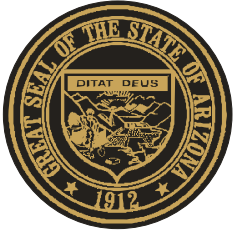


**OFFICE OF THE  
ARIZONA STATE TREASURER**



**Kimberly Yee**

**TREASURER**



**JUNE 2022**

**Presented To:**

**Arizona State Board of Investment**

**July 26, 2022**

STATE BOARD OF INVESTMENT

A G E N D A

July 26, 2022

1. Call to Order; Opening Remarks ..... The Honorable Kimberly Yee, Chair
2. Approval of Minutes of June 28, 2022, BOI Meeting
3. AZ 529 Arizona’s Education Savings Plan
  - A. Monthly Program and Marketing Review..... Jeffrey Ong, AZ529 Administrator  
..... Shaandiin Parrish, AZ 529 Marketing Coordinator
4. Investment Outlook and Summary Review of Treasurer’s Monthly Reports
  - a. State Agency Earnings Distributions ..... Dennis Stevenson, CIO  
State Agency Operating Average Invested Balances  
State Agency Investments and Performance Reports
  - b. LGIP Yield Analysis ..... Jake Richardson, Portfolio Manager  
LGIP Pools Investments and Performance Reports
  - c. Endowment Earnings Distributions ..... Tim White, Director of Endowments  
Land Sales Monthly Proceeds Endowment Funds  
Endowment Investments and Performance Reports
5. Discussion and Action on the June 2022 Report
6. Treasurer’s Report ..... The Honorable Kimberly Yee, Chair
7. Market Outlook..... Harry Papp, Board Member
8. Call to the Public
9. Notice of Next Meeting
10. Adjournment

**REPORT OF THE STATE TREASURER**

**FOR**

**July 26, 2022**

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**Minutes of  
BOARD OF INVESTMENT MEETING  
June 28, 2022**

The regular meeting of the State Board of Investment was held on June 28, 2022, in person in the Treasury's conference room and via WebEx. Treasurer Kimberly Yee called the meeting to order at 1:02 p.m.

**Members Present:**

The Honorable Kimberly Yee, Chair, State Treasurer – in person  
Harry A. Papp, CFA & Managing Partner, L. Roy Papp & Associate – Via WebEx  
Beth Ford, Pima County Treasurer – via WebEx

**Designees Present:**

Ashley Ruiz, Designee for Andy Tobin, Director of Administration – via WebEx  
James McGuffin, Designee for Evan Daniels, Director of AZ Department of Insurance and Financial Institutions – via WebEx

**Others Present:**

Mark Swenson, Deputy Treasurer, Arizona State Treasurer's Office  
Jackie Harding, Deputy Treasurer, Arizona State Treasurer's Office  
Dennis Stevenson, Chief Financial Officer, AZ State Treasurer's Office  
Jake Richardson, LGIP Portfolio Manager, Arizona State Treasurer's Office  
Eric Stivers, Financial Analyst, Arizona State Treasurer's Office  
Ken Karwowski, Investment Team, Arizona State Treasurer's Office  
Michael Leslein, Investment Accounting Manager, Arizona State Treasurer's Office  
Janine Schuster, Arizona State Treasurer's Office  
Jeffrey Ong, AZ529 Administrator, Arizona State Treasurer's Office  
Nick Barnhiser, IT Director, Arizona State Treasurer's Office  
Ken Price, Director of Human Resources, Arizona State Treasurer's Office  
Shaandiin Parrish, AZ529 Marketing Coordinator  
Alyssa Koury, Public Information Officer, Arizona State Treasurer's Office  
Tiffany Spudich, Chief Client Officer and Partner, Capital Cities, LLC

**1. Call to Order**

Treasurer Yee called the June 28, 2022, BOI meeting to order at 1:02 p.m.

**Treasurer's Comments**

Treasurer Yee welcomed the Board members and staff to the meeting.

**2. Approval of Minutes**

*Treasurer Ford moved that the May 31, 2022, meeting minutes be approved as distributed. Seconded by Mr. McGuffin. Motion carried unanimously.*

### **3. AZ529 Arizona's Educational Savings Plan**

#### **A. Monthly Program and Marketing Review**

AZ529 Program Administrator, Jeffrey Ong, reported that total AZ529 Plan Assets Under Management in May 2022 were \$1.87 billion. Total AZ529 Accounts in May were up 5.4% Year Over Year to 99,304. Fidelity remains the largest provider with 62.5% of Assets and 63.2% of Accounts. Ivy, the second largest provider holds 35.4% of Assets and 34.5% of Accounts. College Savings Bank holds the remaining 2.1% of Assets and 2.2% of Accounts. Arizona residents held 48.4% of total Assets and 54.1% of total Accounts. The remaining is held by Non-Residents. As of June 13, 2022, we successfully transitioned to Goldman Sachs, our new adviser-sold plan provider.

AZ529 Marketing Coordinator, Shaandiin Parrish reported that in May the AZ529 social media accounts received almost 528,000 impressions, 1,400 clicks on ads, and 0.27% CTR (click through rate). Facebook received 783 clicks, outperforming Instagram. Spanish speakers had the highest engagement overall delivering .46 CTR, 255 more clicks than the previous month.

#### **B. AZ529 Investment Policy Statement (IPS) Revisions for Adoption**

Tiffany Spudich, Chief Client Officer, Capital Cities LLC, presented the revisions of the AZ529 Investment Policy Statement for the Board's adoption. She reported that the revisions for the AZ529 program was to complete the successful transition of our advisor sold plan which included moving from the Ivy Investor 529 Plans to the Goldman Sachs 529 Plan with Ascensus.

Both the red-line and clean copies of the IPS were distributed to the Board. Tiffany explained that the red-line version references the June 13, 2022, transition which removed all references to the former Ivy Investment plan. Guidelines were added regarding the new stable value portfolios not only within the new Goldman Sachs 529 advisor sole plan, but also within the AZ529 plan with Fidelity.

There were other minor housekeeping changes shown on the red-line version. The material changes were the stable value guidelines reflecting the advisor plan transition.

Deputy Treasurer, Mark Swenson, also added that changes, which were also done with Fidelity, is because all regular 529 products that are available has the information disclosed elsewhere, but a stable value portfolio is a trust document with the AZ529 is the reason it is being disclosed in the IPS. The two attachments (revisions) are provided so anyone can read the particulars.

*Adoption of AZ529 Investment Policy Statement Revisions:*

*Mr. Papp moved to adopt the AZ529 Investment Policy Statement Revisions as presented by staff. Seconded by Treasurer Beth Ford, Motion carried unanimously.*

**4. Investment Outlook and Summary Review of the Treasurer's Monthly Reports**

**A. State Agency Earning Distributions, Average Invested Balances, and Performance Reports**

Chief Financial Officer, Dennis Stevenson, highlighted the results of the State Agencies performances for the month of May 2022. See memo.

**B. LGIP Yield Analysis, Pool Investments and Performance Reports**

LGIP Portfolio Manager, Jake Richardson, highlighted the results for the Local Government Investment Pools performance for the month of May 2022. See memo.

**C. Endowment Earnings Distributions, Land Sale Monthly Proceeds Endowment Funds, Endowment Investments and Performance Reports.**

Jake Richardson reported for Director of Endowments, Tim White, the results, and highlights for the Endowment performances for the month of May 2022. See memo.

**5. Discussion and Action: Approval of May 2022 Report**

*Treasurer Ford moved the approval of the May 2022 Monthly Report. Seconded by Mr. Papp. The motion carried unanimously.*

**6. Legislative Report**

Legislative Liaison, Jeffrey Ong, reported that the Arizona Legislature adjourned sine die early Saturday morning June 25, 2022, after approving a budget for the new fiscal year. Among outstanding bills we were tracking included HB2473, which did not get a hearing in Senate Rules, and HB 2637 which failed on 3<sup>rd</sup> read in the Senate.

**7. Treasurer's Report**

Treasurer Yee thanked everyone for joining the meeting and provided an overview of the Treasury's operational programs. She noted that after 20 months of operation, the AZ529 program accounts have increased by 19,721 and assets are up 15.1% in that same period to \$1.87 billion. She thanked staff for their efforts in getting these results. With the addition of Ascensus and Goldman Sachs we expect to see growth in the Advisor Sold Plan. The AZ529 contest winners were featured on our social media accounts and AZ529 website. We also participated in the Babypooloza event on June 18, 2022, where expectant moms expressed tremendous interest in opening 529 accounts.

The Investment Team continues to do well with LGIP assets up 18% year over year and up 74% to \$5.8 billion since the beginning of the Treasurer's term. Earnings to date reached \$11.7 million. The team's great work have also increased the vote of confidence by our LGIP participants.

The Endowment strategy of being short duration continues to pay dividends with the fund outperform its benchmark by 160 basis points for the first 11 months of the fiscal year and

10-year returns at 9.07% and the balance of \$7.4 billion. Since December 31, 2018, the PLETF has received \$937.4 million in land sales, paid out more than \$1.28 billion and increased in value by \$1.9 billion. That increase is the direct result of our investment returns. The investment team has done an excellent job.

The Treasurer introduced our new Public Information Officer, Alyssa Koury, our newest team member.

## **8. Market Outlook**

Mr. Papp provided the Board with a brief Market Outlook noting that inflation is everywhere and it's impacting everyone. Home rentals are up 20%, people are paying \$5 a gallon for gasoline and basically having a tough time. The Federal Reserve needs to continue to raise interest rates to get some control over inflation.

We think it's best for investors to not do transactions if they don't have to be in markets that have 1000 points swings in a day. Oil prices have impacted inflation. Normally, when the price of a commodity goes up, suppliers will drill more oil wells and produce more oil to take advantage of the high prices. However, that is not happening because the Biden administration is hostile to oil and gas companies. The net result is they are not increasing drilling and exploration activities, and that is keeping prices high.

There is also a tight supply, particularly of diesel. If we were to have a severe hurricane during this hurricane season, we will likely see shortages of gasoline. So, the market continues to be concerned about a recession, but we're not terribly concerned. Consumer demand remains strong, but we are concerned about economic policies coming from the administration that have been wholly unsuccessful.

So, we believe we'll get through the economy in the next two years without a recession, and when the market figures that out, you'll see a partial recovery in the stock market. I can't emphasize enough the important decisions made by the staff here on the maturities and duration of fixed incomes. The staff has produced fabulous results. They saw inflation coming, got out of the way, and the returns have been just remarkable. Hats off to them for a great job!

## **9. Call to the Public**

There was no public comment.

## **10. Notice of Next Meeting**

Treasurer Yee announced that the next board meeting will be held on Tuesday, July 26, 2022, at 1:00 p.m.

## **11. Adjournment**

*With no further business to discuss, Mr. Papp moved that the meeting be adjourned. Seconded by Mr. McGuffin. The motion carried unanimously. Meeting adjourned at 1:37 p.m.*

State Treasurer's Report  
July 26, 2022 Meeting  
Minutes of June 28, 2022, Meeting

Respectfully Submitted by:

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Deborah Gomez  
Executive Assistant

Approved by:

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Kimberly Yee  
Chair

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Date



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# OFFICE OF THE ARIZONA STATE TREASURER

KIMBERLY YEE  
TREASURER



## Investment Summary | June 2022

### Overall Performance – Where We Are Now |

#### ➤ State Agency Pools:

- Total assets: \$17,516,601,661
- June earnings distributed: \$15,802,837 (+318.67% YoY)
- General Fund earnings distributed: \$10,271,252 (+495.83% YoY)

### Outlook |

The Federal Reserve will raise rates in July, the only question is by how much with 75bps being the consensus and 100bps a distinct possibility. We have anticipated this and are now in the process of adding duration in an increasing rate environment. We have begun adding duration selectively at nicely higher rates. The money center banks have been issuing considerably higher rate debt instruments but have made most of these bond offerings with a callable component. This indicates they believe interest rates are going substantially higher but want a hedge in case they are wrong. If the Federal Reserve lowers rates in a year, they will call the bonds at par and reissue at lower rates. If the Federal Reserve continues to fight inflation with still higher rates, they have borrowed at comparatively cheap costs. While some bond portfolios with long duration are feeling the negative consequences of increased rates, we have been able to avoid the brunt of the impact. We have been adding floating rate notes that adjust higher as the Federal Reserve raises rates. Additionally, these notes often have a set interest rate floor in case rates decline precipitously due to unforeseen events. The Federal Reserve Board has two mandates, to keep inflation low and the other being full employment for the populace. Inflation is considerably above what the Federal Reserve board is comfortable with and raising interest rates is their preferred tool to temper the rate of inflation.

The U.S. and Arizona economies show strength, although weaknesses are starting to appear at the national level. The Arizona state general fund revenue was up 17.0% for FY2022. The projected ending balance of \$4.66 billion far exceeded the past record of \$957 million set in 2019. The amusement and lodging tax revenue was up 69.1% compared to the prior year and have surpassed pre pandemic levels. The Consumer Price Index came in at +1.3% MoM. The PPI came in at +11.3% YoY.

The war in Ukraine continues with no serious peace talks taking place.

### Strategy: Monthly Commentary |

Our strategy remains consistent as we await the upcoming Federal Reserve moves in the debt markets. Previously we have kept the duration of the pools low to decrease the risk of losing value and yield. We have now begun adding duration and will continue to increase it with every successive increase in rates by the Federal Reserve. With the Federal Reserve beginning to let their balance sheet decrease monthly this is, in effect, quantitative tightening that is also adding to upward pressure on interest rates. High-grade corporate bonds are increasing in both rates and issuance so they can avoid higher interest expense in the coming years. I also expect prepayment speeds to decelerate on mortgage bonds as rates increase.

Dennis Stevenson, CIO

## Alternative Scenarios |

There are several scenarios we continue to monitor which could change our expectations:

- War spreads to European nations, particularly the Baltics
- Inflation exceeds 10% for a long duration
- China becomes more militaristic and attempts to close off Taiwan's access to shipping lanes
- China's bank and real estate problems cause serious domestic upheaval and they use the military on the civilian population
- President Biden's COVID illness becomes serious
- Rolling electricity blackouts across the U.S. causes economic and social upheaval

## State Agency Investment Pool Balances |

	June 30, 2022	June 30, 2021	YoY Change
Pool 2 FF&C	\$1,517,739,395	\$1,256,363,085	+\$261,376,310
Pool 3 Internal	\$7,786,375,465	\$7,249,954,213	+\$536,421,252
Pool 3 External	\$110,974,427	\$113,006,479	-\$2,032,052
Pool 4 Gov.	\$1,133,160,748	\$997,047,869	+\$136,112,879
Pool 10 Internal	\$480,097,424	\$429,891,514	+\$50,205,910
Pool 10 External	\$580,865,278	\$636,956,749	-\$56,091,471
Pool 12 CAWCD	\$554,980,005	\$506,378,481	+\$48,601,524
Pool 15 Operating	\$5,133,207,220	\$2,091,413,748	+\$3,041,793,472
Pool 16 ECDHB	\$219,201,698	\$280,610,227	-\$61,408,529
<b>TOTAL STATE AGENCY</b>	<b>\$17,516,601,661</b>	<b>\$13,561,622,366</b>	<b>+\$3,954,979,295</b>

# Local Government Investment Pools (LGIP) Summary

## Overall Performance – Where We Are Now |

### ➤ Local Government Investment Pools:

- Total assets: \$5,554,177,128
- Total June earnings: \$5,042,636; +692.70% vs. June 2021
- Total fiscal year-to-date yields:
  - Pool 5: 0.26%; +14bps vs. June 2021
  - Pool 7: 0.16%; +12bps vs. June 2021
  - Pool 500: 0.90%; -24bps vs. June 2021
  - Pool 700: 0.34%; -8bps vs. June 2021

## Strategy: Short-term Pools 5 & 7 |

The Federal Reserve is expected to raise rates at July's FOMC meeting by 75 basis points(bps) and another 75bps at the September 21<sup>st</sup> meeting. For a brief time after the June CPI and PPI prints the market was pricing in 100 bps for the July 27<sup>th</sup> meeting which is less likely now but still a possibility. The FOMC says they will be more data driven moving forward as opposed to their previous guided rate path. We will see two months of inflation data before the September meeting which could change market expectations leading up to it. The Fed's Reverse REPO Program remains above \$2 trillion and likely lead to new highs leading into the July FOMC meeting. The 1- to 6-month on-the-run treasury bills remain expensive. We are finding some value in the 3- and 6-month when issued bills and the 4-month cash management bills. The larger interest rate increases will lead the short-term funds to outperform most of the state and intermediate LGIP funds near term since they reinvest at a quicker pace. Pool's 5 and 7 are still well positioned to take advantage of future rate hikes with securities maturing at the next several FOMC meetings. The short-term pools will also start increasing the WAM back to a 50- to 60-day target now that we are shifting into the new fiscal year.

## Strategy: Intermediate Pools 500 & 700 |

The yield curve remains volatile with the 2- and 5-year treasury note yielding 3.12% and 3.03%, respectively (at the time of this writing). During FY22 we saw yields increase approximately 270- and 215-bps from the 2- and 5-year treasury notes, respectively. The increased yields haven't helped existing positions but as they mature, we will be able to reinvest at higher rates. Pools 500 and 700 will continue their short-duration strategy leading into further interest rate hikes. While we remain short, we will take opportunities to extend further out the curve to lock in yield. Both pools are well positioned to increase yields for the second half of 2022 with a strong maturity schedule.

