	100.6390	10,356,759.49	10,359,218.36	10,356,759.49	61,803.17	(2,458.87)	10,418,562.66	0.43%
91159HHP8	US BANCORP CALLABLE MEDIUM TERM NOTE FIXED 2.625% SEMI-ANN. 2.625% 01/24/2022	13,000,000.00	13,221,423.10	101.3647	13,177,414.90	13,221,423.10	13,177,414.90	91,947.92	(44,008.20)	13,269,362.82	0.55%
90331HNJ8	US BANK NA/CINCINNATI OH CALLABLE MEDIUM TERM NOTE SEMI-ANN. 2.350% 01/23/2020	3,900,000.00	3,895,831.87	100.0664	3,902,589.99	3,895,831.87	3,902,589.99	24,949.17	6,758.12	3,927,539.16	0.16%
90331HNU3	US BANK NA/CINCINNATI OH CALLABLE MEDIUM TERM NOTE SEMI-ANN. 3.050% 07/24/2020	2,000,000.00	1,999,643.63	100.7690	2,015,380.00	1,999,643.63	2,015,380.00	16,436.11	15,736.37	2,031,816.11	0.08%
90331HNX7	US BANK NA/CINCINNATI OH CALLABLE MEDIUM TERM NOTE SEMI-ANN. 3.450% 11/16/2021	10,000,000.00	9,990,457.33	103.2875	10,328,750.00	9,990,457.33	10,328,750.00	158,125.00	338,292.67	10,486,875.00	0.43%
90331HPA5	US BANK NA/CINCINNATI OH CALLABLE MEDIUM TERM NOTE SEMI-ANN. 3.000% 02/04/2021	6,000,000.00	6,013,013.33	101.5320	6,091,920.00	6,013,013.33	6,091,920.00	43,500.00	78,906.67	6,135,420.00	0.25%
90331HPC1	US BANK NA/CINCINNATI OH CALLABLE MEDIUM TERM NOTE SEMI-ANN. 2.650% 05/23/2022	7,000,000.00	6,993,631.96	101.9330	7,135,310.00	6,993,631.96	7,135,310.00	81,413.89	141,678.04	7,216,723.89	0.30%
90331HNB5	US BANK NA/CINCINNATI OH CALLABLE NOTES FIXED 2% SEMI-ANN. 2.000% 01/24/2020	5,000,000.00	4,999,174.14	100.0170	5,000,850.00	4,999,174.14	5,000,850.00	26,944.44	1,675.86	5,027,794.44	0.21%
931142EH2	WALMART INC NOTES VARIABLE 23/JUN/2021 USD 1000 QUARTERLY FLOATING 06/23/2021	3,000,000.00	3,000,000.00	100.3240	3,009,720.00	3,000,000.00	3,009,720.00	7,763.86	9,720.00	3,017,483.86	0.12%
94988J5Q6	WELLS FARGO BANK NA CALLABLE MEDIUM TERM NOTE QUARTERLY FLOATING 07/23/2021	20,000,000.00	20,038,820.26	100.1570	20,031,400.00	20,038,820.26	20,031,400.00	12,170.00	(7,420.26)	20,043,570.00	0.82%
94988J6A0	WELLS FARGO BANK NA CALLABLE MEDIUM TERM NOTE SEMI-ANN. FLOATING 09/09/2022	23,000,000.00	23,000,000.00	100.0720	23,016,560.00	23,000,000.00	23,016,560.00	66,508.30	16,560.00	23,083,068.30	0.95%
94988J5K9	WELLS FARGO BANK NA MEDIUM TERM NOTE VARIABLE QUARTERLY FLOATING 01/15/2020	7,000,000.00	7,000,000.00	100.0511	7,003,574.20	7,000,000.00	7,003,574.20	7,374.30	3,574.20	7,010,948.50	0.29%
Total Fixed Income		2,324,043,000.00	2,319,567,484.98		2,355,500,112.41	2,319,567,484.98	2,355,500,112.41	11,769,476.52	35,932,627.43	2,367,269,588.93	97.42%
3A&99CAB4	FARMERS & MERCHANTS BANK	3,000,000.00	3,000,000.00	100.0000	3,000,000.00	3,000,000.00	3,000,000.00	5,720.55	0.00	3,005,720.55	0.12%
3DM99MAD0	FIRST AMERICAN BANK SEMIANNUAL2.7329-JUL-20	1,250,000.00	1,250,000.00	100.0000	1,250,000.00	1,250,000.00	1,250,000.00	2,303.77	0.00	1,252,303.77	0.05%
3DM99MAE8	FIRST AMERICAN STATE BANK	1,250,000.00	1,250,000.00	100.0000	1,250,000.00	1,250,000.00	1,250,000.00	2,898.29	0.00	1,252,898.29	0.05%
3GD99MAC5	FIRST NATIONAL BANK & TRUST SEMIANNUAL2.5502-NOV-20	2,500,000.00	2,500,000.00	100.0000	2,500,000.00	2,500,000.00	2,500,000.00	5,414.58	0.00	2,505,414.58	0.10%
3MM99MAA6	FNB NEW MEXICO	1,000,000.00	1,000,000.00	100.0000	1,000,000.00	1,000,000.00	1,000,000.00	2,267.67	0.00	1,002,267.67	0.04%
912796SD2	UNITED STATES OF AMERICA BILL ZERO CPN 27/FEB/2020 0.000% 02/27/2020	20,000,000.00	19,837,104.74	99.5040	19,900,800.00	19,837,104.74	19,900,800.00	0.00	63,695.26	19,900,800.00	0.82%
AAK992AB8	WESTERN COMMERCE BANK	2,000,000.00	2,000,000.00	100.0000	2,000,000.00	2,000,000.00	2,000,000.00	4,586.30	0.00	2,004,586.30	0.08%
AAP991AA7	WESTERN COMMERCE BANK	2,000,000.00	2,000,000.00	100.0000	2,000,000.00	2,000,000.00	2,000,000.00	4,586.30	0.00	2,004,586.30	0.08%
Total Short Term Investments		33,000,000.00	32,837,104.74		32,900,800.00	32,837,104.74	32,900,800.00	27,777.46	63,695.26	32,928,577.46	1.36%
Total USD		2,386,722,873.78	2,382,084,463.50		2,418,080,786.19	2,382,084,463.50	2,418,080,786.19	11,798,655.53	35,996,322.69	2,429,879,441.72	100.00%
Total P 09337		2,386,722,873.78				2,382,084,463.50	2,418,080,786.19	11,798,655.53	35,996,322.69	2,429,879,441.72	100.00%

Portfolio Characteristics

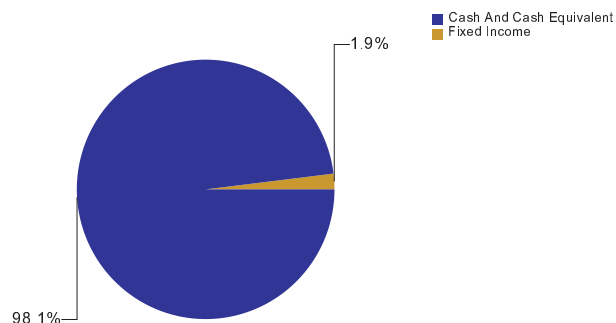
Duration Mix

Total Net Assets (Millions)	1,824.7
Weighted Average Life (Years)	0.02
Weighted Avg. Effective Duration (Years)	0.01
Weighted Average Coupon (%)	0.04
Weighted Average Current Yield (%)	0.80
Weighted Average Yield to Maturity (%)	0.80
Weighted Average Rating	A+
Number of Holdings	31



Asset Mix

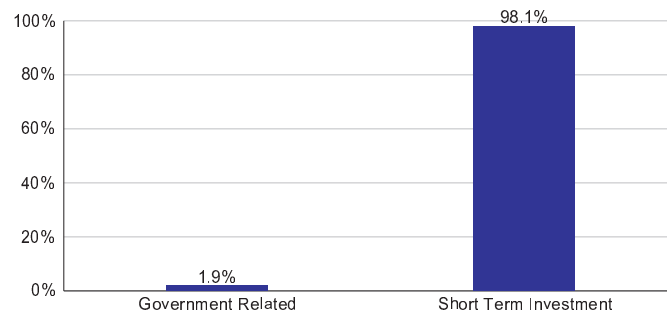
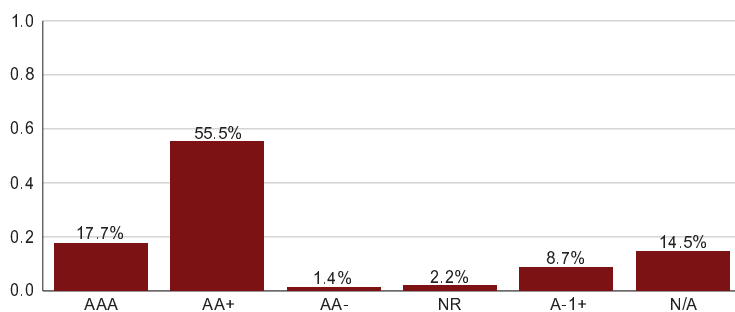
Top Ten Portfolio Holdings



SecurityID	Security Name	% of Assets	Coupon Rate	Maturity Date
89499LC10	BANK OF THE WEST	17.73%	0.00	1/11/2019
99KT80025	REPO BANK OF NEW YORK (HSBCSI) HSVH102419	2.90%	0.00	4/11/2019
99KT80023	REPO BANK OF NEW YORK (HSBCSI) HSVH102419B	2.90%	0.00	4/11/2019
99KU40062	REPO BANK OF NEW YORK (NWMSI) 103119S	2.82%	0.00	1/11/2019
99KU40064	REPO BANK OF NEW YORK (NWMSI) 103119Q	2.82%	0.00	1/11/2019
99KU40065	REPO BANK OF NEW YORK (NWMSI) 103119P	2.82%	0.00	1/11/2019
99KU40088	REPO BANK OF NEW YORK (NWMSI) 103119M	2.81%	0.00	1/11/2019
99KU40089	REPO BANK OF NEW YORK (NWMSI) 103119L	2.81%	0.00	1/11/2019
99KU40070	REPO BANK OF NEW YORK (NWMSI) 103119K	2.81%	0.00	1/11/2019
AAI9989O2	BBVA COMPASS BANK	11.72%	0.00	1/11/2019

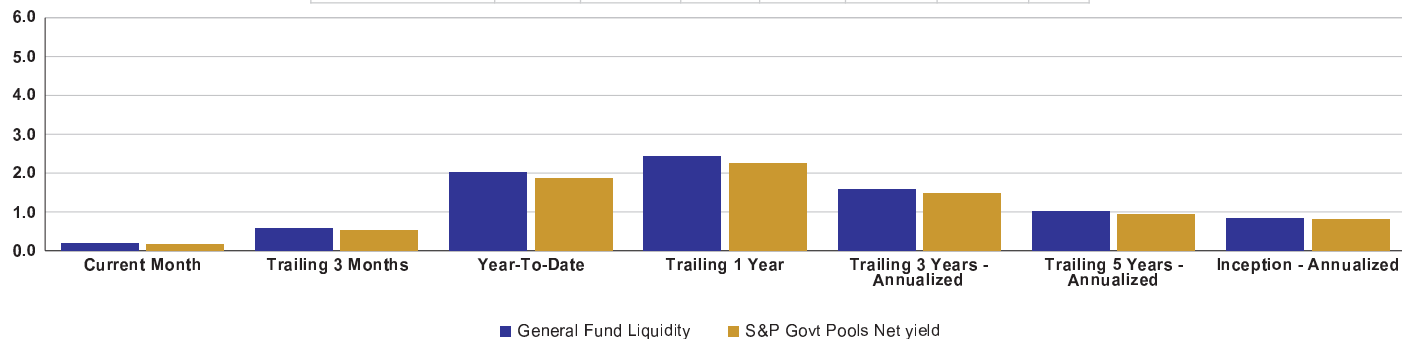
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
General Fund Liquidity	0.18	0.59	2.02	2.43	1.57	1.02	0.84
S&P Govt Pools Net yield	0.17	0.53	1.88	2.25	1.47	0.93	0.82
Excess	0.01	0.06	0.14	0.18	0.10	0.09	0.02



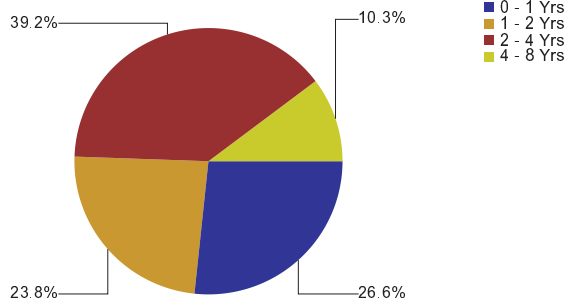
* Sector and total level ratings represent a weighted average of all investments. Unrated securities will lower credit ratings in aggregate.

** Credit quality ratings are delivered where available by J.P. Morgan's fixed income analytics vendor BlackRock Solutions.

Portfolio Characteristics

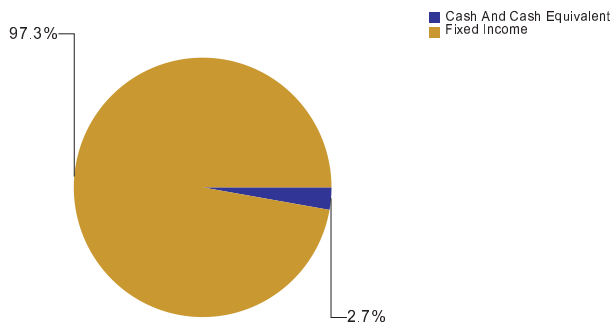
Duration Mix

Total Net Assets (Millions) 2,429.9
 Weighted Average Life (Years) 2.28
 Weighted Avg. Effective Duration (Years) 2.09
 Weighted Average Coupon (%) 2.10
 Weighted Average Current Yield (%) 1.69
 Weighted Average Yield to Maturity (%) 1.71
 Weighted Average Rating AA+
 Number of Holdings 136



Asset Mix

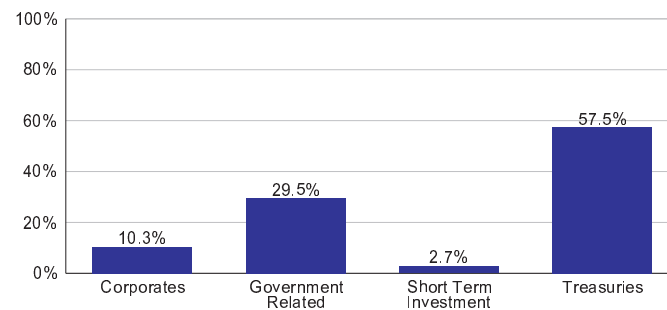
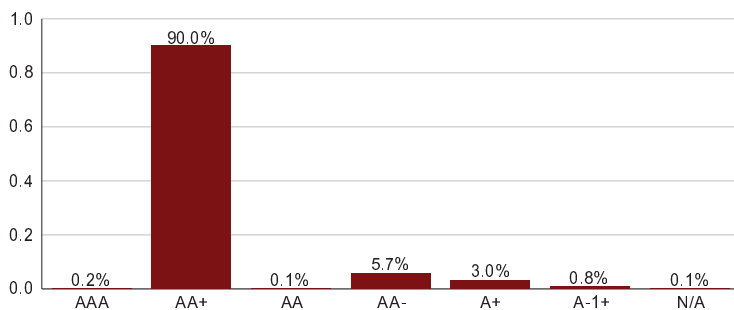
Top Ten Portfolio Holdings



SecurityID	Security Name	% of Assets	Coupon Rate	Maturity Date
912828L24	TWEB WHEN ISSUED UNITED STATES 7 YEAR 1.750% 2022-08-31	2.92%	1.88	31/8/2022
912828L65	TWEB WHEN ISSUED UNITED STATES 5 YEAR 1.375% 2020-09-30	2.59%	1.38	30/9/2020
9128283Q1	TWEB WHEN ISSUED UNITED STATES 3 YEAR 2.000% 2021-01-15	2.08%	2.00	15/1/2021
3130A0F70	FEDERAL HOME LOAN BANKS BOND FIXED 3.375%	2.03%	3.38	8/12/2023
912828XY1	TWEB WHEN ISSUED UNITED STATES 2 YEAR 2.500% 2020-06-30	1.88%	2.50	30/6/2020
912828UR5	TWEB WHEN ISSUED UNITED STATES 5 YEAR 1.75% 2021-11-30	1.87%	1.75	30/11/2021
9128282F6	UNITED STATES OF AMERICA OF FEDERAL (GOVERNMENT) 1.125% 2021-08-31	1.84%	1.13	31/8/2021
912828XR6	UNITED STATES 5 YEAR 1.750% 2022-05-31	1.79%	1.75	31/5/2022
912828WC0	UNITED STATES OF AMERICA 1.750% 2020-10-31	1.69%	1.75	31/10/2020
89236TEC5	TOYOTA MOTOR CREDIT CORP CALLABLE MEDIUM TERM NOTE	1.58%	2.15	8/9/2022

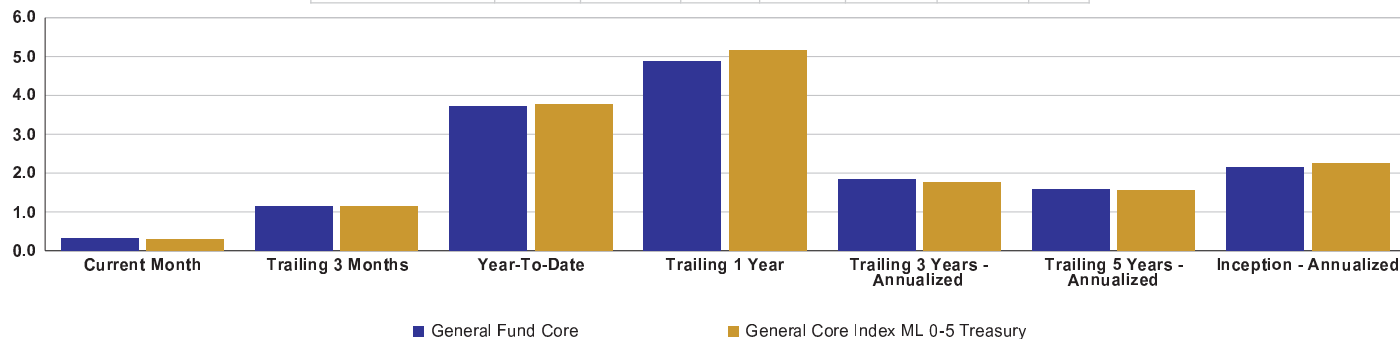
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
General Fund Core	0.33	1.15	3.73	4.88	1.85	1.57	2.16
General Core Index ML 0-5 Treasury	0.31	1.14	3.77	5.16	1.78	1.56	2.24
Excess	0.02	0.00	(0.04)	(0.28)	0.07	0.02	(0.09)





10. Portfolio Summary— Local Government Investment Pool (LGIP)

Portfolio Summary – Local Government Investment Pool (LGIP)

Summary

- Ending October market value for the LGIP was \$864 mil versus September’s reported closing value of \$881 mil.
- The LGIP maintains a AAAM rating by Standard & Poor’s.

Portfolio Mix

- At the end of October the portfolio was invested as follows: 51% in US government agencies (31% fixed rate; 20% floating rate), 27% in Treasuries, 8% in repurchase agreements, and 14% in collateralized demand deposit accounts with qualified banking institutions.
- At month-end, the LGIP held positions in 69 securities.

Investment Earnings

- During October, the fund earned \$1,483,340
- For FY2020, the fund has earned \$6,346,539
- 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 1.95% at the end of October.
- Net yield to participants was 1.90%.

Investment Highlights

- For the LGIP, the WAM(R) of 38 days and WAM (F) of 108 days were within their maximums of 60 and 120 days respectively.
- The LGIP purchased \$310 mil in US Treasuries and Agencies during the month.

Investment Strategy

- LGIP WAMs are currently 45 and 107 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 prudent investments.

Net Asset Value/Share

At month-end, the Net Asset Value per Share of the Local Government Investment Pool was \$1.00003.

Fixed Income - Standard Report
New Mexico State Treasurers Office (06677)
 October 2019

Account / Holdings	Market Value	Cost	% of Total	Return	Coupon Rate	Modified Duration	Option Adjusted Spread	Spread Duration	Static Yield	Effective Duration	Effective Convexity	Weighted Average Life	Yield to Maturity	Moody Quality Rating	S&P Quality Rating
Local Government Investment Pool(10933300)	864,880,037.61	863,077,350.94	100.00%	0.23	0.75	0.25	3.73	0.22	1.49	0.08	(0.04)	0.29	1.49		
FIXED INCOME + CASH AND CASH EQUIVALENT	864,880,037.61	863,077,350.94	100.00%	0.23	0.75	0.25	3.73	0.22	1.49	0.08	(0.04)	0.29	1.49	Agy	AA+
Fixed Income	344,325,938.52	343,377,312.00	39.81%	0.17	1.90	0.55	10.94	0.47	1.80	0.11	(0.09)	0.64	1.82	Agy	AA+
Government Related	309,356,460.72	308,394,304.31	35.77%	0.17	1.92	0.59	10.33	0.53	1.81	0.13	(0.10)	0.59	1.83	Agy	AA+
Agencies	309,356,460.72	308,394,304.31	35.77%	0.17	1.92	0.59	10.33	0.53	1.81	0.13	(0.10)	0.59	1.83	Agy	AA+
Treasuries	34,969,477.80	34,983,007.69	4.04%	0.18	1.73	0.25	16.29	0.01	1.74	0.01	0.00	1.04	1.74	Govt	AA+
Treasuries	34,969,477.80	34,983,007.69	4.04%	0.18	1.73	0.25	16.29	0.01	1.74	0.01	0.00	1.04	1.74	Govt	AA+
Cash And Cash Equivalent	520,554,099.09	519,700,038.94	60.19%	0.27	0.00	0.05	(1.03)	0.05	1.27	0.05	0.00	0.06	1.27	Aaa	AA+
Short Term Investment	520,554,099.09	519,700,038.94	60.19%	0.27	0.00	0.05	(1.03)	0.05	1.27	0.05	0.00	0.06	1.27	Aaa	AA+
Treasury Bills	195,748,510.39	195,362,411.45	22.63%	0.16	0.00	0.09	(6.33)	0.09	1.48	0.09	0.00	0.09	1.48	Govt	AAA
Repurchase Agreements	70,007,583.33	70,000,000.00	8.09%	0.15	0.00	0.00	0.00	0.00	0.04	0.00	0.00	0.00	0.04	Aaa	AA+
STIF	1,081,931.12	1,081,931.12	0.13%	0.01	0.00	0.00	0.00	0.00	0.04	0.00	0.00	0.00	0.04	Aaa	AAA
Discounted Notes	134,852,727.65	134,425,972.49	15.59%	0.16	0.00	0.07	5.20	0.07	1.12	0.07	0.00	0.07	1.12	Agy	AAA
Miscellaneous	118,863,346.60	118,829,723.88	13.74%	0.63	0.00	0.01	0.00	0.01	1.85	0.00	0.00	0.01	1.85	Aa3	A+

* Sector and total level ratings represent a weighted average of all investments. Unrated securities will lower credit ratings in aggregate.

** Credit quality ratings are delivered where available by J.P. Morgan's fixed income analytics vendor BlackRock Solutions.

As of: 31-Oct-2019

Institutional Accounting

Detailed Net Asset Valuation

Account : P 09333 STATEOFNM STO-LGIP [FINAL]

Base Currency : USD

Security Number	Description	Quantity	Cost Local	Market Price	Market Value Local	Cost Base	Market Value Base	Accrued Income Base	Unrealized Gain/Loss Base	Market Value + Accrued Income Base	% of Fund
<i>Currency: USD Rate: 1.0000 Base: USD Nav Value: 864,880,037.61</i>											
89499LC10	BANK OF THE WEST MONTHLY VARIABLE 12/31/2049	99,518,478.23	99,518,478.23	100.0000	99,518,478.23	99,518,478.23	99,518,478.23	0.00	0.00	99,518,478.23	11.51%
AAI9989O2	BBVA COMPASS BANK	19,311,245.64	19,311,245.65	1.0000	19,311,245.64	19,311,245.65	19,311,245.64	33,622.73	(0.01)	19,344,868.37	2.24%
99KU10037	REPO BANK OF NEW YORK (HSBCSI) HSBC102819 1.800% 11/04/2019	28,000,000.00	28,000,000.00	100.0000	28,000,000.00	28,000,000.00	28,000,000.00	5,600.00	0.00	28,005,600.00	3.24%
99KU40054	REPO BANK OF NEW YORK (HSBCSI) HSBC103119 1.700% 11/01/2019	42,000,000.00	42,000,000.00	100.0000	42,000,000.00	42,000,000.00	42,000,000.00	1,983.33	0.00	42,001,983.33	4.86%
894993C02	WELLS FARGO CHECKING 0.15% 31/DEC/2049 MONTHLY VARIABLE 12/31/2049	1,081,931.12	1,081,931.12	100.0000	1,081,931.12	1,081,931.12	1,081,931.12	0.00	0.00	1,081,931.12	0.13%
Total Cash Equivalents		189,911,654.99	189,911,655.00		189,911,654.99	189,911,655.00	189,911,654.99	41,206.06	(0.01)	189,952,861.05	21.96%
3133EH4P5	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND VARIABLE 26/DEC/2019 USD 1000	10,000,000.00	9,999,923.44	99.9910	9,999,100.00	9,999,923.44	9,999,100.00	19,280.56	(823.44)	10,018,380.56	1.16%
3133EHVR1	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND MONTHLY FLOATING 08/24/2020	16,805,000.00	16,805,851.12	99.9320	16,793,572.60	16,805,851.12	16,793,572.60	6,840.56	(12,278.52)	16,800,413.16	1.94%
3133EJEH8	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND VARIABLE 28/FEB/2020 USD 1000	5,000,000.00	4,999,917.21	99.9980	4,999,900.00	4,999,917.21	4,999,900.00	18,875.00	(17.21)	5,018,775.00	0.58%
3133EJHP7	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND VARIABLE 26/MAR/2020 USD 1000	5,000,000.00	5,000,000.00	100.0310	5,001,550.00	5,000,000.00	5,001,550.00	10,465.27	1,550.00	5,012,015.27	0.58%
3133EJRK7	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND VARIABLE 11/DEC/2019 USD 1000	10,000,000.00	10,000,768.77	100.0230	10,002,300.00	10,000,768.77	10,002,300.00	30,233.35	1,531.23	10,032,533.35	1.16%
3133EJXB0	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND QUARTERLY FLOATING 08/17/2020	10,000,000.00	9,999,200.52	99.9700	9,997,000.00	9,999,200.52	9,997,000.00	39,792.03	(2,200.52)	10,036,792.03	1.16%
3133EKF76	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND MONTHLY FLOATING 02/26/2020	10,000,000.00	10,000,000.00	99.9940	9,999,400.00	10,000,000.00	9,999,400.00	3,007.09	(600.00)	10,002,407.09	1.16%
3133EKGX8	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND MONTHLY FLOATING 04/16/2021	10,000,000.00	10,000,000.00	99.9100	9,991,000.00	10,000,000.00	9,991,000.00	8,603.33	(9,000.00)	9,999,603.33	1.16%
3133EKHC3	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND VARIABLE 15/JAN/2021 USD 1000	8,000,000.00	8,000,000.00	100.0430	8,003,440.00	8,000,000.00	8,003,440.00	7,490.00	3,440.00	8,010,930.00	0.93%
3133EKNT9	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND MONTHLY FLOATING 06/03/2021	10,000,000.00	10,000,000.00	99.8860	9,988,600.00	10,000,000.00	9,988,600.00	16,520.98	(11,400.00)	10,005,120.98	1.16%
3133EKR73	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND QUARTERLY FLOATING 09/23/2021	10,000,000.00	10,000,000.00	99.9400	9,994,000.00	10,000,000.00	9,994,000.00	23,387.87	(6,000.00)	10,017,387.87	1.16%
3133EEW55	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND FIXED SEMI-ANN. 1.800% 06/15/2020	1,250,000.00	1,247,317.29	100.1140	1,251,425.00	1,247,317.29	1,251,425.00	8,500.00	4,107.71	1,259,925.00	0.15%
3133EGBK0	FEDERAL FARM CREDIT BANKS FUNDING CORP CALLABLE SEMI-ANN. 1.300% 11/25/2019	2,500,000.00	2,498,492.35	99.9770	2,499,425.00	2,498,492.35	2,499,425.00	14,083.33	932.65	2,513,508.33	0.29%
3133EGBL8	FEDERAL FARM CREDIT BANKS FUNDING CORP CALLABLE SEMI-ANN. 1.370% 05/19/2020	1,050,000.00	1,045,811.00	99.8730	1,048,666.50	1,045,811.00	1,048,666.50	6,473.25	2,855.50	1,055,139.75	0.12%
3133EHFN8	FEDERAL FARM CREDIT BANKS FUNDING CORP CALLABLE SEMI-ANN. 1.690% 04/13/2020	2,500,000.00	2,495,941.12	99.9970	2,499,925.00	2,495,941.12	2,499,925.00	2,112.50	3,983.88	2,502,037.50	0.29%
3130ABZV1	FEDERAL HOME LOAN BANKS BOND FIXED 1.455% SEMI-ANN. 1.455% 12/30/2019	10,000,000.00	9,992,028.45	99.9560	9,995,600.00	9,992,028.45	9,995,600.00	48,904.17	3,571.55	10,044,504.17	1.16%
3130A0JR2	FEDERAL HOME LOAN BANKS BOND FIXED 2.375% SEMI-ANN. 2.375% 12/13/2019	20,000,000.00	20,013,245.23	100.0700	20,014,000.00	20,013,245.23	20,014,000.00	182,083.33	754.77	20,196,083.33	2.34%
3130AFAF4	FEDERAL HOME LOAN BANKS BOND FIXED 2.76% SEMI-ANN. 2.760% 01/30/2020	6,970,000.00	6,983,655.86	100.2530	6,987,634.10	6,983,655.86	6,987,634.10	48,627.37	3,978.24	7,036,261.47	0.81%
3133XVRK9	FEDERAL HOME LOAN BANKS BOND FIXED 4.125% SEMI-ANN. 4.125% 12/13/2019	1,000,000.00	1,001,737.81	100.3010	1,003,010.00	1,001,737.81	1,003,010.00	15,812.50	1,272.19	1,018,822.50	0.12%
3130AGA70	FEDERAL HOME LOAN BANKS BOND VARIABLE 01/OCT/2020 USD 5000	4,000,000.00	4,000,000.00	99.9630	3,998,520.00	4,000,000.00	3,998,520.00	6,831.67	(1,480.00)	4,005,351.67	0.46%
3130AFHZ3	FEDERAL HOME LOAN BANKS BOND VARIABLE 03/DEC/2019 QUARTERLY FLOATING 12/03/2019	5,000,000.00	4,999,656.66	99.9910	4,999,550.00	4,999,656.66	4,999,550.00	15,585.82	(106.66)	5,015,135.82	0.58%
3130AHAP8	FEDERAL HOME LOAN BANKS BOND VARIABLE 07/OCT/2020 USD 5000	10,000,000.00	10,000,000.00	99.9740	9,997,400.00	10,000,000.00	9,997,400.00	13,847.22	(2,600.00)	10,011,247.22	1.16%
3130AHD26	FEDERAL HOME LOAN BANKS BOND VARIABLE 16/OCT/2020 USD 5000	10,000,000.00	10,000,000.00	100.0000	10,000,000.00	10,000,000.00	10,000,000.00	8,980.56	0.00	10,008,980.56	1.16%
3130AEMQ0	FEDERAL HOME LOAN BANKS BOND VARIABLE 17/JAN/2020 QUARTERLY FLOATING 01/17/2020	3,000,000.00	2,999,662.49	99.9850	2,999,550.00	2,999,662.49	2,999,550.00	2,190.00	(112.49)	3,001,740.00	0.35%

Please refer to the disclaimer page at the end of this report for further information. D-560-300-207

As of: 31-Oct-2019

Institutional Accounting

Detailed Net Asset Valuation

Account : P 09333 STATEOFNM STO-LGIP [FINAL]

