



New Mexico Local Government Investment Pool (LGIP)

The LGIP Team

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The LGIP Introduction



- Short-Term Investment Pool created by NM State Statute.
- Provides a voluntary investment alternative for local and quasi-governmental entities seeking a safe and liquid cash equivalent.
- A pooled fund with qualified and experienced investment management at the State Treasurer's Office.

LGIP – Investment Objectives



- Safety
 - Maintain Stable Net Asset Value
 - Put a Dollar In; Get a Dollar Out + Interest
 - Highest S&P AA*m* Rating – Statute Requires AA
- Liquidity
 - Cash Available within 24-48 Hours' Notice
- Yield
 - NOT at the expense of the two objectives above

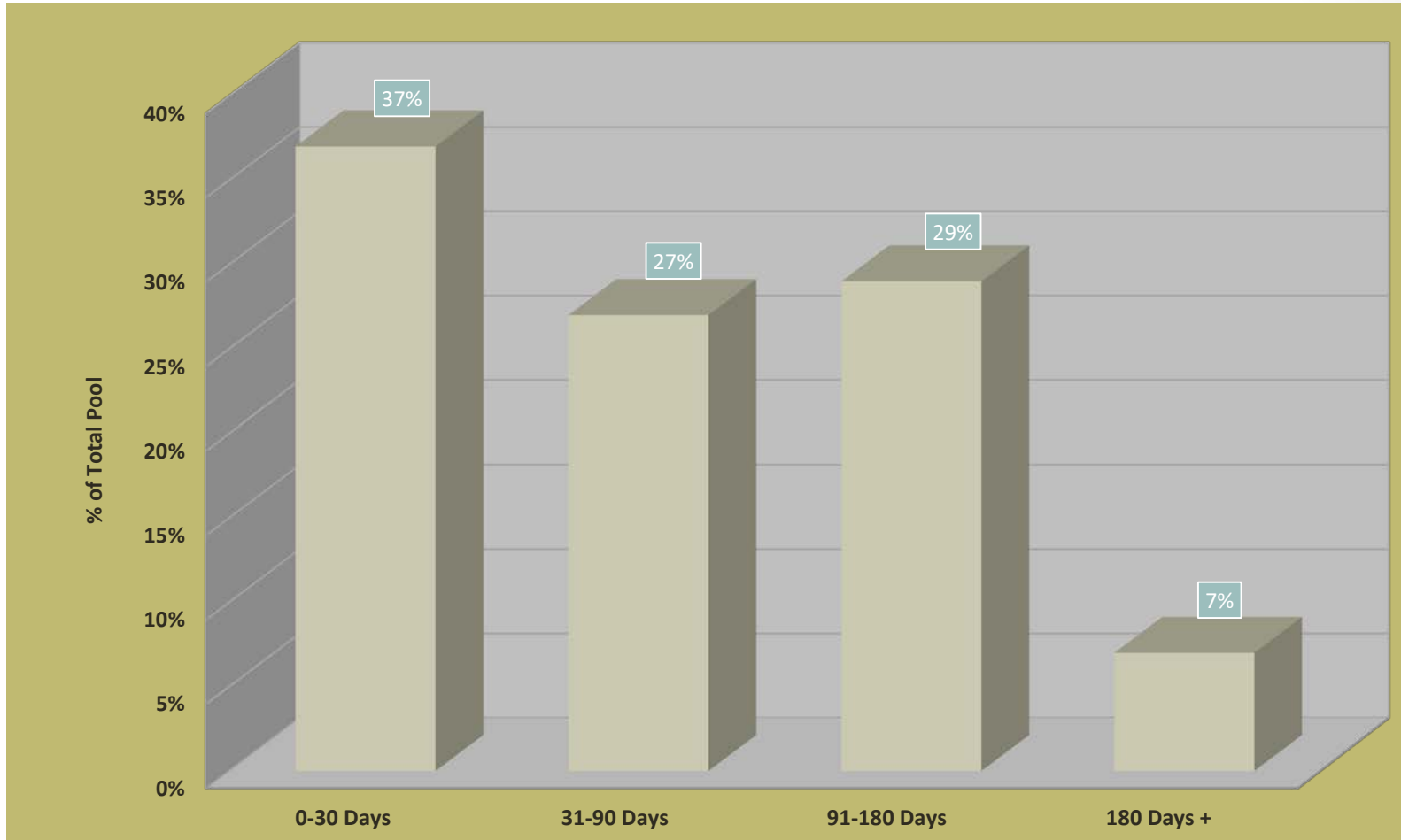


LGIP – Characteristics

- Safety
 - Short Portfolio Average Maturity – Maximum 60 Days
 - Fixed Rate Security Maximum Maturity of 397 Days
 - Treasury, Agency and Supranational Securities Only
 - Bank Deposits and Repurchase Agreements are Fully Collateralized
 - Strong Governance – STIC, Board of Finance, Investment Advisor
- Liquidity
 - Daily Liquidity vs. “Locked Up” CD
- Yield
 - Low Fees and Expenses
 - Attractive Yield vs. Privately Managed Money Market Funds
- Prime Money Market Mutual Fund Rules Don’t Apply:
 - No Floating NAV
 - No Liquidity Fee on Redemptions During Times of Stress
 - No Redemption Gates