## LGIP Investment Pool Balances |

	June 30, 2022	June 30, 2021	YoY Change
Pool 5 LGIP	\$2,363,685,020	\$1,938,102,028	+\$425,582,992
Pool 7 LGIP FF&C	\$2,298,518,021	\$1,993,382,106	+\$305,135,915
Pool 500 LGIP Med.	\$638,169,706	\$611,132,666	+\$27,037,040
Pool 700 LGIP Med FF&C	\$253,804,380	\$307,900,430	-\$54,096,050
<b>TOTAL LGIP</b>	<b>\$5,554,177,128</b>	<b>\$4,850,517,230</b>	<b>+\$703,659,898</b>

# Endowment Summary

## Overall Performance – Where Are We Now | Both Endowments Crush Benches

### ➤ Highlights:

- **PLETF outperformed aggregate benchmark: June +32bp, FYTD +181bps**
- PLETF June total return: -5.42%
- PLETF 10-year annualized total return: +8.24%
- **Prop 123 fiscal year record high distributions at \$399.8MM FYTD; Projected \$432.8MM in FY23**
- AETF June total return: -5.47%
- AETF inception-to-date total return: +5.84%
- **AETF outperformed aggregate benchmark FYTD by +102bps; +48bps since inception**
- PLETF FY2021 10-year annualized total return 9.83% vs FY2021 NACUBO-TIAA Study of Endowments Average TRR of 8.50%: Marks Eighth Straight Year of Outperformance vs All Institutions
- PLETF Ranks in 90<sup>th</sup> Percentile vs All Public Colleges/Universities in NTSE study on 10-year annualized return

### Big Picture:

- PLETF fair market value: \$7,100,277,562
- Fair Market Value down -\$331.14MM MoM; down -\$554.55MM YoY net of distributions
- FYTD2022 distributions increased to \$399.8MM; up +\$15.1MM vs FY2021
- PLETF 12-Month return -9.32%
- Annualized 10-Year total return through June is 8.24% versus May at 9.07%; -83bps MoM
- Unrealized Gains: \$4.09BN
- June Realized Gains: \$10.94MM
- June TRR PLETF -5.42% vs benchmark -5.74%
- **Pool 205 Fixed Income outperforming FTSE Broad Investment Grade Index by +527bps FYTD**
- 2020 January, February, March, April (2), July (2), Sept, Nov, Dec (2), 2021 Jan, May, Sept, 2022 May PLETF & AETF Rebalances Complete

## Equity Strategy: Rebalance to Risk Targets | 15 Rebalances/29 Months

In 2020/2021, the strategy of rebalancing to our risk targets was triggered nine times in the PLETF and five times in the AETF. Our 2020/2021 rebalancing strategy was responsible for generating over \$517MM in realized gains in the PLETF and over \$155K in the AETF. These profits have benefited in ensuring enough cash to continue to make distributions under Proposition 123. PLETF rebalance triggers were reached in five months for selling equities and buying fixed income assets, and triggers for selling fixed income and buying equities were reached in two months. The past two years began with global risk markets falling due to the Coronavirus shortly after we executed our first rebalancing of \$480MM (total) in February 2020 when we sold U.S. Large Cap stocks very-near the all-time highs in the S&P 500, and subsequently bought into fixed income. By February 27, 2020, we initiated another rebalancing going the other direction –selling bonds and buying stocks. Equities had dropped precipitously, and our fixed income portfolio rallied in the most massive flight to safe havens of my career. The entire U.S. Treasury curve yielded under 1% with 10's touching 0.31% and 30's hitting 0.69% intraday on May 9, 2020, creating a fantastic opportunity to sell rich bonds and buy decidedly cheaper stocks with our \$352MM (total) rebalancing. On May 25, 2020, we hit triggers again, initiating a \$517MM (total) rebalancing, selling \$258.7MM in fixed income, and buying equities. Rebalances were executed in five equal tranches at various tactical entry points. Equities rallied sharply upon Federal Reserve interventional policies, triggering a fourth rebalancing (\$310MM total) selling equities in July 2020. The equity rally continued with a fifth rebalancing (\$348MM total) in July, a sixth rebalancing (\$375MM) in November 2020, a

seventh of \$437MM in December 2020, an eighth of \$402MM in May 2021, a ninth of \$400MM in September 2021 and a tenth of \$376MM in May 2022. These policy actions bring us back to original risk targets (with significant realized gains) as we continue to view our equity strategy as a long-term driver of returns for the PLETF. Exposure to U.S. equities has been a tremendous value-add over time and although markets periodically move through market correction phases, long-term equilibrium has rewarded patient, disciplined investors with positive returns that outpace inflation and build trust value in *real* terms – especially with sound rebalancing disciplines, which we employ. The AETF has similar exposure and has been rebalanced five times (May/July/November/February/May), realizing gains of \$253K with a total return inception-to-date of 5.84%.

## Fixed Income Strategy: Maintain Liquidity | Position for Rising Rates/Inflation

As a result of strong PLETF investment returns in 2021, the Prop 123 distribution has once again increased significantly and **beginning in July 2022 will pay record distributions of \$432.8MM - up from \$399.8MM.** We had taken the opportunity resulting from equity rebalancings to reduce fixed income duration in Pool 205 and bolster necessary liquidity in Pool 123 to continue to make these increased monthly distributions in a timely manner for our K-12 education and other beneficiaries and take advantage of reinvestment at significantly higher rates. Appropriately, we maintained this defensive, short duration bias and continued opportunistically adding variable rate fixed income holdings with an eye on reallocating portfolio risk and increasing yield in light of likely interest rate increases by the Federal Reserve. This strategy has proven extremely fortuitous as the Fed has taken a very hawkish tone and embarked on a tightening regime. Hence, **Pool 205 has outperformed the FTSE BIG Index benchmark FYTD by a massive +527 basis points through June.** However, with risks of a recession scenario having risen somewhat, we may work to reduce our significant short duration bias, incrementally. Again, this month we put cash to work in money market cash equivalents, US Agency and high-grade corporate notes (3.5%-5% yields), opportunistically adding incremental duration as the market selloff has made rates more attractive. Existing floating rate securities in the portfolio will reset higher as the Fed increases rates and our short cash equivalents offer dry powder to re-deploy at these much higher rates. We continue to look for opportunistic ways to sensibly add convexity and duration to lock in significant outperformance versus the benchmark and hedge against the scenarios of subdued inflation, Russian war/geopolitical developments, and/or an economic downturn. We continue to use other bond ETFs in the PLETF for diversification and in fact already added bond ETF's (BND & SPAB) with the AETF fixed income allocation. Month-end duration on Pool 205 was at 3.12 years (-0.10 MoM), outperforming substantially (+527 bps 1 YR versus benchmark) with higher rates than 12-months ago. Note the forward-looking Bloomberg Bond Yield Forecast compiled by averaging 56 wall street economist's forecasts:

Rate	Mkt Yld	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24	Q3 24	Q4 24
<b>United States</b>											
US 30-Year	3.16	3.33	3.41	3.40	3.39	3.30	3.26	3.43	3.41	3.50	3.54
US 10-Year	3.03	3.24	3.29	3.29	3.24	3.15	3.09	3.27	3.23	3.30	3.32
US 5-Year	3.17	3.28	3.33	3.29	3.21	3.06	2.95	3.13	3.09	3.16	3.20
US 2-Year	3.23	3.31	3.40	3.41	3.29	3.12	3.01	3.15	3.06	3.09	3.11
US 3-Month Term SOFR	2.51	2.84	3.30	3.45	3.45	3.21	2.97	2.72	2.67	2.54	2.51
Fed Funds Rate - Upper Bound	1.75	3.00	3.50	3.65	3.60	3.40	3.25	3.10	2.95	2.85	2.80
Fed Funds Rate - Lower Bound	1.50	2.74	3.26	3.40	3.36	3.17	2.99	2.83	2.70	2.59	2.52
2 Year - 10 Year Spread	-0.20	-0.06	-0.11	-0.12	-0.05	0.03	0.08	0.12	0.17	0.21	0.21

\*Table presented as-of 7/20/2022.

## Endowment Monthly Land Sale Proceeds |

- +\$105.07MM in June
- -\$4.91MM vs May
- +\$103.07MM YoY

## Endowment Prop 123 Distributions |

- \$33.3MM total/\$31.0MM for K-12 successfully distributed on time from Pool 123 in June
- FYTD K-12 distribution \$372.0MM; up +\$14MM YoY
- Pool 123 post-rebalancing increased laddered liquidity to 12+ months taking advantage of rising reinvestment rates

## Pool Performance |

Equity/Fixed Income Pools:

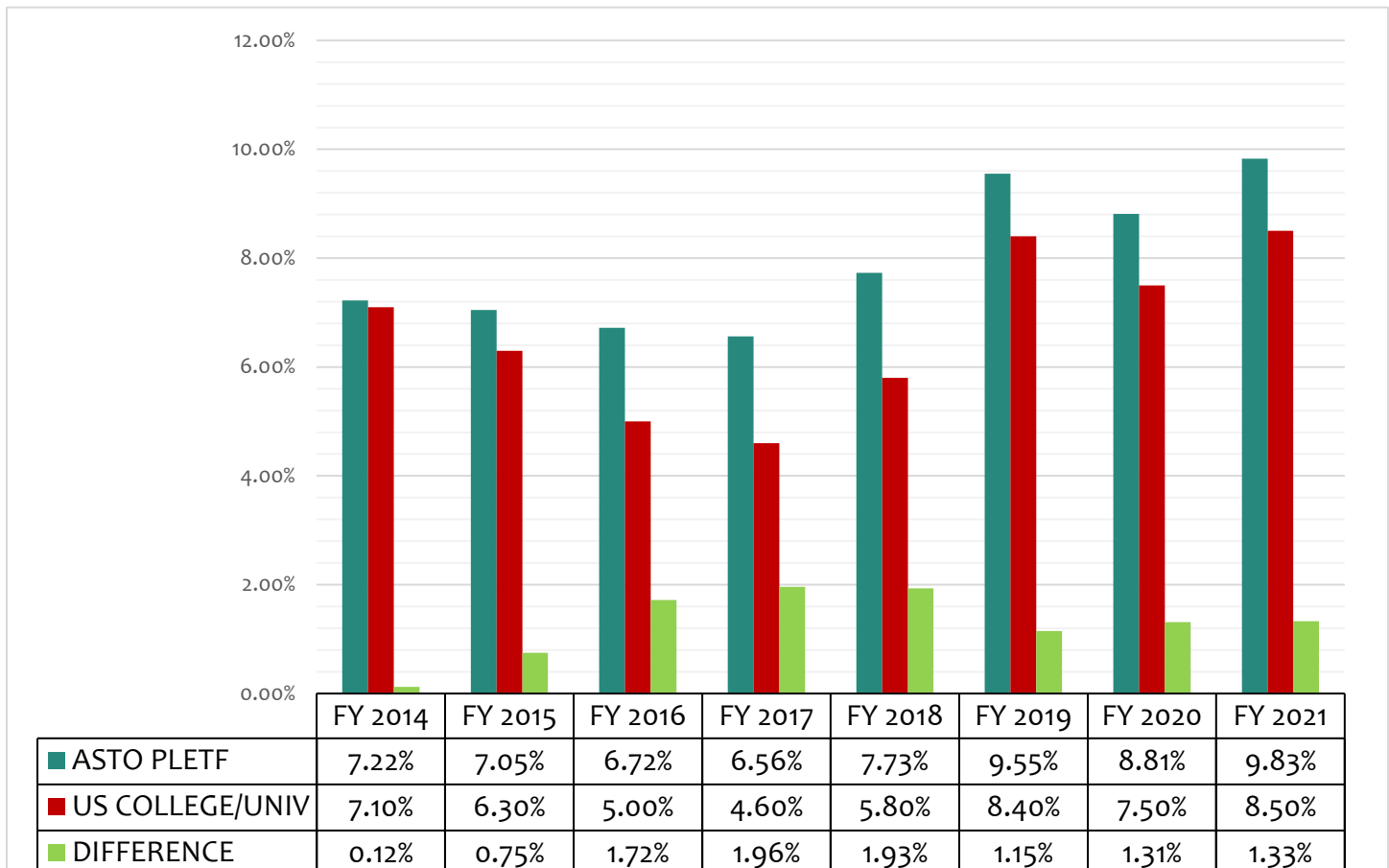
- Pool 201 Large Cap Equity outperformed the S&P 500 by +9bps MoM at -8.17%
- Pool 203 Mid Cap Equity outperformed the S&P 400 by +17bps MoM at -9.45%
- Pool 204 Small Cap Equity outperformed the S&P 600 by +11bps MoM at -8.43%
- Pool 205 outperformed the FTSE BIG Index by +84bps MoM at -0.73%
- Pool 123 returned +0.09% for June, trailing the LGIP benchmark by -1bp

## Long-Term PLETF Performance |

### PLETF VS US COLLEGE/UNIVERSITY ENDOWMENTS

10YR ANNUALIZED AVG RETURN COMPARISON

Data gathered from historical NACUBO-TIAA Study of Endowments©(NTSE)



**EARNINGS DISTRIBUTION - INVESTMENT POOLS**  
**JUNE 2022**

<u>Recipient</u>	Earnings Distributed				Fiscal YTD Investment Management Fees Received
	<u>JUNE 2022</u>	<u>Fiscal YTD 21/22</u>	<u>Fiscal YTD 20/21</u>	<u>Change from Previous Year</u>	
General Fund (1)	\$10,271,252	\$34,774,302	\$21,517,510	61.6%	
2 State Agencies - Full Faith & Credit (2)	1,045,884	4,138,115	4,743,383	-12.8%	\$719,608
3 State Agencies - Diversified (2) (3)	1,630,606	7,779,737	5,883,822	32.2%	4,779,472
4 State Agencies - Gov (2)	789,233	4,148,445	4,897,020	-15.3%	632,754
5 LGIP (2)	2,386,860	6,030,007	2,223,515	171.2%	1,210,318
7 LGIP Gov (2)	1,713,475	3,628,586	744,121	387.6%	1,120,237
9A Public School Credit Enhancement (4)	0	0	0	0.0%	57,414
10 State Agencies Med/Tax-exempt non-AMT	913,478	4,377,505	5,144,629	-14.9%	585,751
12 CAWCD Medium-Term	856,221	6,770,575	6,885,245	-1.7%	307,205
16 ECDH Medium-Term	296,164	4,206,719	5,203,673	-19.2%	157,022
<b>Subtotal</b>	<b>19,903,172</b>	<b>75,853,991</b>	<b>57,242,918</b>	<b>32.5%</b>	<b>9,569,782</b>
<b>NAV POOL</b>					
500 LGIP - Med Term	724,636	5,838,021	5,528,398	5.6%	345,502
700 LGIP - FF&C Med Term (2)	110,913	907,465	952,426	-4.7%	165,708
<b>Total</b>	<b>\$20,738,720</b>	<b>\$82,599,477</b>	<b>\$63,723,742</b>	<b>29.6%</b>	<b>\$10,080,991</b>
<b>JUNE 2021 TOTALS</b>	<b>\$4,406,064</b>				<b>\$6,199,977</b>

(1) Pool 15 State Agencies Operating Liquidity operating earnings are reported in General Fund

(2) Earnings are net of operating earnings, which are reported in the General Fund

(3) Pool 15 State Agencies Operating Liquidity operating management fees are reported in Pool 3, State Agencies Diversified (Combined)

(4) Pool 9A represents \$80 million invested in School Funding Obligations; earnings on this investment revert to the General Fund



**OPERATING MONIES**  
**AVERAGE INVESTED BALANCE**  
 Through June 30, 2022  
 (in millions)

<u>Month</u>	<u>Fiscal Year</u> <u>2019/2020</u>	<u>Fiscal Year</u> <u>2020/2021</u>	<u>Fiscal Year</u> <u>2021/2022</u>
JULY	\$2,483	\$3,805	\$7,377
AUGUST	1,840	3,661	5,881
SEPTEMBER	1,980	3,834	6,017
OCTOBER	2,246	4,303	6,300
NOVEMBER	2,259	4,382	6,537
DECEMBER	2,463	4,642	7,054
JANUARY	2,864	4,903	7,523
FEBRUARY	2,730	5,135	7,790
MARCH	2,198	5,003	8,155
APRIL	3,204	5,299	8,904
MAY	4,236	6,161	10,027
JUNE	4,360	9,167	11,660
<b>Y-T-D Average</b>	<b>\$2,739</b>	<b>\$5,025</b>	<b>\$7,769</b>
<b>Full Year Average</b>	<b>\$2,739</b>	<b>\$5,025</b>	<b>\$7,769</b>

**STATE AGENCY POOLS  
 PORTFOLIO EARNINGS ANALYSIS  
 JUNE 2022**

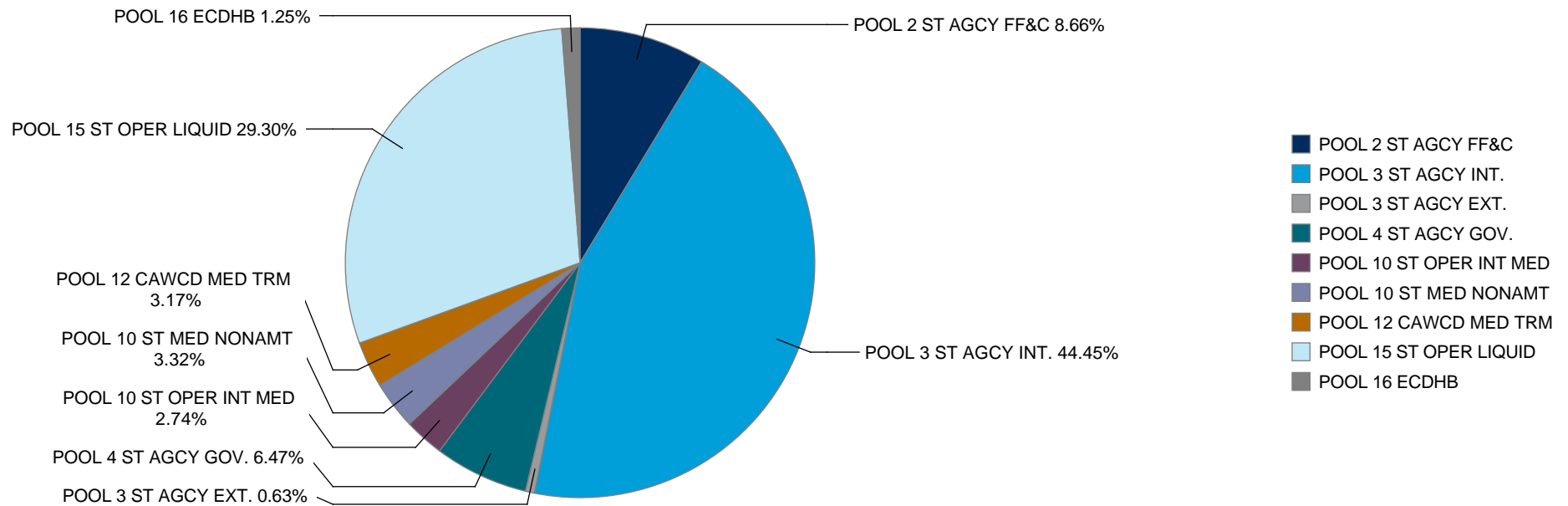
FUND	DESCRIPTION	Current Month 06/30/22	Prior Month 05/31/22	Prior Year 06/30/21	Net Asset Value Per Share
2	STATE AGENCIES - FULL FAITH & CREDIT	\$1,118,333	\$763,495	\$276,661	0.991606
3	STATE AGENCIES - DIVERSIFIED				
	INTERNAL MANAGERS	7,901,411	5,821,898	1,809,224	0.988714
	EXTERNAL MANAGERS	104,555	81,910	72,686	0.978892
	<b>FUND 3 TOTAL</b>	<b>8,005,966</b>	<b>5,903,808</b>	<b>1,881,910</b>	<b>0.988713</b>
4	STATE AGENCIES - GOV	947,737	767,175	353,849	0.985573
9A	PUBLIC SCHOOL CREDIT ENHANCEMENT	84,705	55,703	25,670	0.991606
10	STATE AGENCIES MED-TERM/TAX-EX NON-AMT				
	INTERNAL MANAGERS	489,766	366,025	232,956	0.990404
	EXTERNAL MANAGERS	513,117	489,181	64,554	0.998526
	<b>FUND 10 TOTAL</b>	<b>1,002,883</b>	<b>855,206</b>	<b>297,510</b>	<b>0.994834</b>
12	CAWCD MEDIUM-TERM	856,221	779,493	531,378	0.943952
15	STATE AGENCIES OPERATING LIQUIDITY	3,384,058	1,349,584	18,257	1.000000
16	ECDH MEDIUM-TERM	296,164	373,632	384,690	0.941989
	<b>TOTAL STATE AGENCIES</b>	<b>\$15,696,065</b>	<b>\$10,848,096</b>	<b>\$3,769,926</b>	