Base Currency : USD

Security Number	Description	Quantity	Cost Local	Market Price	Market Value Local	Cost Base	Market Value Base	Accrued Income Base	Unrealized Gain/Loss Base	Market Value + Accrued Income Base	% of Fund
<i>Currency: USD</i>		<i>Rate: 1.0000</i>		<i>Base: USD</i>		<i>Nav Value: 864,880,037.61</i>					
3130AG5G6	FEDERAL HOME LOAN BANKS BOND VARIABLE 27/MAR/2020 USD 5000	10,000,000.00	10,000,000.00	100.0020	10,000,200.00	10,000,000.00	10,000,200.00	18,837.50	200.00	10,019,037.50	1.16%
313382W33	FEDERAL HOME LOAN BANKS CALLABLE BOND FIXED 1.25% 13/NOV/2019 USD 5000	1,000,000.00	999,801.58	99.9870	999,870.00	999,801.58	999,870.00	5,833.33	68.42	1,005,703.33	0.12%
3130AHDQ3	FEDERAL HOME LOAN BANKS CALLABLE BOND FIXED 1.83% SEMI-ANN. 1.830% 10/21/2020	10,000,000.00	10,000,000.00	100.0170	10,001,700.00	10,000,000.00	10,001,700.00	6,608.33	1,700.00	10,008,308.33	1.16%
3130AH2K8	FEDERAL HOME LOAN BANKS CALLABLE BOND FIXED 2.05% SEMI-ANN. 2.050% 09/10/2020	10,000,000.00	10,000,000.00	100.0260	10,002,600.00	10,000,000.00	10,002,600.00	29,041.67	2,600.00	10,031,641.67	1.16%
3130AGV51	FEDERAL HOME LOAN BANKS CALLABLE BOND FIXED 2.125% 06/AUG/2020 USD 5000	10,000,000.00	10,000,000.00	100.0020	10,000,200.00	10,000,000.00	10,000,200.00	50,173.61	200.00	10,050,373.61	1.16%
3130AGTQ8	FEDERAL HOME LOAN BANKS CALLABLE BOND FIXED 2.15% SEMI-ANN. 2.150% 07/30/2020	10,000,000.00	10,000,000.00	100.0410	10,004,100.00	10,000,000.00	10,004,100.00	54,347.22	4,100.00	10,058,447.22	1.16%
3130A96W6	FEDERAL HOME LOAN BANKS CALLABLE BOND STEP CPN SEMI-ANN. FLOATING 03/13/2020	4,000,000.00	3,986,664.40	99.9760	3,999,040.00	3,986,664.40	3,999,040.00	8,000.01	12,375.60	4,007,040.01	0.46%
3134G8PP8	FEDERAL HOME LOAN MORTGAGE CORP CALLABLE MEDIUM SEMI-ANN. 1.500% 09/30/2020	750,000.00	747,893.77	99.9600	749,700.00	747,893.77	749,700.00	968.75	1,806.23	750,668.75	0.09%
3134GBET5	FEDERAL HOME LOAN MORTGAGE CORP CALLABLE NOTES SEMI-ANN. 1.800% 04/13/2020	11,000,000.00	10,972,582.58	100.0390	11,004,290.00	10,972,582.58	11,004,290.00	9,900.00	31,707.42	11,014,190.00	1.27%
313400BV4	FEDERAL HOME LOAN MORTGAGE CORP MEDIUM TERM NOTE SEMI-ANN. 0.000% 11/29/2019	15,000,000.00	14,978,444.07	99.8540	14,978,100.00	14,978,444.07	14,978,100.00	0.00	(344.07)	14,978,100.00	1.73%
3134GT6K4	FEDERAL HOME LOAN MORTGAGE CORP MEDIUM TERM NOTE VARIABLE 10/SEP/2020 USD 1000	10,000,000.00	10,000,000.00	99.9610	9,996,100.00	10,000,000.00	9,996,100.00	29,608.34	(3,900.00)	10,025,708.34	1.16%
3134GTLJ0	FEDERAL HOME LOAN MORTGAGE CORP MEDIUM TERM NOTE VARIABLE 29/APR/2020 USD 1000	5,000,000.00	4,999,867.11	99.9980	4,999,900.00	4,999,867.11	4,999,900.00	773.61	32.89	5,000,673.61	0.58%
3134GUFR6	FEDERAL HOME LOAN MORTGAGE CORP MEDIUM TERM NOTE VARIABLE 03/APR/2020 USD 1000	10,000,000.00	10,000,000.00	99.9910	9,999,100.00	10,000,000.00	9,999,100.00	15,322.22	(900.00)	10,014,422.22	1.16%
3137EADR7	FEDERAL HOME LOAN MORTGAGE CORP NOTES FIXED 1.375% SEMI-ANN. 1.375% 05/01/2020	1,000,000.00	996,457.49	99.8760	998,760.00	996,457.49	998,760.00	6,875.00	2,302.51	1,005,635.00	0.12%
3136G4TH6	FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES VARIABLE 30/JAN/2020 USD 1000	3,570,000.00	3,570,914.54	100.0320	3,571,142.40	3,570,914.54	3,571,142.40	391.71	227.86	3,571,534.11	0.41%
3135G0T29	FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES FIXED SEMI-ANN. 1.500% 02/28/2020	4,129,000.00	4,115,434.16	99.9670	4,127,637.43	4,115,434.16	4,127,637.43	10,838.63	12,203.27	4,138,476.06	0.48%
880591EV0	TENNESSEE VALLEY AUTHORITY NOTES FIXED 2.25% SEMI-ANN. 2.250% 03/15/2020	11,000,000.00	11,019,976.51	100.1980	11,021,780.00	11,019,976.51	11,021,780.00	31,625.00	1,803.49	11,053,405.00	1.28%
9128283T5	UNITED STATES OF AMERICA NOTES VARIABLE QUARTERLY FLOATING 01/31/2020	10,000,000.00	9,999,233.73	99.9710	9,997,100.00	9,999,233.73	9,997,100.00	454.65	(2,133.73)	9,997,554.65	1.16%
9128285Y2	UNITED STATES OF AMERICA NOTES VARIABLE QUARTERLY FLOATING 01/31/2021	15,000,000.00	14,990,105.40	99.8900	14,983,500.00	14,990,105.40	14,983,500.00	729.89	(6,605.40)	14,984,229.89	1.73%
9128286Q8	UNITED STATES OF AMERICA NOTES VARIABLE QUARTERLY FLOATING 04/30/2021	10,000,000.00	9,999,779.88	99.8720	9,987,200.00	9,999,779.88	9,987,200.00	493.26	(12,579.88)	9,987,693.26	1.15%
Total Fixed Income		343,524,000.00	343,460,364.54		343,486,588.03	343,460,364.54	343,486,588.03	839,350.49	26,223.49	344,325,938.52	39.81%
313384NS4	FEDERAL HOME LOAN BANKS DISCOUNT NOTES ZERO CPN 0.000% 11/01/2019	20,000,000.00	19,998,856.46	100.0000	20,000,000.00	19,998,856.46	20,000,000.00	0.00	1,143.54	20,000,000.00	2.31%
313384NX3	FEDERAL HOME LOAN BANKS DISCOUNT NOTES ZERO CPN 0.000% 11/06/2019	10,000,000.00	9,996,733.33	99.9767	9,997,666.70	9,996,733.33	9,997,666.70	0.00	933.37	9,997,666.70	1.16%
313384PM5	FEDERAL HOME LOAN BANKS DISCOUNT NOTES ZERO CPN 0.000% 11/20/2019	10,000,000.00	9,989,284.42	99.9113	9,991,133.30	9,989,284.42	9,991,133.30	0.00	1,848.88	9,991,133.30	1.16%
313384QD4	FEDERAL HOME LOAN BANKS DISCOUNT NOTES ZERO CPN 0.000% 12/06/2019	10,000,000.00	9,983,239.30	99.8376	9,983,763.90	9,983,239.30	9,983,763.90	0.00	524.60	9,983,763.90	1.15%
313384QJ1	FEDERAL HOME LOAN BANKS DISCOUNT NOTES ZERO CPN 0.000% 12/11/2019	10,000,000.00	9,978,134.45	99.8144	9,981,444.40	9,978,134.45	9,981,444.40	0.00	3,309.95	9,981,444.40	1.15%
313384QL6	FEDERAL HOME LOAN BANKS DISCOUNT NOTES ZERO CPN 0.000% 12/13/2019	10,000,000.00	9,976,385.69	99.8052	9,980,516.70	9,976,385.69	9,980,516.70	0.00	4,131.01	9,980,516.70	1.15%
313384QT9	FEDERAL HOME LOAN BANKS DISCOUNT NOTES ZERO CPN 0.000% 12/20/2019	10,000,000.00	9,977,653.77	99.7727	9,977,269.40	9,977,653.77	9,977,269.40	0.00	(384.37)	9,977,269.40	1.15%
313384SC4	FEDERAL HOME LOAN BANKS DISCOUNT NOTES ZERO CPN 0.000% 01/22/2020	10,000,000.00	9,962,371.83	99.6310	9,963,100.00	9,962,371.83	9,963,100.00	0.00	728.17	9,963,100.00	1.15%
313588NS0	FEDERAL NATIONAL MORTGAGE ASSOCIATION DISCOUNT	20,000,000.00	19,998,964.21	100.0000	20,000,000.00	19,998,964.21	20,000,000.00	0.00	1,035.79	20,000,000.00	2.31%

Please refer to the disclaimer page at the end of this report for further information.
D-560-300-207

As of: 31-Oct-2019

Institutional Accounting

Detailed Net Asset Valuation

Account : P 09333 STATEOFNM STO-LGIP [FINAL]

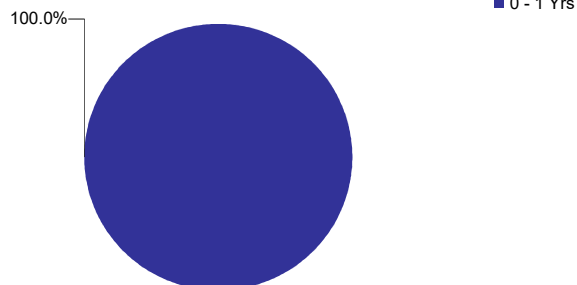
Base Currency : USD

Security Number	Description	Quantity	Cost Local	Market Price	Market Value Local	Cost Base	Market Value Base	Accrued Income Base	Unrealized Gain/Loss Base	Market Value + Accrued Income Base	% of Fund
<i>Currency: USD</i>		<i>Rate: 1.0000</i>		<i>Base: USD</i>		<i>Nav Value: 864,880,037.61</i>					
	0.000% 11/01/2019										
313588PM1	FEDERAL NATIONAL MORTGAGE ASSOCIATION DISCOUNT 0.000% 11/20/2019	25,000,000.00	24,973,583.46	99.9113	24,977,833.25	24,973,583.46	24,977,833.25	0.00	4,249.79	24,977,833.25	2.89%
912796RN1	UNITED STATES OF AMERICA BILL ZERO CPN 05/DEC/2019 0.000% 12/05/2019	6,021,000.00	6,009,945.23	99.8590	6,012,510.39	6,009,945.23	6,012,510.39	0.00	2,565.16	6,012,510.39	0.70%
912796WD7	UNITED STATES OF AMERICA BILL ZERO CPN 12/NOV/2019 USD 100	20,000,000.00	19,990,270.69	99.9540	19,990,800.00	19,990,270.69	19,990,800.00	0.00	529.31	19,990,800.00	2.31%
912796WJ4	UNITED STATES OF AMERICA BILL ZERO CPN 17/DEC/2019 0.000% 12/17/2019	20,000,000.00	19,957,415.99	99.8060	19,961,200.00	19,957,415.99	19,961,200.00	0.00	3,784.01	19,961,200.00	2.31%
912796SX8	UNITED STATES OF AMERICA BILL ZERO CPN 19/DEC/2019 0.000% 12/19/2019	20,000,000.00	19,948,742.56	99.8070	19,961,400.00	19,948,742.56	19,961,400.00	0.00	12,657.44	19,961,400.00	2.31%
912796WE5	UNITED STATES OF AMERICA BILL ZERO CPN 19/NOV/2019 0.000% 11/19/2019	40,000,000.00	39,965,699.11	99.9240	39,969,600.00	39,965,699.11	39,969,600.00	0.00	3,900.89	39,969,600.00	4.62%
912796TG4	UNITED STATES OF AMERICA BILL ZERO CPN 20/FEB/2020 0.000% 02/20/2020	10,000,000.00	9,943,683.85	99.5360	9,953,600.00	9,943,683.85	9,953,600.00	0.00	9,916.15	9,953,600.00	1.15%
912796ST7	UNITED STATES OF AMERICA BILL ZERO CPN 21/NOV/2019 0.000% 11/21/2019	40,000,000.00	39,956,372.72	99.9150	39,966,000.00	39,956,372.72	39,966,000.00	0.00	9,627.28	39,966,000.00	4.62%
912796WK1	UNITED STATES OF AMERICA BILL ZERO CPN 24/DEC/2019 0.000% 12/24/2019	20,000,000.00	19,953,731.21	99.7740	19,954,800.00	19,953,731.21	19,954,800.00	0.00	1,068.79	19,954,800.00	2.31%
912796WF2	UNITED STATES OF AMERICA BILL ZERO CPN 26/NOV/2019 0.000% 11/26/2019	20,000,000.00	19,979,042.42	99.8930	19,978,600.00	19,979,042.42	19,978,600.00	0.00	(442.42)	19,978,600.00	2.31%
Total Short Term Investments		331,021,000.00	330,540,110.70		330,601,238.04	330,540,110.70	330,601,238.04	0.00	61,127.34	330,601,238.04	38.23%
Total USD		864,456,654.99	863,912,130.24		863,999,481.06	863,912,130.24	863,999,481.06	880,556.55	87,350.82	864,880,037.61	100.00%
Total P 09333		864,456,654.99				863,912,130.24	863,999,481.06	880,556.55	87,350.82	864,880,037.61	100.00%

Portfolio Characteristics

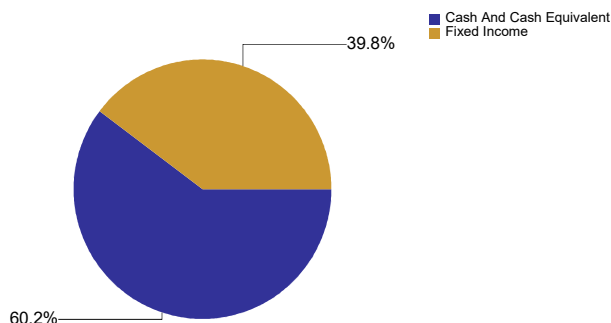
Duration Mix

Total Net Assets (Millions)	864.9
Weighted Average Life (Years)	0.29
Weighted Avg. Effective Duration (Years)	0.08
Weighted Average Coupon (%)	0.75
Weighted Average Current Yield (%)	1.49
Weighted Average Yield to Maturity (%)	1.49
Weighted Average Rating	AA+
Number of Holdings	68



Asset Mix

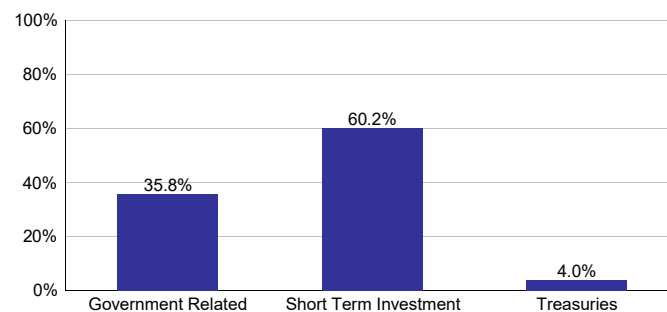
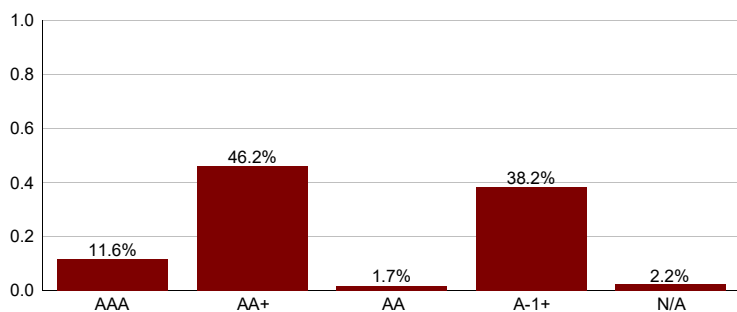
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
89499LC10	BANK OF THE WEST	11.51%	0.00	1/11/2019
99KU40054	REPO BANK OF NEW YORK (HSBCSI) HSBC103119	4.86%	0.00	1/11/2019
912796WES	UNITED STATES OF AMERICA BILL ZERO CPN 19/NOV/2019	4.62%	0.00	19/11/2019
912796ST7	UNITED STATES OF AMERICA BILL ZERO CPN 21/NOV/2019	4.62%	0.00	21/11/2019
99KU10037	REPO BANK OF NEW YORK (HSBCSI) HSBC102819	3.24%	0.00	4/11/2019
313588PM1	FEDERAL NATIONAL MORTGAGE ASSOCIATION DISCOUNT	2.89%	0.00	20/11/2019
3130A6JR2	FHLB 2.375000 '19 USD	2.34%	2.38	13/12/2019
313588NS0	FEDERAL NATIONAL MORTGAGE ASSOC 0% NTS 01/NOV/2007	2.31%	0.00	1/11/2019
313384NS4	FEDERAL HOME LOAN BANKS DISCOUNT NOTES ZERO CPN	2.31%	0.00	1/11/2019
912796WD7	UNITED STATES OF AMERICA BILL ZERO CPN 12/NOV/2019	2.31%	0.00	12/11/2019

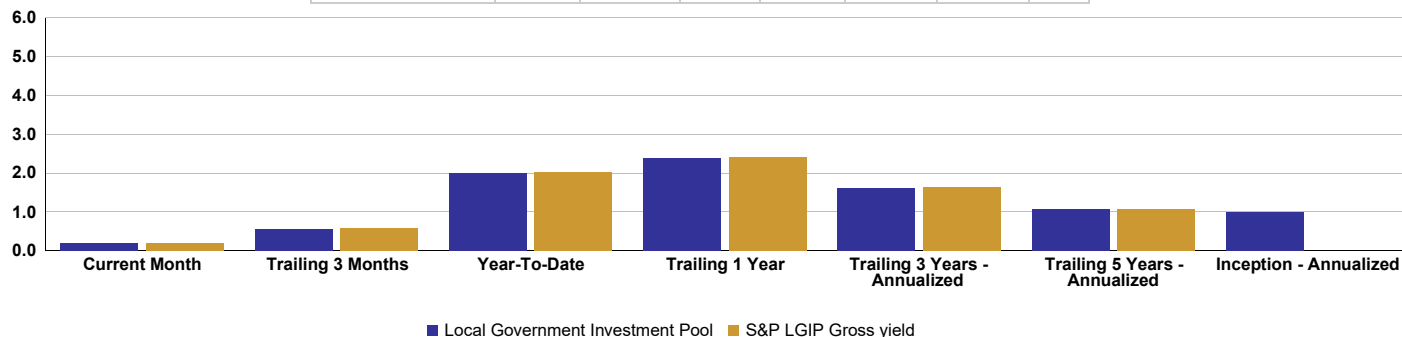
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Local Government Investment Pool	0.19	0.55	2.00	2.39	1.60	1.07	0.99
S&P LGIP Gross yield	0.19	0.57	2.01	2.41	1.63	1.07	
Excess	0.00	(0.01)	(0.02)	(0.01)	(0.03)	0.00	



* Sector and total level ratings represent a weighted average of all investments. Unrated securities will lower credit ratings in aggregate.

** Credit quality ratings are delivered where available by J.P. Morgan's fixed income analytics vendor BlackRock Solutions.



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

Portfolio Summary – Tax Exempt Bond Proceeds Investment Pool

Summary

- The Tax Exempt Bond Proceeds Investment Pool closed the month of October at \$463 mil vs. \$469 mil at the end of September.
- The Pool paid out \$9.5 mil in draw requests for capital spending during the month.

Portfolio Mix

- 96% of the Tax-Exempt BPIP portfolio was invested in fixed income securities and 4% in floating rate notes: 57% in US Treasuries, 21% in US agency securities, 9% in corporate securities and commercial paper, 0% in NM municipal securities and the balance, approximately 13%, was held in cash equivalents.
- 66% of the portfolio was invested in securities that mature in one year, 32% in securities that mature from 1-2 years, 2% in securities that mature from 2-4 years and 0% in securities out to 5 years.
- The Tax-Exempt BPIP held positions in 48 securities.
- Weighted Average Life of the Tax Exempt BPIP was 0.81 years. The Weighted Average duration was 0.77 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 \$1,824,813 on October 31st
- Monthly net earnings on the portfolio for October were \$785,623.
- Net earnings for FY2020 were \$3,016,187.
- Earnings on the Tax-Exempt BPIP are used to offset capital and debt service spending.

Investment Highlights

- The duration of the Tax-Exempt BPIP at the end of October was 0.77 yrs. vs. 1.37 yrs for the benchmark.
- The Pool purchased \$5 mil in commercial paper maturing in 7 months and \$4 mil in corporate bonds maturing in 3 months.

Performance

- The purchase yield was 1.97% at the end of October vs. 2.02% reported for the previous month.
- The Tax-Exempt BPIP returned 0.29% for the month of October and 0.78% for the three months ended October 31st, 2019, vs. Index returns of 0.31% and 0.93% respectively. For the trailing 12 months, the Pool returned 3.43% vs. 3.98% for the benchmark.

Investment Strategy

- The option-adjusted duration of the Tax-Exempt BPIP portfolio is currently 0.77 yrs. vs. 1.37 yrs
- The Pool paid out \$22.9 mil in capital project draw requests for the month of November.
- The Tax-Exempt BPIP has maintained duration shorter than that of the benchmark in order to provide adequate liquidity for project withdrawals.

Fixed Income - Standard Report
New Mexico State Treasurers Office (06677)
 October 2019

Account / Holdings	Market Value	Cost	% of Total	Return	Coupon Rate	Modified Duration	Option Adjusted Spread	Spread Duration	Static Yield	Effective Duration	Effective Convexity	Weighted Average Life	Yield to Maturity	Moody Quality Rating	S&P Quality Rating
Tax Exempt Bond Proceeds(10933500)	465,124,941.24	461,340,052.55	100.00%	0.29	1.56	0.78	3.98	0.79	1.53	0.77	0.01	0.81	1.53		
FIXED INCOME + CASH AND CASH EQUIVALENT	465,124,941.24	461,340,052.55	100.00%	0.29	1.56	0.78	3.98	0.79	1.53	0.77	0.01	0.81	1.53	Agy	AA+
Fixed Income	380,169,413.88	376,481,409.76	81.73%	0.31	1.91	0.94	3.25	0.95	1.63	0.93	0.01	0.98	1.63	Agy	AA+
Corporates	22,179,743.80	22,008,707.97	4.77%	0.20	2.29	0.47	17.71	0.47	1.77	0.46	(0.04)	0.48	1.79	Aa2	AA-
Industrial	14,125,000.37	14,003,267.97	3.04%	0.23	2.34	0.61	11.16	0.62	1.73	0.61	0.01	0.63	1.73	Aa2	AA
Financial Institutions	8,054,743.43	8,005,440.00	1.73%	0.16	2.20	0.22	29.21	0.20	1.85	0.20	(0.13)	0.22	1.89	Aa3	A+
Government Related	121,049,162.45	120,139,938.95	26.03%	0.29	1.90	0.80	3.93	0.84	1.64	0.77	0.01	0.87	1.65	Agy	AA+
Agencies	121,049,162.45	120,139,938.95	26.03%	0.29	1.90	0.80	3.93	0.84	1.64	0.77	0.01	0.87	1.65	Agy	AA+
Treasuries	236,940,507.63	234,332,762.84	50.94%	0.33	1.87	1.06	1.55	1.06	1.61	1.06	0.02	1.08	1.61	Govt	AA+
Treasuries	236,940,507.63	234,332,762.84	50.94%	0.33	1.87	1.06	1.55	1.06	1.61	1.06	0.02	1.08	1.61	Govt	AA+
Cash And Cash Equivalent	84,955,527.36	84,858,642.79	18.27%	0.16	0.00	0.08	7.24	0.08	1.09	0.07	0.00	0.08	1.09	Aaa	AA
Short Term Investment	84,955,527.36	84,858,642.79	18.27%	0.16	0.00	0.08	7.24	0.08	1.09	0.07	0.00	0.08	1.09	Aaa	AA
Commercial Paper (Interest Bearing)	14,906,000.00	14,839,705.56	3.20%	0.16	0.00	0.32	32.84	0.33	1.89	0.32	0.00	0.33	1.89	Aa2	BBB-
Repurchase Agreements	35,028,901.80	35,027,247.74	7.53%	0.15	0.00	0.00	0.00	0.00	0.04	0.00	0.00	0.00	0.04	Aaa	AA+
Discounted Notes	9,977,269.40	9,948,333.33	2.15%	0.19	0.00	0.14	12.55	0.14	1.64	0.14	0.00	0.14	1.64	Agy	AAA
Miscellaneous	25,043,356.16	25,043,356.16	5.38%	0.17	0.00	0.01	0.00	0.01	1.85	0.00	0.00	0.01	1.85	Aaa	AAA

* Sector and total level ratings represent a weighted average of all investments. Unrated securities will lower credit ratings in aggregate.

** Credit quality ratings are delivered where available by J.P. Morgan's fixed income analytics vendor BlackRock Solutions.

As of: 31-Oct-2019

Institutional Accounting

Detailed Net Asset Valuation

Account : P 09335 STATEOFNM STO-TAX EXE BD [FINAL]

Base Currency : USD

Security Number	Description	Quantity	Cost Local	Market Price	Market Value Local	Cost Base	Market Value Base	Accrued Income Base	Unrealized Gain/Loss Base	Market Value + Accrued Income Base	% of Fund
<i>Currency: USD Rate: 1.0000 Base: USD Nav Value: 465,124,941.24</i>											
89499LC10	BANK OF THE WEST MONTHLY VARIABLE 12/31/2049	25,043,356.16	25,043,356.16	100.0000	25,043,356.16	25,043,356.16	25,043,356.16	0.00	0.00	25,043,356.16	5.38%
99KU40076	REPO BANK OF NEW YORK (NWMSI) 103119E 1.700% 11/01/2019	35,027,247.74	35,027,247.74	100.0000	35,027,247.74	35,027,247.74	35,027,247.74	1,654.06	0.00	35,028,901.80	7.53%
Total Cash Equivalents		60,070,603.90	60,070,603.90		60,070,603.90	60,070,603.90	60,070,603.90	1,654.06	0.00	60,072,257.96	12.92%
037833DH0	APPLE INC CALLABLE BOND FIXED 1.8% 13/NOV/2019 USD 1000	3,000,000.00	2,999,595.31	100.0063	3,000,189.00	2,999,595.31	3,000,189.00	25,200.00	593.69	3,025,389.00	0.65%
037833AX8	APPLE INC CALLABLE NOTES FIXED 1.55% 07/FEB/2020 SEMI-ANN. 1.550% 02/07/2020	319,000.00	318,124.87	99.8480	318,515.12	318,124.87	318,515.12	1,153.72	390.25	319,668.84	0.07%
3132X05M9	FEDERAL AGRICULTURAL MORTGAGE CORP MEDIUM TERM QUARTERLY FLOATING 03/25/2020	12,500,000.00	12,500,000.00	99.9790	12,497,375.00	12,500,000.00	12,497,375.00	25,003.91	(2,625.00)	12,522,378.91	2.69%
3132X0WS6	FEDERAL AGRICULTURAL MORTGAGE CORP MEDIUM TERM SEMI-ANN. 1.900% 09/01/2022	5,000,000.00	4,999,277.38	100.9760	5,048,800.00	4,999,277.38	5,048,800.00	15,833.33	49,522.62	5,064,633.33	1.09%
313378J77	FEDERAL HOME LOAN BANKS BOND FIXED 1.875% SEMI-ANN. 1.875% 03/13/2020	10,000,000.00	10,029,412.78	100.0990	10,009,900.00	10,029,412.78	10,009,900.00	25,000.00	(19,512.78)	10,034,900.00	2.16%
3130AEWA4	FEDERAL HOME LOAN BANKS BOND FIXED 2.625% SEMI-ANN. 2.625% 10/01/2020	5,000,000.00	4,995,162.00	100.8930	5,044,650.00	4,995,162.00	5,044,650.00	10,937.50	49,488.00	5,055,587.50	1.09%
3130AANA2	FEDERAL HOME LOAN BANKS CALLABLE BOND FIXED 1.75% SEMI-ANN. 1.750% 07/30/2020	5,000,000.00	5,000,000.00	100.1160	5,005,800.00	5,000,000.00	5,005,800.00	22,118.06	5,800.00	5,027,918.06	1.08%
3134GBET5	FEDERAL HOME LOAN MORTGAGE CORP CALLABLE NOTES SEMI-ANN. 1.800% 04/13/2020	3,750,000.00	3,735,197.83	100.0390	3,751,462.50	3,735,197.83	3,751,462.50	3,375.00	16,264.67	3,754,837.50	0.81%
3137EAEE5	FEDERAL HOME LOAN MORTGAGE CORP MEDIUM TERM NOTE SEMI-ANN. 1.500% 01/17/2020	5,000,000.00	4,999,980.31	99.9680	4,998,400.00	4,999,980.31	4,998,400.00	21,666.67	(1,580.31)	5,020,066.67	1.08%
3137EAEM7	FEDERAL HOME LOAN MORTGAGE CORP NOTES FIXED 2.5% SEMI-ANN. 2.500% 04/23/2020	5,000,000.00	4,999,734.95	100.4270	5,021,350.00	4,999,734.95	5,021,350.00	2,777.78	21,615.05	5,024,127.78	1.08%
3135G0S46	FEDERAL NATIONAL MORTGAGE ASSOCIATION CALLABLE SEMI-ANN. 1.650% 01/27/2020	5,000,000.00	4,989,261.67	99.9800	4,999,000.00	4,989,261.67	4,999,000.00	21,541.67	9,738.33	5,020,541.67	1.08%
3136G0E56	FEDERAL NATIONAL MORTGAGE ASSOCIATION CALLABLE SEMI-ANN. 1.625% 03/27/2020	1,265,000.00	1,267,682.41	99.9900	1,264,873.50	1,267,682.41	1,264,873.50	1,941.42	(2,808.91)	1,266,814.92	0.27%
3136G12H1	FEDERAL NATIONAL MORTGAGE ASSOCIATION CALLABLE SEMI-ANN. 1.400% 06/05/2020	1,000,000.00	1,001,477.54	99.8430	998,430.00	1,001,477.54	998,430.00	5,677.78	(3,047.54)	1,004,107.78	0.22%
3136G2YA9	FEDERAL NATIONAL MORTGAGE ASSOCIATION CALLABLE SEMI-ANN. 1.400% 11/26/2019	1,500,000.00	1,500,015.68	99.9850	1,499,775.00	1,500,015.68	1,499,775.00	3,791.67	(240.68)	1,503,566.67	0.32%
3136G4AC7	FEDERAL NATIONAL MORTGAGE ASSOCIATION CALLABLE SEMI-ANN. 1.250% 03/27/2020	1,000,000.00	998,755.94	99.8430	998,430.00	998,755.94	998,430.00	1,180.56	(325.94)	999,610.56	0.21%
3135G0T29	FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES FIXED SEMI-ANN. 1.500% 02/28/2020	10,000,000.00	9,999,296.06	99.9670	9,996,700.00	9,999,296.06	9,996,700.00	26,250.00	(2,596.06)	10,022,950.00	2.15%
3135G0U35	FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES FIXED SEMI-ANN. 2.750% 06/22/2021	10,000,000.00	9,998,713.03	101.8590	10,185,900.00	9,998,713.03	10,185,900.00	98,541.67	187,186.97	10,284,441.67	2.21%
3135G0U43	FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES FIXED SEMI-ANN. 2.875% 09/12/2023	5,000,000.00	4,983,885.30	104.8840	5,244,200.00	4,983,885.30	5,244,200.00	19,565.97	260,314.70	5,263,765.97	1.13%
594918BV5	MICROSOFT CORP CALLABLE NOTES FIXED 1.85% SEMI-ANN. 1.850% 02/06/2020	2,500,000.00	2,499,849.05	100.0250	2,500,625.00	2,499,849.05	2,500,625.00	10,920.14	775.95	2,511,545.14	0.54%
89236TFQ3	TOYOTA MOTOR CREDIT CORP MEDIUM TERM NOTE FIXED SEMI-ANN. 3.050% 01/08/2021	5,625,000.00	5,683,602.98	101.5360	5,711,400.00	5,683,602.98	5,711,400.00	53,851.56	27,797.02	5,765,251.56	1.24%
89236TDU6	TOYOTA MOTOR CREDIT CORP NOTES FIXED 1.95% SEMI-ANN. 1.950% 04/17/2020	2,500,000.00	2,499,819.64	100.0500	2,501,250.00	2,499,819.64	2,501,250.00	1,895.83	1,430.36	2,503,145.83	0.54%
912828Q37	UNITED STATES OF AMERICA NOTES FIXED 1.25% SEMI-ANN. 1.250% 03/31/2021	20,000,000.00	19,893,756.51	99.5230	19,904,600.00	19,893,756.51	19,904,600.00	21,857.92	10,843.49	19,926,457.92	4.28%
912828K58	UNITED STATES OF AMERICA NOTES FIXED 1.375% SEMI-ANN. 1.375% 04/30/2020	10,000,000.00	9,975,049.27	99.8830	9,988,300.00	9,975,049.27	9,988,300.00	377.75	13,250.73	9,988,677.75	2.15%
912828L32	UNITED STATES OF AMERICA NOTES FIXED 1.375% SEMI-ANN. 1.375% 08/31/2020	10,000,000.00	9,988,223.19	99.8130	9,981,300.00	9,988,223.19	9,981,300.00	23,420.33	(6,923.19)	10,004,720.33	2.15%
912828L65	UNITED STATES OF AMERICA NOTES FIXED 1.375% SEMI-ANN. 1.375% 09/30/2020	10,000,000.00	9,946,089.74	99.7770	9,977,700.00	9,946,089.74	9,977,700.00	12,021.86	31,610.26	9,989,721.86	2.15%
912828J8	UNITED STATES OF AMERICA NOTES FIXED 1.5% SEMI-ANN. 1.500% 07/15/2020	5,000,000.00	4,962,728.68	99.9180	4,995,900.00	4,962,728.68	4,995,900.00	22,214.67	33,171.32	5,018,114.67	1.08%
912828X96	UNITED STATES OF AMERICA NOTES FIXED 1.5%	10,000,000.00	9,978,176.51	99.9450	9,994,500.00	9,978,176.51	9,994,500.00	69,293.48	16,323.49	10,063,793.48	2.16%

Please refer to the disclaimer page at the end of this report for further information. D-560-300-207

As of: 31-Oct-2019

Institutional Accounting

Detailed Net Asset Valuation

Account : P 09335 STATEOFNM STO-TAX EXE BD [FINAL]

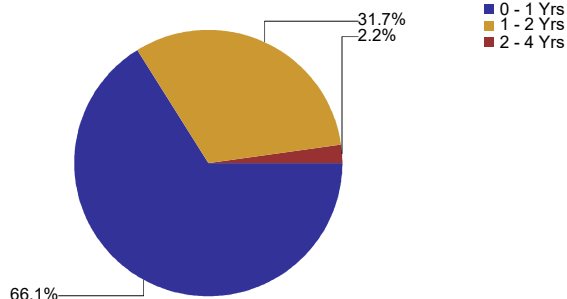
Base Currency : USD

Security Number	Description	Quantity	Cost Local	Market Price	Market Value Local	Cost Base	Market Value Base	Accrued Income Base	Unrealized Gain/Loss Base	Market Value + Accrued Income Base	% of Fund
<i>Currency: USD Rate: 1.0000 Base: USD Nav Value: 465,124,941.24</i>											
912828XU9	SEMI-ANN. 1.500% 05/15/2020 UNITED STATES OF AMERICA NOTES FIXED 1.5% SEMI-ANN. 1.500% 06/15/2020	30,000,000.00	29,999,198.02	99.9490	29,984,700.00	29,999,198.02	29,984,700.00	170,901.64	(14,498.02)	30,155,601.64	6.48%
912828Z22	UNITED STATES OF AMERICA NOTES FIXED 1.625% SEMI-ANN. 1.625% 10/15/2020	20,000,000.00	19,935,212.64	100.0390	20,007,800.00	19,935,212.64	20,007,800.00	15,095.63	72,587.36	20,022,895.63	4.30%
912828M98	UNITED STATES OF AMERICA NOTES FIXED 1.625% SEMI-ANN. 1.625% 11/30/2020	20,000,000.00	19,944,654.05	100.0120	20,002,400.00	19,944,654.05	20,002,400.00	136,748.63	57,745.95	20,139,148.63	4.33%
912828XM7	UNITED STATES OF AMERICA NOTES FIXED 1.625% SEMI-ANN. 1.625% 07/31/2020	10,000,000.00	9,982,060.69	100.0080	10,000,800.00	9,982,060.69	10,000,800.00	41,066.58	18,739.31	10,041,866.58	2.16%
912828N48	UNITED STATES OF AMERICA NOTES FIXED 1.75% SEMI-ANN. 1.750% 12/31/2020	25,000,000.00	24,986,170.91	100.1450	25,036,250.00	24,986,170.91	25,036,250.00	147,418.48	50,079.09	25,183,668.48	5.41%
9128283N8	UNITED STATES OF AMERICA NOTES FIXED 1.875% SEMI-ANN. 1.875% 12/31/2019	10,000,000.00	9,996,598.93	100.0090	10,000,900.00	9,996,598.93	10,000,900.00	63,179.35	4,301.07	10,064,079.35	2.16%
912828WG1	UNITED STATES OF AMERICA NOTES FIXED 2.25% SEMI-ANN. 2.250% 04/30/2021	10,000,000.00	10,052,849.23	100.9650	10,096,500.00	10,052,849.23	10,096,500.00	618.13	43,650.77	10,097,118.13	2.17%
912828XY1	UNITED STATES OF AMERICA NOTES FIXED 2.5% SEMI-ANN. 2.500% 06/30/2020	20,000,000.00	19,995,075.01	100.5630	20,112,600.00	19,995,075.01	20,112,600.00	168,478.26	117,524.99	20,281,078.26	4.36%
9128284T4	UNITED STATES OF AMERICA NOTES FIXED 2.625% SEMI-ANN. 2.625% 06/15/2021	5,000,000.00	4,996,927.75	101.6450	5,082,250.00	4,996,927.75	5,082,250.00	49,846.31	85,322.25	5,132,096.31	1.10%
912828Y20	UNITED STATES OF AMERICA NOTES FIXED 2.625% SEMI-ANN. 2.625% 07/15/2021	15,000,000.00	14,986,588.79	101.7380	15,260,700.00	14,986,588.79	15,260,700.00	116,627.04	274,111.21	15,377,327.04	3.31%
9128284W7	UNITED STATES OF AMERICA NOTES FIXED 2.75% SEMI-ANN. 2.750% 08/15/2021	10,000,000.00	9,997,400.66	102.0510	10,205,100.00	9,997,400.66	10,205,100.00	58,288.04	207,699.34	10,263,388.04	2.21%
9128285F3	UNITED STATES OF AMERICA NOTES FIXED 2.875% SEMI-ANN. 2.875% 10/15/2021	5,000,000.00	4,988,979.14	102.5160	5,125,800.00	4,988,979.14	5,125,800.00	6,676.91	136,820.86	5,132,476.91	1.10%
9128283Q1	UNITED STATES OF AMERICA NOTES FIXED 2% SEMI-ANN. 2.000% 01/15/2021	20,000,000.00	20,044,192.49	100.4770	20,095,400.00	20,044,192.49	20,095,400.00	118,478.26	51,207.51	20,213,878.26	4.35%
90331HNB5	US BANK NA/CINCINNATI OH CALLABLE NOTES FIXED 2% SEMI-ANN. 2.000% 01/24/2020	4,000,000.00	4,001,047.98	100.0170	4,000,680.00	4,001,047.98	4,000,680.00	21,555.56	(367.98)	4,022,235.56	0.86%
931142EH2	WALMART INC NOTES VARIABLE 23/JUN/2021 USD 1000 QUARTERLY FLOATING 06/23/2021	4,000,000.00	4,000,000.00	100.3240	4,012,960.00	4,000,000.00	4,012,960.00	10,351.82	12,960.00	4,023,311.82	0.86%
94988J5L7	WELLS FARGO BANK NA MEDIUM TERM NOTE FIXED 2.4% SEMI-ANN. 2.400% 01/15/2020	4,000,000.00	4,002,746.80	100.1060	4,004,241.20	4,002,746.80	4,004,241.20	28,266.67	1,494.40	4,032,507.87	0.87%
Total Fixed Income		376,959,000.00	376,652,571.72		378,468,406.32	376,652,571.72	378,468,406.32	1,701,007.56	1,815,834.60	380,169,413.88	81.73%
313384QT9	FEDERAL HOME LOAN BANKS DISCOUNT NOTES ZERO CPN 0.000% 12/20/2019	10,000,000.00	9,972,517.73	99.7727	9,977,269.40	9,972,517.73	9,977,269.40	0.00	4,751.67	9,977,269.40	2.15%
7426M2E80	PRIVATE EXP. FUNDING CORPORATE COMMERCIAL PAPER 0.000% 05/08/2020	5,000,000.00	4,952,723.00	99.0078	4,950,388.90	4,952,723.00	4,950,388.90	0.00	(2,334.10)	4,950,388.90	1.06%
89233GAQ9	TOYOTA MOTOR CREDIT CORPORATE COMMERCIAL PAPER 0.000% 01/24/2020	10,000,000.00	9,949,050.13	99.5561	9,955,611.10	9,949,050.13	9,955,611.10	0.00	6,560.97	9,955,611.10	2.14%
Total Short Term Investments		25,000,000.00	24,874,290.86		24,883,269.40	24,874,290.86	24,883,269.40	0.00	8,978.54	24,883,269.40	5.35%
Total USD		462,029,603.90	461,597,466.48		463,422,279.62	461,597,466.48	463,422,279.62	1,702,661.62	1,824,813.14	465,124,941.24	100.00%
Total P 09335		462,029,603.90				461,597,466.48	463,422,279.62	1,702,661.62	1,824,813.14	465,124,941.24	100.00%