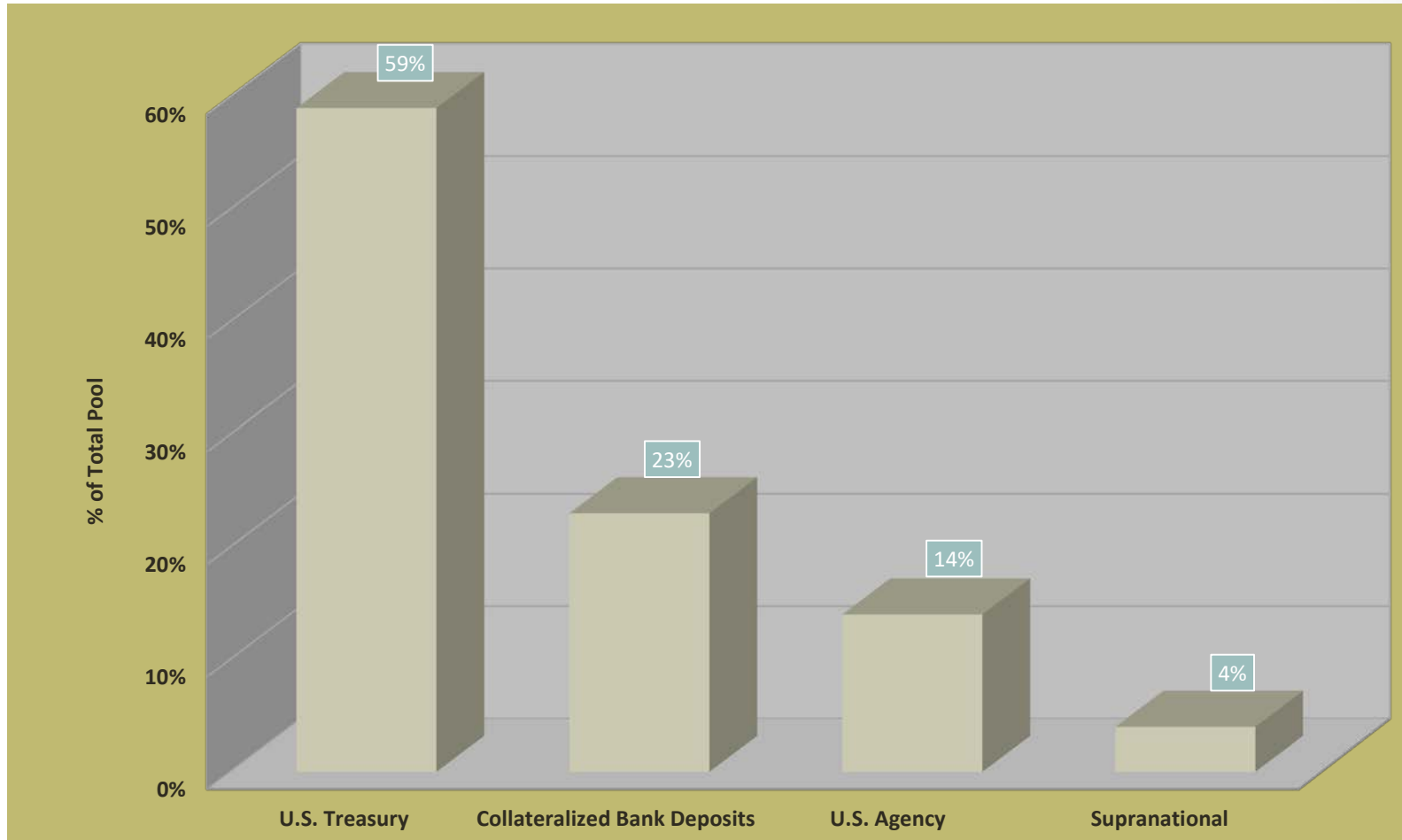
LGIP Maturity Distribution

August 31st, 2020

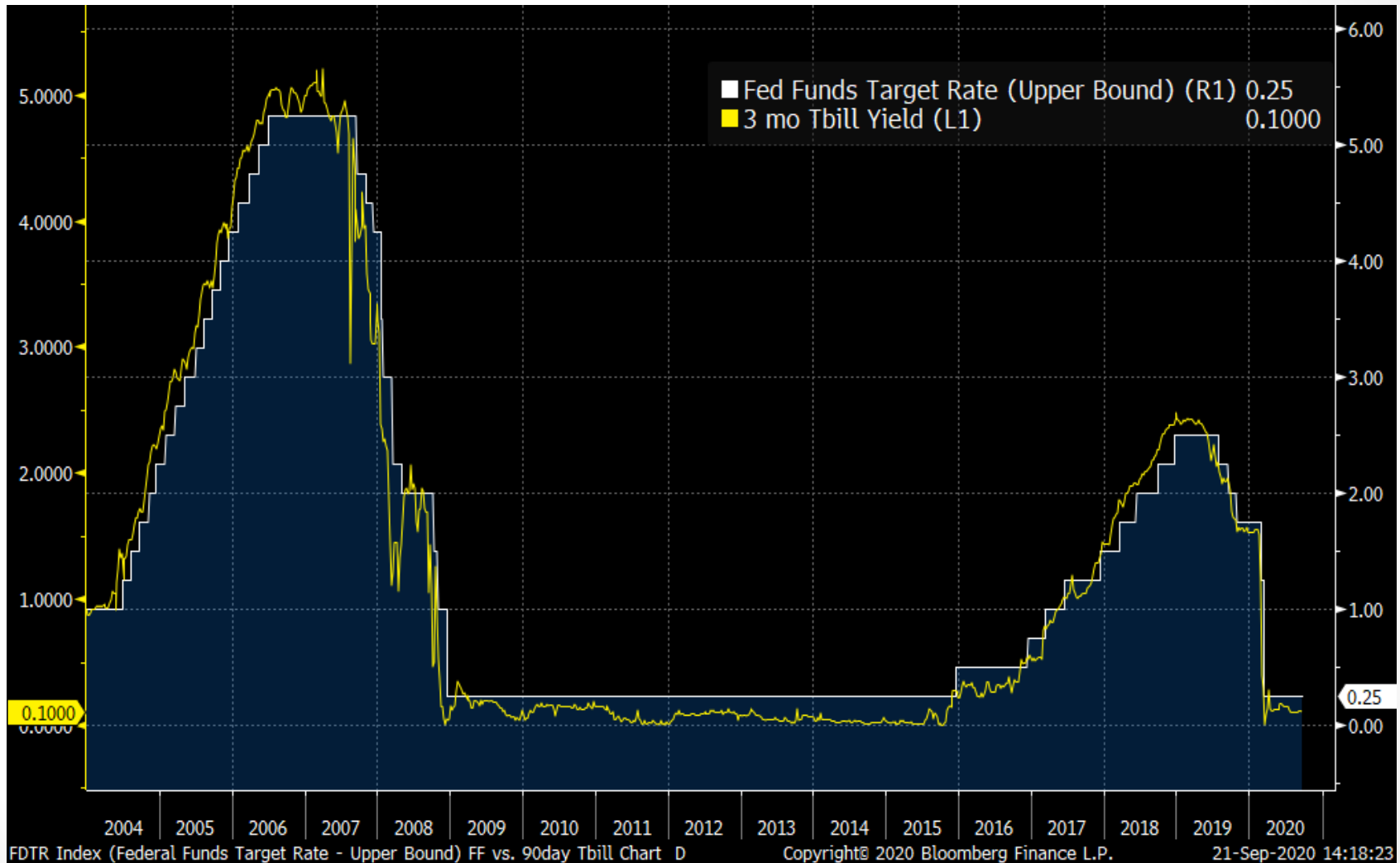


LGIP Sector Distribution

August 31st, 2020



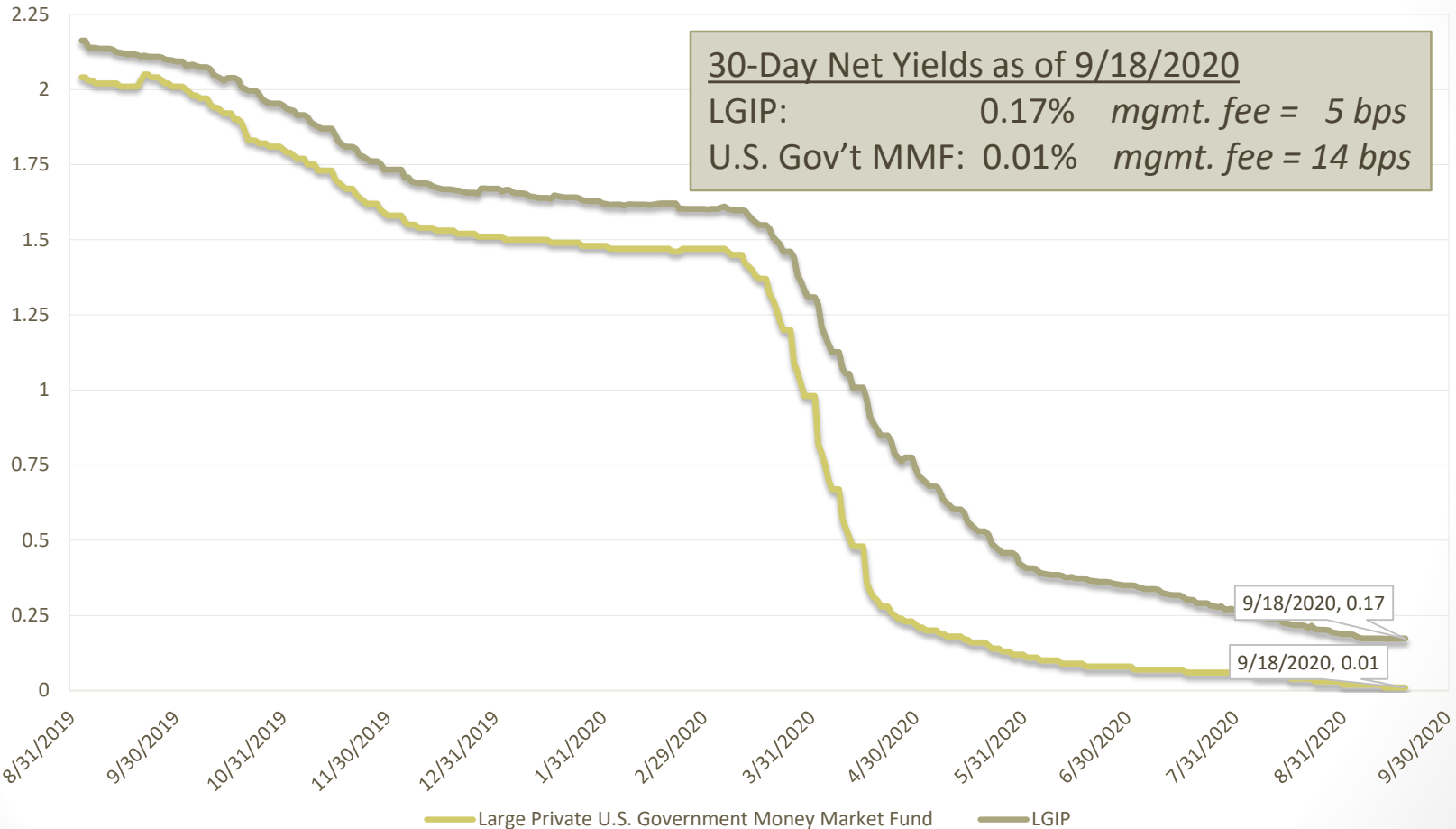
Short-Term Investments Track Fed Funds Rate



LGIP Rate Comparisons



30-Day Net Yield: Large Private U.S. Government Money Market Fund versus LGIP





Disclaimer

- NM LGIP is not a registered Money Market Fund
- NM LGIP is not regulated by the SEC
- Past performance does *not* guarantee future results
- Risks:
 - Interest rate
 - Credit
 - Counterparty
 - Management
 - NAV not guaranteed
 - The Treasurer has the ability to take measures in order to protect the NAV of the Pool