**STATE AGENCY POOLS  
 PORTFOLIO YIELD ANALYSIS  
 JUNE 2022**

<b>FUND</b>	<b>DESCRIPTION</b>	<b>Current Month 06/30/22</b>	<b>Prior Month 05/31/22</b>	<b>Prior Year 06/30/21</b>
2	STATE AGENCIES - FULL FAITH & CREDIT 50% Trailing 3-mo T-bill / 50% Bloomberg Barclays 1-3 year UST	0.94% 2.02%	0.62% 1.64%	<b>0.28%</b> <b>0.12%</b>
3	STATE AGENCIES - DIVERSIFIED INTERNAL MANAGERS EXTERNAL MANAGERS COMBINED 50% 1 month T-bill / 50% Bloomberg Barclays 1-3 year US Agg	1.11% 1.12% 1.11% 2.10%	0.81% 0.85% 0.81% 1.65%	<b>0.29%</b> <b>0.79%</b> <b>0.30%</b> <b>0.17%</b>
4	STATE AGENCIES - GOV 50% Trailing 3-mo T-bill / 50% Bloomberg Barclays 1-3 year US Gov	0.95% 2.02%	0.72% 1.64%	<b>0.40%</b> <b>0.12%</b>
9A	PUBLIC SCHOOL CREDIT ENHANCEMENT	0.94%	0.62%	<b>0.28%</b>
10	STATE AGENCIES MED-TERM/TAX-EXEMPT NON-AMT INTERNAL MANAGERS EXTERNAL MANAGERS COMBINED 50% Trailing 3-mo T-bill / 50% Bloomberg Barclays 1-3 year US Agg	1.23% 1.07% 1.14% 2.15%	0.89% 0.99% 0.94% 1.76%	<b>0.66%</b> <b>0.12%</b> <b>0.37%</b> <b>0.17%</b>
12	CAWCD MEDIUM-TERM 25% S&P LGIP Index / 75% Bloomber Barclays 1-3 year US Agg	1.78% 2.62%	1.58% 2.22%	<b>1.28%</b> <b>0.26%</b>
15	STATE AGENCIES OPERATING LIQUIDITY Trailing 3-mo T-bill	0.97% 1.05%	0.62% 0.69%	<b>0.01%</b> <b>0.01%</b>
16	ECDH MEDIUM-TERM 25% S&P LGIP Index / 75% Bloomer Barclays 1-3 year US Agg	1.55% 2.62%	1.87% 2.22%	<b>1.69%</b> <b>0.26%</b>



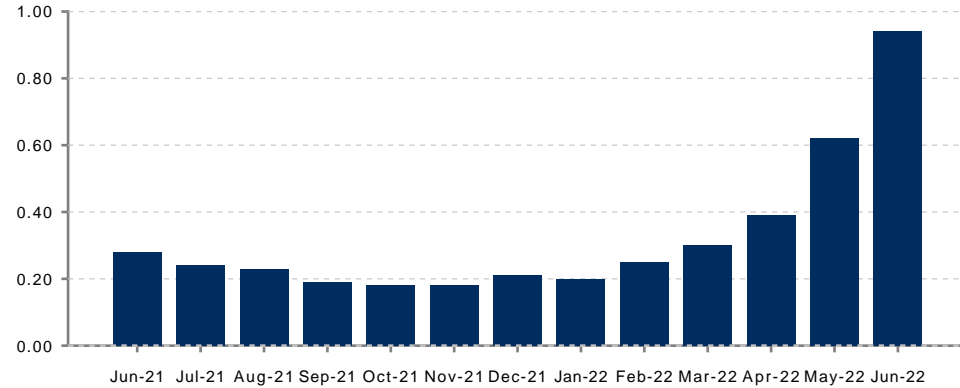
Manager Allocation



	Market Value	% of Portfolio
POOL 2 ST AGCY FF&C	1,517,739,395	8.66
POOL 3 ST AGCY INT.	7,786,375,465	44.45
POOL 3 ST AGCY EXT.	110,974,427	0.63
POOL 4 ST AGCY GOV.	1,133,160,748	6.47
POOL 10 ST OPER INT MED	480,097,424	2.74
POOL 10 ST MED NONAMT	580,865,278	3.32
POOL 12 CAWCD MED TRM	554,980,005	3.17
POOL 15 ST OPER LIQUID	5,133,207,220	29.30
POOL 16 ECDHB	219,201,698	1.25
TOTAL STATE AGENCY	17,516,601,661	100.00



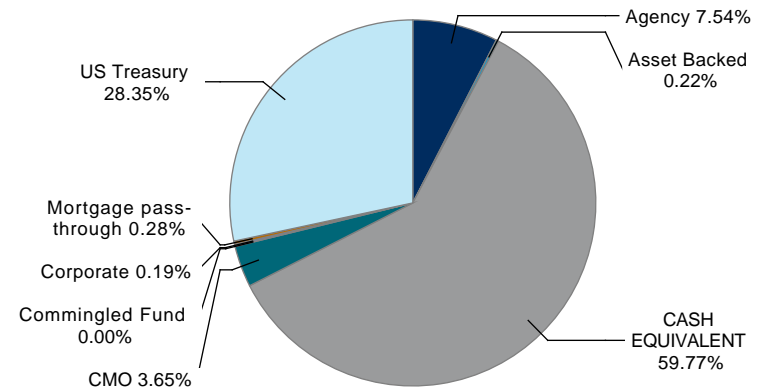
## Net Yield



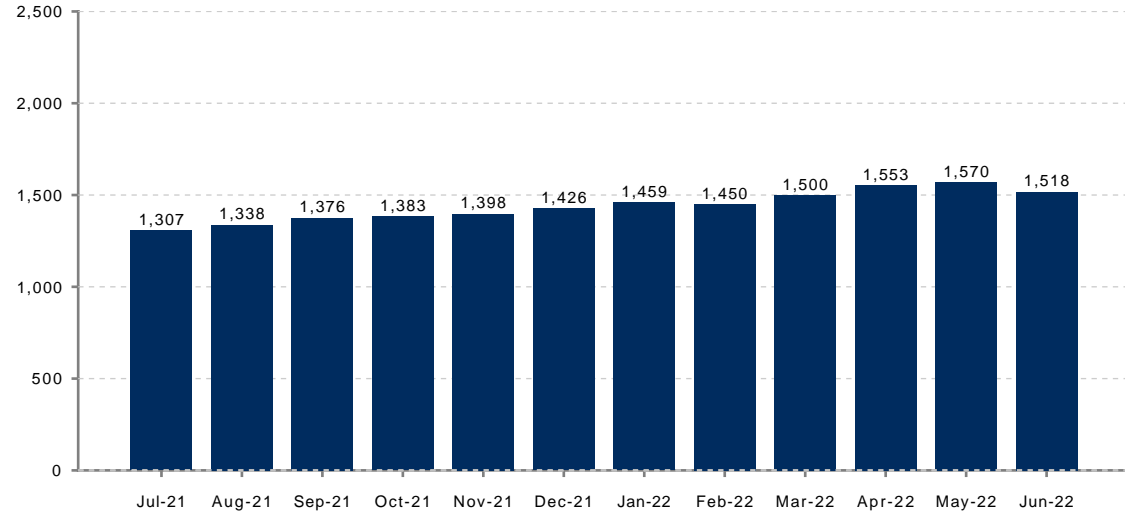
	Current Mth	Prior Mth	1 Year Ago
POOL 2 ST AGCY FF&C	0.94	0.62	0.28

## Asset Allocation

	Ending Market Value
POOL 2 ST AGCY FF&C	1,517,739,395



## Net Asset Values over Time (\$MM)

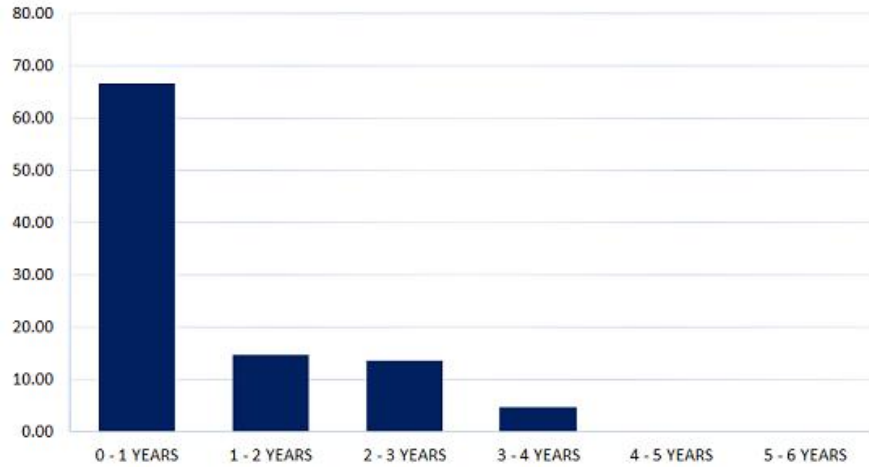


## Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 2 ST AGCY FF&C		
RBC CAPITAL MARKETS R	200,007,889	13.18
TREASURY BILL	149,996,148	9.88
TREASURY BILL	109,984,772	7.25
DAIWA CAPITAL MARKETS	103,495,878	6.82
JP MORGAN MONEY MARK	100,009,439	6.59
US TREASURY N/B	89,711,413	5.91
US TREASURY N/B	74,536,485	4.91
BANK OF AMERICA REPO	59,712,290	3.93
US TREASURY N/B	44,834,460	2.95
TREASURY BILL	44,792,685	2.95



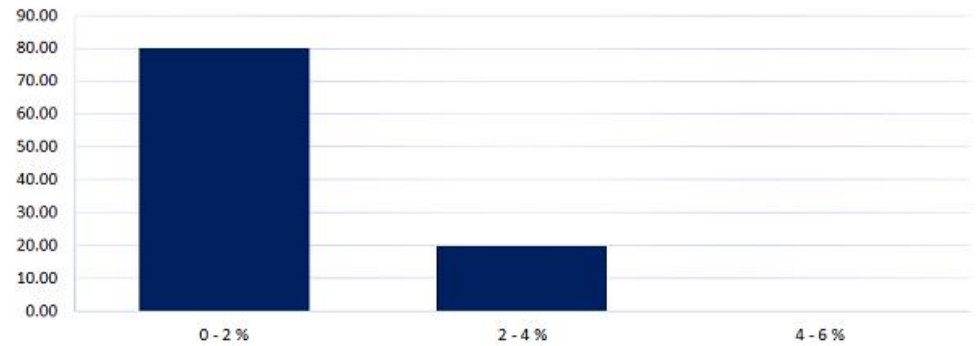
**Duration Distribution**



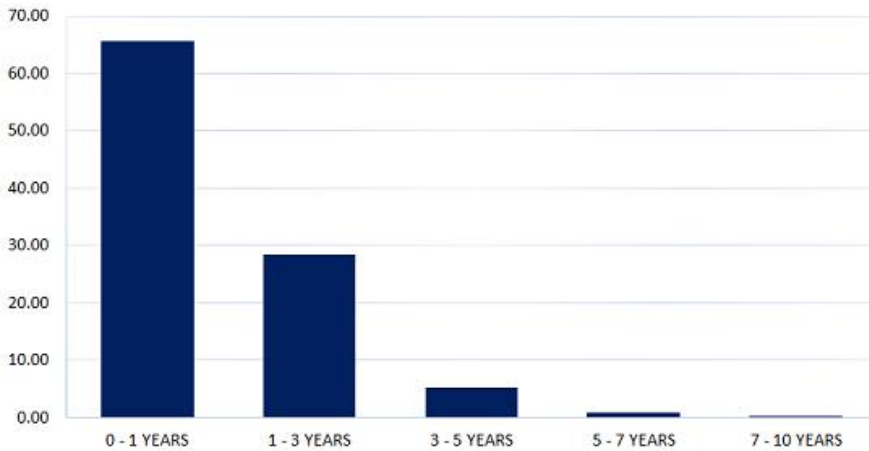
**Portfolio Level Characteristics**

	POOL 2 ST AGCY FF&C
Effective Maturity	0.92
Coupon	1.14
Effective Duration	0.93
Quality Rating (Moody's)	AAA

**Coupon Distribution**



**Expected Maturity Distribution**

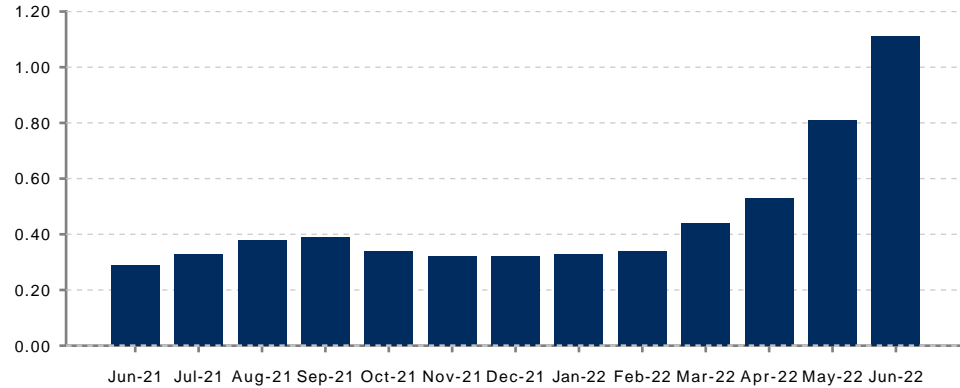


**Rating Distribution**





## Net Yield

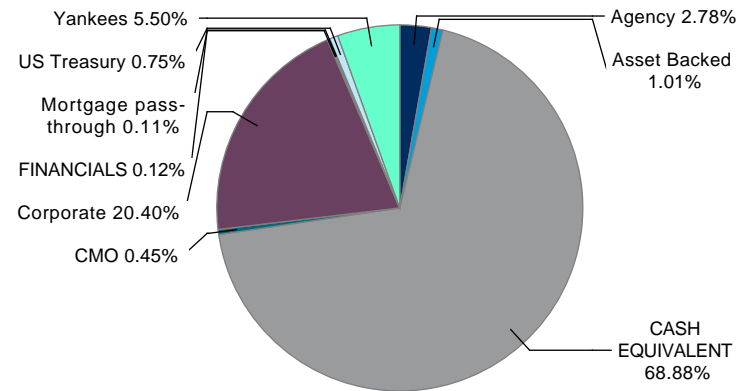


Current Mth      Prior Mth      1 Year Ago

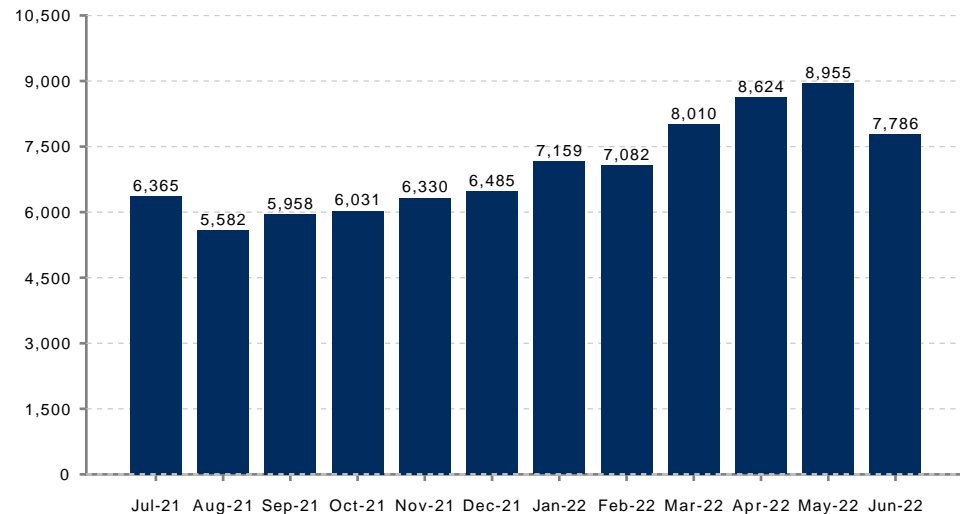
POOL 3 ST AGCY INT.	1.11	0.81	0.29
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## Asset Allocation