Portfolio Characteristics

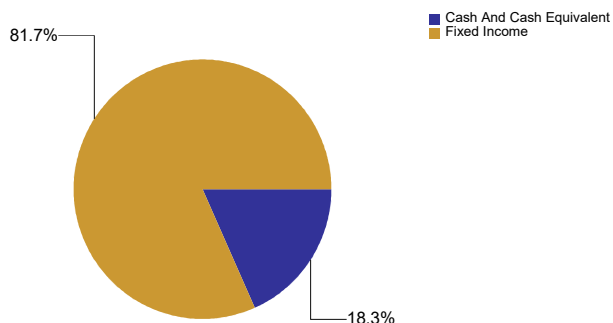
Duration Mix

Total Net Assets (Millions) **465.1**
 Weighted Average Life (Years) **0.81**
 Weighted Avg. Effective Duration (Years) **0.77**
 Weighted Average Coupon (%) **1.56**
 Weighted Average Current Yield (%) **1.53**
 Weighted Average Yield to Maturity (%) **1.53**
 Weighted Average Rating **AA+**
 Number of Holdings **48**



Asset Mix

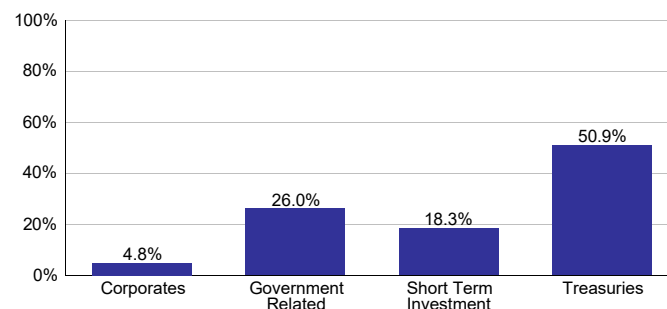
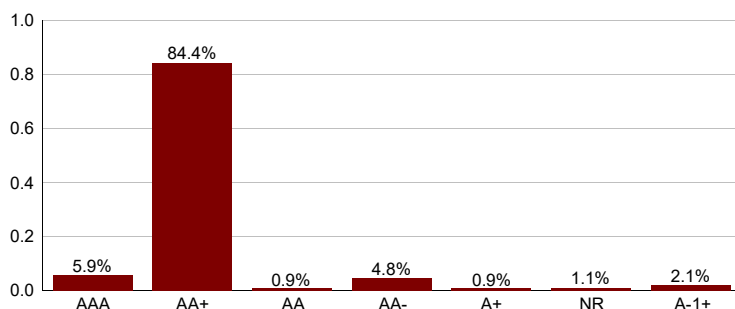
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
99KU40076	REPO BANK OF NEW YORK (NWMSI) 103119E	7.53%	0.00	1/11/2019
912828N48	TWEB WHEN ISSUED UNITED STATES 5 YEAR 1.625% 2020-12-31	5.41%	1.75	31/12/2020
89498LC10	BANK OF THE WEST	5.38%	0.00	1/11/2019
912828XY1	TWEB WHEN ISSUED UNITED STATES 2 YEAR 2.500% 2020-06-30	4.36%	2.50	30/6/2020
9128283Q1	TWEB WHEN ISSUED UNITED STATES 3 YEAR 2.000% 2021-01-15	4.35%	2.00	15/1/2021
912828M98	US TREASURY NOTES 1.6250% 2020-11-30	4.33%	1.62	30/11/2020
912828Z22	TWEB WHEN ISSUED UNITED STATES 3 YEAR 1.625% 2020-10-15	4.30%	1.63	15/10/2020
912828Q37	UNITED STATES OF AMERICA TREAS NOTE 1.375% 2021-03-31	4.28%	1.25	31/3/2021
912828Y20	TWEB WHEN ISSUED UNITED STATES 3 YEAR 2.625% 2021-07-15	3.31%	2.62	15/7/2021
912828XU9	UNITED STATES 3 YEAR BENCHMARK 1.500% 2020-06-15	6.48%	1.50	15/6/2020

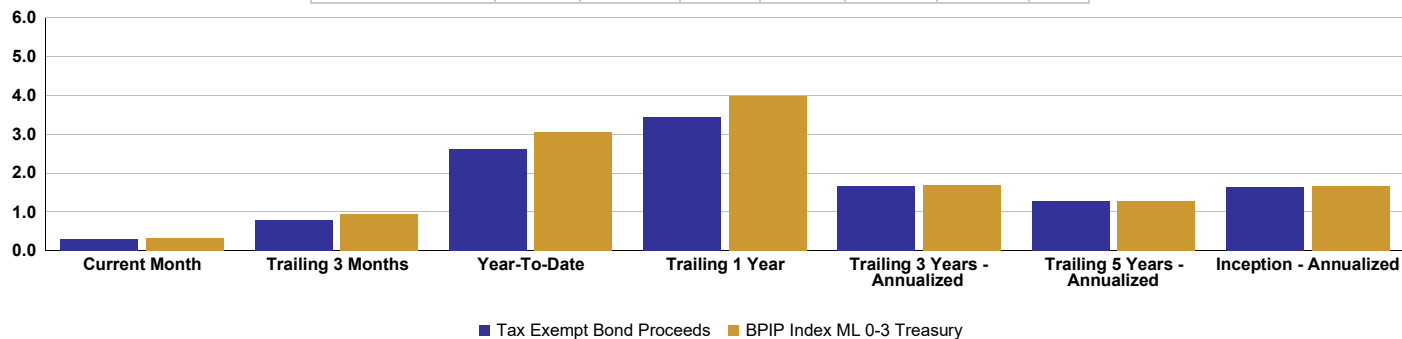
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Tax Exempt Bond Proceeds	0.29	0.78	2.62	3.43	1.67	1.27	1.64
BPIP Index ML 0-3 Treasury	0.31	0.93	3.04	3.98	1.68	1.28	1.67
Excess	(0.02)	(0.15)	(0.42)	(0.55)	0.00	(0.01)	(0.02)



* Sector and total level ratings represent a weighted average of all investments. Unrated securities will lower credit ratings in aggregate.

** Credit quality ratings are delivered where available by J.P. Morgan's fixed income analytics vendor BlackRock Solutions.



12. Portfolio Summary— Taxable Bond Proceeds Investment Pool

Portfolio Summary – Taxable Bond Proceeds Investment Pool

Summary

- The Taxable Bond Proceeds Investment Pool closed the month of October at \$461 mil vs. \$466 mil at the end of September.
- The Pool paid out \$5.6 mil in draw requests for capital spending during the month.

Portfolio Mix

- 97% of the Taxable BPIP portfolio was invested in fixed income securities and 3% in floating rate notes: 46% in US treasuries, 36% in US agency securities, 10% in corporate securities and commercial paper, 0% in NM municipal securities and the balance, approximately 8%, was held in cash equivalents and collateralized NM bank CDs.
- 53% of the portfolio was invested in securities that mature in one year, 22% in securities that mature from 1-2 years, 22% in securities that mature from 2-4 years and 3% in securities out to 5 years.
- The Taxable BPIP held positions in 51 securities.
- Weighted Average Life of the Taxable BPIP was 1.37 years. The Weighted Average duration was 1.30 years.
- The maximum security term for the Taxable BPIP portfolio is 5 years.

Investment Earnings

- The unrealized gains in the Taxable BPIP were \$3,759,232 as of October 31st.
- Monthly net earnings on the portfolio for October were \$878,713.
- FY2020 net earnings were \$3,674,421.
- 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 October was 1.30 yrs vs. the Benchmark at 1.37 yrs.
- The Pool purchased \$5 mil in corporate bonds maturing in 2.25 yrs to 3 yrs during the month.

Performance

- Purchase Yield at the end of October was 2.27% relative to 2.33% at the end of the prior month.
- The Taxable BPIP returned 0.32% for the month of October and 0.96% for the three months ended October 31st, 2019, vs. Index returns of 0.31% and 0.93% respectively. For the trailing 12 months, the Pool returned 3.68% vs. 3.98% for the benchmark.

Investment Strategy

- The option-adjusted duration of the Taxable BPIP portfolio is currently 1.30 yrs. vs. 1.37 yrs.
- The Pool paid \$6.1 mil in capital project draw requests for the month of November.
- The Taxable BPIP has maintained duration shorter than that of the benchmark in order to provide adequate liquidity for project withdrawals.

Fixed Income - Standard Report
New Mexico State Treasurers Office (06677)
 October 2019

Account / Holdings	Market Value	Cost	% of Total	Return	Coupon Rate	Modified Duration	Option Adjusted Spread	Spread Duration	Static Yield	Effective Duration	Effective Convexity	Weighted Average Life	Yield to Maturity	Moody Quality Rating	S&P Quality Rating
Taxable Bond Proceeds(10933900)	462,967,732.43	455,880,524.10	100.00%	0.32	1.87	1.32	7.79	1.31	1.59	1.30	0.03	1.37	1.61		
FIXED INCOME + CASH AND CASH EQUIVALENT	462,967,732.43	455,880,524.10	100.00%	0.32	1.87	1.32	7.79	1.31	1.59	1.30	0.03	1.37	1.61	Agy	AA+
Fixed Income	426,197,153.77	419,124,418.87	92.06%	0.33	1.99	1.43	7.42	1.42	1.69	1.40	0.03	1.48	1.71	Agy	AA+
Corporates	44,081,451.67	43,706,906.43	9.52%	0.28	2.16	1.86	21.48	1.90	1.81	1.84	0.04	1.98	1.81	Aa2	AA
Industrial	41,019,291.02	40,654,466.43	8.86%	0.32	2.13	1.83	20.82	1.89	1.81	1.82	0.04	1.96	1.81	Aa2	AA
Financial Institutions	3,062,160.65	3,052,440.00	0.66%	(0.29)	2.62	2.15	30.23	2.10	1.86	2.09	0.03	2.23	1.88	A1	A+
Government Related	168,119,115.81	165,816,757.72	36.31%	0.36	2.00	1.74	2.78	1.71	1.59	1.68	0.04	1.81	1.64	Agy	AA+
Agencies	168,119,115.81	165,816,757.72	36.31%	0.36	2.00	1.74	2.78	1.71	1.59	1.68	0.04	1.81	1.64	Agy	AA+
Treasuries	213,996,586.29	209,600,754.72	46.22%	0.32	1.95	1.10	8.16	1.10	1.74	1.10	0.02	1.12	1.74	Govt	AA+
Treasuries	213,996,586.29	209,600,754.72	46.22%	0.32	1.95	1.10	8.16	1.10	1.74	1.10	0.02	1.12	1.74	Govt	AA+
Cash And Cash Equivalent	36,770,578.66	36,756,105.23	7.94%	0.16	0.39	0.08	12.11	0.08	0.41	0.08	0.00	0.08	0.41	Aa1	AA
Short Term Investment	36,770,578.66	36,756,105.23	7.94%	0.16	0.39	0.08	12.11	0.08	0.41	0.08	0.00	0.08	0.41	Aa1	AA
Certificate Of Deposit	6,213,030.50	6,200,000.00	1.34%	0.21	2.30	0.50	71.65	0.49	2.25	0.49	0.01	0.50	2.25	A1	A
Repurchase Agreements	30,557,548.16	30,556,105.23	6.60%	0.15	0.00	0.00	0.00	0.00	0.04	0.00	0.00	0.00	0.04	Aaa	AA+

* Sector and total level ratings represent a weighted average of all investments. Unrated securities will lower credit ratings in aggregate.

** Credit quality ratings are delivered where available by J.P. Morgan's fixed income analytics vendor BlackRock Solutions.

As of: 31-Oct-2019

Institutional Accounting

Detailed Net Asset Valuation

Account : P 09339 STATEOFNM STO-TAXABLE BD [FINAL]

Base Currency : USD

Security Number	Description	Quantity	Cost Local	Market Price	Market Value Local	Cost Base	Market Value Base	Accrued Income Base	Unrealized Gain/Loss Base	Market Value + Accrued Income Base	% of Fund
<i>Currency: USD Rate: 1.0000 Base: USD Nav Value: 462,967,732.43</i>											
99KU40075	REPO BANK OF NEW YORK (NWMSI) 103119F 1.700% 11/01/2019	30,556,105.23	30,556,105.23	100.0000	30,556,105.23	30,556,105.23	30,556,105.23	1,442.93	0.00	30,557,548.16	6.60%
Total Cash Equivalents		30,556,105.23	30,556,105.23		30,556,105.23	30,556,105.23	30,556,105.23	1,442.93	0.00	30,557,548.16	6.60%
037833CS7	APPLE INC CALLABLE NOTES FIXED 1.8% 11/MAY/2020 SEMI-ANN. 1.800% 05/11/2020	2,500,000.00	2,499,541.72	100.0265	2,500,662.50	2,499,541.72	2,500,662.50	21,250.00	1,120.78	2,521,912.50	0.54%
037833DM9	APPLE INC CALLABLE NOTES FIXED 1.8% 11/SEP/2024 SEMI-ANN. 1.800% 09/11/2024	5,000,000.00	4,988,905.38	99.6900	4,984,500.00	4,988,905.38	4,984,500.00	12,500.00	(4,405.38)	4,997,000.00	1.08%
037833DC1	APPLE INC CALLABLE NOTES FIXED 2.1% 12/SEP/2022 SEMI-ANN. 2.100% 09/12/2022	5,000,000.00	5,008,190.50	100.9240	5,046,198.50	5,008,190.50	5,046,198.50	14,291.67	38,008.00	5,060,490.17	1.09%
3132X05M9	FEDERAL AGRICULTURAL MORTGAGE CORP MEDIUM TERM QUARTERLY FLOATING 03/25/2020	12,500,000.00	12,500,000.00	99.9790	12,497,375.00	12,500,000.00	12,497,375.00	25,003.91	(2,625.00)	12,522,378.91	2.70%
3133EJ3B3	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND FIXED SEMI-ANN. 2.800% 12/17/2021	8,577,000.00	8,614,357.72	102.5110	8,792,368.47	8,614,357.72	8,792,368.47	89,391.40	178,010.75	8,881,759.87	1.92%
3133EKQU3	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND FIXED SEMI-ANN. 1.950% 06/13/2024	10,000,000.00	10,000,371.68	101.7350	10,173,500.00	10,000,371.68	10,173,500.00	74,750.00	173,128.32	10,248,250.00	2.21%
3133EKSX7	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND FIXED SEMI-ANN. 1.770% 06/26/2023	22,305,000.00	22,240,850.94	101.0430	22,537,641.15	22,240,850.94	22,537,641.15	137,082.81	296,790.21	22,674,723.96	4.90%
3133EKTG1	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND FIXED SEMI-ANN. 1.750% 07/01/2022	20,000,000.00	19,963,338.21	100.7080	20,141,600.00	19,963,338.21	20,141,600.00	116,666.67	178,261.79	20,258,266.67	4.38%
3133EKVE3	FEDERAL FARM CREDIT BANKS FUNDING CORP BOND FIXED SEMI-ANN. 1.850% 07/19/2022	10,000,000.00	9,981,490.29	100.9810	10,098,100.00	9,981,490.29	10,098,100.00	52,416.67	116,609.71	10,150,516.67	2.19%
3133EGR31	FEDERAL FARM CREDIT BANKS FUNDING CORP CALLABLE SEMI-ANN. 1.950% 03/08/2021	2,000,000.00	1,977,541.01	100.0010	2,000,020.00	1,977,541.01	2,000,020.00	5,741.67	22,478.99	2,005,761.67	0.43%
3130ADN32	FEDERAL HOME LOAN BANKS BOND FIXED 2.125% SEMI-ANN. 2.125% 02/11/2020	10,000,000.00	9,989,207.87	100.1222	10,012,215.00	9,989,207.87	10,012,215.00	47,222.22	23,007.13	10,059,437.22	2.17%
3130ADUB6	FEDERAL HOME LOAN BANKS BOND FIXED 2.32% SEMI-ANN. 2.320% 12/19/2019	3,000,000.00	2,998,667.61	100.0790	3,002,370.00	2,998,667.61	3,002,370.00	25,520.00	3,702.39	3,027,890.00	0.65%
313378WG2	FEDERAL HOME LOAN BANKS BOND FIXED 2.5% SEMI-ANN. 2.500% 03/11/2022	10,000,000.00	10,063,286.10	102.1310	10,213,100.00	10,063,286.10	10,213,100.00	34,722.22	149,813.90	10,247,822.22	2.21%
3130AEWA4	FEDERAL HOME LOAN BANKS BOND FIXED 2.625% SEMI-ANN. 2.625% 10/01/2020	5,000,000.00	4,995,162.00	100.8930	5,044,650.00	4,995,162.00	5,044,650.00	10,937.50	49,488.00	5,055,587.50	1.09%
3130A9XN6	FEDERAL HOME LOAN BANKS CALLABLE BOND FIXED 1.625% SEMI-ANN. 1.625% 11/26/2021	500,000.00	489,602.79	99.2460	496,230.00	489,602.79	496,230.00	3,498.26	6,627.21	499,728.26	0.11%
3134G9D87	FEDERAL HOME LOAN MORTGAGE CORP CALLABLE MEDIUM SEMI-ANN. FLOATING 06/30/2021	3,665,000.00	3,664,381.45	100.0890	3,668,261.85	3,664,381.45	3,668,261.85	24,636.96	3,880.40	3,692,898.81	0.80%
3134GA4Y7	FEDERAL HOME LOAN MORTGAGE CORP CALLABLE MEDIUM SEMI-ANN. 1.750% 08/28/2020	1,000,000.00	994,256.03	100.1370	1,001,370.00	994,256.03	1,001,370.00	3,062.50	7,113.97	1,004,432.50	0.22%
3134GBVN9	FEDERAL HOME LOAN MORTGAGE CORP CALLABLE MEDIUM SEMI-ANN. 1.650% 07/10/2020	5,080,000.00	5,080,000.00	100.0420	5,082,133.60	5,080,000.00	5,082,133.60	25,844.50	2,133.60	5,107,978.10	1.10%
3136FTB73	FEDERAL NATIONAL MORTGAGE ASSOCIATION CALLABLE SEMI-ANN. 2.000% 02/07/2020	5,200,000.00	5,214,006.31	100.0870	5,204,524.00	5,214,006.31	5,204,524.00	24,266.67	(9,482.31)	5,228,790.67	1.13%
3136G3E68	FEDERAL NATIONAL MORTGAGE ASSOCIATION CALLABLE SEMI-ANN. 1.200% 07/28/2020	2,000,000.00	1,976,750.10	99.6370	1,992,740.00	1,976,750.10	1,992,740.00	6,200.00	15,989.90	1,998,940.00	0.43%
3136G3TF2	FEDERAL NATIONAL MORTGAGE ASSOCIATION CALLABLE SEMI-ANN. 1.200% 12/30/2019	5,000,000.00	5,000,000.00	99.9370	4,996,850.00	5,000,000.00	4,996,850.00	20,166.67	(3,150.00)	5,017,016.67	1.08%
3135G0U35	FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES FIXED SEMI-ANN. 2.750% 06/22/2021	10,000,000.00	9,998,713.03	101.8590	10,185,900.00	9,998,713.03	10,185,900.00	98,541.67	187,186.97	10,284,441.67	2.22%
3135G0ZY2	FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES FIXED SEMI-ANN. 1.750% 11/26/2019	20,000,000.00	20,000,316.70	100.0090	20,001,800.00	20,000,316.70	20,001,800.00	150,694.44	1,483.30	20,152,494.44	4.35%
594918BV5	MICROSOFT CORP CALLABLE NOTES FIXED 1.85% SEMI-ANN. 1.850% 02/06/2020	2,380,000.00	2,375,341.34	100.0250	2,380,595.00	2,375,341.34	2,380,595.00	10,395.97	5,253.66	2,390,990.97	0.52%
594918BG8	MICROSOFT CORP CALLABLE NOTES FIXED 2% 03/NOV/2020 SEMI-ANN. 2.000% 11/03/2020	9,273,000.00	9,286,882.23	100.2226	9,293,639.84	9,286,882.23	9,293,639.84	91,699.67	6,757.61	9,385,339.51	2.03%
89236TEC5	TOYOTA MOTOR CREDIT CORP CALLABLE MEDIUM TERM NOTE SEMI-ANN. 2.150% 09/08/2022	7,000,000.00	7,007,583.67	100.8361	7,058,524.20	7,007,583.67	7,058,524.20	22,156.94	50,940.53	7,080,681.14	1.53%
89236TFQ3	TOYOTA MOTOR CREDIT CORP MEDIUM TERM NOTE FIXED SEMI-ANN. 3.050% 01/08/2021	5,000,000.00	5,015,700.31	101.5360	5,076,800.00	5,015,700.31	5,076,800.00	47,868.06	61,099.69	5,124,668.06	1.11%
89236TEX9	TOYOTA MOTOR CREDIT CORP MEDIUM TERM NOTE VARIABLE	1,963,000.00	1,961,630.84	99.5660	1,954,480.58	1,961,630.84	1,954,480.58	582.26	(7,150.26)	1,955,062.84	0.42%

Please refer to the disclaimer page at the end of this report for further information.
D-560-300-207

As of: 31-Oct-2019

Institutional Accounting

Detailed Net Asset Valuation

Account : P 09339 STATEOFNM STO-TAXABLE BD [FINAL]

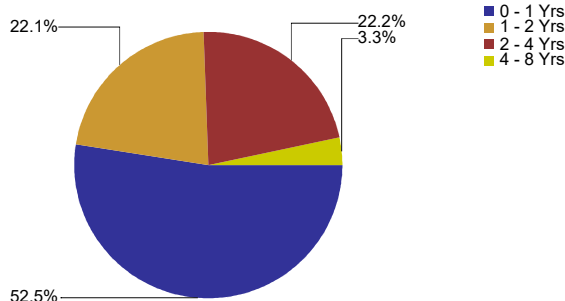
Base Currency : USD

Security Number	Description	Quantity	Cost Local	Market Price	Market Value Local	Cost Base	Market Value Base	Accrued Income Base	Unrealized Gain/Loss Base	Market Value + Accrued Income Base	% of Fund
<i>Currency: USD</i>		<i>Rate: 1.0000</i>	<i>Base: USD</i>	<i>Nav Value: 462,967,732.43</i>							
	QUARTERLY FLOATING 04/26/2021										
89236TDU6	TOYOTA MOTOR CREDIT CORP NOTES FIXED 1.95% SEMI-ANN. 1.950% 04/17/2020	2,500,000.00	2,499,819.64	100.0500	2,501,250.00	2,499,819.64	2,501,250.00	1,895.83	1,430.36	2,503,145.83	0.54%
9128282F6	UNITED STATES OF AMERICA NOTES FIXED 1.125% SEMI-ANN. 1.125% 08/31/2021	15,000,000.00	14,645,957.43	99.1990	14,879,850.00	14,645,957.43	14,879,850.00	28,743.13	233,892.57	14,908,593.13	3.22%
912828L32	UNITED STATES OF AMERICA NOTES FIXED 1.375% SEMI-ANN. 1.375% 08/31/2020	15,000,000.00	14,858,639.51	99.8130	14,971,950.00	14,858,639.51	14,971,950.00	35,130.49	113,310.49	15,007,080.49	3.24%
912828L65	UNITED STATES OF AMERICA NOTES FIXED 1.375% SEMI-ANN. 1.375% 09/30/2020	15,000,000.00	14,845,840.12	99.7770	14,966,550.00	14,845,840.12	14,966,550.00	18,032.79	120,709.88	14,984,582.79	3.24%
9128282J8	UNITED STATES OF AMERICA NOTES FIXED 1.5% SEMI-ANN. 1.500% 07/15/2020	5,000,000.00	4,962,728.68	99.9180	4,995,900.00	4,962,728.68	4,995,900.00	22,214.67	33,171.32	5,018,114.67	1.08%
912828X96	UNITED STATES OF AMERICA NOTES FIXED 1.5% SEMI-ANN. 1.500% 05/15/2020	15,000,000.00	14,912,087.74	99.9450	14,991,750.00	14,912,087.74	14,991,750.00	103,940.22	79,662.26	15,095,690.22	3.26%
912828Z22	UNITED STATES OF AMERICA NOTES FIXED 1.625% SEMI-ANN. 1.625% 10/15/2020	12,000,000.00	11,899,727.88	100.0390	12,004,680.00	11,899,727.88	12,004,680.00	9,057.38	104,952.12	12,013,737.38	2.59%
912828G95	UNITED STATES OF AMERICA NOTES FIXED 1.625% SEMI-ANN. 1.625% 12/31/2019	10,000,000.00	9,983,968.44	99.9680	9,996,800.00	9,983,968.44	9,996,800.00	54,755.43	12,831.56	10,051,555.43	2.17%
912828W63	UNITED STATES OF AMERICA NOTES FIXED 1.625% SEMI-ANN. 1.625% 03/15/2020	5,000,000.00	4,983,817.05	99.9960	4,999,800.00	4,983,817.05	4,999,800.00	10,491.07	15,982.95	5,010,291.07	1.08%
912828V72	UNITED STATES OF AMERICA NOTES FIXED 1.875% SEMI-ANN. 1.875% 01/31/2022	15,000,000.00	14,816,255.46	100.7190	15,107,850.00	14,816,255.46	15,107,850.00	71,076.77	291,594.54	15,178,926.77	3.28%
9128284B3	UNITED STATES OF AMERICA NOTES FIXED 2.375% SEMI-ANN. 2.375% 03/15/2021	10,000,000.00	10,018,132.39	101.0470	10,104,700.00	10,018,132.39	10,104,700.00	30,666.21	86,567.61	10,135,366.21	2.19%
9128284J6	UNITED STATES OF AMERICA NOTES FIXED 2.375% SEMI-ANN. 2.375% 04/30/2020	10,000,000.00	9,980,317.62	100.3710	10,037,100.00	9,980,317.62	10,037,100.00	652.47	56,782.38	10,037,752.47	2.17%
912828XY1	UNITED STATES OF AMERICA NOTES FIXED 2.5% SEMI-ANN. 2.500% 06/30/2020	25,000,000.00	24,994,105.05	100.5630	25,140,750.00	24,994,105.05	25,140,750.00	210,597.83	146,644.95	25,351,347.83	5.48%
9128284T4	UNITED STATES OF AMERICA NOTES FIXED 2.625% SEMI-ANN. 2.625% 06/15/2021	10,000,000.00	9,993,855.50	101.6450	10,164,500.00	9,993,855.50	10,164,500.00	99,692.62	170,644.50	10,264,192.62	2.22%
912828Y20	UNITED STATES OF AMERICA NOTES FIXED 2.625% SEMI-ANN. 2.625% 07/15/2021	20,000,000.00	19,980,134.01	101.7380	20,347,600.00	19,980,134.01	20,347,600.00	155,502.72	367,465.99	20,503,102.72	4.43%
9128285F3	UNITED STATES OF AMERICA NOTES FIXED 2.875% SEMI-ANN. 2.875% 10/15/2021	5,000,000.00	4,988,979.14	102.5160	5,125,800.00	4,988,979.14	5,125,800.00	6,676.91	136,820.86	5,132,476.91	1.11%
9128283Q1	UNITED STATES OF AMERICA NOTES FIXED 2% SEMI-ANN. 2.000% 01/15/2021	5,000,000.00	4,978,833.67	100.4770	5,023,850.00	4,978,833.67	5,023,850.00	29,619.57	45,016.33	5,053,469.57	1.09%
912828A42	UNITED STATES OF AMERICA NOTES FIXED 2% SEMI-ANN. 2.000% 11/30/2020	20,000,000.00	19,882,166.37	100.4100	20,082,000.00	19,882,166.37	20,082,000.00	168,306.01	199,833.63	20,250,306.01	4.37%
91159HHP8	US BANCORP CALLABLE MEDIUM TERM NOTE FIXED 2.625% SEMI-ANN. 2.625% 01/24/2022	3,000,000.00	3,051,097.64	101.3647	3,040,941.90	3,051,097.64	3,040,941.90	21,218.75	(10,155.74)	3,062,160.65	0.66%
Total Fixed Income		421,443,000.00	420,162,539.17		423,921,771.59	420,162,539.17	423,921,771.59	2,275,382.18	3,759,232.42	426,197,153.77	92.06%
0SM99HAD1	BANK OF NEW YORK C/D	2,500,000.00	2,500,000.00	100.0000	2,500,000.00	2,500,000.00	2,500,000.00	5,743.15	0.00	2,505,743.15	0.54%
6SD99AAA6	FIRST FEDERAL SAVINGS BANK US STERLING	1,100,000.00	1,100,000.00	100.0000	1,100,000.00	1,100,000.00	1,100,000.00	1,880.77	0.00	1,101,880.77	0.24%
9PV99WAE3	WESTERN BANK OF CLOVIS CERTIFICATE OF DEPOSIT FIXE SEMI ANNUAL 2.5313-JAN-20	2,600,000.00	2,600,000.00	100.0000	2,600,000.00	2,600,000.00	2,600,000.00	5,406.58	0.00	2,605,406.58	0.56%
Total Short Term Investments		6,200,000.00	6,200,000.00		6,200,000.00	6,200,000.00	6,200,000.00	13,030.50	0.00	6,213,030.50	1.34%
Total USD		458,199,105.23	456,918,644.40		460,677,876.82	456,918,644.40	460,677,876.82	2,289,855.61	3,759,232.42	462,967,732.43	100.00%
Total P 09339		458,199,105.23				456,918,644.40	460,677,876.82	2,289,855.61	3,759,232.42	462,967,732.43	100.00%

Portfolio Characteristics

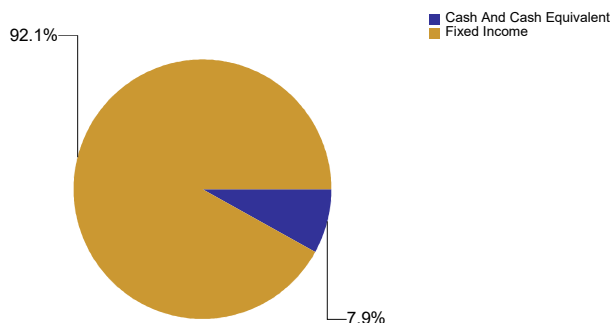
Duration Mix

Total Net Assets (Millions) **463.0**
 Weighted Average Life (Years) **1.37**
 Weighted Avg. Effective Duration (Years) **1.30**
 Weighted Average Coupon (%) **1.87**
 Weighted Average Current Yield (%) **1.59**
 Weighted Average Yield to Maturity (%) **1.61**
 Weighted Average Rating **AA+**
 Number of Holdings **51**



Asset Mix

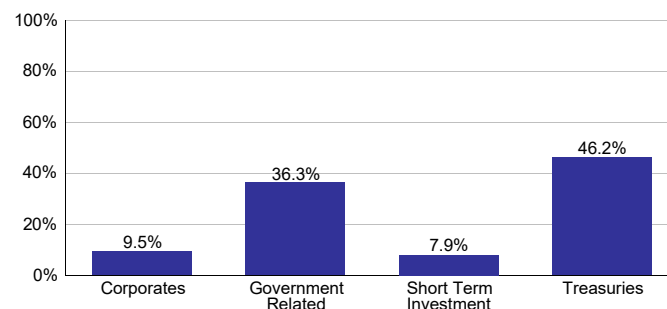
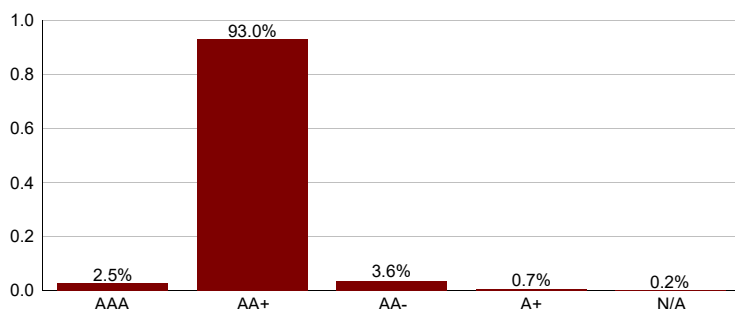
Top Ten Portfolio Holdings



Security ID	Security Name	% of Assets	Coupon Rate	Maturity Date
99K40075	REPO BANK OF NEW YORK (NWMSI) 103119F	6.60%	0.00	1/11/2019
3133EKS7	FFCB 1.77 '23 USD	4.90%	1.77	26/6/2023
912828V20	TWEB WHEN ISSUED UNITED STATES 3 YEAR 2.625% 2021-07-15	4.43%	2.62	15/7/2021
3133EKTG1	FFCB 1.75 '22 USD	4.38%	1.75	1/7/2022
912828A42	UNITED STATES OF AMERICA 2.000% 2020-11-30	4.37%	2.00	30/11/2020
3135G0Z2Y	FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES FIXED	4.35%	1.75	26/11/2019
912828V72	TWEB WHEN ISSUED UNITED STATES 5 YEAR 1.875% 2022-01-31	3.28%	1.88	31/1/2022
912828X96	TWEB WHEN ISSUED UNITED STATES 3 YEAR 1.500% 2020-05-15	3.26%	1.50	15/5/2020
912828L32	TWEB WHEN ISSUED UNITED STATES 5 YEAR 1.375% 2020-08-31	3.24%	1.38	31/8/2020
912828XY1	TWEB WHEN ISSUED UNITED STATES 2 YEAR 2.500% 2020-06-30	5.48%	2.50	30/6/2020

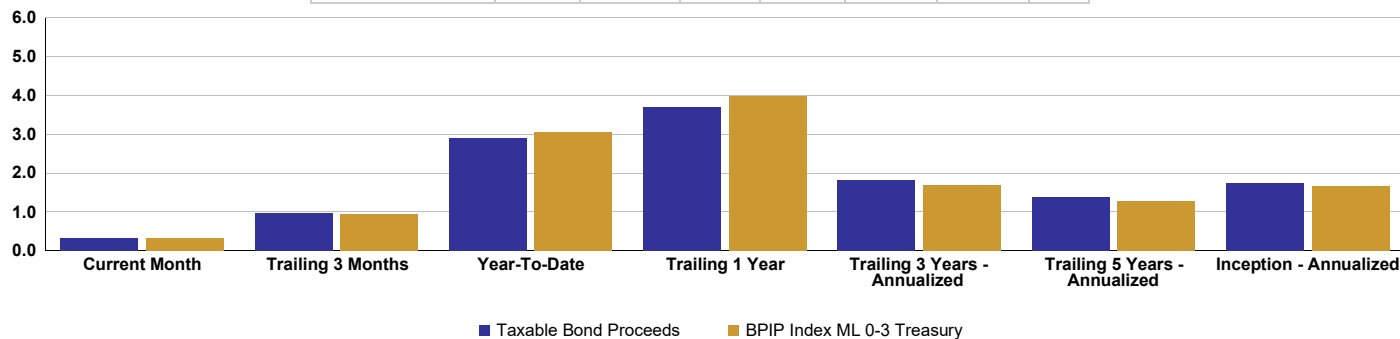
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Taxable Bond Proceeds	0.32	0.96	2.89	3.68	1.82	1.39	1.75
BPIP Index ML 0-3 Treasury	0.31	0.93	3.04	3.98	1.68	1.28	1.67
Excess	0.01	0.03	(0.15)	(0.30)	0.14	0.10	0.08



* Sector and total level ratings represent a weighted average of all investments. Unrated securities will lower credit ratings in aggregate.

** Credit quality ratings are delivered where available by J.P. Morgan's fixed income analytics vendor BlackRock Solutions.



13. Portfolio Summary— Severance Tax Bonding Fund

Portfolio Summary – Severance Tax Bonding Fund

Summary

- The Severance Tax Bonding Fund closed the month of October with a market value of \$272MM.

Portfolio Mix

- The Severance Tax Bonding Fund is primarily invested in overnight repurchase agreements, 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 31st, 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 had been ranging between \$45MM and \$76MM per month.
 - The STB Fund received \$56MM in October.

Investment Strategy

- Due to its short-term nature, investments of three to six month maturities are viable investments for the STBF pool.
- The STB Fund has received \$57MM in November from severance taxes.

Fixed Income - Standard Report
New Mexico State Treasurers Office (06677)
 October 2019

Account / Holdings	Market Value	Cost	% of Total	Return	Coupon Rate	Modified Duration	Option Adjusted Spread	Spread Duration	Static Yield	Effective Duration	Effective Convexity	Weighted Average Life	Yield to Maturity	Moody Quality Rating	S&P Quality Rating
Severance Tax Bonding Fund(18952300)	271,984,227.67	271,420,341.86	100.00%	0.15	0.39	0.13	11.82	0.12	1.74	0.08	0.00	0.13	1.74		
FIXED INCOME + CASH AND CASH EQUIVALENT	271,984,227.67	271,420,341.86	100.00%	0.15	0.39	0.13	11.82	0.12	1.74	0.08	0.00	0.13	1.74	Aa3	A+
Fixed Income	56,361,532.30	56,170,540.28	20.72%	0.08	1.89	0.28	25.50	0.28	1.94	0.09	0.00	0.28	1.94	Agy	AA+
Corporates	7,220,926.89	7,166,171.61	2.65%	0.18	2.20	0.12	18.00	0.12	1.78	0.12	0.00	0.12	1.78	Aa2	AA-
Industrial	3,025,389.00	2,996,670.00	1.11%	0.16	1.80	0.03	(3.39)	0.04	1.61	0.04	0.00	0.03	1.61	Aa1	AA+
Financial Institutions	4,195,537.89	4,169,501.61	1.54%	0.19	2.49	0.18	33.42	0.18	1.90	0.18	0.00	0.18	1.90	Aa2	A+
Government Related	39,089,049.98	39,005,149.92	14.37%	0.16	1.90	0.33	26.79	0.33	2.01	0.06	0.00	0.34	2.01	Agy	AA+
Agencies	39,089,049.98	39,005,149.92	14.37%	0.16	1.90	0.33	26.79	0.33	2.01	0.06	0.00	0.34	2.01	Agy	AA+
Treasuries	10,051,555.43	9,999,218.75	3.70%	(0.31)	1.62	0.16	25.88	0.17	1.81	0.17	0.00	0.17	1.81	Govt	AA+
Treasuries	10,051,555.43	9,999,218.75	3.70%	(0.31)	1.62	0.16	25.88	0.17	1.81	0.17	0.00	0.17	1.81	Govt	AA+
Cash And Cash Equivalent	215,622,695.37	215,249,801.58	79.28%	0.17	0.00	0.09	8.25	0.09	1.68	0.08	0.00	0.09	1.68	Aa3	A
Short Term Investment	215,622,695.37	215,249,801.58	79.28%	0.17	0.00	0.09	8.25	0.09	1.68	0.08	0.00	0.09	1.68	Aa3	A
Treasury Bills	14,987,250.00	14,926,775.33	5.51%	0.17	0.00	0.06	(5.89)	0.06	1.48	0.06	0.00	0.06	1.48	Govt	AAA
Commercial Paper (Interest Bearing)	27,971,478.14	27,923,351.73	10.28%	0.18	0.00	0.25	23.98	0.25	1.78	0.25	0.00	0.25	1.78	Aa1	BBB
Bankers Acceptance Notes	8,587,310.57	8,558,110.41	3.16%	0.17	0.00	0.26	45.90	0.26	2.03	0.26	0.00	0.26	2.03	Aa1	AA-
Repurchase Agreements	7,588,014.68	7,587,656.37	2.79%	0.15	0.00	0.00	0.00	0.00	0.04	0.00	0.00	0.00	0.04	Aaa	AA+
STIF	796,668.99	795,379.08	0.29%	0.16	0.75	0.25	3.73	0.22	1.49	0.08	(0.04)	0.29	1.49	Aaa	AAA
Discounted Notes	71,877,215.65	71,711,098.43	26.43%	0.15	0.00	0.10	11.11	0.10	1.62	0.10	0.00	0.10	1.62	Agy	AAA
Miscellaneous	83,814,757.34	83,747,430.23	30.82%	0.17	0.00	0.01	0.00	0.01	1.85	0.00	0.00	0.01	1.85	Ba1	BB+

* Sector and total level ratings represent a weighted average of all investments. Unrated securities will lower credit ratings in aggregate.

** Credit quality ratings are delivered where available by J.P. Morgan's fixed income analytics vendor BlackRock Solutions.

As of: 30-Sep-2019

Institutional Accounting

Detailed Net Asset Valuation

Account : P 89523 STATE OF NEW MEXICO STATE TREASURER'S OFFICE-SEVER ANCE TAX BONDING FUND [FINAL]

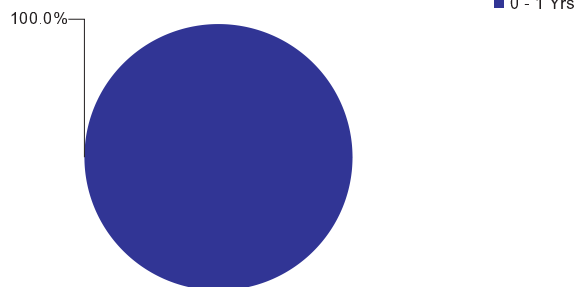
Base Currency : USD

Security Number	Description	Quantity	Cost Local	Market Price	Market Value Local	Cost Base	Market Value Base	Accrued Income Base	Unrealized Gain/Loss Base	Market Value + Accrued Income Base	% of Fund
<i>Currency: USD Rate: 1.0000 Base: USD Nav Value: 214,288,618.10</i>											
AAI9989O2	BBVA COMPASS BANK	38,598,857.00	38,598,857.00	1.0000	38,598,857.00	38,598,857.00	38,598,857.00	70,532.13	0.00	38,669,389.13	18.05%
892998X00	LGIP POOL PARTICIPANT SEMI-ANN. 0.000% 12/31/2049	794,019.36	794,019.36	100.0000	794,019.36	794,019.36	794,019.36	1,359.72	0.00	795,379.08	0.37%
99KR30047	REPO BANK OF NEW YORK (NWMSI) 093019A 2.380% 10/01/2019	45,681,246.82	45,681,246.82	100.0000	45,681,246.82	45,681,246.82	45,681,246.82	3,020.04	0.00	45,684,266.86	21.32%
Total Cash Equivalents		85,074,123.18	85,074,123.18		85,074,123.18	85,074,123.18	85,074,123.18	74,911.89	0.00	85,149,035.07	39.74%
037833DH0	APPLE INC CALLABLE NOTES FIXED 1.8% 13/NOV/2019 SEMI-ANN. 1.800% 11/13/2019	3,000,000.00	2,998,551.21	99.9967	2,999,901.00	2,998,551.21	2,999,901.00	20,700.00	1,349.79	3,020,601.00	1.41%
3130AFHY6	FEDERAL HOME LOAN BANKS BOND VARIABLE 03/DEC/2019 QUARTERLY FLOATING 12/03/2019	10,000,000.00	9,998,809.13	99.9820	9,998,200.00	9,998,809.13	9,998,200.00	14,793.32	(609.13)	10,012,993.32	4.67%
313586RC5	FEDERAL NATIONAL MORTGAGE ASSOCIATION BOND ZERO SEMI-ANN. 0.000% 10/09/2019	7,990,000.00	7,986,160.16	99.9480	7,985,845.20	7,986,160.16	7,985,845.20	0.00	(314.96)	7,985,845.20	3.73%
76116FAA5	RESOLUTION FUNDING CORP BOND ZERO CPN 15/OCT/2019 USD 1000	7,400,000.00	7,393,803.44	99.9250	7,394,450.00	7,393,803.44	7,394,450.00	0.00	646.56	7,394,450.00	3.45%
94988J5L7	WELLS FARGO BANK NA MEDIUM TERM NOTE FIXED 2.4% SEMI-ANN. 2.400% 01/15/2020	3,090,000.00	3,092,996.37	100.0814	3,092,515.88	3,092,996.37	3,092,515.88	15,656.00	(480.49)	3,108,171.88	1.45%
Total Fixed Income		31,480,000.00	31,470,320.31		31,470,912.08	31,470,320.31	31,470,912.08	51,149.32	591.77	31,522,061.40	14.71%
30229BXU6	EXXON MOBIL CORP CORPORATE COMMERCIAL PAPER 0.000% 10/28/2019	7,500,000.00	7,489,093.20	99.8444	7,488,327.53	7,489,093.20	7,488,327.53	0.00	(765.67)	7,488,327.53	3.49%
31315KQ70	FEDERAL AGRICULTURAL MORTGAGE CORP DISCOUNT NOTES 0.000% 12/20/2019	8,000,000.00	7,965,099.36	99.5844	7,966,755.52	7,965,099.36	7,966,755.52	0.00	1,656.16	7,966,755.52	3.72%
313384NC9	FEDERAL HOME LOAN BANKS DISCOUNT NOTES ZERO CPN	15,000,000.00	14,985,263.16	99.9112	14,986,683.30	14,985,263.16	14,986,683.30	0.00	1,420.14	14,986,683.30	6.99%
313384QB8	FEDERAL HOME LOAN BANKS DISCOUNT NOTES ZERO CPN 04/DEC/2019 USD 1000	4,000,000.00	3,985,969.72	99.6676	3,986,702.24	3,985,969.72	3,986,702.24	0.00	732.52	3,986,702.24	1.86%
313384QL6	FEDERAL HOME LOAN BANKS DISCOUNT NOTES ZERO CPN 13/DEC/2019 USD 1000	10,000,000.00	9,959,361.43	99.6208	9,962,080.60	9,959,361.43	9,962,080.60	0.00	2,719.17	9,962,080.60	4.65%
313588PM1	FEDERAL NATIONAL MORTGAGE ASSOCIATION DISCOUNT 0.000% 11/20/2019	25,000,000.00	24,932,637.84	99.7389	24,934,722.25	24,932,637.84	24,934,722.25	0.00	2,084.41	24,934,722.25	11.64%
89233GCJ3	TOYOTA MOTOR CREDIT CORPORATE COMMERCIAL PAPER 0.000% 03/18/2020	1,600,000.00	1,584,843.56	99.0806	1,585,289.33	1,584,843.56	1,585,289.33	0.00	445.77	1,585,289.33	0.74%
89233HZL1	TOYOTA MOTOR CREDIT CORPORATE COMMERCIAL PAPER 0.000% 12/20/2019	6,000,000.00	5,971,994.41	99.5487	5,972,919.00	5,971,994.41	5,972,919.00	0.00	924.59	5,972,919.00	2.79%
912796ST7	UNITED STATES OF AMERICA BILL ZERO CPN 21/NOV/2019 0.000% 11/21/2019	15,000,000.00	14,958,612.14	99.7460	14,961,900.00	14,958,612.14	14,961,900.00	0.00	3,287.86	14,961,900.00	6.98%
9033A1YJ1	US BANK N.A. BANKERS' ACCEPTANCE DISCOUNT DTD 0.000% 11/18/2019	1,600,000.00	1,595,588.71	99.7243	1,595,588.71	1,595,588.71	1,595,588.71	0.00	0.00	1,595,588.71	0.74%
9033A1ZG6	US BANK N.A. BANKERS' ACCEPTANCE DISCOUNT DTD 0.000% 12/16/2019	3,000,000.00	2,986,299.31	99.5433	2,986,299.31	2,986,299.31	2,986,299.31	0.00	0.00	2,986,299.31	1.39%
90349WBQ2	US BANK N.A. BANKERS' ACCEPTANCE DISCOUNT DTD 0.000% 02/24/2020	1,200,000.00	1,190,253.84	99.1878	1,190,253.84	1,190,253.84	1,190,253.84	0.00	0.00	1,190,253.84	0.56%
Total Short Term Investments		97,900,000.00	97,605,016.68		97,617,521.63	97,605,016.68	97,617,521.63	0.00	12,504.95	97,617,521.63	45.55%
Total USD		214,454,123.18	214,149,460.17		214,162,556.89	214,149,460.17	214,162,556.89	126,061.21	13,096.72	214,288,618.1	100.00%
Total P 89523		214,454,123.18								214,288,618.1	100.00%

Portfolio Characteristics

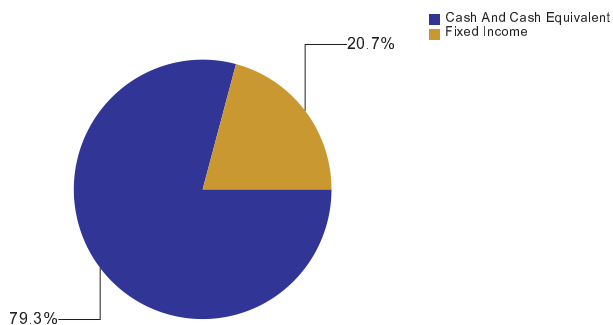
Duration Mix

Total Net Assets (Millions)	272.0
Weighted Average Life (Years)	0.13
Weighted Avg. Effective Duration (Years)	0.08
Weighted Average Coupon (%)	0.39
Weighted Average Current Yield (%)	1.74
Weighted Average Yield to Maturity (%)	1.74
Weighted Average Rating	A+
Number of Holdings	30



Asset Mix

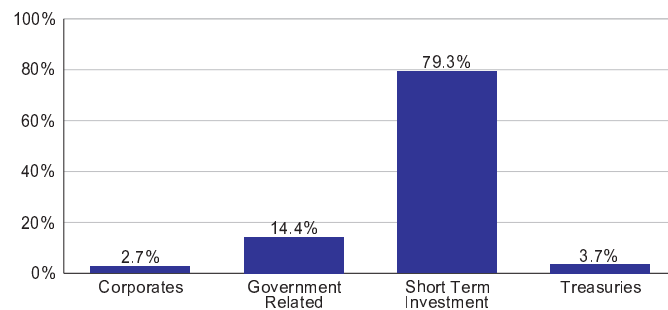
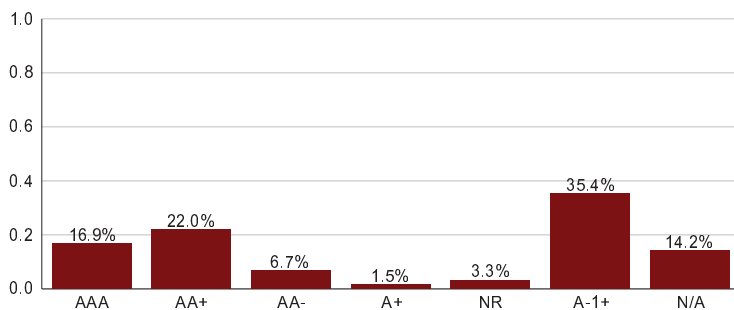
Top Ten Portfolio Holdings



SecurityID	Security Name	% of Assets	Coupon Rate	Maturity Date
89499LC10	BANK OF THE WEST	16.57%	0.00	1/11/2019
313588PM1	FEDERAL NATIONAL MORTGAGE ASSOCIATION DISCOUNT	9.18%	0.00	20/11/2019
313384Q19	FEDERAL HOME LN BK CONS DISC NTS	9.17%	0.00	20/12/2019
3134GTLJ0	FEDERAL HOME LOAN MORTGAGE CORP MEDIUM TERM NOTE	5.52%	1.86	29/4/2020
9127965T7	UNITED STATES OF AMERICA BILL ZERO CPN 21/NOV/2019	5.51%	0.00	21/11/2019
912828G95	UNITED STATES OF AMERICA 1.625% 2019-12-31	3.70%	1.62	31/12/2019
3135G0V91	FEDERAL NATIONAL MORTGAGE ASSOCIATION NOTES	3.69%	1.82	24/2/2020
3130AFHY6	FEDERAL HOME LOAN BANKS BOND VARIABLE 03/DEC/2019	3.69%	1.90	3/12/2019
313384QL6	FHLB D/I/N 5.36% 13/12/99	3.67%	0.00	13/12/2019
AAI9989O2	BBVA COMPASS BANK	14.24%	0.00	1/11/2019

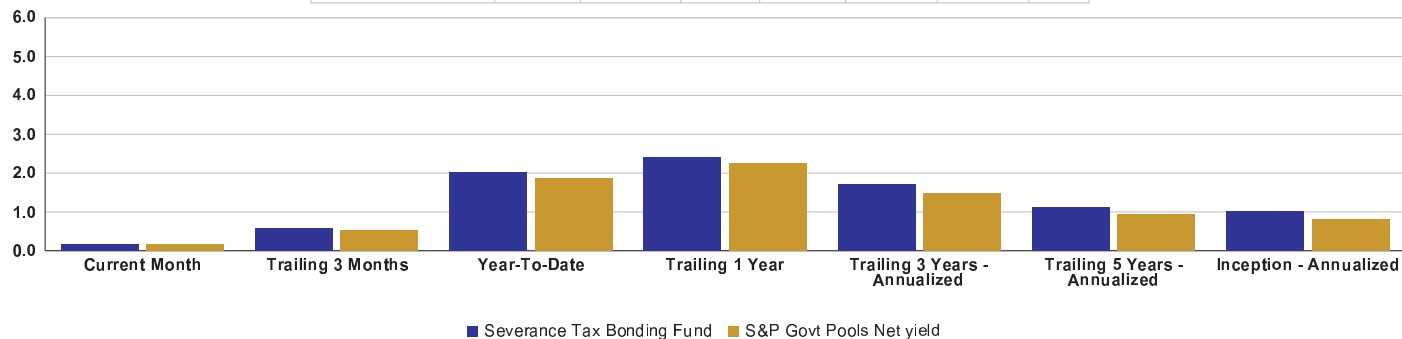
Quality/Rating Weightings

Sector Weightings (as % of Market Value)



Returns Series

	Current Month	Trailing 3 Months	Year-To-Date	Trailing 1 Year	Trailing 3 Years	Trailing 5 Years	Inception
Severance Tax Bonding Fund	0.17	0.57	2.02	2.41	1.72	1.13	1.01
S&P Govt Pools Netyield	0.17	0.53	1.88	2.25	1.47	0.93	0.82
Excess	0.00	0.04	0.14	0.16	0.25	0.20	0.19





14. Broker Dealer Activities

New Mexico State Treasurer's
Executive Summary of Investment Activity
Summary of Broker Participation
Purchases and Sales By Broker, Market & Security Type
All Funds
2019-2020

Volume at Par (\$ in thousands)

Broker/Dealer:	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	YTD Total	YTD
														Percent
Academy Securities													-	0.0%
Arbor Research & Trading													-	0.0%
Bancroft Capital		30,000,000		20,000,000									50,000,000	1.9%
Barclays	145,000,000	9,800,000	19,980,000	112,000,000									286,780,000	10.9%
BB&T Securities	20,000,000		16,970,000										36,970,000	1.4%
BMO Capital Markets	30,000,000	12,500,000	25,000,000	10,000,000									77,500,000	2.9%
BOSC, Inc	4,750,000	6,550,000	1,000,000	1,750,000									14,050,000	0.5%
Cantor, Fitzgerald				14,000,000									14,000,000	0.5%
CastleOak Securities LP	30,000,000	10,000,000	101,000,000										141,000,000	5.4%
CIBC World Markets		30,000,000											30,000,000	1.1%
Daiwa Capital Markets America			10,000,000										10,000,000	0.4%
Deutsche Bank	1,105,000	10,000,000		105,000,000									126,105,000	4.8%
FTN Financial	25,000,000		15,000,000										40,000,000	1.5%
Guggenheim Securities LLC													-	0.0%
HSBC	17,000,000	70,000,000	50,000,000	74,000,000									211,000,000	8.0%
Incapital LLC		31,000,000	12,090,000	14,779,000									57,869,000	2.2%
Int'l FCStone	10,000,000		50,085,000	25,500,000									85,585,000	3.3%
Jefferies		41,176,000											41,176,000	1.6%
KeyBanc Capital Markets	3,750,000	2,015,000	23,300,000	25,000,000									54,065,000	2.1%
Loop Capital Markets	45,000,000	10,000,000	10,000,000	30,000,000									95,000,000	3.6%
Mizuho Securities USA	20,000,000	30,000,000	26,021,000	84,500,000									160,521,000	6.1%
Morgan Stanley	59,599,000			10,000,000									69,599,000	2.6%
Mutual Securities Inc.													-	0.0%
Piper Jaffray & Co													-	0.0%
RBC Capital Markets	15,000,000	1,000,000		22,500,000									38,500,000	1.5%
NatWest/RBS Securities													-	0.0%
Robert W. Baird & Co.													-	0.0%
Samuel A Ramirez & Co.	10,000,000	73,000,000											83,000,000	3.2%
Stifel Nicklaus & Co	5,625,000	10,779,000											16,404,000	0.6%
TD Securities	13,500,000	75,000,000	74,000,000	121,291,000									283,791,000	10.8%
Vining Sparks													-	0.0%
Wells Fargo Securities	65,000,000	91,800,000	63,000,000	35,075,000									254,875,000	9.7%
Williams Capital Group	3,830,000	35,000,000	10,000,000	64,000,000									112,830,000	4.3%
Direct Purchase	20,860,000	30,800,000	11,100,000	74,631,000									137,391,000	5.2%
Interfund		102,008,000											102,008,000	3.9%
Total	545,019,000	762,513,000	503,961,000	818,526,000	-	-	-	-	-	-	-	-	2,630,019,000	100.0%
Market type:														
-	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	YTD Total	YTD %
Primary Market	165,860,000	434,776,000	132,121,000	327,631,000									1,060,388,000	40.3%
Secondary Market	379,159,000	327,737,000	371,840,000	490,895,000									1,569,631,000	59.7%
Total	545,019,000	762,513,000	503,961,000	818,526,000	-	-	-	-	-	-	-	-	2,630,019,000	100.0%
Security type:														
- 2	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	YTD Total	YTD %
ABS													-	0.0%
Agencies	371,734,000	396,958,000	293,270,000	419,750,000									1,481,712,000	56.3%
Certificates of Deposit/Bank MMDA	3,750,000												3,750,000	0.1%
Commercial Paper	16,000,000	30,800,000	9,100,000	118,331,000									174,231,000	6.6%
Corporate Bonds	38,625,000	46,779,000	51,070,000	74,145,000									210,619,000	8.0%
MBS													-	0.0%
Municipal/Sponge	1,110,000		2,000,000	10,300,000									13,410,000	0.5%
Treasuries	113,800,000	287,976,000	148,521,000	196,000,000									746,297,000	28.4%
Total	545,019,000	762,513,000	503,961,000	818,526,000	-	-	-	-	-	-	-	-	2,630,019,000	100.0%

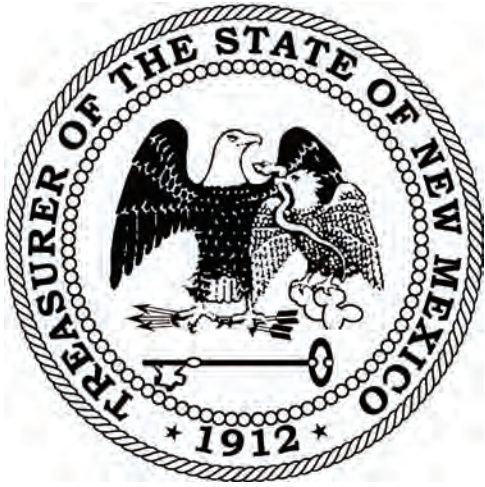
STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 10/01/19 Through 10/31/19

TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
PURCHASE TRANSACTIONS													
10/01/19	30229BY5	COMMERCIAL PAPE	33868	EXXON MOBIL CORP		11/05/19	1.9536	BROKER DIRECT	1000	50,000,000.00	49,907,916.67		
10/08/19	7426M2E8	COMMERCIAL PAPE	33915	PRIVATE EXPORT FUND COR		5/08/20	1.8193	WILLIAMS CAPITA	4000	5,000,000.00	4,947,000.00		
10/08/19	7426M2E8	COMMERCIAL PAPE	33913	PRIVATE EXPORT FUND COR		5/08/20	1.8193	WILLIAMS CAPITA	4001	4,000,000.00	3,957,600.00		
10/11/19	7426M3ZD	COMMERCIAL PAPE	33949	PRIVATE EXPORT FUNDING		12/13/19	1.8154	WILLIAMS CAPITA	1000	15,000,000.00	14,955,504.17		
10/11/19	7426M3ZD	COMMERCIAL PAPE	33948	PRIVATE EXPORT FUNDING		12/13/19	1.8154	WILLIAMS CAPITA	4001	5,000,000.00	4,985,168.06		
10/21/19	89233GDH	COMMERCIAL PAPE	33984	TOYOTA MOTOR CREDIT COR		4/17/20	1.9180	BROKER DIRECT	4001	2,000,000.00	1,981,211.11		
10/22/19	30229ABM	COMMERCIAL PAPE	34005	EXXON MOBIL CORP		2/21/20	1.8312	BROKER DIRECT	4001	2,000,000.00	1,987,765.56		
10/22/19	90349WE4	COMMERCIAL PAPE	34004	US BANK NATL ASSOC		5/04/20	1.8176	BROKER DIRECT	4001	2,831,000.00	2,803,539.30		
10/24/19	7426M2AX	COMMERCIAL PAPE	34028	PRIVATE EXPORT FUNDING		1/31/20	1.7786	WILLIAMS CAPITA	1000	25,000,000.00	24,879,541.67		
10/28/19	30229AAP	COMMERCIAL PAPE	34050	EXXON MOBIL CORP		1/23/20	1.8078	BROKER DIRECT	4001	2,000,000.00	1,991,400.00		
10/28/19	30229BZX	COMMERCIAL PAPE	34049	EXXON MOBIL CORP		12/31/19	1.8057	BROKER DIRECT	4001	5,500,000.00	5,482,675.00		
10/10/19	912796WD	U.S. TREASURY B	33938	UNITED STATES TREASURY		11/12/19	1.7223	TD SECURITIES	4101	20,000,000.00	19,973,244.40		
10/17/19	912796WE	U.S. TREASURY B	33789	UNITED STATES TREASURY		11/19/19	1.7223	MIZUHO SECURITI	4101	20,000,000.00	19,973,244.40		
10/21/19	912796WJ	U.S. TREASURY B	33994	UNITED STATES TREASURY		12/17/19	1.6643	WELLS FARGO SEC	4101	20,000,000.00	19,948,355.56		
10/24/19	912796WF	U.S. TREASURY B	34025	UNITED STATES TREASURY		11/26/19	1.7123	HSBC	4101	8,482,000.00	8,470,718.94		
10/24/19	912796WF	U.S. TREASURY B	34025	UNITED STATES TREASURY		11/26/19	1.7123	HSBC	4101	11,518,000.00	11,502,681.06		
10/24/19	912796WK	U.S. TREASURY B	34024	UNITED STATES TREASURY		12/24/19	1.6844	HSBC	4101	20,000,000.00	19,947,733.40		
10/09/19	912828S2	US TREASURY NOT	33530	UNITED STATES TREASURY	1.125	6/30/21	1.5516	WELLS FARGO SEC	1001	11,000,000.00	10,920,507.81		
10/10/19	912828Z2	US TREASURY NOT	33940	UNITED STATES TREASURY	1.125	8/31/21	1.5649	BARCLAYS	1001	20,000,000.00	19,836,718.75		
10/16/19	912828Z2	US TREASURY NOT	33940	UNITED STATES TREASURY	1.125	8/31/21	1.6051	BARCLAYS	1001	15,000,000.00	14,867,578.13		
10/18/19	912828Z2	US TREASURY NOT	33940	UNITED STATES TREASURY	1.125	8/31/21	1.5864	BARCLAYS	1001	10,000,000.00	9,915,625.00		
10/30/19	912828G9	US TREASURY NOT	34067	UNITED STATES TREASURY	1.625	12/31/19	1.6632	BMO CAPTIAL MAR	4001	10,000,000.00	9,999,218.75		
10/08/19	313382W3	AGENCY US BOND	33912	FEDERAL FARM CREDIT BAN	1.600	9/17/24	1.4711	RBC CAPITAL MAR	1001	15,500,000.00	15,594,782.50		
10/09/19	313382W3	AGENCY US BOND	33926	FEDERAL HOME LOAN BANKS	1.250	11/13/19	1.8545	BOSC, INC	4101	1,000,000.00	999,438.11		
10/09/19	313382W3	AGENCY US BOND	33912	FEDERAL FARM CREDIT BAN	1.600	9/17/24	1.4909	MORGAN STANLEY	1001	5,000,000.00	5,025,850.00		
10/09/19	880591EV	AGENCY US BOND	33928	TENNESSEE VALLEY AUTHOR	2.250	3/15/20	1.7533	BARCLAYS	4001	4,000,000.00	4,008,443.52		
10/09/19	880591EV	AGENCY US BOND	33927	TENNESSEE VALLEY AUTHOR	2.250	3/15/20	1.7533	BARCLAYS	4101	11,000,000.00	11,023,219.68		
10/16/19	3130A0JR	AGENCY US BOND	33965	FEDERAL HOME LOAN BANKS	2.375	12/13/19	1.7813	DEUTSCHE BANK S	4101	20,000,000.00	20,017,969.09		
10/16/19	3130AHDQ	AGENCY US BOND	33966	FEDERAL HOME LOAN BANK	1.830	10/21/20	1.8299	LOOP CAPITAL MA	4101	10,000,000.00	10,000,000.00		1/21/20
10/01/19	880592NA	AGENCY US DISC	33860	TENNESSEE VALLEY AUTHOR		10/16/19	1.8514	TD SECURITIES	4101	25,000,000.00	24,980,729.17		
10/10/19	313384QD	AGENCY US DISC	33939	FEDERAL HOME LOAN BANKS		12/06/19	1.7105	BANCROFT SECURI	4101	10,000,000.00	9,973,462.22		
10/22/19	313384SC	AGENCY US DISC	34006	FEDERAL HOME LOAN BANKS		1/22/20	1.6569	LOOP CAPITAL MA	4101	10,000,000.00	9,958,291.67		
10/24/19	31315KPE	AGENCY US DISC	34026	FEDERAL AGRICULTURAL MO		11/13/19	1.7416	MIZUHO SECURITI	1000	19,500,000.00	19,482,092.50		
10/25/19	313384QT	AGENCY US DISC	34040	FEDERAL HOME LOAN BANKS		12/20/19	1.7043	DEUTSCHE BANK S	1000	50,000,000.00	49,874,861.11		
10/25/19	313384QT	AGENCY US DISC	34039	FEDERAL HOME LOAN BANKS		12/20/19	1.7043	DEUTSCHE BANK S	4001	25,000,000.00	24,937,430.56		
10/25/19	313384QT	AGENCY US DISC	34038	FEDERAL HOME LOAN BANKS		12/20/19	1.7043	DEUTSCHE BANK S	4101	10,000,000.00	9,974,972.22		
10/25/19	313588NP	AGENCY US DISC	34036	FEDERAL NATIONAL MORTGA		10/29/19	1.8201	MIZUHO SECURITI	4101	25,000,000.00	24,998,736.11		
10/29/19	880592NX	AGENCY US DISC	34058	TENNESSEE VALLEY AUTHOR		11/06/19	1.7406	TD SECURITIES	1000	40,000,000.00	39,986,466.67		

STATE OF NEW MEXICO
Summary of Fixed-Income Purchases and Sales
TRADES During The Period 10/01/19 Through 10/31/19