POOL 3 ST AGCY INT.	Ending Market Value
	7,786,375,465



## Net Asset Values over Time (\$MM)

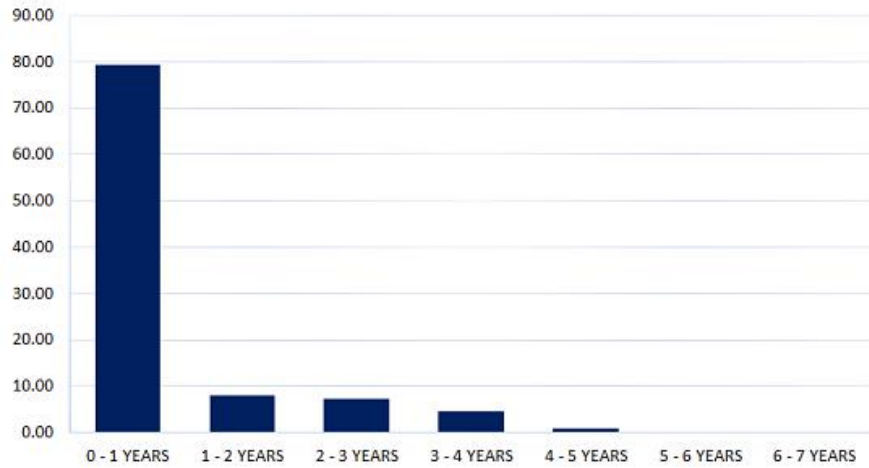


## Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY INT.		
MITSUBISHI UFJ REPO	550,021,694	7.06
BMO TRIPARTY MTGE	350,014,389	4.50
CANTOR FITZGERALD REPO	300,012,167	3.85
SOUTH STREET REPO	275,997,710	3.54
FIDELITY INVESTMENTS MONEY MAR	230,065,088	2.95
BMO TRIPARTY MTGE	150,006,250	1.93
JPMORGAN US GOVERNMENT MONEY M	115,222,033	1.48
GOLDMAN SACHS FINANCIAL SQUARE	105,184,908	1.35
CANTOR FITZGERALD REPO	100,124,222	1.29
MSILF GOVERNMENT PORTFOLIO	75,076,899	0.96



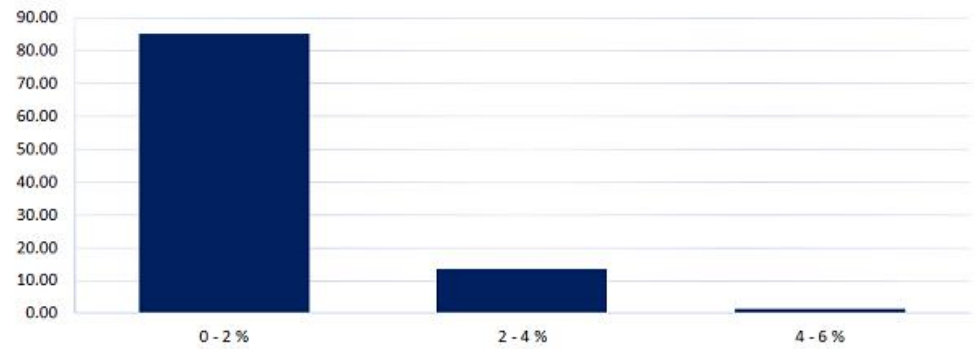
**Duration Distribution**



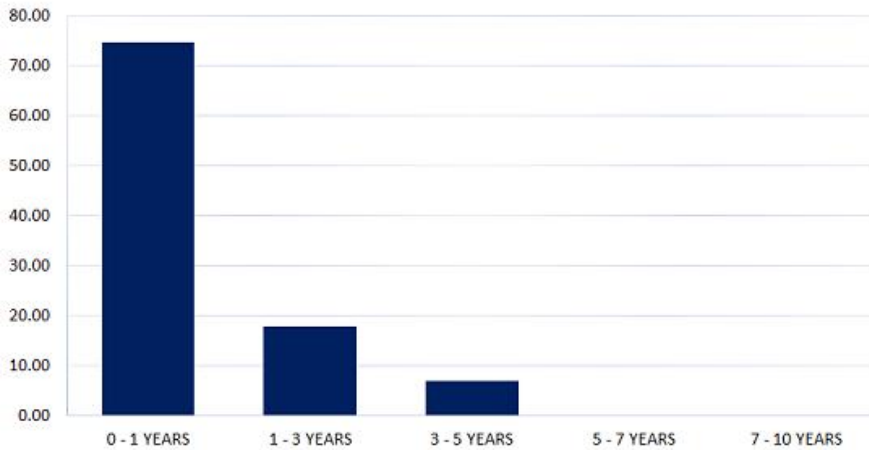
**Portfolio Level Characteristics**

	POOL 3 ST AGCY INT.
Effective Maturity	0.74
Coupon	1.50
Effective Duration	0.65
Quality Rating (Moody's)	AA-2

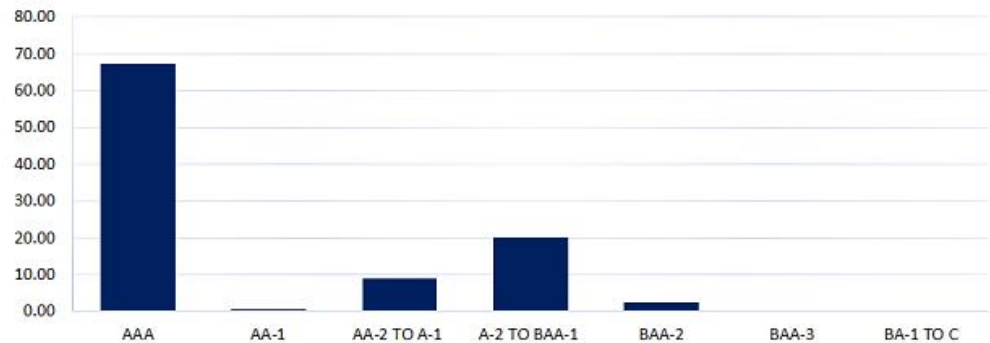
**Coupon Distribution**



**Expected Maturity Distribution**



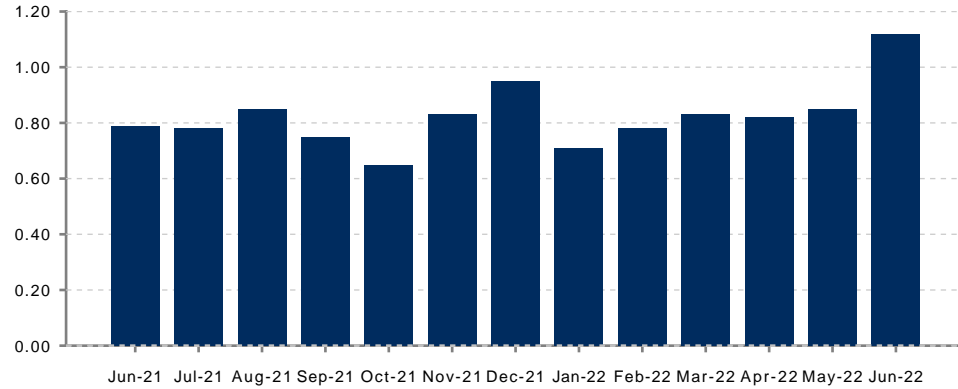
**Rating Distribution**







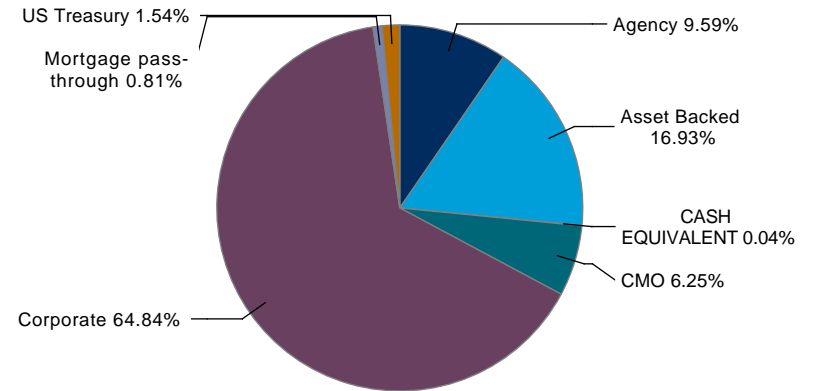
## Net Yield



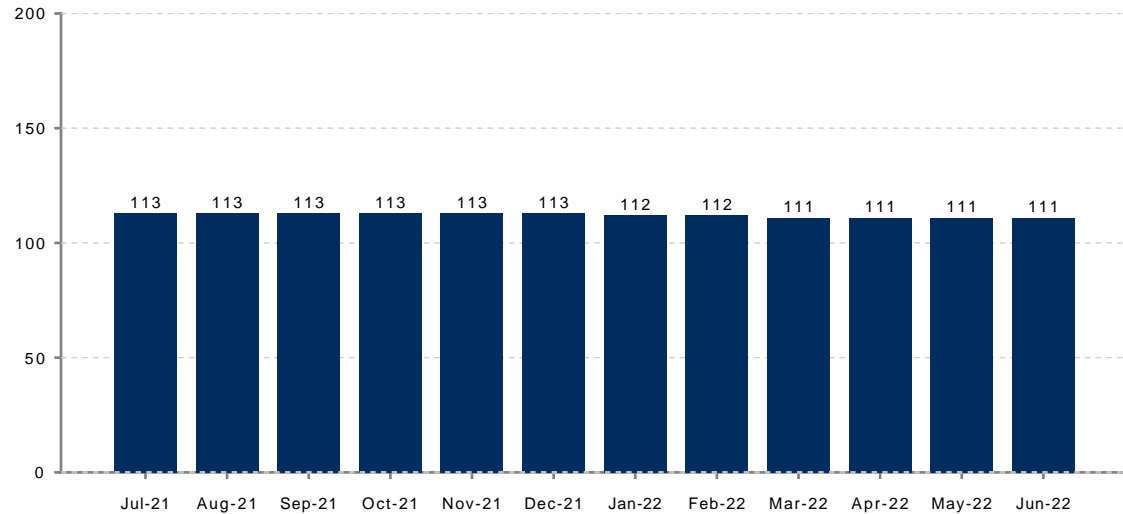
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY EXT.	1.12	0.85	0.79

## Asset Allocation

	Ending Market Value
POOL 3 ST AGCY EXT.	110,974,427



## Net Asset Values over Time (\$MM)

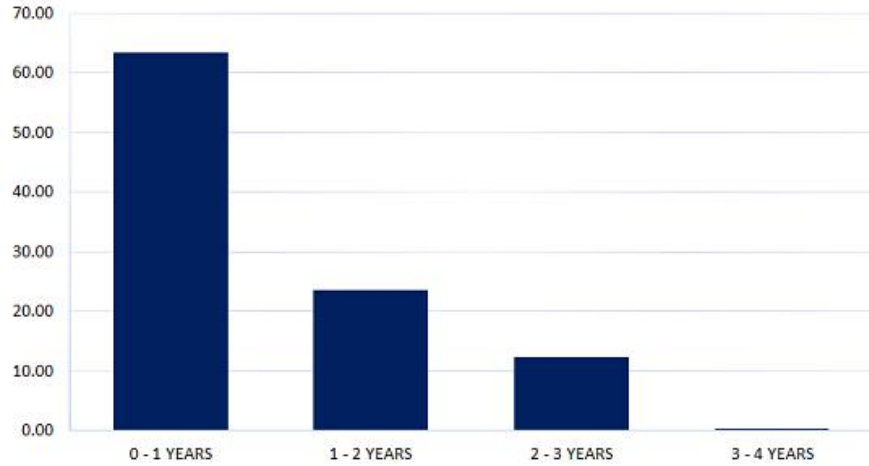


## Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY EXT.		
FHLMC MULTIFAMILY STRUCTURED P	1,981,235	1.79
FHLMC MULTIFAMILY STRUCTURED P	1,960,187	1.77
PUBLIC STORAGE	1,711,134	1.54
KIMBERLY CLARK CORP	1,565,888	1.41
COLGATE PALMOLIVE CO	1,363,994	1.23
FHLMC MULTIFAMILY STRUCTURED P	1,342,603	1.21
SALESFORCE INC	1,222,042	1.10
ADOBE INC	1,220,699	1.10
CITIZENS BANK NA/RI	1,201,271	1.08
JOHNSON + JOHNSON	1,101,820	0.99



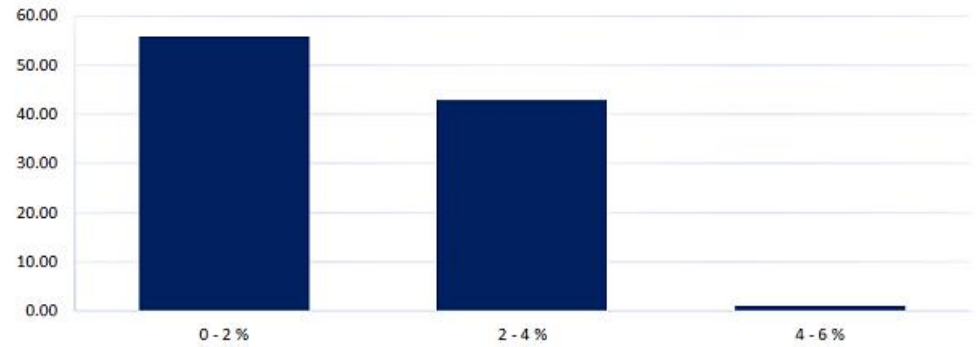
**Duration Distribution**



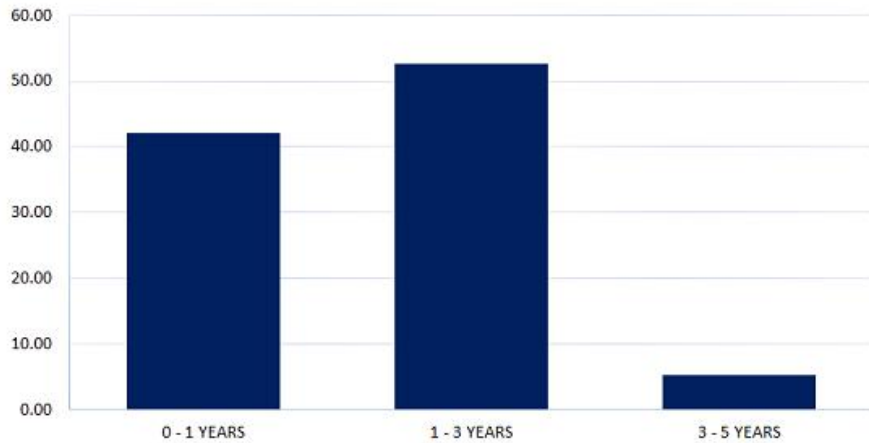
**Portfolio Level Characteristics**

	POOL 3 ST AGCY EXT.
Effective Maturity	1.43
Coupon	1.78
Effective Duration	0.97
Quality Rating (Moody's)	AA-3

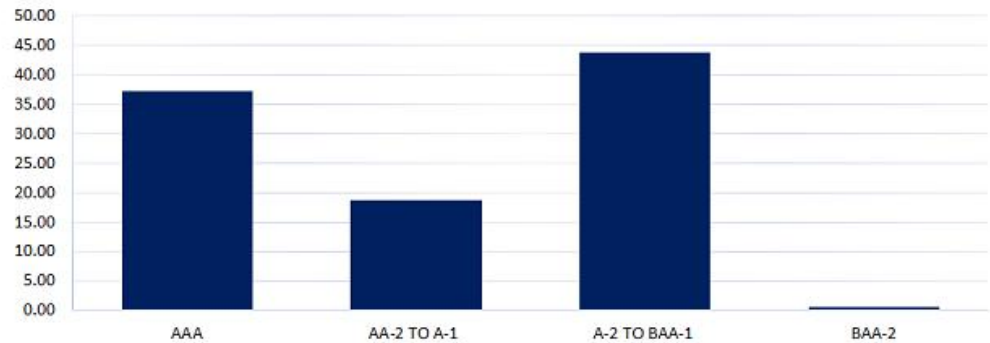
**Coupon Distribution**



**Expected Maturity Distribution**



**Rating Distribution**



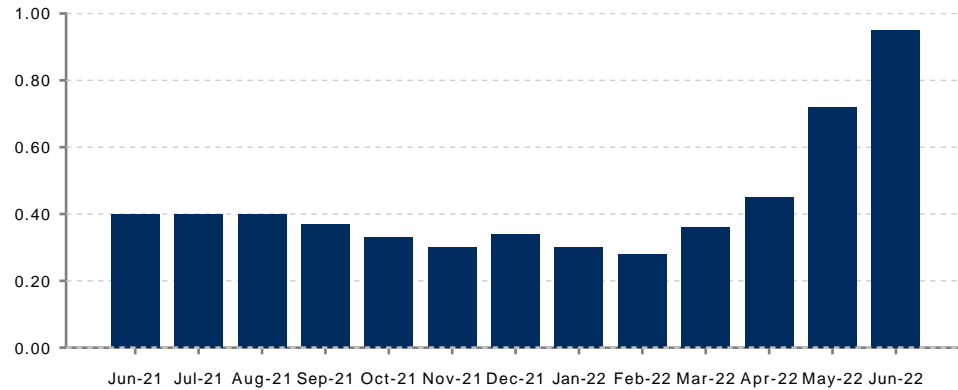
# OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2022

POOL 4 ST AGCY GOV.