TXN-DATE	CUSIP#	ASSET-TYPE	INVT#	ISSUE-NAME	RATE	MATURITY	YIELD	BRKR/DLR/AGENT	FUND	PAR-VALUE	COST/PROCEEDS	GAIN/LOSS	NXT-CALL
10/30/19	313384NR	AGENCY US DISC	33576	FEDERAL HOME LOAN BANKS		10/31/19	1.7301	HSBC	4101	34,000,000.00	33,998,366.11		
10/03/19	313400BV	AGENCY US BOND	33886	FEDERAL HOME LOAN MORTG		11/29/19	1.8840	KEYBANC CAPITAL	4101	15,000,000.00	14,956,950.00		
10/08/19	3134G8PP	AGENCY US NOTES	33911	FEDERAL HOME LOAN MORTG	1.500	9/30/20	1.8118	BANK OF OKLAHOM	4101	750,000.00	747,750.00		
10/23/19	31315PUC	AGENCY US NOTES	34014	FEDERAL AGRICULTURAL MO	2.660	4/12/22	1.7003	RBC CAPITAL MAR	1001	7,000,000.00	7,161,636.37		
10/01/19	3134GUFR	AGENCY US VARIA	33876	FEDERAL HOME LOAN MORTG	2.390	4/03/20	2.3636	LOOP CAPITAL MA	4101	10,000,000.00	10,000,000.00		
10/02/19	3130AHAP	AGENCY US VARIA	33878	FEDERAL HOME LOAN BANKS	2.000	10/07/20	1.9888	BANCROFT SECURI	4101	10,000,000.00	10,000,000.00		
10/11/19	3130AHD2	AGENCY US VARIA	33950	FEDERAL HOME LOAN BANKS	1.980	10/16/20	1.9690	WILLIAMS CAPITA	4101	10,000,000.00	10,000,000.00		
10/21/19	3134GTLJ	AGENCY US VARIA	33992	FEDERAL HOME LOAN MORTG	1.920	4/29/20	1.9046	BARCLAYS	4001	15,000,000.00	14,999,579.40		
10/21/19	3134GTLJ	AGENCY US VARIA	33993	FEDERAL HOME LOAN MORTG	1.920	4/29/20	1.9046	BARCLAYS	4101	5,000,000.00	4,999,859.80		
10/29/19	3130AEMQ	AGENCY US VARIA	34060	FEDERAL HOME LOAN BANKS	1.752	1/17/20	1.7595	WELLS FARGO SEC	4101	3,000,000.00	2,999,653.74		
10/29/19	3135GOV9	AGENCY US VARIA	34059	FEDERAL NATIONAL MORTGA	1.815	2/24/20	1.8195	BARCLAYS	4001	10,000,000.00	9,998,827.00		
10/08/19	91159HHP	CORP US NOTE 30	33917	U.S. BANCORP	2.625	1/24/22	1.8120	TD SECURITIES	1001	13,000,000.00	13,227,240.00		12/23/21
10/08/19	91159HHP	CORP US NOTE 30	33916	U.S. BANCORP	2.625	1/24/22	1.8120	TD SECURITIES	4002	3,000,000.00	3,052,440.00		12/23/21
10/09/19	91159HHL	CORP US NOTE 30	33929	U.S. BANCORP	2.350	1/29/21	1.7717	TD SECURITIES	1001	10,291,000.00	10,362,316.63		12/29/20
10/10/19	89236TEC	CORP US NOTE 30	33268	TOYOTA MOTOR CREDIT COR	2.150	9/08/22	1.8414	KEYBANC CAPITAL	1001	10,000,000.00	10,086,700.00		
10/10/19	89236TEC	CORP US NOTE 30	33269	TOYOTA MOTOR CREDIT COR	2.150	9/08/22	1.8354	BARCLAYS	4002	2,000,000.00	2,017,680.00		
10/21/19	90331HNB	CORP US NOTE 30	33995	U.S. BANK NATIONAL ASSO	2.000	1/24/20	1.8193	INCAPITAL LLC	4000	4,000,000.00	4,001,160.00		12/24/19
10/17/19	94988J5J	CORP US FLOAT A	33975	WELLS FARGO BANK, NATIO	2.762	12/06/19	1.8238	WELLS FARGO SEC	4001	1,075,000.00	1,076,195.31		
10/25/19	94988J5Q	CORP US FLOAT A	34037	WELLS FARGO BANK, NATIO	2.434	7/23/21	2.1487	MIZUHO SECURITI	1001	20,000,000.00	20,039,000.00		7/23/20
10/11/19	CMSD2019	MUNICIPAL BOND	33974	CARLSBAD MUNICIPAL SCHO	1.990	11/21/19	1.9707	ISSUER DIRECT	1000	10,300,000.00	10,300,000.00		
58 PURCHASES DURING PERIOD TOTAL.....										758,747,000.00	758,097,047.23		
SALE TRANSACTIONS													
10/09/19	9128287C	US TREASURY NOT	33656	UNITED STATES TREASURY	1.750	7/15/22		TD SECURITIES	1001	10,000,000.00	10,080,078.13	15,561.08	
10/10/19	9128287C	US TREASURY NOT	33656	UNITED STATES TREASURY	1.750	7/15/22		BARCLAYS	1001	20,000,000.00	20,131,250.00	2,340.51	
10/16/19	31422BHJ	AGENCY US BOND	33137	FARMER MAC	1.800	6/28/22		CANTOR FITZGERA	1001	14,000,000.00	14,053,760.00	53,760.00	
10/18/19	31422BCZ	AGENCY 30/360 2	32272	FAMCA	2.620	2/26/24		MORGAN STANLEY	1001	5,000,000.00	5,201,300.00	201,300.00	
10/09/19	742718EU	CORP US NOTE 30	33509	THE PROCTER & GAMBLE CO	2.150	8/11/22		INCAPITAL LLC	1001	10,779,000.00	10,934,648.76	83,005.68	
5 SALES DURING PERIOD TOTAL.....										59,779,000.00	60,401,036.89	355,967.27	
=== GRAND-TOTAL ==>										818,526,000.00	818,498,084.12	355,967.27	

*** END-OF-REPORT ***



15. Credit

APPROVED MEDIUM TERM NOTE/CORPORATE BOND ISSUERS
October 2019

Issuer	Rating/Credit Outlook						Comments:			
	Moody's		S&P		Fitch					
3M CO	A1	STABLE	AA-	NEG	NR	NR	5/2/19 - S&P Outlook to Negative from Stable			
APPLE INC	Aa1	STABLE	AA+	STABLE	NR	NR				
BANK OF NY MELLON	Aa2	STABLE	AA-	STABLE	AA	STABLE				
BERKSHIRE HATHWAY	Aa2	STABLE	AA	STABLE	A+	STABLE				
CHEVRON CORP	Aa2	STABLE	AA	STABLE	NR	NR				
COCA-COLA CO	A1	STABLE	A+	STABLE	A	STABLE				
COLGATE-PALM CO	Aa3	STABLE	AA-	STABLE	NR	NR				
EXXON MOBIL CORP	Aaa	NEG	AA+	NEG	NR	NR	11/19/19 - Moody's Outlook to Negative from Stable			
INTEL CORP	A1	STABLE	A+	STABLE	A+	STABLE	5/23/19 - S&P Outlook to Stable from Positive			
JOHNSON & JOHNSON	Aaa	NEG	AAA	STABLE	WD	WD	8/28/19 - Moody's Outlook to Negative			
							Moody's affirms Aaa - citing legal exposures			
							9/4/19 - Fitch Rating Withdrawn			
MICROSOFT CORP	Aaa	STABLE	AAA	STABLE	AA+	STABLE				
PEPSICO INC	A1	STABLE	A+	STABLE	A	STABLE				
PFIZER INC	A1 *-	NEG	AA- *-	NEG	A+ *-	NEG	6/17/19 - S&P Watchlist Negative			
							6/19/19 - Fitch Watchlist Negative			
							7/29/19 - Moody's Watchlist Negative			
							Acquire Array Biopharma Mostly Financed with Debt			
PROCTER & GAMBLE	Aa3	STABLE	AA-	STABLE	NR	NR				
TOYOTA MTR CRED	Aa3	STABLE	AA-	STABLE	A	STABLE				
US BANCORP	A1	STABLE	A+	STABLE	AA-	STABLE				
US BANK NA	A1	STABLE	AA-	STABLE	AA-	STABLE				
WAL-MART STORES	Aa2	STABLE	AA	STABLE	AA	STABLE				
WALT DISNEY CO	A2	STABLE	A	STABLE	A	STABLE				
WELLS FARGO BANK	Aa2	STABLE	A+	STABLE	AA-	STABLE	8/13/19 - Moody's Outlook to Stable from Negative			

Color Key	
	Remove - Issuer no longer viable for purchase.
	Caution - Issuer not eligible for additional purchases pending further rate action.
	Active - Issuer is currently held and/or viable for purchase.
	No Color - Issuer has been approved to be on the list but has not yet been purchased.

APPROVED COMMERCIAL PAPER ISSUERS
October 2019

Rating/Credit Outlook							Comments:				
Issuer	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+	STABLE	NR	NR					
DEERE & COMPANY	P-1	STABLE	A-1	STABLE	F1	NR					
ELI LILLY & CO	P-1	STABLE	A-1+	STABLE	WD	WD	10/17/19 - Fitch Rating Withdrawn				
EXXON MOBIL CORP	P-1	NEG	A-1+	NEG	NR	NR	11/19/19 - Moody's Outlook to Negative from Stable				
HSBC USA INC	P-1	STABLE	A-1	NEG	F1+	STABLE	11/12/19 - S&P Outlook to Negative from Stable				
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	STABLE	F1	STABLE	3/12/19 - S&P Downgrade from A-1+ to A-1				

Color Key	
	Remove - Issuer no longer viable for purchase.
	Caution - Issuer not eligible for additional purchases pending further rate action.
	Active - Issuer is currently held and/or viable for purchase.
	No Color - Issuer has been approved to be on the list but has not yet been purchased.

Portfolio Credit Exposure
October 2019

Portfolio	Issuer	Face Amount	Yield	Maturity	% of Port	Total %
GF CORE	AAPL	41,925,000	1.71% - 2.50%	5/11/20 - 9/12/2022	0.98%	
	BONY FRN	7,000,000	2.41%	6/4/2021	0.16%	
	MSFT	2,500,000	1.87%	2/6/2020	0.06%	
	PFE	10,000,000	2.80% - 3.05%	9/15/21 - 3/11/22	0.23%	
	TOYCC	81,980,000	2.15% - 2.78%	1/8/21 - 9/27/2024	1.92%	
	3M CO	4,000,000	3.07%	9/14/2021	0.09%	
	USB	57,191,000	1.77%-3.50%	1/23/20 - 5/23/2022	1.34%	
	WMT FRN	3,000,000	2.39%	6/23/2021	0.07%	
	WF BK	50,000,000	2.08% - 2.21%	1/15/20 - 9/9/2022	1.17%	
						6.03%
GF LIQUIDITY	EXXON	50,000,000	1.95%	11/5/2019	1.17%	
	PEFCO	40,000,000	1.78% - 1.82%	12/13/19 - 1/31/2020	0.94%	
	TOYCC	25,000,000	2.04%	12/2/2019	0.59%	
						2.69%
BPIP TE	AAPL	3,319,000	2.21% - 2.59%	11/13/19 - 2/7/2020	0.72%	
	MSFT	2,500,000	1.87%	2/6/2020	0.54%	
	PEFCO	5,000,000	1.82%	5/8/2020	1.08%	
	TOYCC	18,125,000	1.97% - 2.19%	1/24/20 - 1/8/2021	3.91%	
	USB	4,000,000	1.82%	1/24/2020	0.86%	
	WMT FRN	4,000,000	2.39%	6/23/2021	0.86%	
	WF BK	4,000,000	2.05%	1/15/2020	0.86%	
						8.84%

Portfolio	Issuer	Face Amount	Yield	Maturity	% of Port	Total %
BPIP TAX	AAPL	12,500,000	1.835% - 2.04%	5/11/20 - 9/11/2024	2.71%	
	MSFT	11,653,000	1.85% - 2.60%	2/6/20 - 11/3/2020	2.53%	
	TOYCC	16,463,000	1.97% - 2.78%	4/17/20 - 9/8/2022	3.57%	
	USB	3,000,000	1.81%	1/24/2022	0.65%	
						9.47%
STBF	AAPL	3,000,000	2.21%	11/13/2019	1.10%	
	EXXON	9,500,000	1.81%	12/31/19 - 2/21/2020	3.50%	
	PEFCO	9,000,000	1.82%	12/13/19 - 5/8/2020	3.31%	
	TOYCC	9,600,000	1.90% - 2.06%	12/20/19 - 4/17/2020	3.53%	
	USB	8,631,000	1.82% - 2.17%	11/18/19 - 5/4/2020	3.18%	
	WF BK	4,165,000	1.82% - 2.05%	12/6/19 - 1/15/2020	1.53%	
						16.15%
All Portfolios	AAPL	60,744,000			0.96%	
	BONY	7,000,000			0.11%	
	EXXON	59,500,000			0.94%	
	MSFT	16,653,000			0.26%	
	PEFCO	54,000,000			0.85%	
	PFE	10,000,000			0.16%	
	TOYCC	151,168,000			2.39%	
	3M CO	4,000,000			0.06%	
	USB	72,822,000			1.15%	
	WMT	7,000,000			0.11%	
	WF BK	58,165,000			0.92%	
Total Credit Exposure		501,052,000				7.92%



16. Investment Policy Update

Key Investment Policy Changes

1. Supranationals added as eligible investments to both policies.

- a. Received legislative approval this year as NM Statute 6-10-10 N-6.A,B,C,D;
- b. Supranationals are entities formed by two or more governments to promote economic development for member countries;
- c. Limiting investment to the three supranational entities domiciled in the US (Washington CD);
 - i. World Bank – International Bank for Reconstruction and Development (IBRD) and International Finance Corporation (IFC)
 - ii. Inter-American Development Bank (IADB)
- d. US is the largest single shareholder in these three entities;
- e. Maintains veto power over amendments to the Articles of Agreement;
- f. AAA/Aaa rated, highest possible;
- g. Five year maximum maturity;
- h. 5% per issuer maximum.

2. Government Sponsored Enterprises (GSEs) added to eligible investments

- a. i.e. FNMA, FHLM, FFCB, FHLB;
- b. In the past “US Government Agencies” were assumed to include the GSEs but since there is a distinction between “Full Faith and Credit” for Agencies and “implicit backing” for GSEs, it is important to make this adjustment.

3. Diversification Changes

- a. US Government Agencies and GSEs rated AA or better with maturities less than 30 days will not be included in the diversification limits;
 - i. S&P criteria (the LGIP’s rating agency) for AAAM rated Pools allows this exclusion
 - ii. For STO - to be consistent across all portfolios
- b. Current and unchanged US Government Agency and GSE exposures for reference;
 - i. STO – 35% maximum portfolio exposure per issuer
 - ii. LGIP – 33% maximum portfolio exposure per issuer
- c. For LGIP to be consistent with S&P treatment of A2 rated overnight, letter of credit (LOC) collateralized bank deposits;
 - i. LOCs must be reviewed and approved by S&P to be considered credit substitutions for the bank where the deposits are held
 - ii. The deposits are classified, for diversification purposes, as obligations of the Agency or GSE
 - iii. 25% per bank maximum
 - iv. 50% maximum total portfolio exposure
- d. For LGIP Repurchase Agreements (Repos) to be consistent with S&P rules;
 - i. Remove maximum of 35% with any single counterparty
 - ii. Increase to 50% from 35% maximum overnight repo with any single counterparty rated A1+ by S&P

- e. Floating and Variable Rate Notes for both policies
 - i. Increase maximum portfolio exposure to 35% from 25%
 - ii. S&P has no maximum exposure for LGIP as the Weighted Average Maturity to Final (WAM(F)) is limited to 120 days for AAAM rated funds.
 - iii. WAM(F) by virtue of its calculation will restrict the exposure to longer maturity floating rate notes that the Pool can purchase anyway
 - iv. STO portfolios will stay consistent with LGIP

Other Investment Policy Changes, Additions, Deletions

- 1. Investment Policies to be reviewed at least every two years;**
- 2. Tennessee Valley Authority (TVA), a US Government Agency, increased to 10% maximum portfolio exposure from 5%;**
 - a. To accommodate shorter, less than 60 day discount note purchases
 - b. TVA is eligible, as a US Government Agency, to be 33% (LGIP) or 35% (STO) of the total portfolio, however the investment policy restricts the purchase of smaller, less liquid Agency issuers
- 3. US Treasuries, US Government Agencies and GSEs can be invested out to five years;**
 - a. This is no change in practice, however it is not specifically indicated anywhere
- 4. Trading and sales assistants at approved broker/dealers performing administrative tasks (ie. sending trade confirmations) are not required to have five years of continuous fixed income employment experience.**

*State of New Mexico
Office of the State Treasurer*



Investment Policy

December 11, 2019

Tim Eichenberg
New Mexico State Treasurer

Table of Contents

I.	Statement of Purpose/Statutory Authority:.....	3
II.	Definitions:.....	3
III.	Identification of Funds:	4
IV.	Objectives:.....	5
V.	Standards of Care:.....	5
	A. Delegation by the State Treasurer of Investment Authority.....	5
	B. Ethics and Conflict of Interest.....	5
	C. Prudence	5
VI.	Controls:.....	6
	A. Custody	6
	B. Approved Broker-Dealers and Counterparties.....	6
	C. Competitive Transactions.....	7
	D. Internal Controls.....	7
	E. External Controls	8
	F. State Treasurer’s Investment Committee.....	8
VII.	Eligible and Ineligible Investments:.....	8
	A. Eligible Investments	8
	B. Ineligible Investments	9
	C. Repurchase Agreements	10
VIII.	Investment Parameters:.....	10
	A. Diversification.....	10
	B. Maturity Restrictions	11
	C. Portfolio Duration.....	12
	D. Credit Quality	12
IX.	Reporting:	12
	A. Performance Standards.....	13
	B. Quarterly Reporting	13
	C. Annual Reporting.....	13
X.	Approval:.....	14

I. Statement of Purpose/Statutory Authority:

The purpose of this Investment Policy is to provide guidance governing the investment functions of the State Treasurer’s Office (STO) with regard to the investment of public funds.

STO is established by Article V, Section 1 of the New Mexico Constitution. The duties and responsibilities of the State Treasurer are further defined by Chapters 6 and 8 of the New Mexico Statutes.

Specific authority concerning the investment of public funds can be found at NMSA 1978, §§6-10-10, 6-10-10.1, 6-10-24, 6-10-24.1, 6-10-25, 6-10-26, 6-10-37, 6-10-44 and 6-14-10.1, as well as Article VIII, Section 4 of the New Mexico Constitution.

STO will submit this Investment Policy to the State Board of Finance pursuant to its advice and consent role established in NMSA 1978, §6-10-10. The Investment Policy shall be reviewed at least every two years.

II. Definitions:

Authorized Investment Officers	Those individuals and third-party entities authorized by the State Treasurer to invest monies on behalf of the State of New Mexico.												
Custodian	A specialized financial institution, approved by the State Board of Finance, responsible for the safekeeping of assets. The assets may be in electronic or physical form. Some additional responsibilities may include facilitating securities settlements and the collection of income on assets held in safekeeping.												
Duration	A measure of the price sensitivity of an underlying security, or portfolio, to changes in interest rates.												
DVP	Delivery Versus Payment, a method of securities settlement where securities are simultaneously exchanged for payment.												
Fiscal Agent Bank	A bank or savings and loan association designated by the State Board of Finance pursuant to NMSA 1978, §6-10-35, acting on behalf of the State of New Mexico, to perform various financial functions. Fiscal agent bank functions include the collection of all monies received by the State of New Mexico and the management of STO’s checking account. Monies held at the Fiscal Agent Bank are managed to a target balance after the payment of checks, warrants, ACH volume and wire transfers are processed by the State.												
Investment Grade Ratings	<p>Issuer ratings within any of the following rating agency ranges:</p> <table border="1"> <thead> <tr> <th><u>Rating Agency</u></th> <th><u>Long-Term</u></th> <th><u>Short-Term</u></th> </tr> </thead> <tbody> <tr> <td>Standard & Poor’s</td> <td>A to AAA</td> <td>A-1 or Better</td> </tr> <tr> <td>Fitch</td> <td>A to AAA</td> <td>F1 or Better</td> </tr> <tr> <td>Moody’s</td> <td>A2 to Aaa</td> <td>P-1</td> </tr> </tbody> </table>	<u>Rating Agency</u>	<u>Long-Term</u>	<u>Short-Term</u>	Standard & Poor’s	A to AAA	A-1 or Better	Fitch	A to AAA	F1 or Better	Moody’s	A2 to Aaa	P-1
<u>Rating Agency</u>	<u>Long-Term</u>	<u>Short-Term</u>											
Standard & Poor’s	A to AAA	A-1 or Better											
Fitch	A to AAA	F1 or Better											
Moody’s	A2 to Aaa	P-1											
Maturity Date	The date on which the principal amount of a debt instrument becomes due and is repaid to the investor, along with all remaining interest.												
Supranational Obligations	An international development institution formed by two or more central governments, limited to issuers domiciled within the United States:												

	International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC) and Inter-American Development Bank (IADB).
WAM	Weighted Average Maturity. For a given portfolio, the average maturity of investment holdings weighted by the relative size of each position.

III. Identification of Funds:

Funds managed by STO are separated into distinct portfolios and managed in accordance with each portfolio's respective objectives and constraints. A brief description of the portfolios presently managed by STO are included below.

General Fund Investment Pool, consisting of three main components:

- General Fund Liquidity Portfolio – Immediate cash needs of the State are to be met with the General Fund Liquidity Portfolio. The General Fund Liquidity Portfolio is expected to have minimal liquidity risk and all investments in this portfolio are constrained to less than a year;
- General Fund Core Portfolio – The General Fund Core Portfolio is comprised of balances that are not necessary to meet the short-term cash flow needs of the State. Accordingly, it may be invested over a longer term than the General Fund Liquidity Portfolio; and
- General Fund TRAN Portfolio. The General Fund TRAN Portfolio may temporarily hold proceeds of short-term Tax and Revenue Anticipation Notes (TRAN), which are periodically issued and sold by the Treasurer pursuant to NMSA 1978, §6-12A-5, in order to anticipate the collection and receipt of anticipated revenue and after certifying the need to issue TRAN.

Bond Proceeds Investment Pool, consisting of two main components:

- Tax-Exempt Bond Proceeds Investment Portfolio (Tax-Exempt BPIP) – The Tax-Exempt BPIP holds proceeds from tax-exempt general obligation and severance tax bonds issued by the State Board of Finance until they are expended on capital projects.
- Taxable Bond Proceeds Investment Portfolio (Taxable BPIP) – The Taxable BPIP holds proceeds from taxable severance tax bonds issued by the State Board of Finance until expended on capital projects.

Local Government Investment Pool (LGIP) – The LGIP was created pursuant to NMSA 1978, §6-10-10.1 to allow municipal, county, tribal and quasi-governmental bodies to remit money to STO for money management services on a pooled basis. The LGIP is covered by a separate investment policy.

Severance Tax Bonding Fund – The Severance Tax Bonding Fund holds severance tax receipts pledged for debt service on severance tax bonds before being spent on permitted uses or transfer to the Severance Tax Permanent Fund held by the State Investment Council.

Repurchase Pool – The Repurchase Pool acts as a repository for cash balances from the portfolios managed by STO, from the Educational Retirement Board, the State Investment Council, the Public Employees Retirement Association and other entities within the state.

IV. Objectives:

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

The Chief Investment Officer (CIO) and Authorized Investment Officers (AIOs) will observe the following priorities in making investment decisions, in the order described:

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

V. Standards of Care:

A. Delegation by the State Treasurer of Investment Authority

NMSA 1978, §6-10-10 allows the State Treasurer to invest money, not immediately needed for the operation of state government, in permissible securities and contracts as outlined by the statute.

To ensure effective investment management of public funds, the investment functions are delegated to the Investment Division reporting to the Deputy Treasurer. The Investment Division includes a CIO and AIOs. AIOs will report to the CIO and the CIO will report to the Deputy Treasurer. The CIO will maintain a current list of AIOs.

B. Ethics and Conflict of Interest

The Deputy Treasurer, CIO and AIOs shall adhere to standards of conduct as follows:

- The Governmental Conduct Act, NMSA 1978, §§10-16-1 through 10-16-18;
- The State Treasurer’s Employee Code of Conduct¹;
- The State Treasurer’s Campaign Contributions Policy;
- The Whistleblower Policy, NMSA 1978 §§10-16C-1 through 10-16C-6;
- The Gift Act, NMSA 1978 §§10-16B-1 through 10-16B-4; and
- The Procurement Code, NMSA 1978 §§13-1-28 through 13-1-199.

The CIO and AIOs shall file personal disclosure forms as required by the Governmental Conduct Act and the State Treasurer’s Code of Conduct.

C. Prudence

The CIO and AIOs shall perform investment duties in a manner consistent with this Investment Policy and the standard of a prudent investor² in light of the purposes, terms, distribution requirements and other circumstances then prevailing as to the assets entrusted to them.

¹ As required by NMSA 1978, §10-16-11.

² Uniform Prudent Investor Act, NMSA 1978, §§45-7-601 through 45-7-612

In the process of investing funds, the CIO and AIOs will exercise reasonable care, skill, diligence and prudence considering investments not in isolation, but in the context of the portfolio as a whole and as part of an overall investment strategy. That strategy shall incorporate the risk and return objectives articulated in this policy.

The CIO and AIOs, acting in accordance with New Mexico Statutes, written procedures and this Investment Policy and exercising due diligence shall be relieved of personal liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

VI. Controls:

A. Custody

All investment securities purchased by the CIO and AIOs, held as collateral for repurchase agreements and bank deposits or held as collateral for securities lending arrangements shall be held in third-party safekeeping at a financial institution qualified to act in this capacity.

All securities held for STO's portfolios will be free and clear of any lien and all transactions will be conducted in compliance with NMSA 1978 §6-10-10(O), which requires same day transfer of funds with the settlement of securities.

The Custodian will provide reports that list all transactions that occurred during the month and all securities held for STO at month-end, including the book and market value of holdings.

The representatives of the Custodian responsible for, or in any manner involved with, the safekeeping and custody process of STO, shall be bonded in amounts required by the State Board of Finance under a custody agreement to protect from losses due to malfeasance and misfeasance.

B. Approved Broker-Dealers and Counterparties

To ensure proper separation of duties from the investment functions, the State Cash Manager shall maintain a list of broker-dealers and counterparties approved to provide investment services to STO. Eligible broker-dealers will need to meet all of the following conditions:

- The broker-dealer and its representatives must be registered pursuant to the New Mexico Uniform Securities Act ³;
- The broker-dealer must be registered with the Financial Industry Regulatory Authority (FINRA);
- All broker-dealer representatives who have direct contact with securities trading between STO and the firm must have a FINRA Series 7 License, or equivalent certification.
- The broker-dealer representatives must have a minimum of five (5) years continuous employment history involving fixed income securities, with exceptions permitted for sales and trading assistants acting in temporary administrative capacities; and

³New Mexico Uniform Securities Act, NMSA 1978, §§58-13C-101 through 58-13C-701 (2009) and NMAC 12.11.2.

- Counterparties must operate under the terms of a securities lending or repurchase agreement.

The Broker-Dealer list will be submitted to the State Treasurer's Investment Committee for recommendation and will be approved by the State Treasurer. The list will be submitted by the Treasurer to the State Board of Finance for its advice and consent.

C. Competitive Transactions

The CIO and AIOs will conduct all securities transactions in a fair, open and transparent competitive process:

- All securities transactions shall be executed at the highest bid or lowest offer to STO, subject to diversification constraints.
- Every effort to obtain at least three bids or offers on a specific security will be conducted. If unobtainable, documentation of comparable securities accompanied by current market levels will be retained to provide evidence of price transparency and trade execution at competitive levels.
- Offers or bids for securities may be received from approved broker-dealers or direct issuers by any of the following means:
 - By phone; or
 - By e-mail or other form of electronic communication; or
 - Through an electronic trading platform; or
 - Directly from issuers of eligible investments.
- In the case of investments made under the Linked Deposit program⁴, this policy and its standard of care are restricted to the express provisions of the statutes directing such investments.

D. Internal Controls

The CIO will maintain sufficient internal controls to protect against the loss of public funds arising from negligence, theft, or misuse. The controls will require the CIO to:

- Communicate regularly with the Deputy Treasurer regarding investment activities, including any significant changes in market value or credit quality of investment positions;
- Require monthly reconciliation of internal investment accounting and reporting to all external statements provided by the custodian and other financial institutions;
- Monitor compliance with applicable state investment statutes;
- Require Delivery Versus Payment security settlement except for physical securities;
- Maintain clear delegation of investment authority;
- Ensure the separation of investing authority from cash activities and record-keeping;
- Ensure that all deposits are sufficiently collateralized per State Board of Finance Collateral Policy, 2.60.4 NMAC;
- Require the use of approved objective criteria in selecting broker-dealers and financial institutions authorized to provide investment services to the state;
- Maintain documentation on investment procedures;
- Report violations of this policy to the State Treasurer in a timely manner; and,

⁴ Linked Deposit Program NMSA 1978, §6-10-24.2.

- Require the use of agency approved objective criteria in awarding investment purchases and sales to authorized financial institutions and broker-dealers.

E. External Controls

- STO will retain all records related to investment activities pursuant to state law;
- As prescribed by the Audit Act⁵, the State Auditor or designated independent auditor will review the investment activities of STO to determine the compliance of those activities with this Investment Policy and state statutes;
- The market value of all funds held by the Custodian will be calculated monthly and provided to the State Treasurer.

F. State Treasurer’s Investment Committee

The State Treasurer may establish the State Treasurer’s Investment Committee. This advisory committee will review investment reporting and any other matters of the State Treasurer’s choosing.

- The Investment Committee shall consist of five (5) voting members: the State Treasurer, or designee; a member of the Treasurer’s staff upon appointment by the Treasurer or designee; the director of the State Board of Finance, or designee; and two members who are participants in the private investment community or have expert knowledge or professional experience in the subject of public finance or public money investing, of which one member will be appointed by the State Treasurer and approved by the State Board of Finance and one member will be appointed by the State Board of Finance and approved by the State Treasurer. The member of the Treasurer’s staff shall be selected in a manner consistent with maintaining a separation of responsibilities between the STO investment managers and the members of the committee.
- Each private sector member shall serve at the pleasure of the State Treasurer or the State Board of Finance appointing the private sector member. The private sector members shall serve for a term of two (2) years after appointment and shall be eligible for reappointment to serve for consecutive two (2) year terms. Any vacancy created by a private sector member shall be filled in the same manner as original appointments.

VII. Eligible and Ineligible Investments:

A. Eligible Investments

Eligible Investments are only those securities and deposits specifically authorized by statute. Consistent with NMSA 1978, §6-10-10 and other investment statutes, the CIO and AIOs may invest in the following:

- Cash at Banks, Savings and Loan Associations or Credit Unions whose deposits are insured by an agency of the United States and are certified or designated as eligible to receive public funds in New Mexico;
- Securities issued by the United States government;
- Securities issued or guaranteed by United States government agencies, government sponsored enterprises or instrumentalities including mortgage obligations;
- Securities issued by supranational entities, as defined in this policy;

⁵ Audit Act NMSA 1978, §§12-6-1 through 12-6-14.

- Repurchase Agreements, subject to restrictions contained in Section VII, paragraph C of this policy;
- Securities Lending Arrangements;
- Commercial Paper issuers rated “prime” quality by a nationally recognized rating service, defined in this policy as investment grade, issued by corporations that are organized and operating in the United States and are included on STO’s approved issuer list;
- Corporate Bond issuers rated investment grade, as defined in this policy, by a nationally recognized rating service, issued by corporations that are organized and operating in the United States and are included on STO’s approved issuer list;
- Asset-Backed Obligations rated “AAA” or better by a nationally recognized rating service, and with a maturity of less than 5 years;
- Shares of open-ended diversified investment companies that are registered with the United States Securities and Exchange Commission; comply with the diversification, quality and maturity requirements of Rule 2a-7, or any successor rule, of the United States Securities and Exchange Commission applicable to money market mutual funds; assess no fees pursuant to Rule 12b-1, or any successor rule, of the United States Securities and Exchange Commission, no sales load on the purchase of shares and no contingent deferred sales charge or other similar charges, however designated; and do not use swap and derivative products. STO shall not, at any time, own more than five percent (5%) of a money market mutual fund’s assets;
- Individual, common or collective trust funds of banks or trust companies that are invested only in United States Government and Agency obligations and repurchase agreements secured by such obligations; have assets under management of at least one billion dollars (\$1,000,000,000); do not use swap and derivative products; and the investments made by STO are less than five percent (5%) of the assets of the fund.
- The Local Government Investment Pool, managed by STO, to less than 35% of the total assets of the Local Government Investment Pool;
- Securities issued by the State of New Mexico, it’s agencies, institutions, counties, municipalities, school districts, community college districts or other subdivisions of the state, or as otherwise provided by law and rated investment grade as defined by this policy; or
- Securities issued by states other than New Mexico or governmental entities in states other than New Mexico and rated investment grade as defined by this policy.

B. Ineligible Investments

To provide for the safety and liquidity of funds, the investment portfolios are specifically prohibited from investing in:

- Short Sales
- Whole Loan Mortgage Obligations
- Reverse Repurchase Agreements, except under a securities lending arrangement
- Inverse Floating Rate Notes
- Equity Securities
- Swaps and Derivatives

C. Repurchase Agreements

Repurchase Agreements are subject to additional restrictions:

- Transactions will be conducted only with currently approved dealers on the broker-dealer list, the Fiscal Agent Bank, approved counterparties under a securities lending arrangement, or the master custodial bank, and under the terms of a written master repurchase agreement or securities lending arrangement;
- Each approved repo counterparty must have a net worth in excess of five hundred million dollars (\$500,000,000);
- Transactions with any single counterparty will not exceed 35% of any portfolio or \$200 million, whichever is greater;
- The maximum term of any repurchase agreement will be 1 year, except in the case of bond proceeds where a repurchase agreement is limited to 3 years; and
- Tri-Party Repurchase Agreement transactions may be entered into with a contracted custodial bank for this purpose, as long as all securities meet the requirements within this policy.

Securities accepted as collateral for repurchase agreements will be subject to the following additional restrictions:

- Securities placed as collateral for repurchase agreements, with a final maturity less than 10 years, will be priced at 102% of market value, plus accrued income;
- Securities placed as collateral for repurchase agreements, with a final maturity of 10 years or greater, will be priced at 103% of market value, plus accrued income;
- Agency mortgage-backed securities placed as collateral for term repurchase agreements with a maturity longer than seven days will be priced at 105% of market value, plus accrued income;
- Term repurchase agreements with a maturity date that is longer than seven days are required to have daily pricing of collateral; and
- Only treasury and agency securities, including agency mortgage-backed obligations, will be utilized as collateral for repurchase agreements.

VIII. Investment Parameters:

To provide for the safety and liquidity of funds, the investment portfolios will be subject to the restrictions listed below. These represent minimum investment restrictions under this Investment Policy and there may be separate procedures containing additional, more restrictive limitations for certain investment instruments.

All restrictions are based on a settlement date basis.

Maximum percentages for a particular issuer, investment type or liquidity constraints may on occasion be exceeded due to unforeseen circumstances (e.g., due to fluctuations in fund balances). Exceptions will be reported to the Treasurer, the State Treasurer's Investment Committee and the State Board of Finance monthly.

A. Diversification

- GSEs or government-guaranteed investments rated AA or higher with final maturities shorter than 30 days will be excluded from diversification limits;

Otherwise, the following diversification limits shall apply to each portfolio:

<i>Allowable Securities</i>	<i>Diversification Limits</i>	<i>Further Limitations</i>
US Treasury Obligations	100%	
US Agency/GSE Obligations > 30 days Primary Issuers – FNMA, FHLMC, FFEB, FHLB Secondary Issuers – All Other Agencies/GSEs	100%	Per Primary Issuer: 35% Per Secondary Issuer: 5% Except TVA: 10%
US Agency Issued Mortgage-Backed Securities	25%	
Supranational Obligations	15%	Per Issuer: 5%
Bank Demand Deposits - Collateralized	100%	Per Issuer: 25%
Certificates of Deposit	\$400 Million	Per CD Issuer: \$30 Million
Linked Deposit Program Certificates of Deposit	\$40 Million	Per Qualified Depository Institution: \$10 Million
Commercial Paper, Corporate Bonds, Medium Term Notes, and Asset-Backed Obligations (In Aggregate)	40%	Per Corporate Issuer: 5% Per Asset-Backed Issuer: 5%
NM LGIP (STO Funds in Aggregate)	100%	No more than 35% of the NM LGIP
Municipal Securities	15%	Per Issuer: 5%
Pre-Refunded 100% escrowed with US Government related securities	15%	Per Issuer Limit on Pre-Refunded: None
Variable Rate Demand Notes – LOC/Standby Purchase Agreement	15%	Per LOC/Standby Purchase Agreement Provider: 5% of total portfolio exposure
Repurchase Agreements (Business Days)		
1 to 7 days	100%	Per Counterparty: 35% or \$200 Million, whichever is greater
8+ days	25%	
Variable Rate Obligations Including Variable Rate Demand Notes	35%	Per Issuer: 5% Non-Agency
Callable Securities	25%	
Open Ended 2a-7 Rated Fund US Treasury and Agency Only	100%	Per Fund: 10%

B. Maturity Restrictions

The following maturity limits shall apply to each portfolio:

<i>Allowable Securities</i>	<i>Maturity Limits</i>	<i>Further Limitations</i>
All Securities		
US Treasuries/Agencies/GSEs	5 Years	See specific portfolio and sector limits below
Rated AA-/Aa3 or better	5 Years	
Rated below AA-/Aa3	3 Years	
Certificates of Deposit	3 Years	
Municipal Bonds	3 Years	
Repurchase Agreements	1 Year	For BPIPs: 3 Years

<i>Portfolio</i>	<i>Maturity Limits</i>
General Fund Liquidity	1 year or less
General Fund CORE	5 years or less
Bond Proceeds	5 years or less
Severance Tax Bonding Fund	1 year or less

Securities with mandatory puts back to the issuer or remarketing agent shall be deemed to have a maturity date commensurate with the earliest put date.

Pre-refunded securities shall be deemed to have a maturity date commensurate with the call date.

C. Portfolio Duration

The CIO and AIOs will manage the portfolio durations to their approved benchmarks. Benchmarks will be reviewed by the State Treasurer’s Investment Committee for recommendation and will be approved by the State Treasurer and the State Board of Finance annually.

D. Credit Quality

The following issuer credit rating limits shall apply for all portfolios:

Short Term Credit Rating	A-1, P-1, F1, MIG-1 or better
Long Term Credit Rating	A, A2 or better
Asset-Backed Securities	AAA or Aaa

Pre-Refunded issues 100% escrowed with US Government related securities may be unrated, with an implied US Government equivalent rating.

E. Non-Public New Mexico Municipal Offerings

Severance Tax Notes or other non-public municipal offerings of New Mexico entities are subject to the approval of the State Treasurer.

IX. Reporting:

The Chief Investment Officer shall prepare a monthly investment report for the State Treasurer. An executive summary will be prepared in a manner that will allow the State Treasurer to ascertain whether investment activities during the reporting period are in compliance with this Investment Policy and New Mexico statutes.

The CIO will submit and present the monthly investment report, on behalf of the State Treasurer, to the State Board of Finance and will post the report on the State Treasurer’s website and otherwise make it available to the public.

Specific Reporting Requirements: The report will include, at a minimum, the following:

- An executive summary that provides an analysis of the status of the current investment portfolios; including the LGIP and the individual transactions that were executed;
- An asset listing showing par value, cost, market value, type of investment, issuer, and interest rate of securities held;
- WAM and effective duration of each portfolio compared to its applicable approved benchmark;
- Average portfolio credit quality;
- Total rate of return for each portfolio for the last one month, three months, and twelve months with applicable approved benchmark returns for the same periods;

- Any cash flow projections⁶ prepared by the State Cash Manager for the portfolios;
- Sensitivity analysis for each portfolio on a quarterly basis;
- Transaction listing for the reporting period;
- A report of primary issues purchased and secondary issues purchased or sold;
- Transaction summaries for the reporting period and fiscal-year-to-date that include trade volumes, distributions by type of investment and counterparty; and
- Investment compliance review.

A. Performance Standards

- The Investment Portfolios will be structured to obtain a market average rate of return taking into account investment risk constraints and cash flow needs.
- Each portfolio will be compared to an approved benchmark that appropriately models an expected risk and return profile.

B. Quarterly Reporting

On a quarterly basis, the CIO shall prepare a quarterly investment report that describes the investment strategy employed during the past quarter and the strategy planned for the next quarter. Information will be reported to the State Treasurer’s Investment Committee and the State Board of Finance.

C. Annual Reporting

At the next regular State Treasurer’s Investment Committee meeting after September 30 of each year, the CIO shall present an annual investment report that describes the investment strategy employed during the past fiscal year and the strategy planned for the next fiscal year. The report shall include annual comparisons of portfolio return to performance benchmarks for the preceding year.

⁶ As required by NMSA 1978, §8-6-3.1 B (4).

X. Approval:

New Mexico State Treasurer's Office:

Tim Eichenberg
New Mexico State Treasurer

Date

By affixing the signature below, the State Board of Finance hereby provides its advice and consent pursuant to NMSA 1978, §6-10-10.

President, State Board of Finance

Date

*State of New Mexico
Office of the State Treasurer*



Investment Policy

~~December 19, 2017~~ December 11, 2019

Tim Eichenberg
New Mexico State Treasurer

Table of Contents

I.	Statement of Purpose/Statutory Authority:.....	3
II.	Definitions:.....	3
III.	Identification of Funds:	4
IV.	Objectives:.....	5
V.	Standards of Care:.....	5
	A. Delegation by the State Treasurer of Investment Authority.....	5
	B. Ethics and Conflict of Interest.....	5
	C. Prudence	5
VI.	Controls:.....	6
	A. Custody	6
	B. Approved Broker-Dealers and Counterparties.....	6
	C. Competitive Transactions.....	7
	D. Internal Controls.....	7
	E. External Controls	8
	F. State Treasurer’s Investment Committee.....	8
VII.	Eligible and Ineligible Investments:.....	8
	A. Eligible Investments	8
	B. Ineligible Investments	9
	C. Repurchase Agreements	<u>910</u>
VIII.	Investment Parameters:.....	10
	A. Diversification.....	10
	B. Maturity Restrictions	11
	C. Portfolio Duration.....	<u>1211</u>
	D. Credit Quality	12
IX.	Reporting:	12
	A. Performance Standards.....	13
	B. Quarterly Reporting	13
	C. Annual Reporting.....	13
X.	Approval:.....	14

I. Statement of Purpose/Statutory Authority:

The purpose of this Investment Policy is to provide guidance governing the investment functions of the State Treasurer’s Office (STO) with regard to the investment of public funds.

STO is established by Article V, Section 1 of the New Mexico Constitution. The duties and responsibilities of the State Treasurer are further defined by Chapters 6 and 8 of the New Mexico Statutes.

Specific authority concerning the investment of public funds can be found at NMSA 1978, §§6-10-10, 6-10-10.1, 6-10-24, 6-10-24.1, 6-10-25, 6-10-26, 6-10-37, 6-10-44 and 6-14-10.1, as well as Article VIII, Section 4 of the New Mexico Constitution.

STO will submit this Investment Policy to the State Board of Finance pursuant to its advice and consent role established in NMSA 1978, §6-10-10. The Investment Policy shall be reviewed at least every two years.

II. Definitions:

Authorized Investment Officers	Those individuals and third-party entities authorized by the State Treasurer to invest monies on behalf of the State of New Mexico.												
Custodian	A specialized financial institution, approved by the State Board of Finance, responsible for the safekeeping of assets. The assets may be in electronic or physical form. Some additional responsibilities may include facilitating securities settlements and the collection of income on assets held in safekeeping.												
Duration	A measure of the price sensitivity of an underlying security, or portfolio, to changes in interest rates.												
DVP	Delivery Versus Payment, a method of securities settlement where securities are simultaneously exchanged for payment.												
Fiscal Agent Bank	A bank or savings and loan association designated by the State Board of Finance pursuant to NMSA 1978, §6-10-35, acting on behalf of the State of New Mexico, to perform various financial functions. Fiscal agent bank functions include the collection of all monies received by the State of New Mexico and the management of STO’s checking account. Monies held at the Fiscal Agent Bank are managed to a target balance after the payment of checks, warrants, ACH volume and wire transfers are processed by the State.												
Investment Grade Ratings	<p><u>Issuer ratings</u> within any of the following rating agency <u>ranges</u>:</p> <table border="0"> <thead> <tr> <th><u>Rating Agency</u></th> <th><u>Long-Term</u></th> <th><u>Short-Term</u></th> </tr> </thead> <tbody> <tr> <td>Standard & Poor’s</td> <td>A to AAA</td> <td>A-1 <u>or Better</u></td> </tr> <tr> <td>Fitch</td> <td>A to AAA</td> <td>F1 <u>or Better</u></td> </tr> <tr> <td>Moody’s</td> <td>A2 to Aaa</td> <td>P-1</td> </tr> </tbody> </table>	<u>Rating Agency</u>	<u>Long-Term</u>	<u>Short-Term</u>	Standard & Poor’s	A to AAA	A-1 <u>or Better</u>	Fitch	A to AAA	F1 <u>or Better</u>	Moody’s	A2 to Aaa	P-1
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Fitch	A to AAA	F1 <u>or Better</u>											
Moody’s	A2 to Aaa	P-1											
Maturity Date	The date on which the principal amount of a debt instrument becomes due and is repaid to the investor, along with all remaining interest.												
<u>Supranational Obligations</u>	<u>An international development institution formed by two or more central governments, limited to issuers domiciled within the United States:</u>												

	<u>International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC) and Inter-American Development Bank (IADB).</u>
WAM	Weighted Average Maturity. For a given portfolio, the average maturity of investment holdings weighted by the relative size of each position.

III. Identification of Funds:

Funds managed by STO are separated into distinct portfolios and managed in accordance with each portfolio's respective objectives and constraints. A brief description of the portfolios presently managed by STO are included below.

General Fund Investment Pool, consisting of three main components:

- General Fund Liquidity Portfolio – Immediate cash needs of the State are to be met with the General Fund Liquidity Portfolio. The General Fund Liquidity Portfolio is expected to have minimal liquidity risk and all investments in this portfolio are constrained to less than a year;
- General Fund Core Portfolio – The General Fund Core Portfolio is comprised of balances that are not necessary to meet the short-term cash flow needs of the State. Accordingly, it may be invested over a longer term than the General Fund Liquidity Portfolio; and
- General Fund TRAN Portfolio. The General Fund TRAN Portfolio may temporarily hold proceeds of short-term Tax and Revenue Anticipation Notes (TRAN), which are periodically issued and sold by the Treasurer pursuant to NMSA 1978, §6-12A-5, in order to anticipate the collection and receipt of anticipated revenue and after certifying the need to issue TRAN.

Bond Proceeds Investment Pool, consisting of two main components:

- Tax-Exempt Bond Proceeds Investment Portfolio (Tax-Exempt BPIP) – The Tax-Exempt BPIP holds proceeds from tax-exempt general obligation and severance tax bonds issued by the State Board of Finance until they are expended on capital projects.
- Taxable Bond Proceeds Investment Portfolio (Taxable BPIP) – The Taxable BPIP holds proceeds from taxable severance tax bonds issued by the State Board of Finance until expended on capital projects.

Local Government Investment Pool (LGIP) – The LGIP was created pursuant to NMSA 1978, §6-10-10.1 to allow municipal, county, tribal and quasi-governmental bodies to remit money to STO for money management services on a pooled basis. The LGIP is covered by a separate investment policy.

Severance Tax Bonding Fund – The Severance Tax Bonding Fund holds severance tax receipts pledged for debt service on severance tax bonds before being spent on permitted uses or transfer to the Severance Tax Permanent Fund held by the State Investment Council.

Repurchase Pool – The Repurchase Pool acts as a repository for cash balances from the portfolios managed by STO, from the Educational Retirement Board, the State Investment Council, the Public Employees Retirement Association and other entities within the state.

IV. Objectives:

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

The Chief Investment Officer (CIO) and Authorized Investment Officers (AIOs) will observe the following priorities in making investment decisions, in the order described:

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

V. Standards of Care:

A. Delegation by the State Treasurer of Investment Authority

NMSA 1978, §6-10-10 allows the State Treasurer to invest money, not immediately needed for the operation of state government, in permissible securities and contracts as outlined by the statute.

To ensure effective investment management of public funds, the investment functions are delegated to the Investment Division reporting to the Deputy Treasurer. The Investment Division includes a CIO and AIOs. AIOs will report to the CIO and the CIO will report to the Deputy Treasurer. The CIO will maintain a current list of AIOs.

B. Ethics and Conflict of Interest

The Deputy Treasurer, CIO and AIOs shall adhere to standards of conduct as follows:

- The Governmental Conduct Act, NMSA 1978, §§10-16-1 through 10-16-18;
- The State Treasurer’s Employee Code of Conduct¹;
- The State Treasurer’s Campaign Contributions Policy;
- The Whistleblower Policy, NMSA 1978 §§10-16C-1 through 10-16C-6;
- The Gift Act, NMSA 1978 §§10-16B-1 through 10-16B-4; and
- The Procurement Code, NMSA 1978 §§13-1-28 through 13-1-199.

The CIO and AIOs shall file personal disclosure forms as required by the Governmental Conduct Act and the State Treasurer’s Code of Conduct.

C. Prudence

The CIO and AIOs shall perform investment duties in a manner consistent with this Investment Policy and the standard of a prudent investor² in light of the purposes, terms, distribution requirements and other circumstances then prevailing as to the assets entrusted to them.

¹ As required by NMSA 1978, §10-16-11.

² Uniform Prudent Investor Act, NMSA 1978, §§45-7-601 through 45-7-612

In the process of investing funds, the CIO and AIOs will exercise reasonable care, skill, diligence and prudence considering investments not in isolation, but in the context of the portfolio as a whole and as part of an overall investment strategy. That strategy shall incorporate the risk and return objectives articulated in this policy.

The CIO and AIOs, acting in accordance with New Mexico Statutes, written procedures and this Investment Policy and exercising due diligence shall be relieved of personal liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion-manner and appropriate action is taken to control adverse developments.

VI. Controls:

A. Custody

All investment securities purchased by the CIO and AIOs, held as collateral for repurchase agreements and bank deposits or held as collateral for securities lending arrangements shall be held in third-party safekeeping at a financial institution qualified to act in this capacity.

All securities held for STO's portfolios will be free and clear of any lien and all transactions will be conducted in compliance with NMSA 1978 §6-10-10(O), which requires same day transfer of funds with the settlement of securities.

The Custodian will provide reports that list all transactions that occurred during the month and all securities held for STO at month-end, including the book and market value of holdings.

The representatives of the Custodian responsible for, or in any manner involved with, the safekeeping and custody process of STO, shall be bonded in amounts required by the State Board of Finance under a custody agreement to protect from losses due to malfeasance and misfeasance.

B. Approved Broker-Dealers and Counterparties

To ensure proper separation of duties from the investment functions, the State Cash Manager shall maintain a list of broker-dealers and counterparties approved to provide investment services to STO. Eligible broker-dealers will need to meet all of the following conditions:

- The broker-dealer and its representatives must be registered pursuant to the New Mexico Uniform Securities Act ³;
- The broker-dealer must be registered with the Financial Industry Regulatory Authority (FINRA);
- All broker-dealer representatives who have direct contact with securities trading between STO and the firm must have a FINRA Series 7 License, or equivalent certification.
- The broker-dealer representatives must have a minimum of five (5) years continuous employment history involving fixed income securities, with exceptions permitted for sales and trading assistants acting in temporary administrative capacities; and

³New Mexico Uniform Securities Act, NMSA 1978, §§58-13C-101 through 58-13C-701 (2009) and NMAC 12.11.2.

- Counterparties must operate under the terms of a securities lending or repurchase agreement.

The Broker-Dealer list will be submitted to the State Treasurer’s Investment Committee for recommendation and will be approved by the State Treasurer. The list will be submitted by the Treasurer to the State Board of Finance for its advice and consent.

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- In the case of investments made under the Linked Deposit program⁴, this policy and its standard of care are restricted to the express provisions of the statutes directing such investments.

D. Internal Controls

The CIO will maintain sufficient internal controls to protect against the loss of public funds arising from negligence, theft, or misuse. The controls will require the CIO to:

- Communicate regularly with the Deputy Treasurer regarding investment activities, including any significant changes in market value or credit quality of investment positions;
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- Ensure that all deposits are sufficiently collateralized per State Board of Finance Collateral Policy, 2.60.4 NMAC;
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- Maintain documentation on investment procedures;
- Report violations of this policy to the State Treasurer in a timely manner; and,

⁴ Linked Deposit Program NMSA 1978, §6-10-24.2.

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The State Treasurer may establish the State Treasurer’s Investment Committee. This advisory committee will review investment reporting and any other matters of the State Treasurer’s choosing.

- The Investment Committee shall consist of five (5) voting members: the State Treasurer, or designee; a member of the Treasurer’s staff upon appointment by the Treasurer or designee; the director of the State Board of Finance, or designee; and two members who are participants in the private investment community or have expert knowledge or professional experience in the subject of public finance or public money investing, of which one member will be appointed by the State Treasurer and approved by the State Board of Finance and one member will be appointed by the State Board of Finance and approved by the State Treasurer. The member of the Treasurer’s staff shall be selected in a manner consistent with maintaining a separation of responsibilities between the STO investment managers and the members of the committee.
- Each private sector member shall serve at the pleasure of the State Treasurer or the State Board of Finance appointing the private sector member. The private sector members shall serve for a term of two (2) years after appointment and shall be eligible for reappointment to serve for consecutive two (2) year terms. Any vacancy created by a private sector member shall be filled in the same manner as original appointments.

VII. Eligible and Ineligible Investments:

A. Eligible Investments

Eligible Investments are only those securities and deposits specifically authorized by statute. Consistent with NMSA 1978, §6-10-10 and other investment statutes, the CIO and AIOs may invest in the following:

- Cash at Banks, Savings and Loan Associations or Credit Unions whose deposits are insured by an agency of the United States and are certified or designated as eligible to receive public funds in New Mexico;
- Securities issued by the United States government;
- Securities issued or guaranteed by United States government agencies, [government sponsored enterprises](#) or instrumentalities including mortgage obligations;
- Securities issued by supranational entities, as defined in this policy;

⁵ Audit Act NMSA 1978, §§12-6-1 through 12-6-14.

- Repurchase Agreements, subject to restrictions contained in Section VII, paragraph C of this policy;
- Securities Lending Arrangements;
- Commercial Paper issuers rated “prime” quality by a nationally recognized rating service, defined in this policy as investment grade, issued by corporations that are organized and operating in the United States and are included on STO’s approved issuer list;
- Corporate Bond issuers rated investment grade, as defined in this policy, by a nationally recognized rating service, issued by corporations that are organized and operating in the United States and are included on STO’s approved issuer list;
- Asset-Backed Obligations rated “AAA” or better by a nationally recognized rating service, and with a maturity of less than 5 years;
- Shares of open-ended diversified investment companies that are registered with the United States Securities and Exchange Commission; comply with the diversification, quality and maturity requirements of Rule 2a-7, or any successor rule, of the United States Securities and Exchange Commission applicable to money market mutual funds; assess no fees pursuant to Rule 12b-1, or any successor rule, of the United States Securities and Exchange Commission, no sales load on the purchase of shares and no contingent deferred sales charge or other similar charges, however designated; and do not use swap and derivative products. STO shall not, at any time, own more than five percent (5%) of a money market mutual fund’s assets;
- Individual, common or collective trust funds of banks or trust companies that are invested only in United States Government and Agency obligations and repurchase agreements secured by such obligations; have assets under management of at least one billion dollars (\$1,000,000,000); do not use swap and derivative products; and the investments made by STO are less than five percent (5%) of the assets of the fund.
- The Local Government Investment Pool, managed by STO, to less than 35% of the total assets of the Local Government Investment Pool;
- Securities issued by the State of New Mexico, it’s agencies, institutions, counties, municipalities, school districts, community college districts or other subdivisions of the state, or as otherwise provided by law and rated investment grade as defined by this policy; or
- Securities issued by states other than New Mexico or governmental entities in states other than New Mexico and rated investment grade as defined by this policy.

B. Ineligible Investments

To provide for the safety and liquidity of funds, the investment portfolios are specifically prohibited from investing in:

- Short Sales
- Whole Loan Mortgage Obligations
- Reverse Repurchase Agreements, except under a securities lending arrangement
- Inverse Floating Rate Notes
- Equity Securities
- Swaps and Derivatives

C. Repurchase Agreements

Repurchase Agreements are subject to additional restrictions:

- Transactions will be conducted only with currently approved dealers on the broker-dealer list, the Fiscal Agent Bank, approved counterparties under a securities lending arrangement, or the master custodial bank, and under the terms of a written master repurchase agreement or securities lending arrangement;
- Each approved repo counterparty must have a net worth in excess of five hundred million dollars (\$500,000,000);
- Transactions with any single counterparty will not exceed 35% of any portfolio or \$200 million, whichever is greater;
- The maximum term of any repurchase agreement will be 1 year, except in the case of bond proceeds where a repurchase agreement is limited to 3 years; and
- Tri-Party Repurchase Agreement transactions may be entered into with a contracted custodial bank for this purpose, as long as all securities meet the requirements within this policy.

Securities accepted as collateral for repurchase agreements will be subject to the following additional restrictions:

- Securities placed as collateral for repurchase agreements, with a final maturity less than 10 years, will be priced at 102% of market value, plus accrued income;
- Securities placed as collateral for repurchase agreements, with a final maturity of 10 years or greater, will be priced at 103% of market value, plus accrued income;
- Agency mortgage-backed securities placed as collateral for term repurchase agreements with a maturity longer than seven days will be priced at 105% of market value, plus accrued income;
- Term repurchase agreements with a maturity date that is longer than seven days are required to have daily pricing of collateral; and
- Only treasury and agency securities, including agency mortgage-backed obligations, will be utilized as collateral for repurchase agreements.

VIII. Investment Parameters:

To provide for the safety and liquidity of funds, the investment portfolios will be subject to the restrictions listed below. These represent minimum investment restrictions under this Investment Policy and there may be separate procedures containing additional, more restrictive limitations for certain investment instruments.

All restrictions are based on a settlement date basis.

Maximum percentages for a particular issuer, investment type or liquidity constraints may on occasion be exceeded due to unforeseen circumstances (e.g., due to fluctuations in fund balances). Exceptions will be reported to the Treasurer, the State Treasurer's Investment Committee and the State Board of Finance monthly.

A. Diversification

- GSEs or government-guaranteed investments rated AA or higher with final maturities shorter than 30 days will be excluded from diversification limits;

Otherwise, the following diversification limits shall apply to each portfolio: ~~The following diversification limits shall apply to each portfolio:~~

<i>Allowable Securities</i>	<i>Diversification Limits</i>	<i>Further Limitations</i>
US Treasury Obligations	100%	
US Agency/ GSE Obligations <u>> 30 days</u> Primary Issuers – FNMA, FHLMC, FFCB, FHLB Secondary Issuers – All Other Agencies/ GSEs	100%	Per Primary Issuer: 35% Per Secondary Issuer: 5% <u>Except TVA: 10%</u>
US Agency Issued Mortgage-Backed Securities	25%	
<u>Supranational Obligations</u>	<u>15%</u>	<u>Per Issuer: 5%</u>
Bank Demand Deposits - Collateralized	100%	Per Issuer: 25%
Certificates of Deposit	\$400 Million	Per CD Issuer: \$30 Million
Linked Deposit Program Certificates of Deposit	\$40 Million	Per Qualified Depository Institution: \$10 Million
Commercial Paper, Corporate Bonds, Medium Term Notes, and Asset-Backed Obligations (In Aggregate)	40%	Per Corporate Issuer: 5% Per Asset-Backed Issuer: 5%
NM LGIP (STO Funds in Aggregate)	100%	No more than 35% of the NM LGIP
Municipal Securities	15%	Per Issuer: 5%
Pre-Refunded 100% escrowed with US Government related securities	15%	Per Issuer Limit on Pre-Refunded: None
Variable Rate Demand Notes – LOC/Standby Purchase Agreement	15%	Per LOC/Standby Purchase Agreement Provider: 5% of total portfolio exposure
Repurchase Agreements (<u>Business Days</u>) <u>1 to 7 days</u> <u>8+ days</u>	100% <u>25%</u>	Per Counterparty: 35% or \$200 Million, <u>whichever is greater</u>
Variable Rate Obligations Including Variable Rate Demand Notes	<u>25</u> 35%	Per Issuer: 5% Non-Agency
Callable Securities	25%	
Open Ended 2a-7 Rated Fund US Treasury and Agency Only	100%	Per Issuer Fund: 10%

A.B. Maturity Restrictions

The following maturity limits shall apply to each portfolio:

<i>Allowable Securities</i>	<i>Maturity Limits</i>	<i>Further Limitations</i>
All Securities <u>US Treasuries/Agencies/GSEs</u>	<u>5 Years</u>	See specific portfolio and sector limits below
Rated AA-/Aa3 or better	5 Years	
Rated below AA-/Aa3	3 Years	
Certificates of Deposit	3 Years	
Municipal Bonds	3 Years	
Repurchase Agreements	1 Year	For BPIPs: 3 Years

<i>Portfolio</i>	<i>Maturity Limits</i>
General Fund Liquidity	1 year or less
General Fund CORE	5 years or less
Bond Proceeds	5 years or less
Severance Tax Bonding Fund	1 year or less

Securities with mandatory puts back to the issuer or remarketing agent shall be deemed to have a maturity date commensurate with the earliest put date.

Pre-refunded securities shall be deemed to have a maturity date commensurate with the call date.

B.C. Portfolio Duration

The CIO and AIOs will manage the portfolio durations to their approved benchmarks. Benchmarks will be reviewed by the State Treasurer’s Investment Committee for recommendation and will be approved by the State Treasurer and the State Board of Finance annually.

C.D. Credit Quality

The following issuer credit rating limits shall apply for all portfolios:

Short Term Credit Rating	A-1, P-1, F1, MIG-1 or better
Long Term Credit Rating	A, A2 or better
Asset-Backed Securities	AAA or Aaa

Pre-Refunded issues 100% escrowed with US Government related securities may be unrated, with an implied US Government equivalent rating.

E. Non-Public New Mexico Municipal Offerings

Severance Tax Notes or other non-public municipal offerings of New Mexico entities are subject to the approval of the State Treasurer.

IX. Reporting:

The Chief Investment Officer shall prepare a monthly investment report for the State Treasurer. An executive summary will be prepared in a manner that will allow the State Treasurer to ascertain whether investment activities during the reporting period are in compliance with this Investment Policy and New Mexico statutes.

The CIO will submit and present the monthly investment report, on behalf of the State Treasurer, to the State Board of Finance and will post the report on the State Treasurer’s website and otherwise make it available to the public.

Specific Reporting Requirements: The report will include, at a minimum, the following:

- An executive summary that provides an analysis of the status of the current investment portfolios; including the LGIP and the individual transactions that were executed;
- An asset listing showing par value, cost, market value, type of investment, issuer, and interest rate of securities held;
- WAM and effective duration of ~~the each~~ portfolio compared to its applicable approved benchmarks;

- Average portfolio credit quality;
- Total rate of return for ~~the~~each portfolio for the last one month, three months, and twelve months with applicable approved benchmark returns for the same periods;
- Any cash flow projections⁶ prepared by the State Cash Manager for the portfolios;
- Sensitivity analysis for each portfolio on a quarterly basis;
- Transaction listing for the reporting period;
- A report of primary issues purchased and secondary issues purchased or sold;
- Transaction summaries for the reporting period and fiscal-year-to-date that include trade volumes, distributions by type of investment and counterparty; and
- Investment compliance review.

A. Performance Standards

- The Investment Portfolios will be structured to obtain a market average rate of return taking into account investment risk constraints and cash flow needs.
- Each portfolio will be compared to an approved benchmark that appropriately models an expected risk and return profile.

B. Quarterly Reporting

On a quarterly basis, the CIO shall prepare a quarterly investment report that describes the investment strategy employed during the past quarter and the strategy planned for the next quarter. Information will be reported to the State Treasurer’s Investment Committee and the State Board of Finance.

C. Annual Reporting

At the next regular State Treasurer’s Investment Committee meeting after September 30 of each year, the CIO shall present an annual investment report that describes the investment strategy employed during the past fiscal year and the strategy planned for the next fiscal year. The report shall include annual comparisons of portfolio return to performance benchmarks for the preceding year.

⁶ As required by NMSA 1978, §8-6-3.1 B (4).

X. Approval:

New Mexico State Treasurer's Office:

Tim Eichenberg
New Mexico State Treasurer

Date

By affixing the signature below, the State Board of Finance hereby provides its advice and consent pursuant to NMSA 1978, §6-10-10.

President, State Board of Finance

Date



17. LGIP Investment Policy Update

Key Investment Policy Changes

1. Supranationals added as eligible investments to both policies.

- a. Received legislative approval this year as NM Statute 6-10-10 N-6.A,B,C,D;
- b. Supranationals are entities formed by two or more governments to promote economic development for member countries;
- c. Limiting investment to the three supranational entities domiciled in the US (Washington CD);
 - i. World Bank – International Bank for Reconstruction and Development (IBRD) and International Finance Corporation (IFC)
 - ii. Inter-American Development Bank (IADB)
- d. US is the largest single shareholder in these three entities;
- e. Maintains veto power over amendments to the Articles of Agreement;
- f. AAA/Aaa rated, highest possible;
- g. Five year maximum maturity;
- h. 5% per issuer maximum.

2. Government Sponsored Enterprises (GSEs) added to eligible investments

- a. i.e. FNMA, FHLM, FFCB, FHLB;
- b. In the past “US Government Agencies” were assumed to include the GSEs but since there is a distinction between “Full Faith and Credit” for Agencies and “implicit backing” for GSEs, it is important to make this adjustment.

3. Diversification Changes

- a. US Government Agencies and GSEs rated AA or better with maturities less than 30 days will not be included in the diversification limits;
 - i. S&P criteria (the LGIP’s rating agency) for AAAM rated Pools allows this exclusion
 - ii. For STO - to be consistent across all portfolios
- b. Current and unchanged US Government Agency and GSE exposures for reference;
 - i. STO – 35% maximum portfolio exposure per issuer
 - ii. LGIP – 33% maximum portfolio exposure per issuer
- c. For LGIP to be consistent with S&P treatment of A2 rated overnight, letter of credit (LOC) collateralized bank deposits;
 - i. LOCs must be reviewed and approved by S&P to be considered credit substitutions for the bank where the deposits are held
 - ii. The deposits are classified, for diversification purposes, as obligations of the Agency or GSE
 - iii. 25% per bank maximum
 - iv. 50% maximum total portfolio exposure
- d. For LGIP Repurchase Agreements (Repos) to be consistent with S&P rules;
 - i. Remove maximum of 35% with any single counterparty
 - ii. Increase to 50% from 35% maximum overnight repo with any single counterparty rated A1+ by S&P

- e. Floating and Variable Rate Notes for both policies
 - i. Increase maximum portfolio exposure to 35% from 25%
 - ii. S&P has no maximum exposure for LGIP as the Weighted Average Maturity to Final (WAM(F)) is limited to 120 days for AAAM rated funds.
 - iii. WAM(F) by virtue of its calculation will restrict the exposure to longer maturity floating rate notes that the Pool can purchase anyway
 - iv. STO portfolios will stay consistent with LGIP

Other Investment Policy Changes, Additions, Deletions

- 1. Investment Policies to be reviewed at least every two years;**
- 2. Tennessee Valley Authority (TVA), a US Government Agency, increased to 10% maximum portfolio exposure from 5%;**
 - a. To accommodate shorter, less than 60 day discount note purchases
 - b. TVA is eligible, as a US Government Agency, to be 33% (LGIP) or 35% (STO) of the total portfolio, however the investment policy restricts the purchase of smaller, less liquid Agency issuers
- 3. US Treasuries, US Government Agencies and GSEs can be invested out to five years;**
 - a. This is no change in practice, however it is not specifically indicated anywhere
- 4. Trading and sales assistants at approved broker/dealers performing administrative tasks (ie. sending trade confirmations) are not required to have five years of continuous fixed income employment experience.**

*State of New Mexico
Office of the State Treasurer*



*Local Government Investment Pool
Investment Policy*

December 11, 2019

Tim Eichenberg
New Mexico State Treasurer

Table of Contents

I.	Statement of Purpose/Statutory Authority:.....	3
II.	Definitions:.....	3
III.	Identification of Funds:	4
IV.	Objectives:.....	4
V.	Standards of Care:.....	4
A.	Delegation by the State Treasurer of Investment Authority.....	4
B.	Ethics and Conflict of Interest.....	4
C.	Prudence	5
VI.	Controls:.....	5
A.	Custody	5
B.	Approved Broker-Dealers and Counterparties.....	5
C.	Competitive Transactions.....	6
D.	Internal Controls.....	6
E.	External Controls	7
F.	State Treasurer’s Investment Committee.....	7
VII.	Eligible and Ineligible Investments:.....	8
A.	Eligible Investments	8
B.	Ineligible Investments	9
C.	Repurchase Agreements	9
VIII.	Investment Parameters:.....	10
A.	Diversification.....	10
B.	Maturity Restrictions	11
C.	Portfolio Duration.....	11
D.	Credit Quality	11
IX.	Reporting:	11
A.	Specific Reporting Requirements:.....	12
B.	Performance Standards.....	12
C.	Quarterly Reporting.....	12
D.	Annual Reporting.....	13
X.	Approval:.....	14

I. Statement of Purpose/Statutory Authority:

The purpose of this investment policy is to provide guidance governing the investment functions of the State Treasurer’s Office (STO) with regard to the Local Government Investment Pool (“LGIP”).

STO is established by Article V, Section 1 of the New Mexico Constitution. The duties and responsibilities of the State Treasurer are further defined by Chapters 6 and 8 of the New Mexico Statutes.

Specific authority concerning the investment of the LGIP can be found at NMSA 1978, §6-10-10 and §6-10-10.1.

STO will submit this LGIP Investment Policy on behalf of the State Treasurer, to the State Board of Finance pursuant to its advice and consent role established at NMSA 1978, §6-10-10. The Investment Policy shall be reviewed at least every two years.

II. Definitions:

Authorized Investment Officers	Those individuals and third-party entities authorized by the State Treasurer to invest monies on behalf of the State of New Mexico.												
Custodian	A specialized financial institution, approved by the State Board of Finance, responsible for the safekeeping of assets. The assets may be in electronic or physical form. Some additional responsibilities may include facilitating securities settlements and the collection of income on assets held in safekeeping.												
Duration	A measure of the price sensitivity of an underlying security, or portfolio, to changes in interest rates.												
DVP	Delivery Versus Payment, a method of securities settlement where securities are simultaneously exchanged for payment.												
Fiscal Agent Bank	A bank or savings and loan association designated by the State Board of Finance pursuant to NMSA 1978, §6-10-35, acting on behalf of the State of New Mexico, to perform various financial functions. Fiscal agent bank functions include the collection of all monies received by the State of New Mexico and the management of STO’s checking account. Monies held at the Fiscal Agent Bank are managed to a target balance after payment of checks, warrants, ACH volume and wire transfers processed by the State.												
Investment Grade Ratings	Issuer ratings within any of the following rating agency ranges: <table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: left;"><u>Rating Agency</u></td> <td style="text-align: center;"><u>Long-Term</u></td> <td style="text-align: center;"><u>Short-Term</u></td> </tr> <tr> <td style="text-align: left;">Standard & Poor’s</td> <td style="text-align: center;">A to AAA</td> <td style="text-align: center;">A-1 or Better</td> </tr> <tr> <td style="text-align: left;">Fitch</td> <td style="text-align: center;">A to AAA</td> <td style="text-align: center;">F1 or Better</td> </tr> <tr> <td style="text-align: left;">Moody’s</td> <td style="text-align: center;">A2 to Aaa</td> <td style="text-align: center;">P-1</td> </tr> </table>	<u>Rating Agency</u>	<u>Long-Term</u>	<u>Short-Term</u>	Standard & Poor’s	A to AAA	A-1 or Better	Fitch	A to AAA	F1 or Better	Moody’s	A2 to Aaa	P-1
<u>Rating Agency</u>	<u>Long-Term</u>	<u>Short-Term</u>											
Standard & Poor’s	A to AAA	A-1 or Better											
Fitch	A to AAA	F1 or Better											
Moody’s	A2 to Aaa	P-1											
Maturity Date	The date on which the principal amount of a debt instrument becomes due and is repaid to the investor, along with all remaining interest.												
Supranational Obligations	An international development institution formed by two or more central governments, limited to issuers domiciled within the United States: International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC) and Inter-American Development Bank (IADB).												