## Net Yield

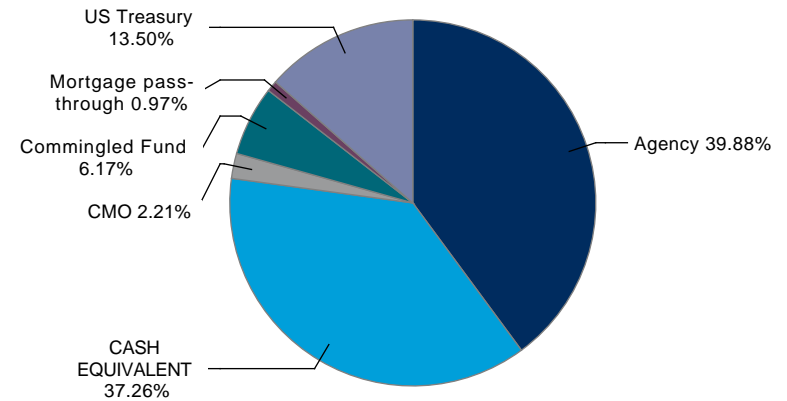


**Current Mth**      **Prior Mth**      **1 Year Ago**

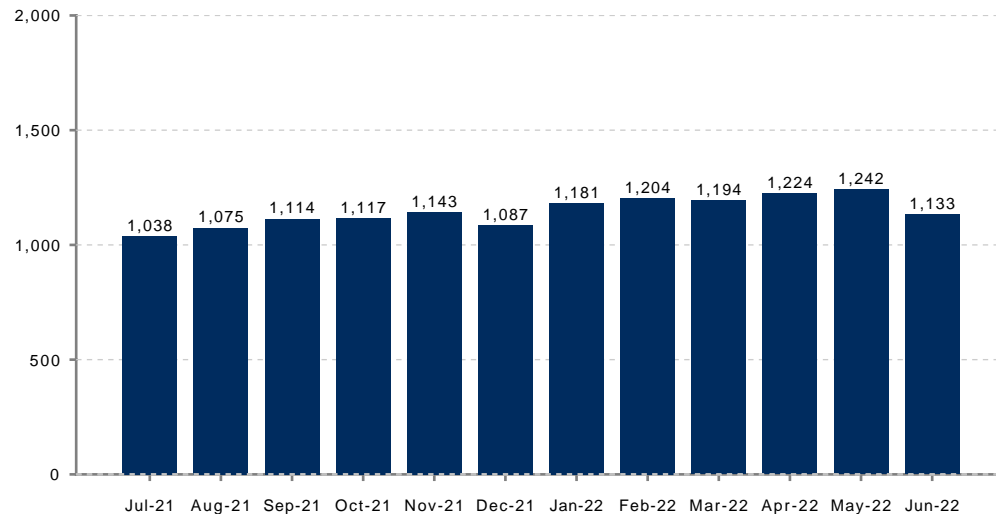
POOL 4 ST AGCY GOV.	0.95	0.72	0.40
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## Asset Allocation

<b>Ending Market Value</b>
POOL 4 ST AGCY GOV.      1,133,160,748



## Net Asset Values over Time (\$MM)

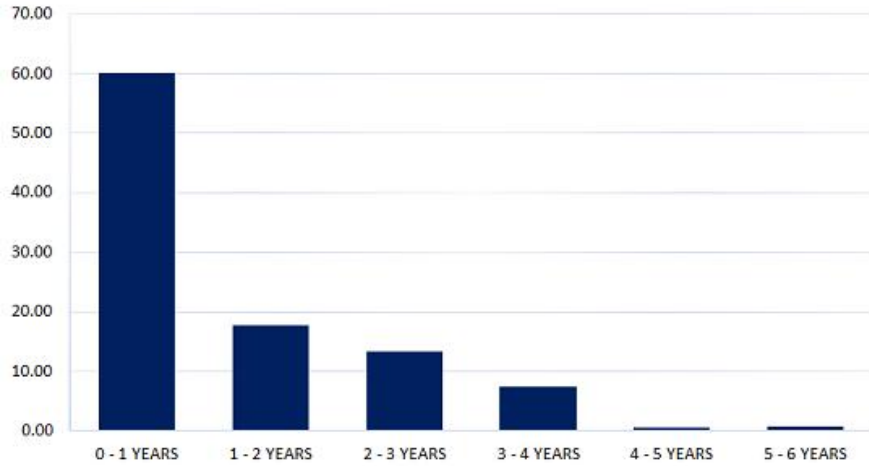


## Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 4 ST AGCY GOV.		
SOUTH STREET REPO	152,547,591	13.46
JPMORGAN US GOVERNMENT MONEY M	70,025,701	6.18
GOLDMAN SACHS FINANCIAL SQUARE	50,013,762	4.41
US TREASURY N/B	49,690,990	4.39
US TREASURY N/B	40,194,513	3.55
TREASURY BILL	39,990,500	3.53
FEDERAL FARM CREDIT BANK	39,673,279	3.50
TREASURY BILL	34,999,052	3.09
TREASURY BILL	34,946,736	3.08
US TREASURY N/B	34,047,189	3.00



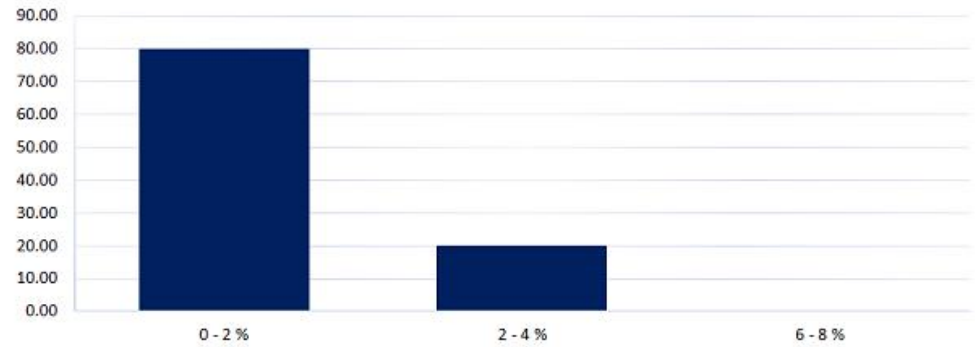
**Duration Distribution**



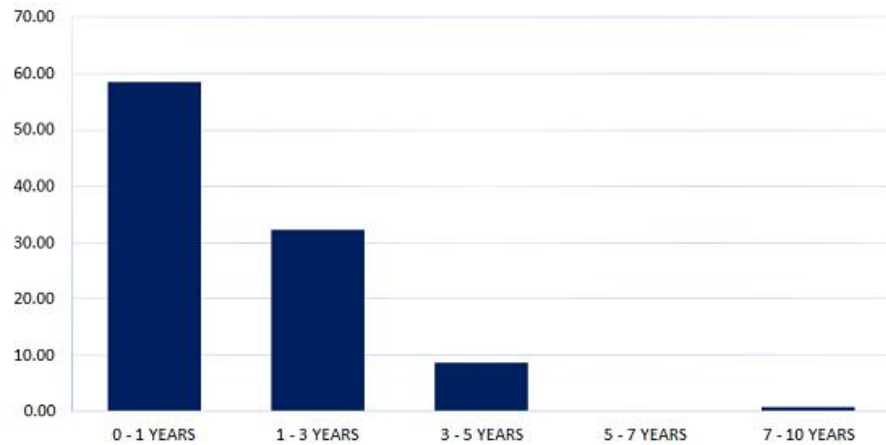
**Portfolio Level Characteristics**

	POOL 4 ST AGCY GOV.
Effective Maturity	1.13
Coupon	1.25
Effective Duration	1.06
Quality Rating (Moody's)	AAA

**Coupon Distribution**



**Expected Maturity Distribution**

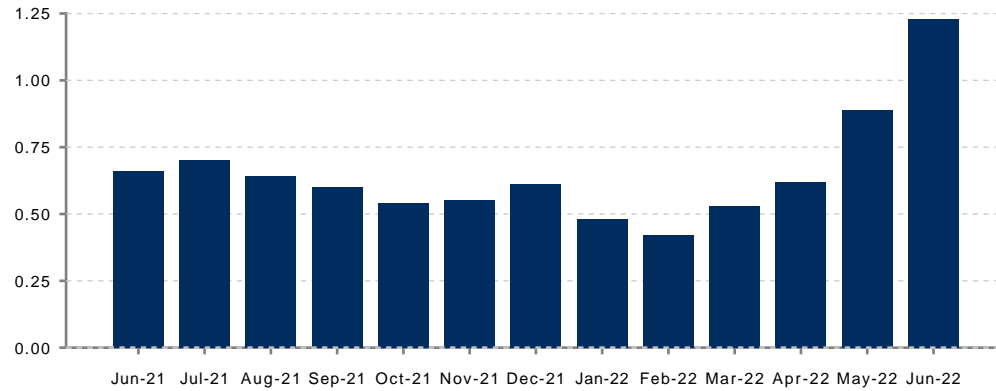


**Rating Distribution**





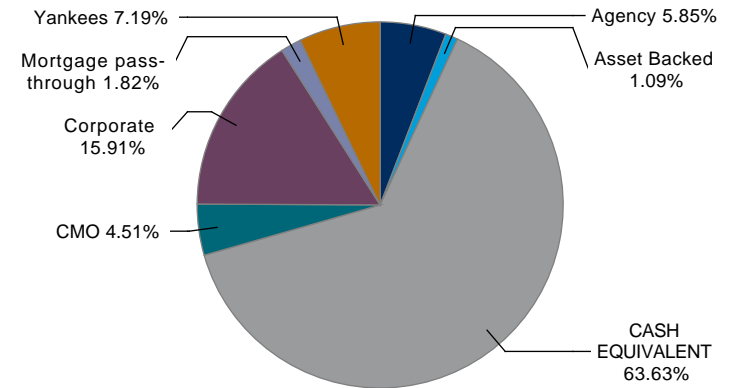
**Net Yield**



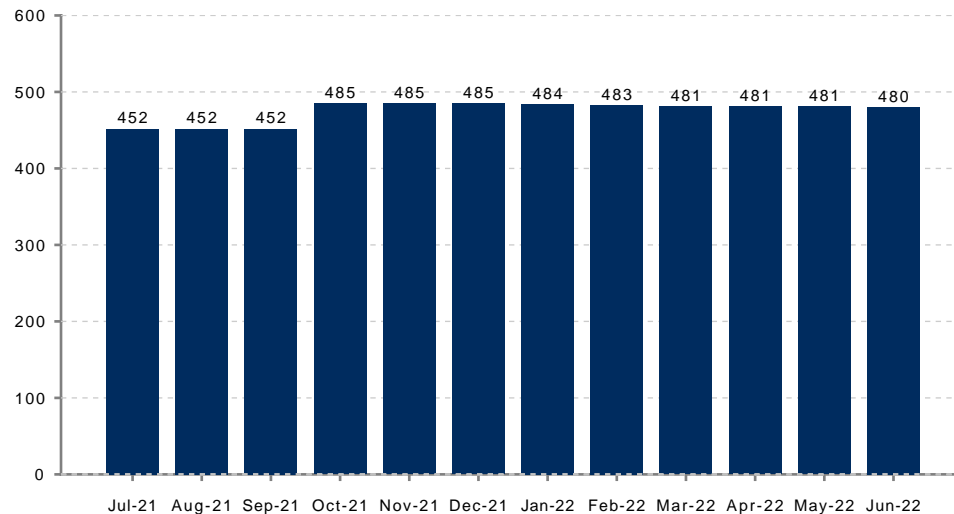
	Current Mth	Prior Mth	1 Year Ago
ST OF AZ POOL 10 ST OPER INT MED	1.23	0.89	0.66

**Asset Allocation**

	Ending Market Value
POOL 10 ST OPER INT MED	480,097,424



**Net Asset Values over Time (\$MM)**

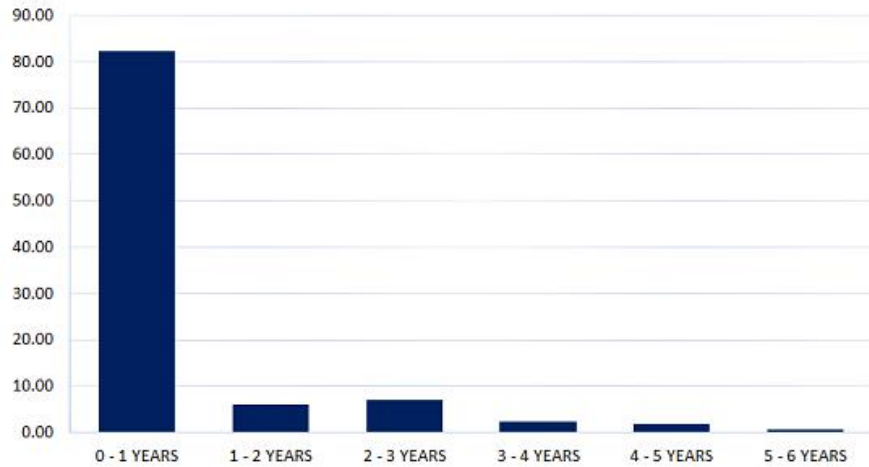


**Top 10 Holdings**

Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPER INT MED		
SOUTH STREET REPO	25,259,047	5.26
AMHERST-PIERPONT	10,006,458	2.08
BANK OF NOVA SCOTIA	9,998,390	2.08
COCA-COLA COMPANY	9,997,739	2.08
PEPSICO INC	9,985,122	2.08
FREDDIE MAC	9,758,828	2.03
WALMART INC	8,028,156	1.67
OLD LINE FUNDING LLC	6,805,637	1.42
EXXON MOBIL CORPORATION	5,958,204	1.24
TORONTO DOMINION BANK	5,930,852	1.24



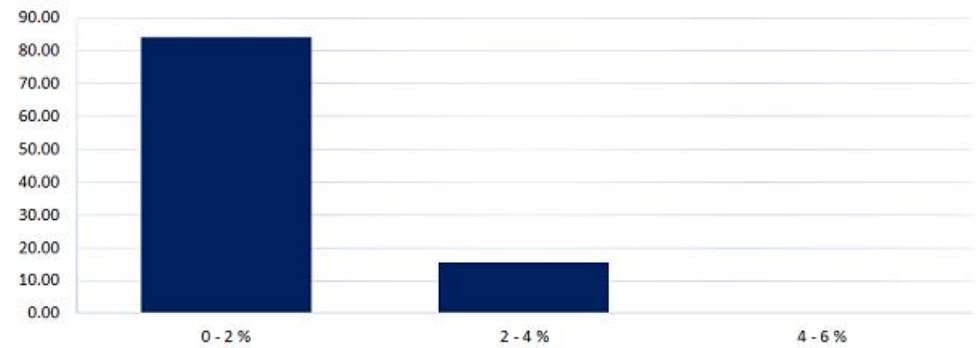
**Duration Distribution**



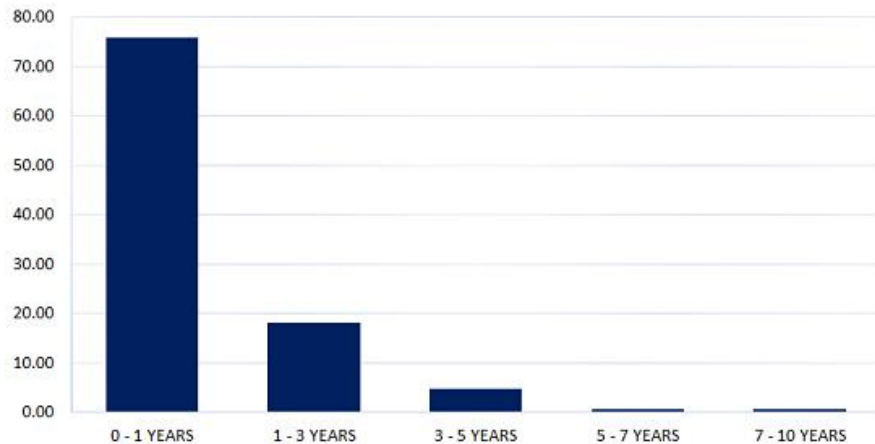
**Portfolio Level Characteristics**

	POOL 10 ST OPER INT MED
Effective Maturity	0.85
Coupon	1.64
Effective Duration	0.64
Quality Rating (Moody's)	AA-1

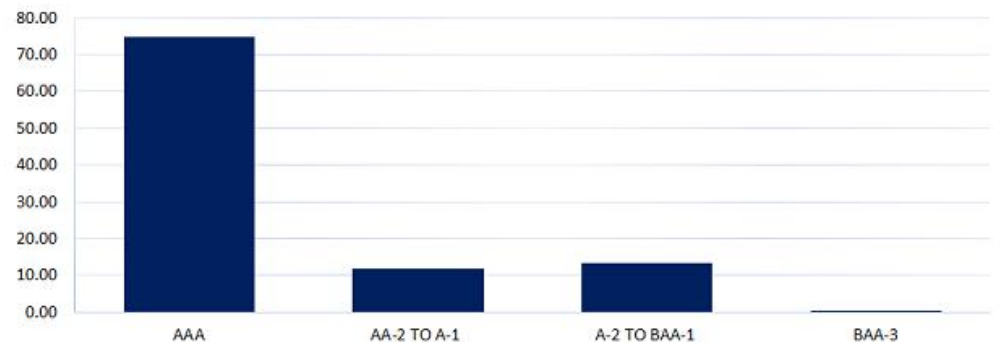
**Coupon Distribution**

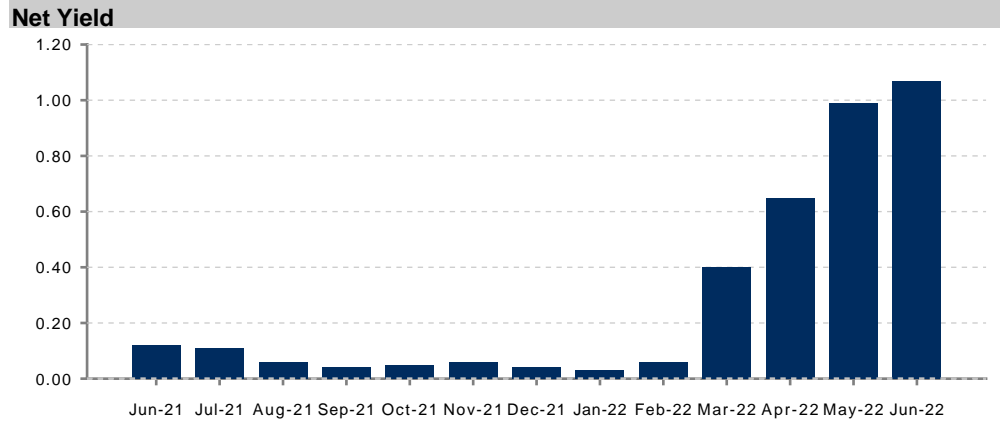


**Expected Maturity Distribution**



**Rating Distribution**

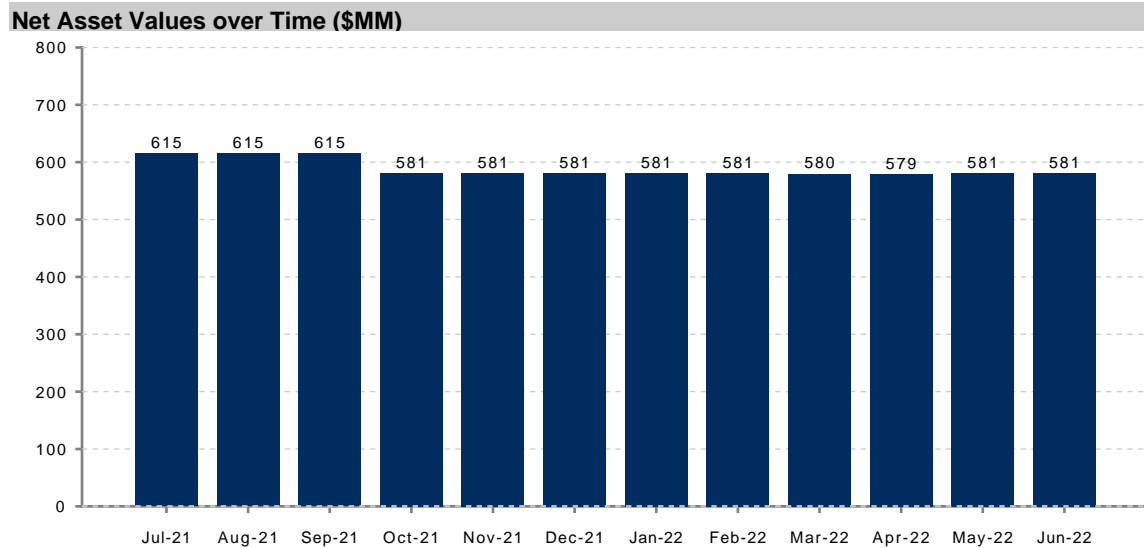
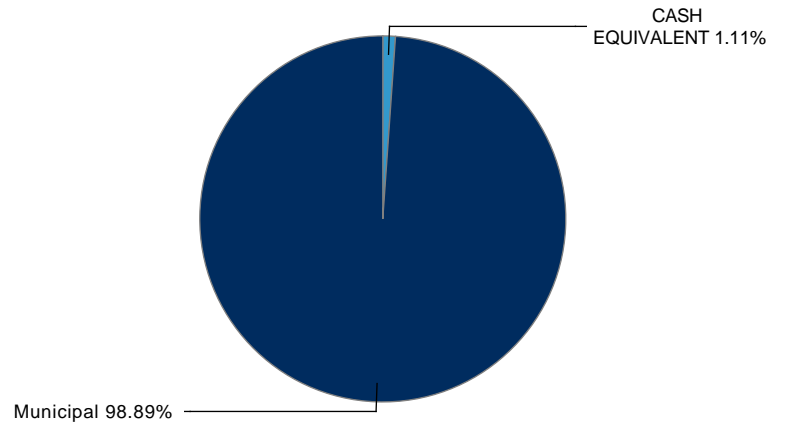