WAM	Weighted Average Maturity. For a given portfolio, the average maturity of investment holdings weighted by the relative size of each position.
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III. Identification of Funds:

This Investment Policy applies only to the investment of the LGIP managed by the State Treasurer. The LGIP is a fund created by the New Mexico State Legislature to allow municipal, county, tribal and quasi-governmental bodies to remit money to the State Treasurer to receive professional money management on a pooled basis.¹

IV. Objectives:

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

The Chief Investment Officer (CIO) and Authorized Investment Officers (AIOs) will observe the following priorities in making investment decisions, in the order described:

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

By statute, the LGIP is managed to an “AA” rating or better. The Chief Investment Officer and Authorized Investment Officers will comply with all rating agency criteria in order to maintain the LGIP’s statutory rating requirement.

The LGIP shall be invested with the objective of preserving a stable net asset value (NAV) of \$1.00 per share.

V. Standards of Care:

A. Delegation by the State Treasurer of Investment Authority

NMSA 1978, §6-10-10.1 allows for the creation of the Local Government Investment Pool within STO to invest money deposited by participating governments. The State Treasurer shall invest the Local Government Investment Pool as provided in NMSA 1978, §6-10-10.

To ensure effective investment management of public funds, the State Treasurer has delegated investment functions to an Investment Division reporting to the Deputy Treasurer. The Investment Division includes a CIO and AIOs. AIOs will report to the CIO and the CIO will report to the Deputy Treasurer. The CIO will maintain a current list of Authorized Investment Officers.

B. Ethics and Conflict of Interest

The Deputy Treasurer, CIO and AIOs shall adhere to standards of conduct as follows:

- The Governmental Conduct Act, NMSA §§10-16-1 through 10-16-18;
- The State Treasurer’s Employee Code of Conduct²;
- The State Treasurer’s Campaign Contributions Policy;

¹ Local Government Investment Pool, NMSA 1978, §6-10-10.1.

² As required by NMSA 1978, §10-16-11.

- The State Treasurer’s Whistleblower Policy;
- The Gift Act, NMSA 1978 §§10-16B-1 through 10-16B-4; and
- The Procurement Code, NMSA 1978 §§13-1-28 through 13-1-199.

The CIO and AIOs shall file personal disclosure forms as required by the Governmental Conduct Act and the State Treasurer’s Code of Conduct.

C. Prudence

The Deputy Treasurer, CIO and AIOs shall perform investment duties in a manner consistent with this LGIP Investment Policy and the standard of a prudent investor³ in light of the purposes, terms, distribution requirements and other circumstances then prevailing as to the assets entrusted to them.

In the process of investing funds in the investment of the LGIP, the CIO and AIOs will exercise reasonable care, skill, diligence and prudence considering investments not in isolation, but in the context of the portfolio as a whole and as part of an overall investment strategy. That strategy shall incorporate the risk and return objectives articulated in this LGIP Investment Policy.

The CIO and AIOs, acting in accordance with New Mexico Statutes, written procedures, this LGIP Investment Policy and exercising due diligence shall be relieved of personal liability for an individual security’s credit risk or market price changes, provided deviations from expectations are reported in a timely manner and appropriate action is taken to control adverse developments.

VI. Controls:

A. Custody

All investment securities purchased by the CIO and AIOs, held as collateral on repurchase agreements and bank deposits or held as collateral on securities lending arrangements shall be held in third-party safekeeping at a financial institution qualified to act in this capacity.

All securities held for the LGIP will be free and clear of any lien and all transactions will be conducted in compliance with NMSA 1978, §6-10-10(O), which requires same day transfer of funds with the settlement of securities.

The Custodian will provide reports that list all transactions that occurred within the LGIP during the month and all securities held for the LGIP at month-end including the book and market value of holdings.

The representatives of the Custodian responsible for, or in any manner involved with, the safekeeping and custody process of the LGIP shall be bonded in amounts required by the State Board of Finance under a custody agreement to protect from losses due to malfeasance and misfeasance.

B. Approved Broker-Dealers and Counterparties

To ensure the proper separation of duties from the investment functions, the State Cash Manager shall maintain a list of broker-dealers and counterparties approved to provide

³ Uniform Prudent Investor Act; NMSA 1978, §§45-7-601 through 45-7-612

investment services to the LGIP specifically and the state generally. Eligible broker-dealers will need to meet all of the following conditions:

- The broker-dealer and its representatives must be registered pursuant to the New Mexico Uniform Securities Act⁴;
- The broker-dealer must be registered with the Financial Industry Regulatory Authority (FINRA);
- All broker-dealer representatives who have direct contact with securities trading between STO and the firm must have a FINRA Series 7 License, or equivalent certification.
- The broker-dealer representatives must have a minimum of five (5) years continuous employment history involving fixed income securities, with exceptions permitted for sales and trading assistants acting in temporary administrative capacities; and
- Counterparties must operate under the terms of a securities lending or repurchase agreement.

The Broker Dealer list will be submitted to the State Treasurer's Investment Committee for recommendation and will be approved by the State Treasurer. The list will be submitted to the State Board of Finance for its advice and consent.

C. Competitive Transactions

The CIO and AIOs will conduct all securities transactions in a fair, open and transparent competitive process:

- All securities transactions shall be executed at the highest bid or lowest offer to STO, subject to diversification constraints;
- Every effort to obtain at least three bids or offers on a specific security will be conducted. If unobtainable, documentation of comparable securities accompanied by current market levels will be retained, to provide evidence of price transparency and trade execution at competitive levels.
- Offers or bids for securities may be received from approved broker-dealers or direct issuers by any of the following means:
 - By phone; or
 - By e-mail or other form of electronic communication; or
 - Through an electronic trading platform; or
 - Directly from issuers of eligible investments.

D. Internal Controls

The CIO will maintain sufficient internal controls to protect against the loss of public funds arising from negligence, theft, or misuse. These controls will require the CIO to:

- Communicate regularly with the Deputy Treasurer regarding investment activities, including any significant changes in market value or credit quality of investment positions;
- Require monthly reconciliation of internal investment accounting and reporting to all external statements provided by the custodian and other financial institutions;

⁴ New Mexico Uniform Securities Act, NMSA 1978, §§58-13C-101 through 58-13C-701 (2009) and NMAC 12.11.2

- Monitor compliance with applicable state statutes;
- Require Delivery Versus Payment security settlement except for physical securities;
- Maintain clear delegation of investment authority;
- Ensure the separation of investing authority from cash activities and record-keeping;
- Ensure that all deposits are sufficiently collateralized per State Board of Finance Collateral Policy, 2.60.4 NMAC, or as required by the rating agency for the LGIP, whichever is greater;
- Require the use of approved objective criteria in selecting broker-dealers and financial institutions authorized to provide investment services to the state;
- Maintain documentation on investment procedures;
- Report violations of this policy to the State Treasurer in a timely manner;
- Require the use of agency approved objective criteria in awarding investment purchases and sales to authorized financial institutions and broker-dealers.
- Ensure assets are valued by marking holdings to current market prices, thereby representing the full liquidation value of the LGIP;
- Ensure the NAV per share is computed by dividing the total market value of the LGIP's investments, less any liabilities, by the total outstanding shares of the LGIP; and,
- If the market-based NAV deviates from the \$1.00 NAV by more than 0.15% (\$0.0015; equating to less than \$0.9985 or more than \$1.0015), the CIO shall notify the Deputy Treasurer, in conjunction with the AIOs, to determine what, if any, actions need to be taken.

E. External Controls

- STO will retain all records related to LGIP investment activities pursuant to state law. As prescribed by the Audit Act⁵, the State Auditor or designated independent auditor will review the investment activities of STO with regard to the LGIP to determine the compliance of those activities with this LGIP Investment Policy and state statutes.
- The market value of all funds held by the custodian will be calculated monthly and provided to the State Treasurer.

F. State Treasurer's Investment Committee

The State Treasurer may establish the State Treasurer's Investment Committee; an advisory committee to review investment reporting and any other matters of the State Treasurer's choosing.

- The Investment Committee shall consist of five (5) voting members: the State Treasurer, or designee; a member of the Treasurer's staff upon appointment by the Treasurer or designee; the director of the State Board of Finance, or designee; and two members who are participants in the private investment community or have expert knowledge or professional experience in the subject of public finance or public money investing, of which one member will be appointed by the State Treasurer and approved by the State Board of Finance and one member will be appointed by the State Board of Finance and approved by the State Treasurer. The member of the Treasurer's staff shall be selected in a manner consistent with

⁵ Audit Act, NMSA 1978, §§12-6-1 to-14.

maintaining a separation of responsibilities between the STO investment managers and the members of the committee.

- Each private sector member shall serve at the pleasure of the State Treasurer or the State Board of Finance appointing the private sector member. The private sector members shall serve for a term of two (2) years after appointment and shall be eligible for reappointment to serve for consecutive two (2) year terms. Any vacancy created by a private sector member shall be filled in the same manner as original appointments.

VII. Eligible and Ineligible Investments:

A. Eligible Investments

Eligible Investments are only those securities and deposits specifically authorized by statute. Consistent with NMSA 1978, §§6-10-10 and 6-10-10.1, the CIO and AIOs may invest in the following:

- Cash at Banks, Savings and Loan Associations or Credit Unions whose deposits are insured by an agency of the United States and are certified or designated as eligible to receive public money on deposit in New Mexico;
- Securities issued by the United States government;
- Securities issued or guaranteed by United States government agencies, government sponsored enterprises (GSEs) or instrumentalities including mortgage obligations;
- Securities issued by supranational entities, as defined in this policy;
- Repurchase Agreements, subject to restrictions contained in Section VII, paragraph C of this LGIP Investment Policy;
- Securities Lending Arrangements;
- Commercial Paper issuers rated “prime” quality by a nationally recognized rating service, defined in this policy as investment grade, issued by corporations that are organized and operating in the United States and are included on STO’s approved issuer list;
- Corporate Bond issuers rated investment grade, as defined in this policy, by a nationally recognized rating service, issued by corporations that are organized and operating in the United States and are included on STO’s approved issuer list;
- Asset-Backed Obligations rated “AAA” or better by a nationally recognized rating service, and with a maturity of less than 397 days;
- Shares of open-ended diversified investment companies that are registered with the United States Securities and Exchange Commission; comply with the diversification, quality and maturity requirements of Rule 2a-7, or any successor rule, of the United States Securities and Exchange Commission applicable to money market mutual funds; assess no fees pursuant to Rule 12b-1, or any successor rule, of the United States Securities and Exchange Commission, no sales load on the purchase of shares and no contingent deferred sales charge or other similar charges, however designated; and do not use swap and derivative products. STO shall not, at any time, own more than five percent (5%) of a money market mutual fund’s assets.

- Individual, common or collective trust funds of banks or trust companies that are invested only in United States Government and Agency obligations and repurchase agreements secured by such obligations; have assets under management of at least one billion dollars (\$1,000,000,000); do not use swap and derivative products; and the investments made by STO are less than five percent (5%) of the assets of the fund.
- Securities issued by the State of New Mexico, its agencies, institutions, counties, municipalities, school districts, community college districts or other subdivisions of the state, or as otherwise provided by law and rated investment grade as defined by this policy; or
- Securities issued by states other than New Mexico or governmental entities in states other than New Mexico and rated investment grade as defined by this policy.

B. Ineligible Investments

To provide for the safety and liquidity of funds, the Local Government Investment Pool is specifically prohibited from investing in:

- Short Sales
- Whole Loan Mortgage Obligations
- Reverse Repurchase Agreements, except under a securities lending arrangement
- Inverse Floating Rate Notes
- Equity Securities
- Swaps and Derivatives

C. Repurchase Agreements

Repurchase Agreements are subject to additional restrictions:

- Transactions will be conducted only with currently approved dealers and counterparties included on the broker-dealer list, the Fiscal Agent Bank, or the master custodial bank, operating under the terms of a master repurchase agreement or securities lending arrangement;
- Each approved repo counterparty must have a net worth in excess of five hundred million dollars (\$500,000,000).
- The maximum term of any repurchase agreement will be 1 year; and
- Tri-Party Repurchase Agreement transactions may be entered into with a contracted custodial bank for this purpose, as long as all securities meet the requirements within this policy.

Securities accepted as collateral for repurchase agreements will be subject to the following additional restrictions:

- Securities placed as collateral for repurchase agreements, with a final maturity less than 10 years, will be priced at 102% of market value, plus accrued income;
- Securities placed as collateral for repurchase agreements, with a final maturity of 10 years or greater, will be priced at 103% of market value, plus accrued income;
- Agency mortgage-backed securities placed as collateral for term repurchase agreements with a maturity longer than seven days will be priced at 105% of market value, plus accrued income;
- Term repurchase agreements with a maturity date that is longer than seven days are required to have daily pricing of collateral; and

- Only treasury and agency securities, including agency mortgage-backed obligations, will be utilized as collateral for repurchase agreements.

VIII. Investment Parameters:

To provide for the safety and liquidity of funds, the investment of the LGIP will be subject to the restrictions listed below. These represent minimum investment restrictions under this LGIP Investment Policy and there may be separate procedures containing additional, more restrictive limitations for certain investment instruments. All restrictions are based on current market value.

Maximum percentages for a particular issuer, investment type or liquidity constraint may on occasion be exceeded due to unforeseen circumstances (e.g., due to fluctuations in fund balances). Exceptions will be reported to the Treasurer, the State Treasurer’s Investment Committee and the State Board of Finance monthly. Steps will be taken to remedy any breaches that may put the LGIP’s rating at risk of falling below the required AA or better rating.

A. Diversification

- GSEs or government-guaranteed investments rated AA or higher with final maturities shorter than 30 days will be excluded from diversification limits;
- Collateralized bank deposits secured by approved LGIP rating agency GSE letters of credit (LOCs), qualify as credit substitutions, and will therefore, be viewed as obligations of the collateral issuer/GSE;
- Issuer limits for collateralized bank deposits include certificate of deposit (CD) exposure in aggregate.

Otherwise, the following diversification limits shall apply to the LGIP portfolio:

<i>Allowable Securities</i>	<i>Diversification Limits</i>	<i>Further Limitations</i>
US Treasury Obligations	100%	
US Agency/GSE Obligations > 30 days Primary Issuers – <i>FNMA, FHLMC, FFCB, FHLB</i> Secondary Issuers – <i>All Other Agencies/GSEs > 30 days</i>	100%	Per Primary Issuer: 33% Per Secondary Issuer: 5% Except TVA: 10%
US Agency Issued Mortgage-Backed Securities	25%	
Supranational Obligations	15%	Per Issuer: 5%
Bank Deposits - Collateralized		Per Issuer:
A1+ or F1+ - 1 Day	100%	50%
A1 or P1 or F1 - 1 Day	100%	25%
A1 or P1 or F1 - 2 Days +	25%	5%
A2 or P2 or F2	10%	2.5%
Bank Deposits (GSE Approved LOC)		25%
A2 or P2 or F2 - 1 Day	50%	
Commercial Paper, Corporate Bonds, Medium Term Notes, and Asset-Backed Obligations (<i>In Aggregate</i>)	40%	Per Corporate Issuer: 5% Per Asset-Backed Issuer: 5%
Open Ended 2a-7 Rated Fund US Treasury and Agency <i>Only</i>	100%	Per Fund: 10%
Municipal Securities	15%	Per Issuer: 5%
Pre-refunded 100% escrowed with US Government related securities	15%	
Repurchase Agreements (Business Days)		Per Counterparty:
A1+ or F1+ - 1 Day	100%	50%
A1 or P1 or F1 - 1 Day	100%	25%
A1 or P1 or F1 - 2-5 Days	100%	10%
A1 or P1 or F1 - 6 Days +	10%	5%

Repurchase Agreements (Business Days) A1+ or F1+ - 1 Day A1 or P1 or F1 - 1 Day A1 or P1 or F1 - 2-5 Days A1 or P1 or F1 - 6 Days + A2 or P2 or F2 - 1 Day	100% 100% 100% 10% 10%	Per Counterparty: 50% 25% 10% 5% 5%
Variable Rate Obligations US Treasury US Government Agency/GSEs All Other	35%	Per Issuer: 100% 33% 5%
Limited/Illiquid Securities (<i>In Aggregate</i>)	10%	Nonmarketable securities with maturities greater than 5 business days.

B. Maturity Restrictions

The following maturity limits shall apply to each portfolio:

<i>Allowable Securities</i>	<i>Maturity Limits</i>
All Securities	397 Days
Variable Rate Obligations US Treasury and GSE All Other	762 Days 397 Days

C. Portfolio Duration

The CIO and AIOs will manage the LGIP within the weighted average maturity (WAM) required by the LGIP's rating agency. The appropriate performance benchmark for the LGIP will be reflective of its short-term investment objective. The benchmark will be reviewed by the State Treasurer's Investment Committee for recommendation and will be approved by the State Treasurer and the State Board of Finance annually.

D. Credit Quality

The following issuer credit rating limits shall apply for the LGIP:

<i>Investment Type</i>	<i>Credit</i>	
	<i>Short-Term</i>	<i>Long-Term</i>
US Treasury Obligations		
US Agency Obligations		
US Agency Issued Mortgage-Backed Securities		
Supranational Obligations		AAA/Aaa
Bank Deposits - Collateralized	See Above	
Asset-Backed Obligations	A1+ or P1 or F1+	AAA/Aaa
Commercial Paper	A1 or P1 or F1	A/A2
Corporate Bonds	A1 or P1 or F1	A/A2
Open-Ended 2a-7 rated fund US Treasury and Agency <i>Only</i>	AAAm or Aaa-mf or Aaammf	
Municipal Securities	A1 or MIG1 or F1	A/A2
Repurchase Agreements	See Above	
Variable Rate Obligations US Treasury and Agency/GSE All other	A1 or P1 or F1	A/A2
Limited/Illiquid Securities	A1 or P1 or F1	A/A2

IX. Reporting:

The CIO shall prepare a monthly investment report for the State Treasurer. For purposes of reporting, the LGIP Report may be combined with the reports of other assets under the management of the State Treasurer pursuant to the State Treasurer's Investment Policy.

An executive summary will be prepared in a manner that will allow the State Treasurer to ascertain whether investment activities during the reporting period are in compliance with this LGIP Investment Policy, the State Treasurer's Investment Policy and New Mexico statutes.

The CIO will submit and present the monthly investment report, on behalf of the State Treasurer, to the State Board of Finance and will post the report on the State Treasurer's website and otherwise make it available to the public.

A. Specific Reporting Requirements:

The report will include, at a minimum, the following:

- An asset listing showing par value, cost, market value, type of investment, issuer, and interest rate of securities held;
- The total market value and amortized cost of all pool assets and the average 30-day yield, as of month-end;
- WAM to Reset and WAM to Final of the LGIP compared to the maximums allowable per the appropriate rating agency;
- Average portfolio credit quality;
- Total rate of return for the LGIP for the last one month, three months, and twelve months with applicable approved benchmark returns for the same periods;
- Sensitivity analysis on a quarterly basis;
- Transaction listing of the LGIP for the reporting period;
- A report of primary issues purchased and secondary issues purchased or sold;
- Transaction summaries for the reporting period and fiscal-year-to-date that include trade volumes, distributions by type of investment and counterparty; and
- LGIP Investment compliance review.

B. Performance Standards

- The LGIP will be structured to obtain a market average rate of return taking into account investment risk constraints and cash flow needs.
- The LGIP will be compared to an approved benchmark that appropriately models an expected risk and return profile.

C. Quarterly Reporting

On a quarterly basis, the CIO shall prepare a quarterly investment report that describes the investment strategy for the LGIP employed during the past quarter and the strategy planned for the next quarter. Information will be reported to the State Treasurer's Investment Committee and the State Board of Finance.

D. Annual Reporting

At the next regular State Treasurer's Investment Committee meeting after September 30 of each year, the CIO shall present an annual investment report on the LGIP that describes the investment strategy employed during the past fiscal year and the strategy planned for the next fiscal year. The report shall include annual comparisons of the portfolio's return to the performance benchmark for the preceding fiscal year.

X. Approval:

New Mexico State Treasurer's Office:

Tim Eichenberg
New Mexico State Treasurer

Date

By affixing the signature below, the State Board of Finance hereby exercises its advice and consent pursuant to NMSA 1978, §6-10-10.

President, State Board of Finance

Date

*State of New Mexico
Office of the State Treasurer*



*Local Government Investment Pool
Investment Policy*

~~December 19, 2017~~ December 11, 2019

Tim Eichenberg
New Mexico State Treasurer

Table of Contents

I.	Statement of Purpose/Statutory Authority:.....	3
II.	Definitions:.....	3
III.	Identification of Funds:	4
IV.	Objectives:.....	4
V.	Standards of Care:.....	4
	A. Delegation by the State Treasurer of Investment Authority.....	4
	B. Ethics and Conflict of Interest.....	54
	C. Prudence	5
VI.	Controls:.....	5
	A. Custody	5
	B. Approved Broker-Dealers and Counterparties.....	65B.
	<u>Approved Broker-Dealers and Counterparties.....</u>	<u>5</u>
	C. Competitive Transactions.....	6
	D. Internal Controls.....	76
	E. External Controls	7
	F. State Treasurer’s Investment Committee.....	7
VII.	Eligible and Ineligible Investments:.....	8
	A. Eligible Investments	8
	B. Ineligible Investments.....	9
	C. Repurchase Agreements	9
VIII.	Investment Parameters:.....	109VIII.
	<u>Investment Parameters:.....</u>	<u>10</u>
	A. Diversification.....	10
	B. Maturity Restrictions	11
	C. Portfolio Duration.....	11
	D. Credit Quality	1211
IX.	Reporting:	1211IX.
	<u>Reporting:</u>	<u>11</u>
	A. Specific Reporting Requirements:.....	12
	B. Performance Standards.....	1312
	C. Quarterly Reporting	1312
	D. Annual Reporting.....	1312D.
	<u>Annual Reporting.....</u>	<u>13</u>

I. Statement of Purpose/Statutory Authority:

The purpose of this investment policy is to provide guidance governing the investment functions of the State Treasurer’s Office (STO) with regard to the Local Government Investment Pool (“LGIP”).

STO is established by Article V, Section 1 of the New Mexico Constitution. The duties and responsibilities of the State Treasurer are further defined by Chapters 6 and 8 of the New Mexico Statutes.

Specific authority concerning the investment of the LGIP can be found at NMSA 1978, §6-10-10 and §6-10-10.1.

STO will submit this LGIP Investment Policy on behalf of the State Treasurer, to the State Board of Finance pursuant to its advice and consent role established at NMSA 1978, §6-10-10. The Investment Policy shall be reviewed at least every two years.

II. Definitions:

Authorized Investment Officers	Those individuals and third-party entities authorized by the State Treasurer to invest monies on behalf of the State of New Mexico.												
Custodian	A specialized financial institution, approved by the State Board of Finance, responsible for the safekeeping of assets. The assets may be in electronic or physical form. Some additional responsibilities may include facilitating securities settlements and the collection of income on assets held in safekeeping.												
Duration	A measure of the price sensitivity of an underlying security, or portfolio, to changes in interest rates.												
DVP	Delivery Versus Payment, a method of securities settlement where securities are simultaneously exchanged for payment.												
Fiscal Agent Bank	A bank or savings and loan association designated by the State Board of Finance pursuant to NMSA 1978, §6-10-35, acting on behalf of the State of New Mexico, to perform various financial functions. Fiscal agent bank functions include the collection of all monies received by the State of New Mexico and the management of STO’s checking account. Monies held at the Fiscal Agent Bank are managed to a target balance after payment of checks, warrants, ACH volume and wire transfers processed by the State.												
Investment Grade Ratings	<p><u>Issuer A ratings</u> within any of the following rating agency <u>ranges</u>:</p> <table border="0"> <thead> <tr> <th><u>Rating Agency</u></th> <th><u>Long-Term</u></th> <th><u>Short-Term</u></th> </tr> </thead> <tbody> <tr> <td>Standard & Poor’s</td> <td>A to AAA</td> <td>A-1 <u>or Better</u></td> </tr> <tr> <td>Fitch</td> <td>A to AAA</td> <td>F1 <u>or Better</u></td> </tr> <tr> <td>Moody’s</td> <td>A2 to Aaa</td> <td>P-1</td> </tr> </tbody> </table>	<u>Rating Agency</u>	<u>Long-Term</u>	<u>Short-Term</u>	Standard & Poor’s	A to AAA	A-1 <u>or Better</u>	Fitch	A to AAA	F1 <u>or Better</u>	Moody’s	A2 to Aaa	P-1
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Fitch	A to AAA	F1 <u>or Better</u>											
Moody’s	A2 to Aaa	P-1											
Maturity Date	The date on which the principal amount of a debt instrument becomes due and is repaid to the investor, along with all remaining interest.												

<u>Supranational Obligations</u>	<u>An international development institution formed by two or more central governments, limited to issuers domiciled within the United States: International Bank for Reconstruction and Development (IBRD), International Finance Corporation (IFC) and Inter-American Development Bank (IADB).</u>
WAM	Weighted Average Maturity. For a given portfolio, the average maturity of investment holdings weighted by the relative size of each position.

III. Identification of Funds:

This Investment Policy applies only to the investment of the LGIP managed by the State Treasurer. The LGIP is a fund created by the New Mexico State Legislature to allow municipal, county, tribal and quasi-governmental bodies to remit money to the State Treasurer to receive professional money management on a pooled basis.¹

IV. Objectives:

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

The Chief Investment Officer (CIO) and Authorized Investment Officers (AIOs) will observe the following priorities in making investment decisions, in the order described:

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

By statute, the LGIP is managed to an “AA” rating or better. The Chief Investment Officer and Authorized Investment Officers will comply with all rating agency criteria in order to maintain the LGIP’s statutory rating requirement.

The LGIP shall be invested with the objective of preserving a stable net asset value (NAV) of \$1.00 per share.

V. Standards of Care:

A. Delegation by the State Treasurer of Investment Authority

NMSA 1978, §6-10-10.1 allows for the creation of the Local Government Investment Pool within STO to invest money deposited by participating governments. The State Treasurer shall invest the Local Government Investment Pool as provided in NMSA 1978, §6-10-10.

To ensure effective investment management of public funds, the State Treasurer has delegated investment functions to an Investment Division reporting to the Deputy Treasurer. The Investment Division includes a CIO and AIOs. AIOs will report to the CIO and the CIO will report to the Deputy Treasurer. The CIO will maintain a current list of Authorized Investment Officers.

¹ Local Government Investment Pool, NMSA 1978, §6-10-10.1.

B. Ethics and Conflict of Interest

The Deputy Treasurer, CIO and AIOs shall adhere to standards of conduct as follows:

- The Governmental Conduct Act, NMSA §§10-16-1 through 10-16-18;
- The State Treasurer's Employee Code of Conduct²;
- The State Treasurer's Campaign Contributions Policy;
- The State Treasurer's Whistleblower Policy;
- The Gift Act, NMSA 1978 §§10-16B-1 through 10-16B-4; and
- The Procurement Code, NMSA 1978 §§13-1-28 through 13-1-199.

The CIO and AIOs shall file personal disclosure forms as required by the Governmental Conduct Act and the State Treasurer's Code of Conduct.

C. Prudence

The Deputy Treasurer, CIO and AIOs shall perform investment duties in a manner consistent with this LGIP Investment Policy and the standard of a prudent investor³ in light of the purposes, terms, distribution requirements and other circumstances then prevailing as to the assets entrusted to them.

In the process of investing funds in the investment of the LGIP, the CIO and AIOs will exercise reasonable care, skill, diligence and prudence considering investments not in isolation, but in the context of the portfolio as a whole and as part of an overall investment strategy. That strategy shall incorporate the risk and return objectives articulated in this LGIP Investment Policy.

The CIO and AIOs, acting in accordance with New Mexico Statutes, written procedures, this LGIP Investment Policy and exercising due diligence shall be relieved of personal liability for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely ~~fashion-manner~~ and appropriate action is taken to control adverse developments.

VI. Controls:

A. Custody

All investment securities purchased by the CIO and AIOs, held as collateral on repurchase agreements and bank deposits or held as collateral on securities lending arrangements shall be held in third-party safekeeping at a financial institution qualified to act in this capacity.

All securities held for the LGIP will be free and clear of any lien and all transactions will be conducted in compliance with NMSA 1978, §6-10-10(O), which requires same day transfer of funds with the settlement of securities.

The Custodian will provide reports that list all transactions that occurred within the LGIP during the month and all securities held for the LGIP at month-end including the book and market value of holdings.

The representatives of the Custodian responsible for, or in any manner involved with, the safekeeping and custody process of the LGIP shall be bonded in amounts required by the

² As required by NMSA 1978, §10-16-11.

³ Uniform Prudent Investor Act; NMSA 1978, §§45-7-601 through 45-7-612

State Board of Finance under a custody agreement to protect from losses due to malfeasance and misfeasance.

B. Approved Broker-Dealers and Counterparties

To ensure the proper separation of duties from the investment functions, the State Cash Manager shall maintain a list of broker-dealers and counterparties approved to provide investment services to the LGIP specifically and the state generally. Eligible broker-dealers will need to meet all of the following conditions:

- The broker-dealer and its representatives must be registered pursuant to the New Mexico Uniform Securities Act⁴;
- The broker-dealer must be registered with the Financial Industry Regulatory Authority (FINRA);
- All broker-dealer representatives who have direct contact with securities trading between STO and the firm must have a FINRA Series 7 License, or equivalent certification.
- The broker-dealer representatives must have a minimum of five (5) years continuous employment history involving fixed income securities, with exceptions permitted for sales and trading assistants acting in temporary administrative capacities; and
- Counterparties must operate under the terms of a securities lending or repurchase agreement.

The Broker Dealer list will be submitted to the State Treasurer's Investment Committee for recommendation and will be approved by the State Treasurer. The list will be submitted to the State Board of Finance for its advice and consent.

C. Competitive Transactions

The CIO and AIOs will conduct all securities transactions in a fair, open and transparent competitive process:

- All securities transactions shall be executed at the highest bid or lowest offer to STO, subject to diversification constraints;
- Every effort to obtain at least three bids or offers on a specific security will be conducted. If unobtainable, documentation of comparable securities accompanied by current market levels will be retained, to provide evidence of price transparency and trade execution at competitive levels.
- Offers or bids for securities may be received from approved broker-dealers or direct issuers by any of the following means:
 - By phone; or
 - By e-mail or other form of electronic communication; or
 - Through an electronic trading platform; or
 - Directly from issuers of eligible investments.

⁴ New Mexico Uniform Securities Act, NMSA 1978, §§58-13C-101 through 58-13C-701 (2009) and NMAC 12.11.2

D. Internal Controls

The CIO will maintain sufficient internal controls to protect against the loss of public funds arising from negligence, theft, or misuse. These controls will require the CIO to:

- Communicate regularly with the Deputy Treasurer regarding investment activities, including any significant changes in market value or credit quality of investment positions;
- Require monthly reconciliation of internal investment accounting and reporting to all external statements provided by the custodian and other financial institutions;
- Monitor compliance with applicable state statutes;
- Require Delivery Versus Payment security settlement except for physical securities;
- Maintain clear delegation of investment authority;
- Ensure the separation of investing authority from cash activities and record-keeping;
- Ensure that all deposits are sufficiently collateralized per State Board of Finance Collateral Policy, 2.60.4 NMAC, or as required by the rating agency for the LGIP, whichever is greater;
- Require the use of approved objective criteria in selecting broker-dealers and financial institutions authorized to provide investment services to the state;
- Maintain documentation on investment procedures;
- Report violations of this policy to the State Treasurer in a timely manner;
- Require the use of agency approved objective criteria in awarding investment purchases and sales to authorized financial institutions and broker-dealers.
- Ensure assets are valued by marking holdings to current market prices, thereby representing the full liquidation value of the LGIP;
- Ensure the NAV per share is computed by dividing the total market value of the LGIP's investments, less any liabilities, by the total outstanding shares of the LGIP; and,
- If the market-based NAV deviates from the \$1.00 NAV by more than 0.15% (\$0.0015; equating to less than \$0.9985 or more than \$1.0015), the CIO shall notify the Deputy Treasurer, in conjunction with the AIOs, to determine what, if any, actions need to be taken.

E. External Controls

- STO will retain all records related to LGIP investment activities pursuant to state law. As prescribed by the Audit Act⁵, the State Auditor or designated independent auditor will review the investment activities of STO with regard to the LGIP to determine the compliance of those activities with this LGIP Investment Policy and state statutes.
- The market value of all funds held by the custodian will be calculated monthly and provided to the State Treasurer.

F. State Treasurer's Investment Committee

The State Treasurer may establish the State Treasurer's Investment Committee; an advisory committee to review investment reporting and any other matters of the State Treasurer's choosing.

⁵ Audit Act, NMSA 1978, §§12-6-1 to-14.

- The Investment Committee shall consist of five (5) voting members: the State Treasurer, or designee; a member of the Treasurer’s staff upon appointment by the Treasurer or designee; the director of the State Board of Finance, or designee; and two members who are participants in the private investment community or have expert knowledge or professional experience in the subject of public finance or public money investing, of which one member will be appointed by the State Treasurer and approved by the State Board of Finance and one member will be appointed by the State Board of Finance and approved by the State Treasurer. The member of the Treasurer’s staff shall be selected in a manner consistent with maintaining a separation of responsibilities between the STO investment managers and the members of the committee.
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- Cash at Banks, Savings and Loan Associations or Credit Unions whose deposits are insured by an agency of the United States and are certified or designated as eligible to receive public money on deposit in New Mexico;
- Securities issued by the United States government;
- Securities issued or guaranteed by United States government agencies, [government sponsored enterprises \(GSEs\)](#) or instrumentalities including mortgage obligations;
- Securities issued by supranational entities, as defined in this policy;
- Repurchase Agreements, subject to restrictions contained in Section VII, paragraph C of this LGIP Investment Policy;
- Securities Lending Arrangements;
- Commercial Paper issuers rated “prime” quality by a nationally recognized rating service, defined in this policy as investment grade, issued by corporations that are organized and operating in the United States and are included on STO’s approved issuer list;
- Corporate Bond issuers rated investment grade, as defined in this policy, by a nationally recognized rating service, issued by corporations that are organized and operating in the United States and are included on STO’s approved issuer list;
- Asset-Backed Obligations rated “AAA” or better by a nationally recognized rating service, and with a maturity of less than 397 days;
- Shares of open-ended diversified investment companies that are registered with the United States Securities and Exchange Commission; comply with the

diversification, quality and maturity requirements of Rule 2a-7, or any successor rule, of the United States Securities and Exchange Commission applicable to money market mutual funds; assess no fees pursuant to Rule 12b-1, or any successor rule, of the United States Securities and Exchange Commission, no sales load on the purchase of shares and no contingent deferred sales charge or other similar charges, however designated; and do not use swap and derivative products. STO shall not, at any time, own more than five percent (5%) of a money market mutual fund's assets.

- Individual, common or collective trust funds of banks or trust companies that are invested only in United States Government and Agency obligations and repurchase agreements secured by such obligations; have assets under management of at least one billion dollars (\$1,000,000,000); do not use swap and derivative products; and the investments made by STO are less than five percent (5%) of the assets of the fund.
- Securities issued by the State of New Mexico, its agencies, institutions, counties, municipalities, school districts, community college districts or other subdivisions of the state, or as otherwise provided by law and rated investment grade as defined by this policy; or
- Securities issued by states other than New Mexico or governmental entities in states other than New Mexico and rated investment grade as defined by this policy.