	Current Mth	Prior Mth	1 Year Ago
POOL 10 ST MED NONAMT	1.07	0.99	0.12

### Asset Allocation

	Ending Market Value
POOL 10 ST MED NONAMT	580,865,278

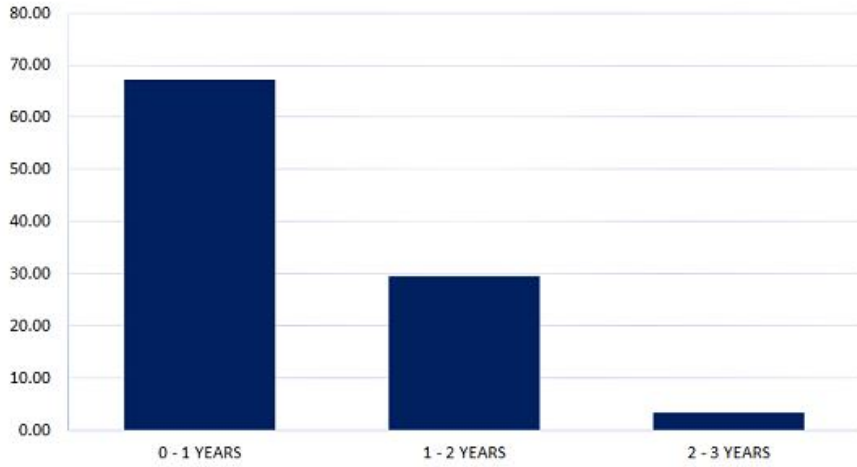


### Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 10 ST MED NONAMT		
PORT TACOMA WA REVEN	25,266,539	4.35
PHILADELPHIA PA GAS WK	25,011,695	4.31
LOUDOUN CNTY VA INDL	24,491,931	4.22
BALTIMORE CNTY MD	23,461,255	4.04
GEORGIA ST	21,483,688	3.70
DENVER CITY CNTY CO	20,862,107	3.59
OLATHE KS	20,814,391	3.58
SAINT PAUL MN HSG RED	20,198,460	3.48
INDIANA ST FIN AUTH HOS	20,014,466	3.45
WISCONSIN ST HLTH ED	17,461,971	3.01



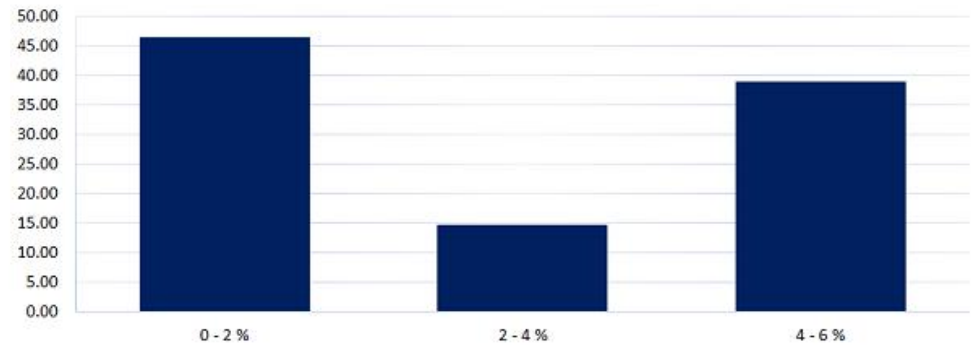
**Duration Distribution**



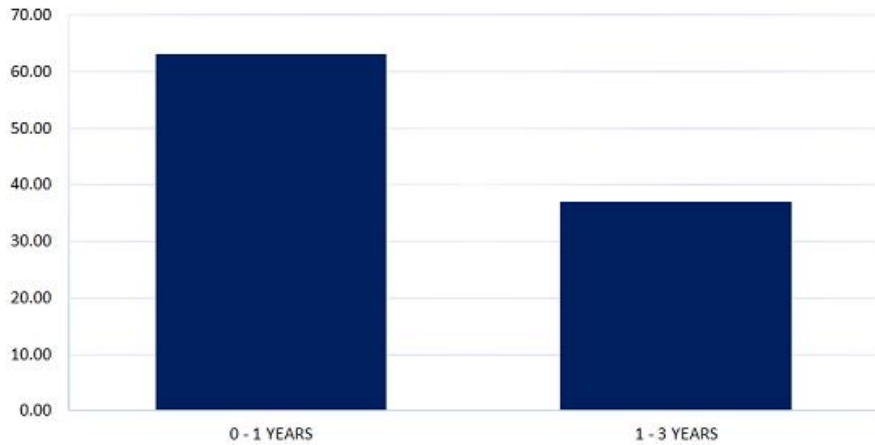
**Portfolio Level Characteristics**

	POOL 10 ST MED NONAMT
Effective Maturity	0.68
Coupon	3.12
Effective Duration	0.66
Quality Rating (Moody's)	AA-1

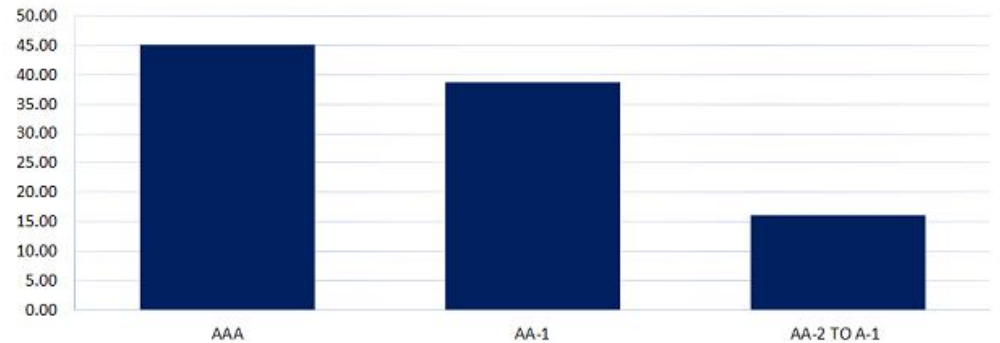
**Coupon Distribution**



**Expected Maturity Distribution**



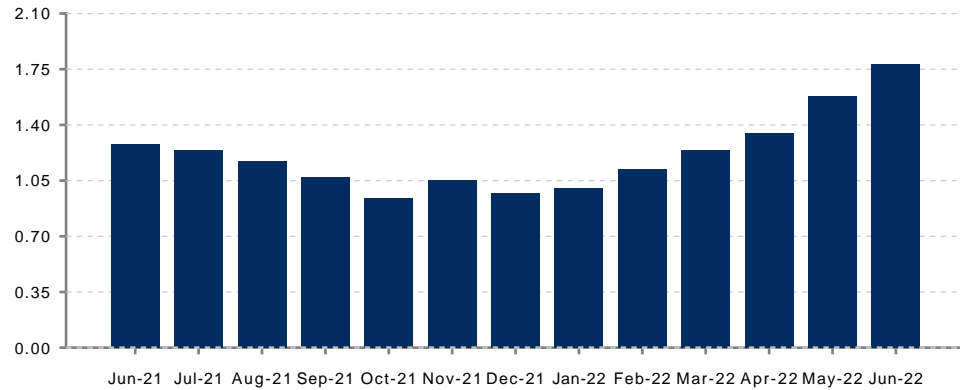
**Rating Distribution**







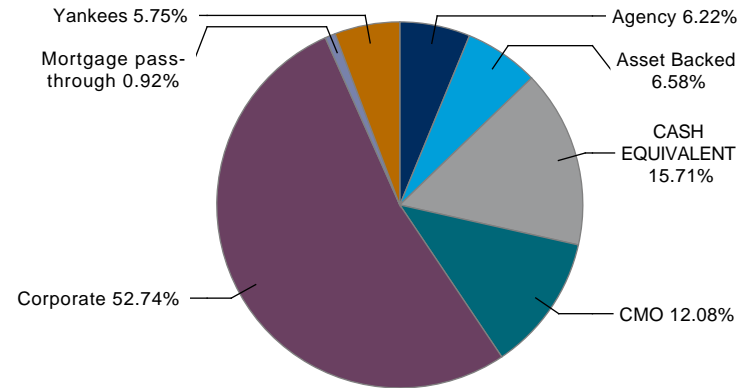
**Net Yield**



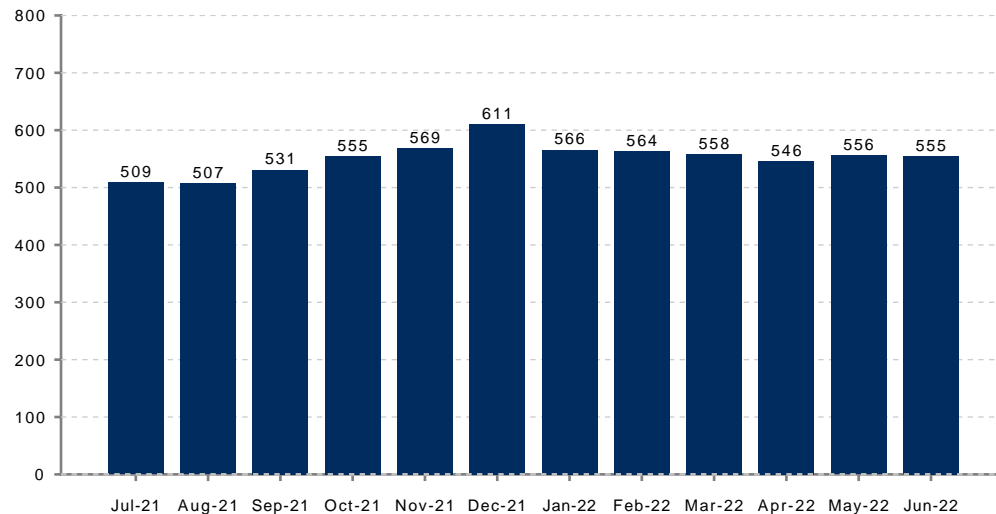
	Current Mth	Prior Mth	1 Year Ago
POOL 12 CAWCD MED TRM	1.78	1.58	1.28

**Asset Allocation**

	Ending Market Value
POOL 12 CAWCD MED TRM	554,980,005



**Net Asset Values over Time (\$MM)**

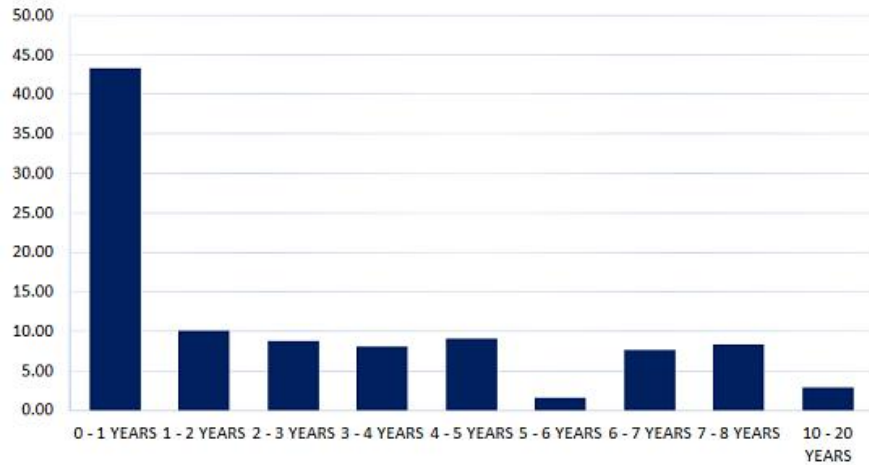


**Top 10 Holdings**

Security Name	Ending Market Value	% of Portfolio
POOL 12 CAWCD MED TRM		
SOUTH STREET REPO	12,475,622	2.25
MORGAN STANLEY	10,058,336	1.81
BANK OF AMERICA CORP	10,009,689	1.80
HARLEY-DAVIDSON FND CP	9,983,500	1.80
NVIDIA CORP	9,728,126	1.75
PHILLIPS 66	8,199,331	1.48
FORD CREDIT FLOORPLAN MASTER O	7,709,594	1.39
GOTHAM FDG CORP	7,455,938	1.34
INTERCONTINENTALEXCHANGE	6,962,177	1.25
ALPHABET INC	6,594,680	1.19



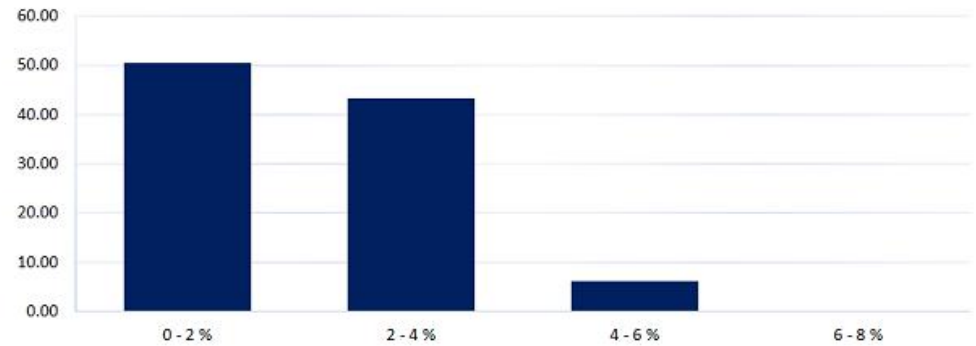
**Duration Distribution**



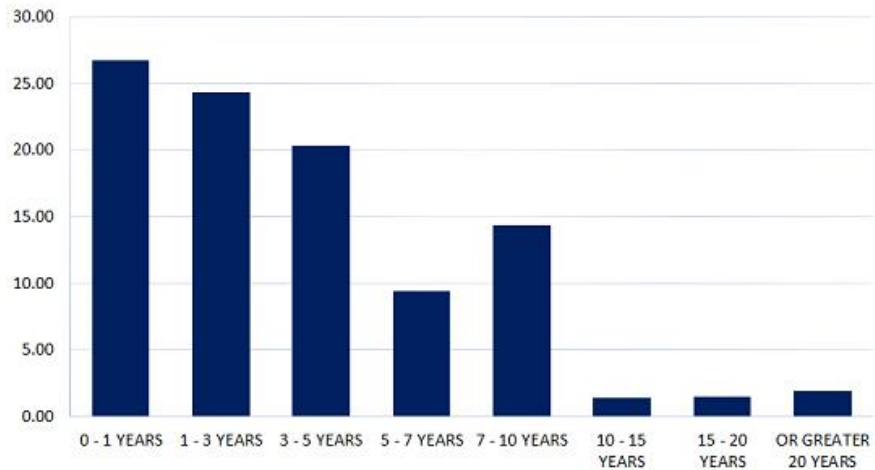
**Portfolio Level Characteristics**

	POOL 12 CAWCD MED TRM
Effective Maturity	4.20
Coupon	2.17
Effective Duration	2.76
Quality Rating (Moody's)	AA-3

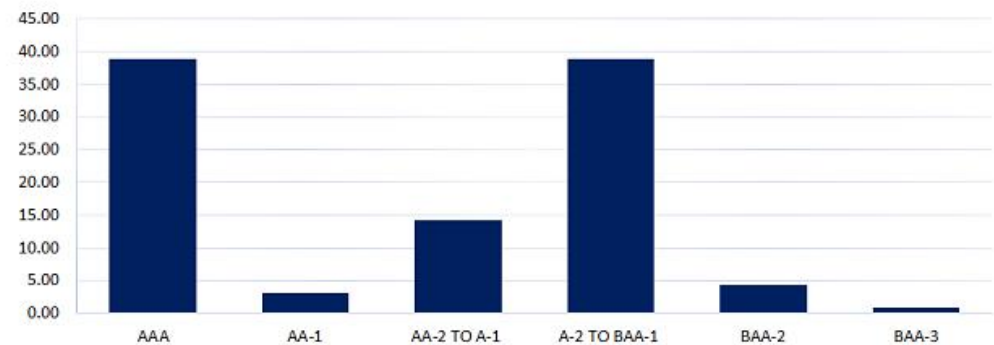
**Coupon Distribution**



**Expected Maturity Distribution**



**Rating Distribution**



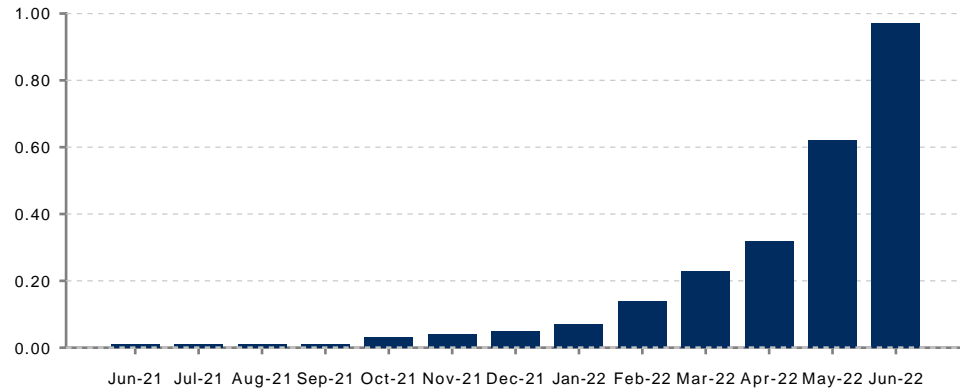
# OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2022

POOL 15 ST OPER LIQUID



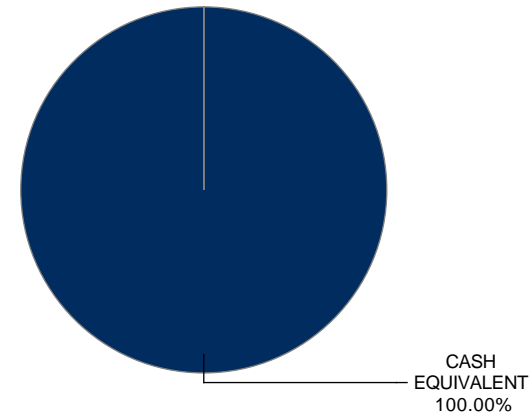
## Net Yield



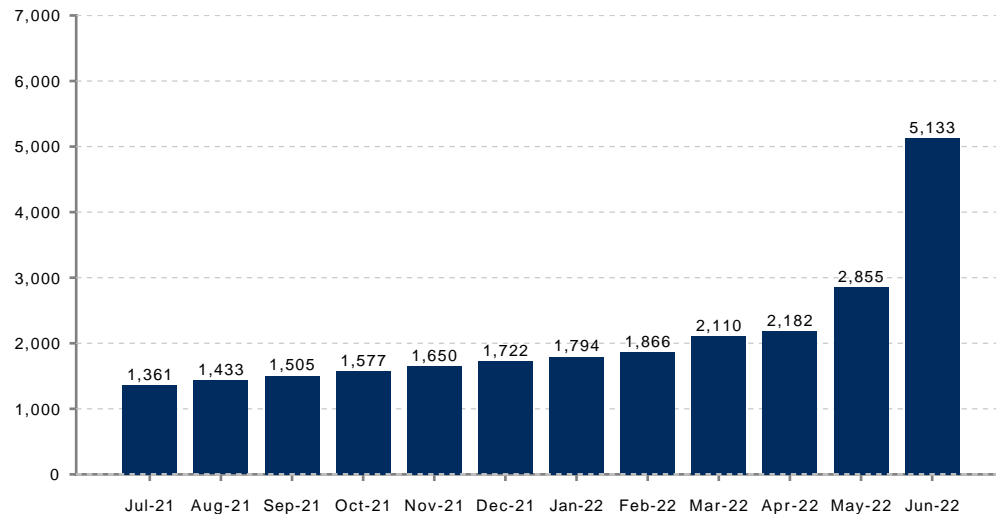
	Current Mth	Prior Mth	1 Year Ago
ST of AZ POOL 15 ST OPER LIQUIDITY	0.97	0.62	0.01

## Asset Allocation

	Ending Market Value
POOL 15 ST OPER LIQUID	5,133,207,220



## Net Asset Values over Time (\$MM)

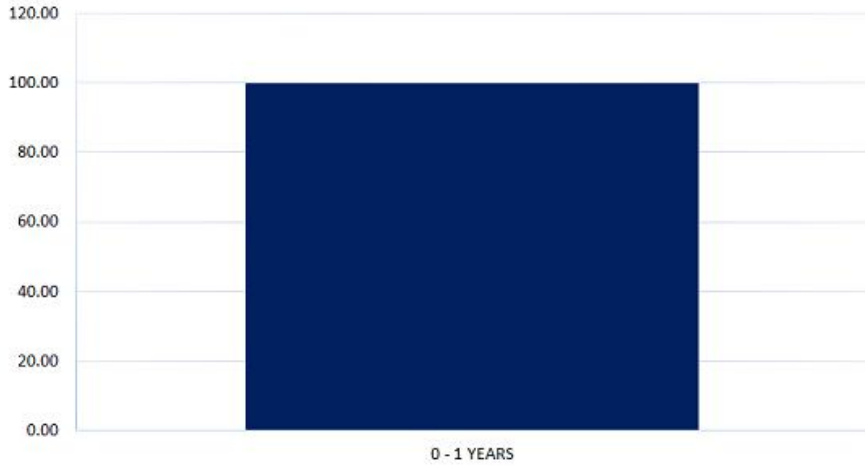


## Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 15 ST OPER LIQUID		
CANTOR FITZGERALD REPO	700,029,361	13.64
AMHERST PIERPONT	700,028,583	13.64
SOUTH STREET REPO	519,521,646	10.12
TREASURY BILL	299,693,355	5.84
JPMORGAN US GOVERNMENT MONEY M	195,052,878	3.80
GOLDMAN SACHS FINANCIAL SQUARE	175,056,709	3.41
MSILF GOVERNMENT PORTFOLIO	150,030,799	2.92
TREASURY BILL	149,720,484	2.92
TREASURY BILL	149,683,463	2.92
TREASURY BILL	74,993,750	1.46



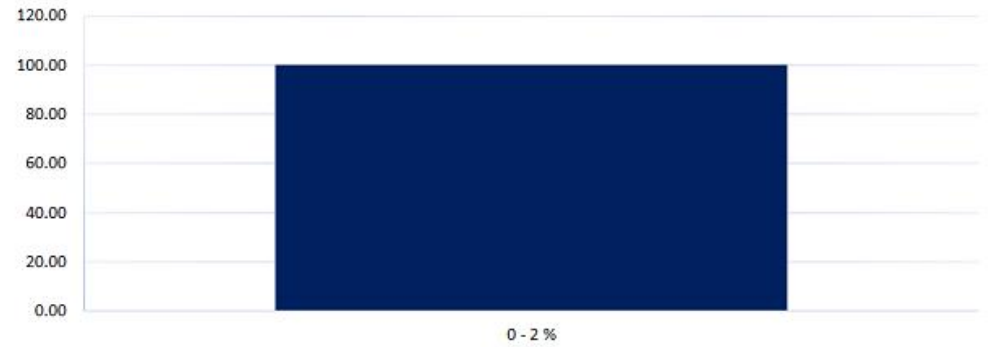
**Duration Distribution**



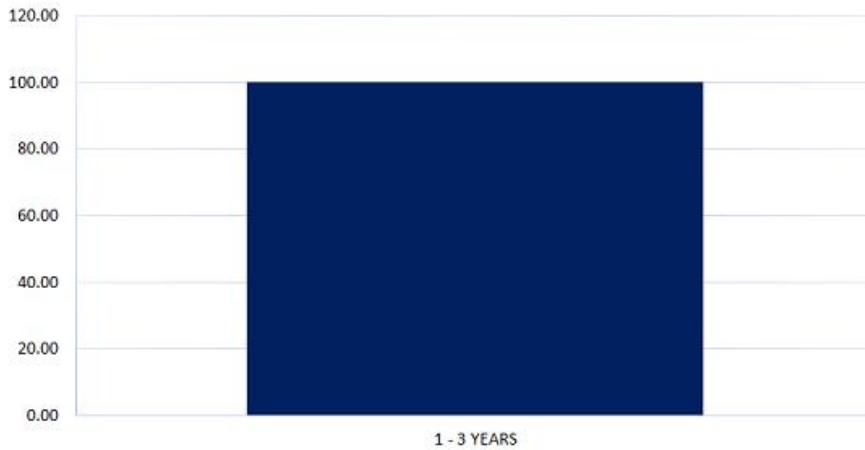
**Portfolio Level Characteristics**

	POOL 15 ST OPER LIQUID
Effective Maturity	0.06
Coupon	1.06
Effective Duration	0.06
Quality Rating (Moody's)	AA-1

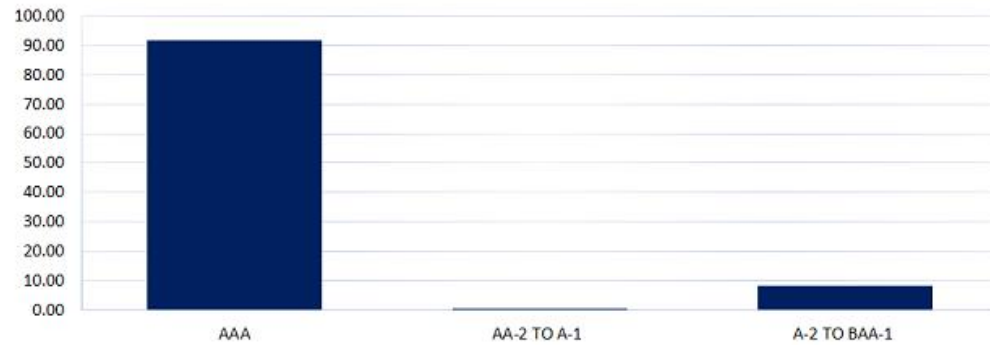
**Coupon Distribution**



**Expected Maturity Distribution**

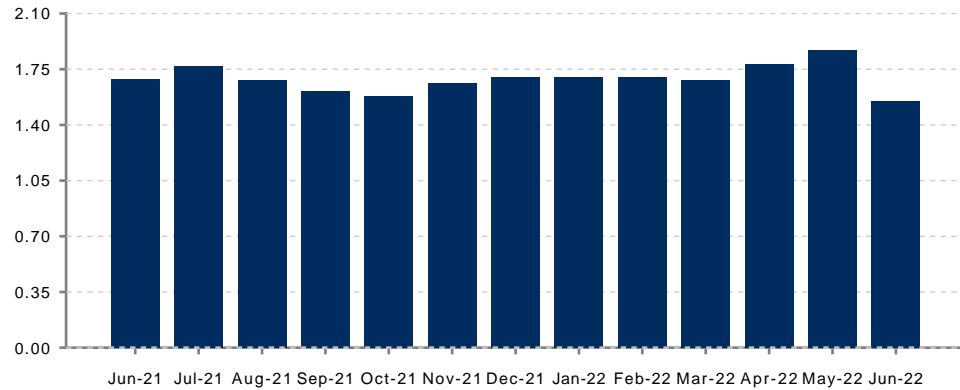


**Rating Distribution**





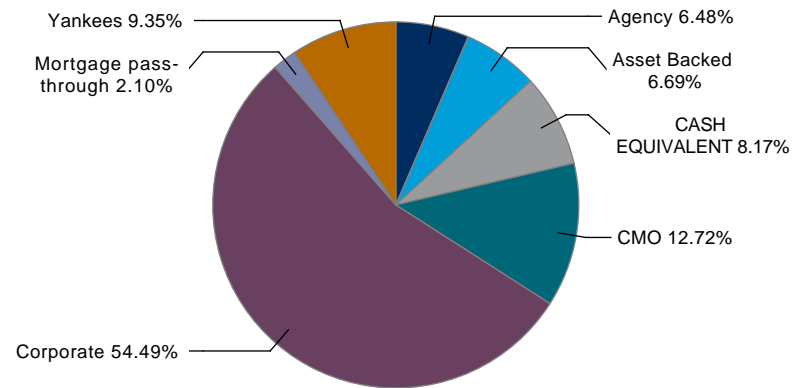
## Net Yield



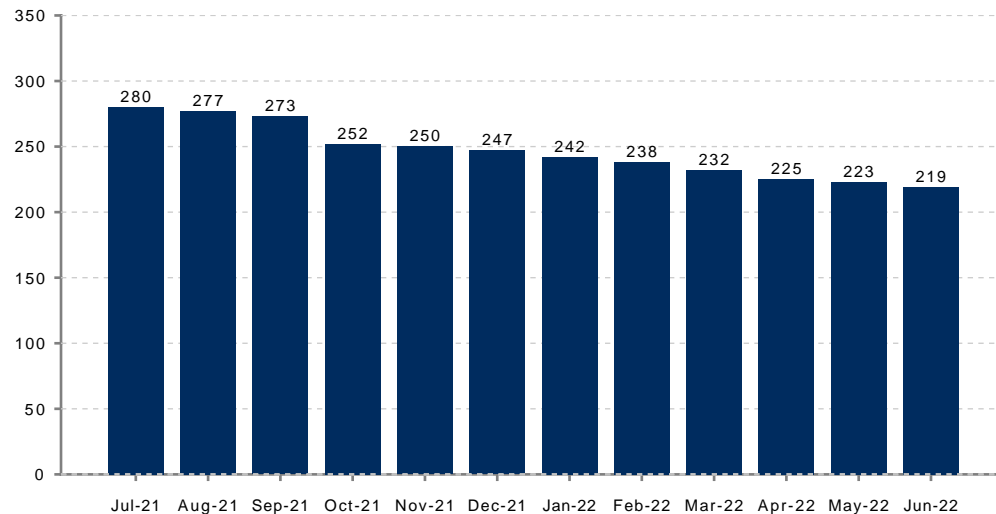
	Current Mth	Prior Mth	1 Year Ago
POOL 16 ECDHB	1.55	1.87	1.69

## Asset Allocation

	Ending Market Value
POOL 16 ECDHB	219,201,698



## Net Asset Values over Time (\$MM)

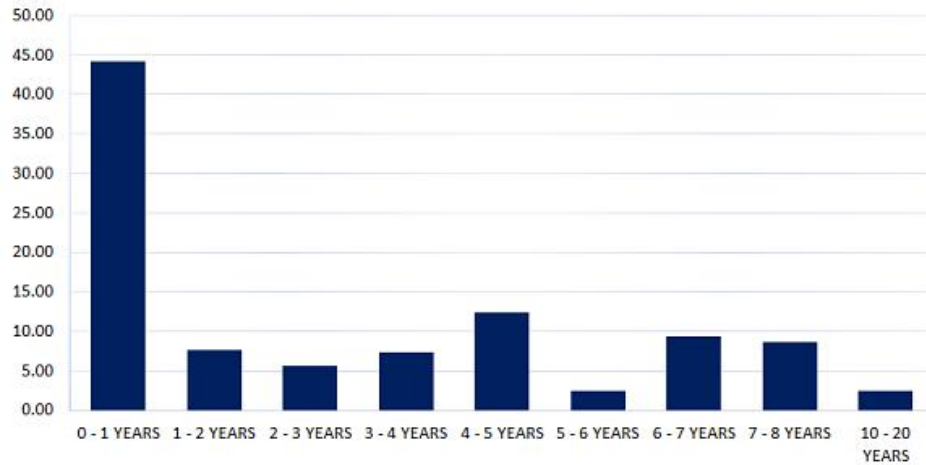


## Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 16 ECDHB		
SOUTH STREET REPO	5,515,080	2.52
BERKSHIRE HATHAWAY ENERG	5,082,766	2.32
BANK OF NY MELLON CORP	5,052,297	2.30
BRISTOL MYERS SQUIBB CO	5,019,123	2.29
NISSAN MOTOR ACCEPTANCE	5,016,568	2.29
BANK OF NOVA SCOTIA	5,014,178	2.29
CAPITAL ONE NA	5,013,939	2.29
FORD CREDIT FLOORPLAN MASTER O	5,006,230	2.28
BANK OF NOVA SCOTIA	4,999,195	2.28
DISNEY (WALT) CO THE	4,997,572	2.28



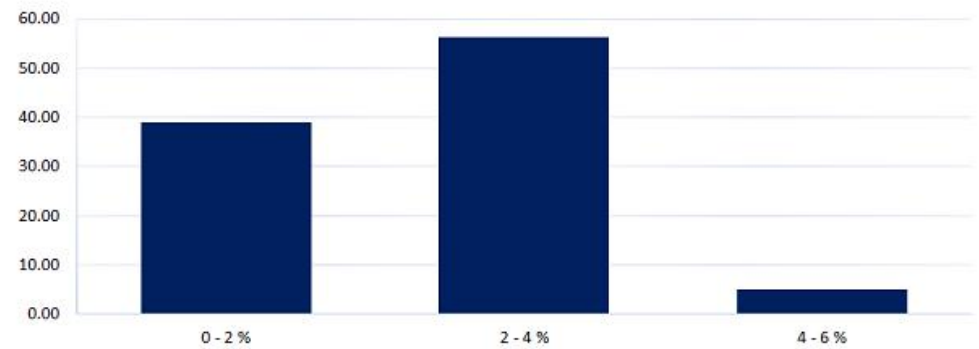
**Duration Distribution**



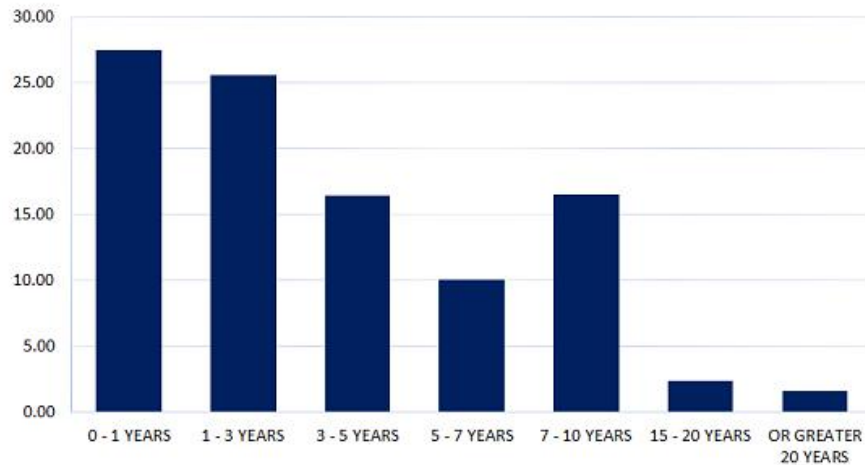
**Portfolio Level Characteristics**

	POOL 16 ECDHB
Effective Maturity	4.08
Coupon	2.31
Effective Duration	3.01
Quality Rating (Moody's)	AA-3