B. Ineligible Investments

To provide for the safety and liquidity of funds, the Local Government Investment Pool is specifically prohibited from investing in:

- Short Sales
- Whole Loan Mortgage Obligations
- Reverse Repurchase Agreements, except under a securities lending arrangement
- Inverse Floating Rate Notes
- Equity Securities
- Swaps and Derivatives

C. Repurchase Agreements

Repurchase Agreements are subject to additional restrictions:

- Transactions will be conducted only with currently approved dealers and counterparties included on the broker-dealer list, the Fiscal Agent Bank, or the master custodial bank, operating under the terms of a master repurchase agreement or securities lending arrangement;
- Each approved repo counterparty must have a net worth in excess of five hundred million dollars (\$500,000,000).
- ~~Transactions with any single counterparty will not exceed 35% of the portfolio;~~
- The maximum term of any repurchase agreement will be 1 year; and
- Tri-Party Repurchase Agreement transactions may be entered into with a contracted custodial bank for this purpose, as long as all securities meet the requirements within this policy.

Securities accepted as collateral for repurchase agreements will be subject to the following additional restrictions:

- Securities placed as collateral for repurchase agreements, with a final maturity less than 10 years, will be priced at 102% of market value, plus accrued income;
- Securities placed as collateral for repurchase agreements, with a final maturity of 10 years or greater, will be priced at 103% of market value, plus accrued income;
- Agency mortgage-backed securities placed as collateral for term repurchase agreements with a maturity longer than seven days will be priced at 105% of market value, plus accrued income;
- Term repurchase agreements with a maturity date that is longer than seven days are required to have daily pricing of collateral; and
- Only treasury and agency securities, including agency mortgage-backed obligations, will be utilized as collateral for repurchase agreements.

VIII. Investment Parameters:

To provide for the safety and liquidity of funds, the investment of the LGIP will be subject to the restrictions listed below. These represent minimum investment restrictions under this LGIP Investment Policy and there may be separate procedures containing additional, more restrictive limitations for certain investment instruments. All restrictions are based on current market value.

Maximum percentages for a particular issuer, investment type or liquidity constraint may on occasion be exceeded due to unforeseen circumstances (e.g., due to fluctuations in fund balances). Exceptions will be reported to the Treasurer, the State Treasurer’s Investment Committee and the State Board of Finance monthly. Steps will be taken to remedy any breaches that may put the LGIP’s rating at risk of falling below the required AA or better rating.

A. Diversification

- GSEs or government-guaranteed investments rated AA or higher with final maturities shorter than 30 days will be excluded from diversification limits;
- Collateralized bank deposits secured by approved LGIP rating agency GSE letters of credit (LOCs), qualify as credit substitutions, and will therefore, be viewed as obligations of the collateral issuer/GSE;
- Issuer limits for collateralized bank deposits include certificate of deposit (CD) exposure in aggregate.

Otherwise, the following diversification limits shall apply to the LGIP portfolio:

Diversification:

The following diversification limits shall apply to each portfolio:

<i>Allowable Securities</i>	<i>Diversification Limits</i>	<i>Further Limitations</i>
US Treasury Obligations	100%	
US Agency <u>/GSE</u> Obligations <u>> 30 days</u> Primary Issuers – <i>FNMA, FHLMC, FFCB, FHLB</i> Secondary Issuers – <i>All Other Agencies/GSEs > 30 days</i>	100%	Per Primary Issuer: 33% Per Secondary Issuer: <u>5%</u> <u>5% e</u> Except TVA:— 10%
US Agency Issued Mortgage-Backed Securities	25%	
<u>Supranational Obligations</u>	<u>15%</u>	<u>Per Issuer: 5%</u>

Bank Demand Deposits (Business Days)- Collateralized		Per Issuer:
A1+ or F1+ - 1 Day	100%	50%
A1 or P1 or F1 - 1 Day	100%	25%
A1 or P1 or F1 - 2 to 5 Days 2 Days +	100% 25%	10% 5%
A1 or P1 or F1 - 6 Days +	100%	
A2 or P2 or F2 - 1 Day	10%	5%
A3 or lower and nonrated - 1 Day		2.5%
Bank Deposits (GSE Approved LOC)	10% 50%	0.25%
A2 or P2 or F2 - 1 Day		2.5%
Certificates of Deposit	25%	Per CD Issuer: 5%
Commercial Paper, Corporate Bonds, Medium Term Notes, and Asset-Backed Obligations (<i>In Aggregate</i>)	40%	Per Corporate Issuer: 5% Per Asset-Backed Issuer: 5%
Open Ended 2a-7 Rated Fund US Treasury and Agency <i>Only</i>	100%	Per Fund: 10%
Municipal Securities	15%	Per Issuer: 5%
Pre-refunded 100% escrowed with US Government related securities	15%	
Repurchase Agreements (Business Days)		Per Counterparty:
A1+ or F1+ - 1 Day	100%	35% 50%
A1 or P1 or F1 - 1 Day	100%	25%
A1 or P1 or F1 - 2-5 Days	100%	10%
A1 or P1 or F1 - 6 Days +	100%	5%
A2 or P2 or F2 - 1 Day	10%	5%
Variable Rate Obligations	25% 35%	Per Issuer:
US Treasury and GSE		25% 100%
US Government Agency/GSEs		5% 33%
All Other		5%
Limited/Illiquid Securities (<i>In Aggregate</i>)	10%	Nonmarketable securities with maturities greater than 5 business days.

A.B. Maturity Restrictions

The following maturity limits shall apply to each portfolio:

<i>Allowable Securities</i>	<i>Maturity Limits</i>
All Securities	397 Days
Variable Rate Obligations	
US Treasury and GSE	762 Days
All Other	397 Days

B.C. Portfolio Duration

The CIO and AIOs will manage the LGIP within the weighted average maturity (WAM) required by the LGIP’s rating agency. The appropriate performance benchmark for the LGIP will be reflective of its short-term investment objective. The benchmark will be reviewed by the State Treasurer’s Investment Committee for recommendation and will be approved by the State Treasurer and the State Board of Finance annually.

C.D. Credit Quality

The following issuer credit rating limits shall apply for the LGIP:

<i>Investment Type</i>	<i>Credit</i>	
	<i>Short-Term</i>	<i>Long-Term</i>
US Treasury Obligations		
US Agency Obligations		
US Agency Issued Mortgage-Backed Securities		
<u>Supranational Obligations</u>		<u>AAA/Aaa</u>
Bank Demand Deposits - Collateralized	See Above	
Bank Certificates of Deposit	A1 or P1 or F1	A/A2
Asset-Backed Obligations	A1+ or P1 or F1+	AAA/Aaa
Commercial Paper	A1 or P1 or F1	A/A2
Corporate Bonds	A1 or P1 or F1	A/A2
Open-Ended 2a-7 rated fund US Treasury and Agency <i>Only</i>	AAA m or Aaa- mf or Aa ammf	
Municipal Securities	A1 or MIG1 or F1	A/A2
Repurchase Agreements	See Above	
Variable Rate Obligations US Treasury and <u>Agency</u> /GSE All other	A1 or P1 or F1	A/A2
Limited/Illiquid Securities	A1 or P1 or F1	A/A2

IX. Reporting:

The CIO shall prepare a monthly investment report for the State Treasurer. For purposes of reporting, the LGIP Report may be combined with the reports of other assets under the management of the State Treasurer pursuant to the State Treasurer’s Investment Policy.

An executive summary will be prepared in a manner that will allow the State Treasurer to ascertain whether investment activities during the reporting period are in compliance with this LGIP Investment Policy, the State Treasurer’s Investment Policy and New Mexico statutes.

The CIO will submit and present the monthly investment report, on behalf of the State Treasurer, to the State Board of Finance and will post the report on the State Treasurer’s website and otherwise make it available to the public.

A. Specific Reporting Requirements:

The report will include, at a minimum, the following:

- An asset listing showing par value, cost, market value, type of investment, issuer, and interest rate of securities held;
- The total market value and amortized cost of all pool assets and the average 30-day yield, as of month-end;
- WAM to Reset and WAM to Final of the LGIP compared to the maximums allowable per the appropriate rating agency;
- Average portfolio credit quality;
- Total rate of return for the LGIP for the last one month, three months, and twelve months with applicable approved benchmark returns for the same periods;
- Sensitivity analysis on a quarterly basis;
- Transaction listing of the LGIP for the reporting period;
- A report of primary issues purchased and secondary issues purchased or sold;

- Transaction summaries for the reporting period and fiscal-year-to-date that include trade volumes, distributions by type of investment and counterparty; and
- LGIP Investment compliance review.

B. Performance Standards

- The LGIP will be structured to obtain a market average rate of return taking into account investment risk constraints and cash flow needs.
- The LGIP will be compared to an approved benchmark that appropriately models an expected risk and return profile.

C. Quarterly Reporting

On a quarterly basis, the CIO shall prepare a quarterly investment report that describes the investment strategy for the LGIP employed during the past quarter and the strategy planned for the next quarter. Information will be reported to the State Treasurer's Investment Committee and the State Board of Finance.

D. Annual Reporting

At the next regular State Treasurer's Investment Committee meeting after September 30 of each year, the CIO shall present an annual investment report on the LGIP that describes the investment strategy employed during the past fiscal year and the strategy planned for the next fiscal year. The report shall include annual comparisons of the portfolio's return to the performance benchmark for the preceding fiscal year.

X. Approval:

New Mexico State Treasurer's Office:

Tim Eichenberg
New Mexico State Treasurer

Date

By affixing the signature below, the State Board of Finance hereby exercises its advice and consent pursuant to NMSA 1978, §6-10-10.

President, State Board of Finance

Date



18. Benchmark Review

Bond Proceeds Investment Pool – Tax Exempt

Benchmark Recommendation: The State Treasurer’s Investment Division staff and GPA recommend a change to the ICE BofAML 0-2 Year US Treasury Index as the benchmark for the Bond Proceeds Tax Exempt Pool. The current benchmark is the ICE BofAML 0-3 Year US Treasury Index.

1. The Pool receives bond proceeds biennially, requiring the maintenance of a shorter maturity structure, to provide adequate liquidity for capital project withdrawals over a two year time frame.
2. The duration of the Tax Exempt Pool has remained 1 year or below for the past several years and has greatly outperformed during a period of rising interest rates, while underperforming as interest rates fell.
3. The cash flows for this Pool are best reflected when compared versus the shorter benchmark as attempts to lengthen duration while providing adequate liquidity could create yield curve positioning inconsistent with objectives.

Differences in Benchmark Characteristics as of September 30, 2019

Current:

ICE BofAML 0-3 Year Treasury Index Symbol: G1QA

Current Duration: 1.38 years vs. Portfolio 0.83 years

Price Volatility given 1% change in rates approximately: Tax Exempt \$6,469M - Taxable \$6,425M

Maturity Structure: 0-3 year maturities

Asset Allocation: 100% Treasury Securities

Proposed:

ICE BofAML 0-2 Year Treasury Index Symbol: G1QB

Current Duration: 0.95 years vs. Portfolio 0.83 years

Price Volatility given 1% change in rates approximately: Tax Exempt \$4,453M

Maturity Structure: 0-2 year maturities

Asset Allocation: 100% Treasury Securities

Performance Tracking As of September 30, 2019

Current Benchmark:

	3 Mos.	12 Mos.
<i>Bond Proceeds - Tax Exempt</i>	0.57%	3.31%
ICE BofAML 0-3 US Treasury	<u>0.58%</u>	<u>3.83%</u>
Relative Performance (BPs)	(0.01)%	(0.52)%

Proposed Benchmark:

	3 Mos.	12 Mos.
<i>Bond Proceeds – Tax Exempt</i>	0.57%	3.31%
ICE BofAML 0-2 US Treasury	<u>0.55%</u>	<u>3.20%</u>
Relative Performance (BPs)	0.02%	0.11%

DATE: December 11, 2019

TO: The Honorable Treasurer, Tim Eichenberg

FROM: Vikki Hanges, Chief Investment Officer
Deanne Woodring, CFA – Investment Consultant - GPA

SUBJECT: Annual Portfolio Benchmark Recommendation for FY'20

CC: State Treasurer's Investment Committee

Objectives per Investment Policy approved on December 19, 2017:

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

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

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

State Treasurer's Portfolios	Current Benchmark	Recommended Benchmark
General Fund Liquidity, Bank Balances, REPO Pool, STBF, TRAN & Local Government Investment Pool	100% Standard & Poor's Government Investment Pool Index	No Change Weighted Avg. Maturity 30 Days on 09/30/19
General Fund Core	100% ICE BofAML 0-5 Year US Treasury Index	No Change Duration 2.10 on 9/30/19
Bond Proceeds Pools (Tax-exempt & Taxable)	100% ICE BofAML 0-3 Year US Treasury Index	No Change on Taxable Duration 1.38 on 9/30/19 Change Tax Exempt to 100% ICE BofAML 0-2 Year US Treasury Index Duration 0.95 on 09/30/19

General Fund Portfolios

The General Fund is managed as two separate portfolios consisting of the General Fund Liquidity (GFL) and the General Fund Core (GFC). The State Treasurer's Office utilizes the GFL portfolio to meet daily cash flow requirements, limiting the impact on the GFC portfolio. Efficiently managing cash flow requirements contributes to the optimization of GF Pool total return. Recurring monthly liquidity needs require that the target balances maintained in the General Fund Liquidity portfolio remain in the range of \$500 to \$700 million. With an increase in FY20 NM State government spending, capital project financing and the funding of the NM State Tax Stabilization Fund, the GFL portfolio will retain higher balances than normal to ensure that the increased liquidity needs are met. The GFL portfolio is generally invested in short, less than 90 day investments, with the greatest percentage invested in overnight to one week maturities. Due to its short term nature, the GFL is expected to provide a return similar to the S&P LGIP Index, albeit with a shorter weighted average maturity and very dynamic cash flows.

The remaining funds, not immediately required for liquidity purposes, are invested in the GFC portfolio with maturities out to 5 years. Contrary to FY19, cash flows into the GFC portfolio from the GFL will be minimal, until a clearer liquidity pattern develops and excesses materialize. In the event that more liquidity is needed, cash flows may need to occur from the GFC to the GFL. With interest rates trending lower, the GFC will remain close to duration neutral versus the ICE BofAML 0-5 Year US Treasury Index, and will continue to be the appropriate benchmark for this portfolio. Although the portfolio invests in US Government Agency securities and short, very high quality corporates, as well as US Treasuries, the benchmark's main purpose is to capture general market direction and magnitude, within the comparative context of the GFC investment parameters, while identifying relative added value.

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

1. To minimize principal loss in the event of a decline in the credit quality of an issuer.
2. To improve portfolio quality, yield, or target duration through the sale of one security to purchase another.
3. To generate cash when liquidity needs exceed expectations.

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

Current Benchmark: The State Treasurer's Investment Division staff and GPA continue to recommend the ICE BofAML 0-5 Year US Treasury Index as the GFC benchmark. The Index had a duration of 2.10 years on September 30, 2019 and consists of all US Treasury securities. The reasons for incorporating an all treasury index are threefold: 1) the benchmark provides a reference for the duration management of the GFC, 2) the risk-free asset performance measurement provides a baseline for recognizing value

added from investing in alternative sectors, and 3) it most closely resembles the allowable portfolio maturity structure.

Benchmark Characteristics

ICE BofAML 0-5 Year Treasury Index Symbol: GVQA

Current Duration: 2.10 years

Price Volatility given 1% change in rates on current balance: \$50,641M

Maturity Structure: 0-5 year maturities

Asset Allocation: 100% Treasury Securities

General Fund Core Characteristics as of 09/30/19

Current Duration: 2.12 years vs. Benchmark 2.10 years

Current Market Value: \$2,411,493,192

Price Volatility given 1% change in rates based on \$2.4 billion invested: \$51,123M

Maturity Structure: 0-5 year maturities

Asset Allocation: 57% Treasury Securities

32% Agencies

1% Municipals

9% Corporates

1% Cash Equivalents

Bond Proceeds Investment Pool Portfolios (Tax-Exempt & Taxable)

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

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

1. To minimize principal loss in the event of a decline in the credit quality of an issuer.
2. To improve portfolio quality, yield, or target duration through the sale of one security to purchase another.
3. To generate cash when liquidity needs exceed expectations.

Asset Allocation: The investment policy provides for the ability to diversify among fixed income sectors utilizing US Treasury, Agency, Corporate, Municipal, Asset and Mortgage-Backed Securities. Currently,

the allowable sectors for investment include US Treasuries, Agencies, Corporates and NM municipal securities.

Benchmark Recommendation: The State Treasurer’s Investment Division staff and GPA recommend a change to the ICE BofAML 0-2 Year US Treasury Index as the benchmark for the Bond Proceeds Tax Exempt Pool. The Pool receives bond proceeds biennially, requiring the maintenance of a shorter maturity structure, to provide adequate liquidity for capital project withdrawals over a two year time frame. The duration of the Tax Exempt Pool has remained 1 year or below for the past several years and has greatly outperformed during a period of rising interest rates, while underperforming as interest rates fell. The cash flows for this Pool are best reflected when compared versus the shorter benchmark as attempts to lengthen duration while providing adequate liquidity could create yield curve positioning inconsistent with objectives.

Benchmark Recommendation: The State Treasurer’s Investment Division staff and GPA continue to recommend the ICE BofAML 0-3 Year US Treasury Index as the benchmark for the Bond Proceeds Taxable Pool. This index had a duration of 1.38 years as September 30, 2019 and consists of all US Treasury securities. The reasons for incorporating an all treasury index are threefold: 1) the benchmark provides a reference for the duration management of the Pools, 2) the risk-free asset performance measurement provides a baseline for recognizing value added from investing in alternative sectors, 3) and it most closely resembles the portfolio maturity structures.

The Taxable Pool receives relatively large cash flows biannually, at the end of June and December, when tax receipts received over the prior six month period, are in excess of debt service requirements. As a result of this relatively regular replenishment of funds, the Taxable Pool is able to maintain a duration similar to this benchmark, as new cash can be deployed to lengthen maturities.

Benchmark Characteristics:

ICE BofAML 0-3 Year Treasury Index Symbol: G1QA

Current Duration: 1.38 years

Price Volatility given 1% change in rates approximately: Tax Exempt \$6,469M - Taxable \$6,425M

Maturity Structure: 0-3 year maturities

Asset Allocation: 100% Treasury Securities

ICE BofAML 0-2 Year Treasury Index Symbol: G1QB

Current Duration: 0.95 years

Price Volatility given 1% change in rates approximately: Tax Exempt \$4,453M

Maturity Structure: 0-2 year maturities

Asset Allocation: 100% Treasury Securities

Bond Proceeds Investment Pool Tax-Exempt Characteristics as of 09/30/19

Current Duration 0.83 years vs. 0-3 Year Benchmark 1.38 years

Current Market Value \$468,749,033

Price Volatility given 1% change in rates is approximately \$3,891M

Maturity Structure: 0-5 year maturities

Asset Allocation: 57% Treasury Securities
30% Agencies
0% Municipals
7% Corporates
6% Cash Equivalents

Bond Proceeds Investment Pool Tax-Exempt Characteristics as of 09/30/19 vs. Proposed Benchmark

Current Duration 0.83 years vs. 0-2 Year Benchmark 0.95 years
Current Market Value \$468,749,033
Price Volatility given 1% change in rates is approximately \$3,891M
Maturity Structure: 0-5 year maturities
Asset Allocation: 57% Treasury Securities
30% Agencies
0% Municipals
7% Corporates
6% Cash Equivalents

Bond Proceeds Investment Pool Taxable Characteristics as of 09/30/19

Current Duration 1.33 years vs. Benchmark 1.38 years
Current Market Value \$465,634,658
Price Volatility given 1% change in rates is approximately: \$6,193M
Maturity Structure: 0-5 year maturities
Asset Allocation: 45% Treasury Securities
43% Agencies
0% Municipals
9% Corporates
3% Cash Equivalents

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

Relative Performance of the State Treasurer's Portfolios as of 9/30/19:

<i>Fund</i>	<i>Performance¹</i>	
	<i>3 Months</i>	<i>12 Months</i>
<i>General Fund Liquidity</i>	0.61%	2.42%
S&P Government Pools Index (Gross)	<u>0.59%</u>	<u>2.41%</u>
Relative Performance (BPs)	0.02%	0.01%
<i>General Fund CORE</i>	0.78%	4.70%
ICE BofAML 0-5 US Treasury	<u>0.72%</u>	<u>4.98%</u>
Relative Performance (BPs)	0.06%	(0.28)%
<i>Bond Proceeds - Tax Exempt</i>	0.57%	3.31%
ICE BofAML 0-3 US Treasury	<u>0.58%</u>	<u>3.83%</u>
Relative Performance (BPs)	(0.01)%	(0.52)%
<i>Bond Proceeds – Tax Exempt</i>	0.57%	3.31%
ICE BofAML 0-2 US Treasury	<u>0.55%</u>	<u>3.20%</u>
Relative Performance (BPs)	0.02%	0.11%
<i>Bond Proceeds – Taxable</i>	0.68%	3.51%
ICE BofAML 0-3 US Treasury	<u>0.58%</u>	<u>3.83%</u>
Relative Performance (BPs)	0.10%	(0.32)%
<i>Local Government Investment Pool</i>	0.56%	2.39%
S&P Government Pools Index (Gross)	<u>0.59%</u>	<u>2.41%</u>
Relative Performance (BPs)	(0.03)%	(0.02)%
<i>Severance Tax Bonding Fund</i>	0.59%	2.43%
S&P Government Pools Index (Gross)	<u>0.59%</u>	<u>2.41%</u>
Relative Performance (BPs)	0.00%	0.02%

Source: JPMorgan, STO Calculations

¹ Relative performance is periodic total return compared to the return of the portfolio benchmarks.

Relative Risk based on market price sensitivity of the State Treasurer's Portfolios as of balances on 09/30/19:

<i>Fund</i>	<i>Risk</i>	
	<i>Duration</i>	<i>\$ Value Change per 1% rate rise</i>
General Fund CORE (\$2.4BLN)	2.12 years	\$(51,123,000)
ICE BofAML 0-5 US Treasury Index	<u>2.10 years</u>	<u>\$(50,641,000)</u>
Relative Risk Variance	0.02 years	\$(482,000)
Bond Proceeds - Tax Exempt (\$467MM)	0.83 years	\$(3,891,000)
ICE BofAML 0-3 US Treasury	<u>1.38 years</u>	<u>\$(6,469,000)</u>
Relative Risk Variance Protection	(0.55) years	\$2,578,000
Bond Proceeds - Tax Exempt (\$467MM)	0.83 years	\$(3,891,000)
ICE BofAML 0-2 US Treasury	<u>0.95 years</u>	<u>\$(4,453,000)</u>
Relative Risk Variance Protection	(0.12) years	\$ 562,000
Bond Proceeds - Taxable (\$466MM)	1.33 years	\$(6,193,000)
ICE BofAML 0-3 US Treasury	<u>1.38 years</u>	<u>\$(6,425,000)</u>
Relative Risk Variance Protection	(0.05) years	\$ 232,000
Total Investment Funds (\$3.33BLN)	1.83 years	\$(60,939,000)
Combined Index Exposure	<u>1.90 years</u>	<u>\$(63,270,000)</u>
Relative Risk Variance Protection	(0.07) years	\$2,331,000

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



19. 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: November 26, 2019
To: Tim Eichenberg, State Treasurer
For: Governor Lujan Grisham and Members of the State Board of Finance
From: Charmaine Cook, State Cash Manager
Subject: State Fund Deposit Activity for the month ending October 31, 2019

Pursuant to section 8-6-3.1 NMSA 1978, the State Cash Manager shall submit to the State Board of Finance a report showing state fund balances in each Financial Institution. Attached for your review is a summary of State fund balances in each institution through October 31, 2019.

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

Pursuant to section 6-10-24.1 NMSA 1978, there were no Financial Institutions exceeding the statutory limitations on equity capital and deposit ratios for the month ending October 31, 2019.

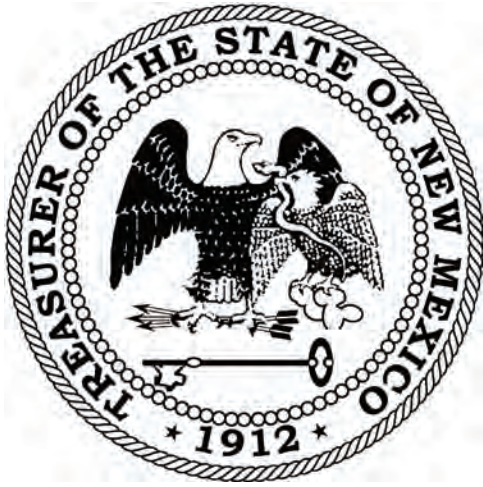
(Attachments 3)

State Fund Balances by Financial Institution

October 2019

First National Bank/Alamogordo	\$	69,707
Bank of America/Albuquerque	\$	659,570
Bank of the Southwest/Roswell	\$	793,463
Bank of the West/Albuquerque	\$	393,666,171
Carlsbad National Bank/Carlsbad	\$	600
Centinel Bank/Taos	\$	45,832
Century Bank/Santa Fe	\$	500
Citizens Bank/Aztec	\$	5,032
Citizens Bank/Clovis	\$	5,282
Community 1st Bank/Las Vegas	\$	271,336
Compass Bank/Albuquerque	\$	252,245,782
Enterprise Bank/Los Alamos	\$	2,052
Farmers/Stockmens Bank/Clayton	\$	25,646
First American Bank/Artesia	\$	61,098
First National Bank/Clayton	\$	382,611
First State Bank/Socorro	\$	6,249
International Bank/Raton	\$	32,528
Lea County State Bank/Hobbs	\$	61,836
NM Bank & Trust/Albuquerque	\$	63,537
Southwest Capital/Las Vegas	\$	93,063
US Bank/Albuquerque	\$	10,649
Valley Bank of Commerce/Roswell	\$	37,729
Washington Federal/Albuquerque	\$	51,247,129
Wells Fargo Bank/Albuquerque	\$	3,819,154
Western Bank/Lordsburg	\$	32,522
Western Commerce Bank/Carlsbad	\$	125,752

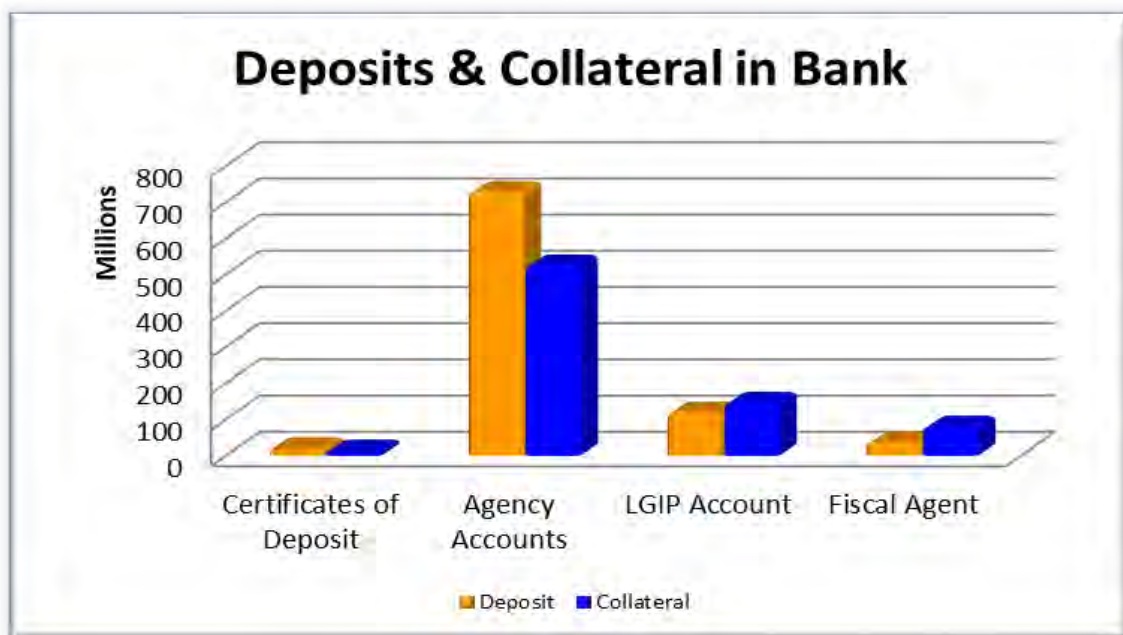
Total: \$ 703,764,830



20. Collateral Report on Agency Deposits & CDs

Office of the Treasurer Collateral Summary Review October 31, 2019

All depository institutions holding public funds for the month ending October 31, 2019 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	\$ 19.2 Million	\$ 11.2 Million	58.4%
Agency Accounts	728.8 Million	526.3 Million	72.2%
LGIP Account	119.9 Million	147.1 Million	122.7%
Fiscal Agent	38.8 Million	81.3 Million	209.6%
Totals:	906.7 Million	766.0 Million	84.5%

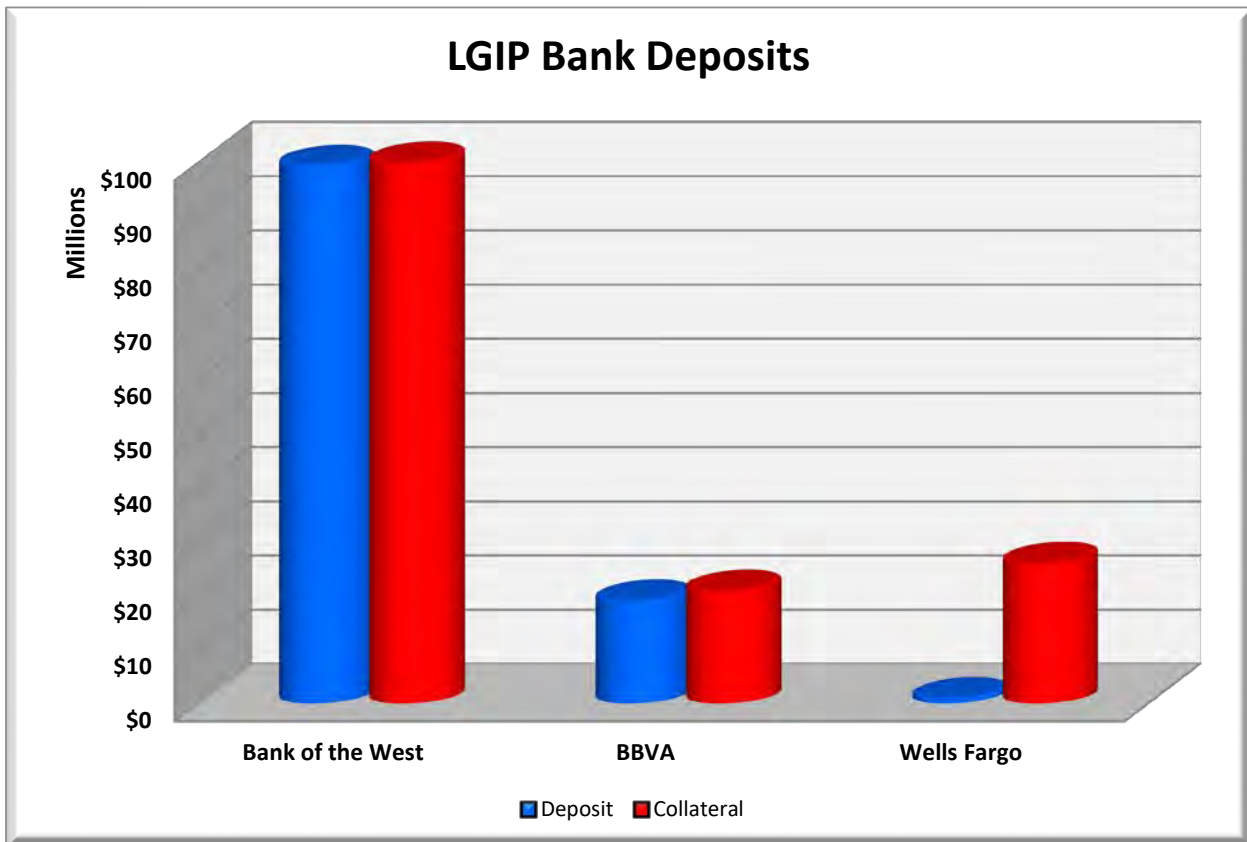


Office of the Treasurer
Collateral Review
Accumulated Total by Institution
October 31, 2019

FINANCIAL INSTITUTION	%	TOTAL	FDIC / NCUA	LESS INSURANCE	SUBJECT TO BE	COLLATERAL	EXCESS (UNDER)
		DEPOSITS	INSURANCE	COVERAGE	COLLATERALIZED	PLEGGED	
First National - Alamogordo	50%	69,707	69,707	0	0	701,432	701,432
First Savings	50%	3,600,000	250,000	3,350,000	1,675,000	2,000,000	325,000
Bank of America	50%	739,493	250,000	489,493	244,746	267,158	22,412
Bank of the West	50%	493,790,584	250,000	493,540,584	246,770,292	410,000,000	163,229,708
BBVA Compass	50%	271,557,028	250,000	271,307,028	135,653,514	151,000,000	15,346,486
US Bank	50%	1,712,696	250,000	1,462,696	731,348	1,100,000	368,652
Wells Fargo	50%	24,117,582	250,000	23,867,582	11,933,791	57,458,108	45,524,316
First American	50%	2,561,096	250,000	2,311,096	1,155,548	1,457,085	301,537
United Business Bank	50%	351,383	250,000	101,383	50,692	250,000	199,309
Carlsbad National	50%	600	600	0	0	0	0
Western Commerce	50%	4,125,751	250,000	3,875,751	1,937,875	2,529,539	591,663
Farmers & Stockmen	50%	3,042,811	250,000	2,792,811	1,396,405	1,600,000	203,595
First National - Clayton	50%	3,890,615	250,000	3,640,615	1,820,307	7,527,797	5,707,490
Bank of Clovis	50%	680,913	250,000	430,913	215,456	818,268	602,812
Citizens - Clovis	50%	5,282	5,282	0	0	0	0
NM Bank & Trust	50%	271,525	250,000	21,525	10,763	313,290	302,527
Western - Clovis	50%	2,600,000	250,000	2,350,000	1,175,000	1,225,851	50,851
Lea County State	50%	61,835	61,835	0	0	0	0
Southwest Capital	50%	583,381	250,000	333,381	166,691	500,000	333,309
Community 1st - Las Vegas	50%	271,336	250,000	21,336	10,668	523,314	512,646
Western - Lordsburg	50%	39,122	39,122	0	0	523,041	523,041
Enterprise Bank	102%	2,051	2,051	0	0	0	0
International	102%	66,185	66,185	0	0	0	0
Bank of the Southwest	50%	992,327	250,000	742,327	371,164	511,131	139,967
Valley Commerce	50%	37,729	37,729	0	0	0	0
Century	50%	1,393,846	250,000	1,143,846	571,923	1,213,440	641,517
First State	50%	68,975	68,975	0	0	0	0
Centinel	50%	45,832	45,832	0	0	0	0
Washington Federal	50%	51,247,129	250,000	50,997,129	25,498,565	43,145,486	17,646,921
Citizens Bank of Aztec	50%	6,392	6,392	0	0	0	0
Bank of Albuquerque	50%	332,582	250,000	82,582	41,291	45,000	3,709
		868,265,788	5,147,318	862,862,078	431,389,748	684,709,939	253,278,900

LGIP Bank Deposits October 31, 2019

<u>Financial Institution</u>	<u>Percentage</u>	<u>Deposit</u>	<u>Collateral</u>
Bank of the West	100.5%	99,518,443	100,000,000
BBVA	108.7%	19,311,246	21,000,000
Wells Fargo	2414.5%	1,081,931	26,123,651
Totals	122.7%	119,911,620	147,123,651



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