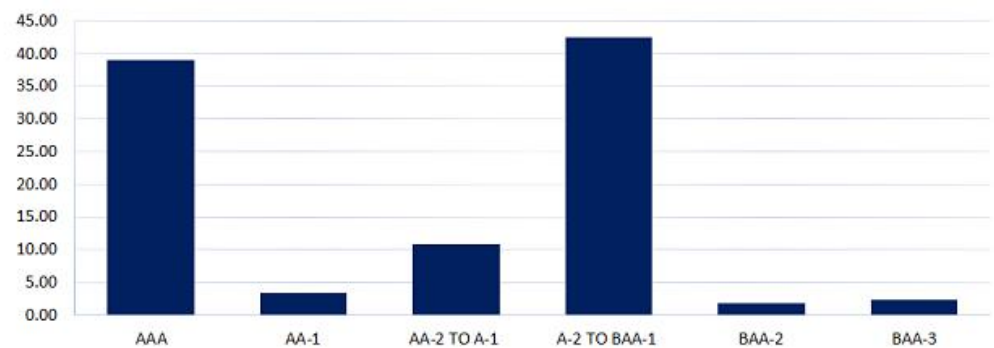
**Coupon Distribution**



**Expected Maturity Distribution**



**Rating Distribution**



**LGIP & LGIP- GOV  
 PORTFOLIO YIELD ANALYSIS  
 JUNE 2022**

**NET EARNINGS**

<b>FUND</b>	<b>DESCRIPTION</b>	<b>Current Month 06/30/22</b>	<b>Prior Month 05/31/22</b>	<b>Prior Year 06/30/21</b>	<b>Net Asset Value Per Share</b>
5	LGIP	\$2,469,851	\$1,574,793	\$106,538	1.000000
7	LGIP - GOV (1)	1,713,477	1,064,775	16,856	1.000000
	<b>TOTAL LGIP &amp; LGIP-GOV</b>	<b>\$4,183,328</b>	<b>\$2,639,568</b>	<b>\$123,394</b>	

**YIELDS**

<b><u>MONTHLY</u></b>		<b>Current Month 06/30/22</b>	<b>Prior Month 05/31/22</b>	<b>Prior Year 6/30/21</b>
5	LGIP (NET)	1.18%	0.75%	0.06%
	S&P LGIP Index	0.74%	0.41%	0.04%
7	LGIP - GOV (NET) (1)	0.86%	0.55%	0.01%
	Trailing 3-mo T-bill	1.05%	0.69%	0.01%

**FISCAL YEAR TO DATE**

5	LGIP (NET)	0.26%	0.18%	0.12%
	S&P LGIP Index	0.15%	0.09%	0.10%
7	LGIP - GOV (NET) (1)	0.16%	0.09%	0.04%
	Trailing 3-mo T-bill	0.24%	0.17%	0.07%

(1) The LGIP-GOV Pool consists of only securities explicitly backed by the full faith & credit of the US Government.

**LGIP & LGIP- GOV MEDIUM TERM POOLS  
 PORTFOLIO YIELD ANALYSIS  
 JUNE 2022**

**NET EARNINGS**

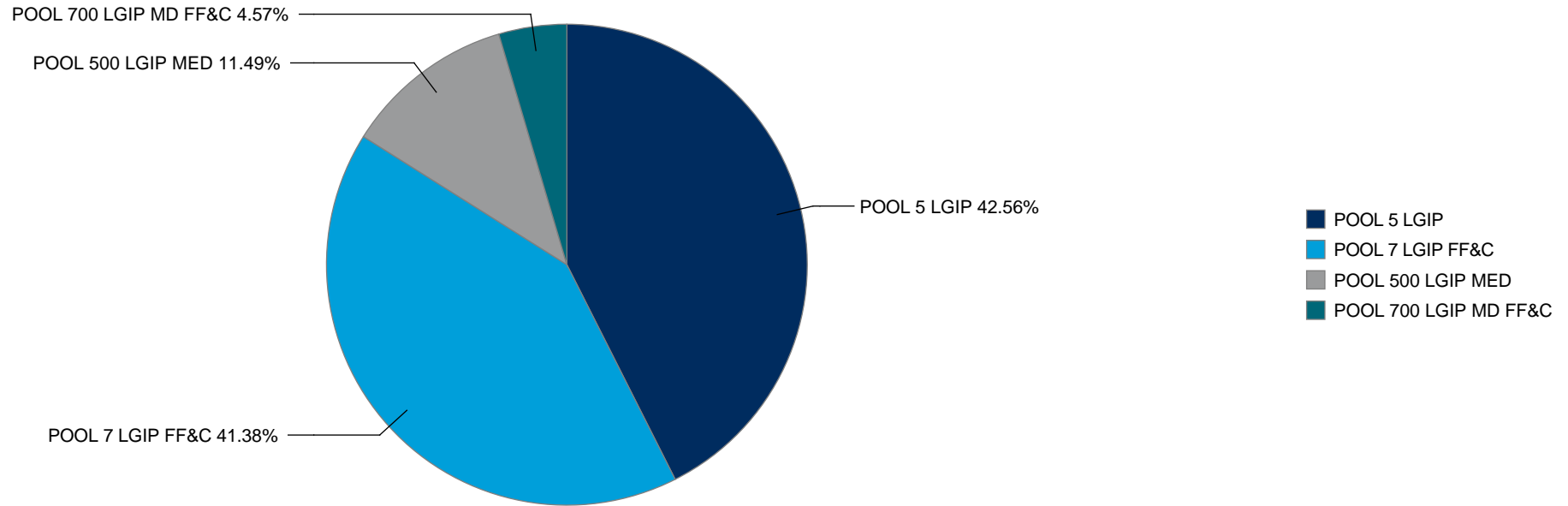
<b>FUND</b>	<b>DESCRIPTION</b>	<b>Current Month 06/30/22</b>	<b>Prior Month 05/31/22</b>	<b>Prior Year 06/30/21</b>	<b>Net Asset Value Per Share</b>
500	LGIP - MED TERM POOL	\$724,636	\$644,864	\$455,741	1.006658
700	LGIP - FF&C MED TERM POOL	134,672	119,138	57,002	0.989599
	<b>TOTAL LGIP MEDIUM TERM POOLS</b>	<b>\$859,308</b>	<b>\$764,002</b>	<b>\$512,743</b>	

**YIELDS**

<b><u>MONTHLY</u></b>		<b>Current Month 06/30/22</b>	<b>Prior Month 05/31/22</b>	<b>Prior Year 6/30/21</b>
500	LGIP - MED TERM (NET)	1.38%	1.18%	0.91%
	20% S&P LGIP Index /	2.75%	2.34%	0.27%
	80% Bloomberg Barclays 1-3 year US Agg			
700	LGIP - FF&C MED TERM (NET)	0.65%	0.54%	0.23%
	20% Trailing 3-mo T-bill /	2.61%	2.21%	0.18%
	80% Barclay 1-3 year UST			
<b><u>FISCAL YEAR TO DATE</u></b>				
500	LGIP - MED TERM (NET)	0.90%	0.86%	1.14%
	20% S&P LGIP Index /	1.13%	0.98%	0.29%
	80% Bloomberg Barclays 1-3 year US Agg			
700	LGIP - FF&C MED TERM (NET)	0.34%	0.32%	0.42%
	20% Trailing 3-mo T-bill /	1.03%	0.89%	0.15%
	80% Bloomberg Barclays 1-3 year UST			



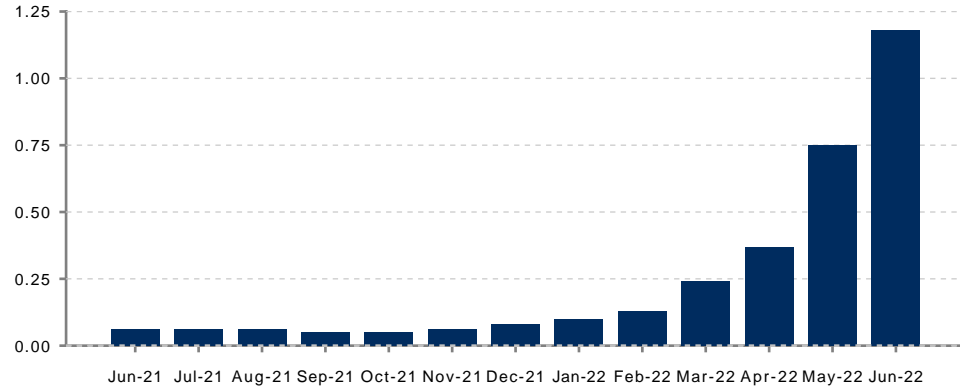
Manager Allocation



	Market Value	% of Portfolio
POOL 5 LGIP	2,363,685,020	42.6
POOL 7 LGIP FF&C	2,298,518,021	41.4
POOL 500 LGIP MED	638,169,706	11.5
POOL 700 LGIP MD FF&C	253,804,380	4.6
TOTAL LGIP	5,554,177,128	100.0



**Net Yield**

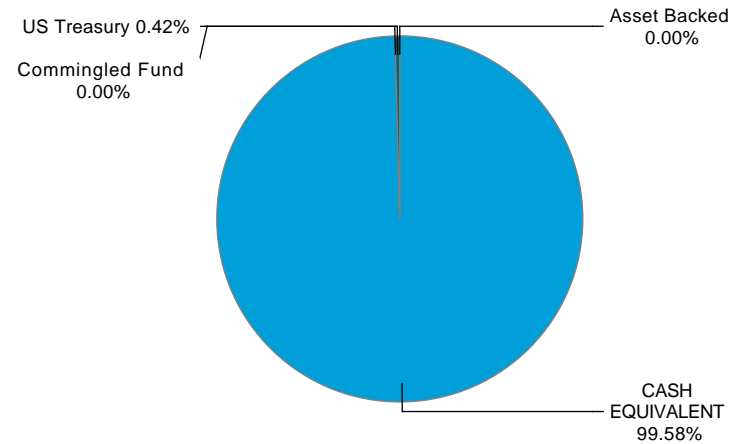


**Current Mth**                      **Prior Mth**                      **1 Year Ago**

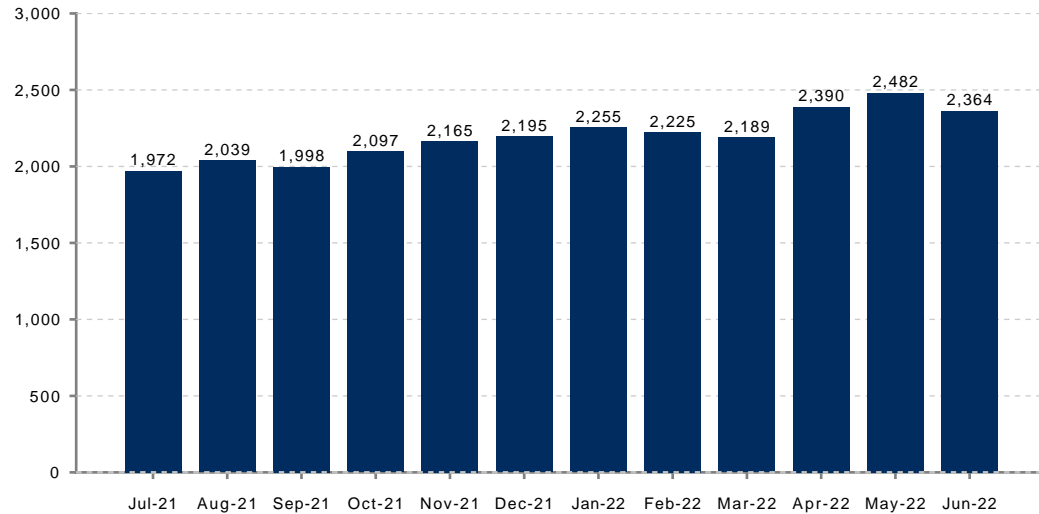
POOL 5 LGIP	1.18	0.75	0.06
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**Asset Allocation**

<b>Ending Market Value</b>	
POOL 5 LGIP	2,363,685,020



**Net Asset Values over Time (\$MM)**

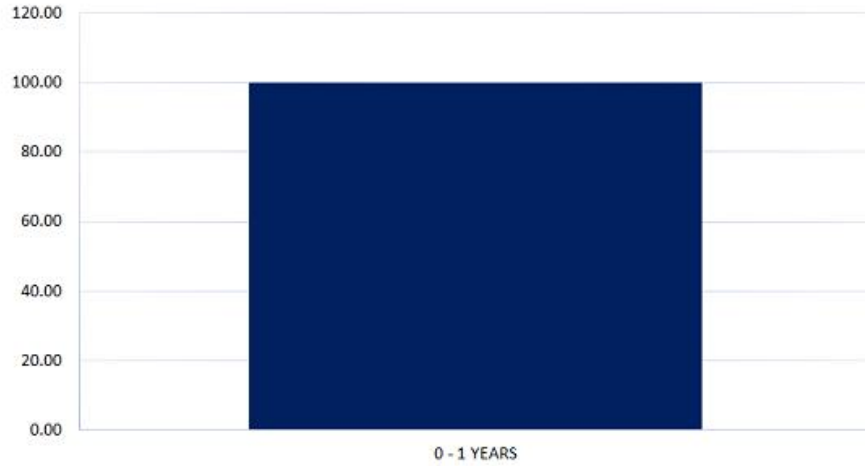


**Top 10 Holdings**

Security Name	Ending Market Value	% of Portfolio
POOL 5 LGIP		
TD SECURITIES	150,005,917	6.35
BANK OF AMERICA REPO	90,293,710	3.82
SUMITOMO MITSUI TRUST NY	25,043,542	1.06
BEDFORD ROW FDG CORP	25,013,403	1.06
JUPITER SECT CO LLC	25,001,250	1.06
ING (US) FUNDING LLC	25,000,000	1.06
ROCHE HOLDING INC	25,000,000	1.06
THUNDER BAY FNDNG LLC	24,997,861	1.06
CHARTA LLC	24,997,195	1.06
STANLEY WORKS (THE)	24,996,945	1.06



**Duration Distribution**



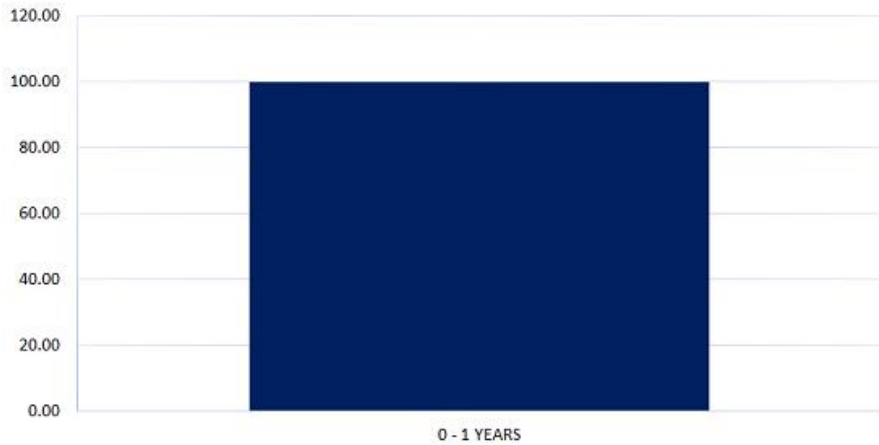
**Portfolio Level Characteristics**

	POOL 5 LGIP
Effective Maturity	0.14
Coupon	1.48
Effective Duration	0.15
Quality Rating (Moody's)	AAA

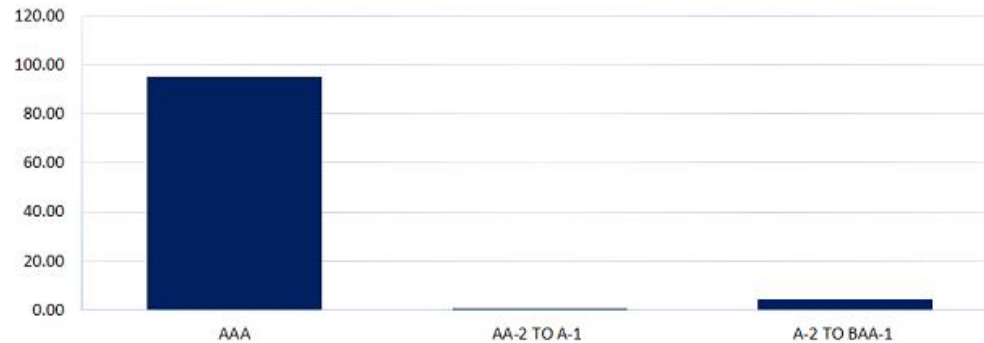
**Coupon Distribution**



**Expected Maturity Distribution**



**Rating Distribution**





### Net Yield



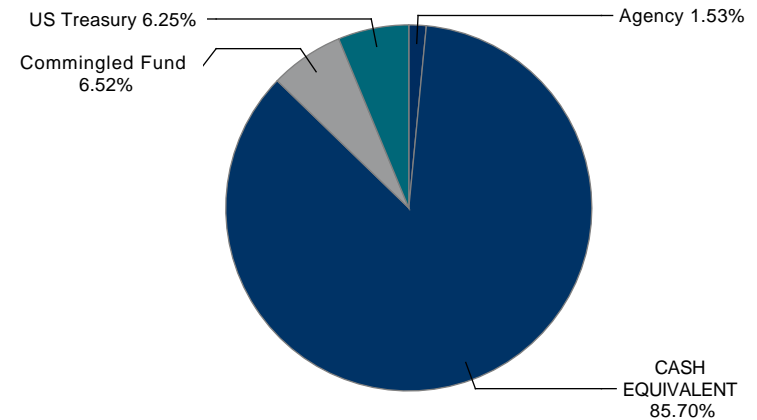
**Current Mth**      **Prior Mth**      **1 Year Ago**

POOL 7 LGIP FF&C	0.86	0.55	0.01
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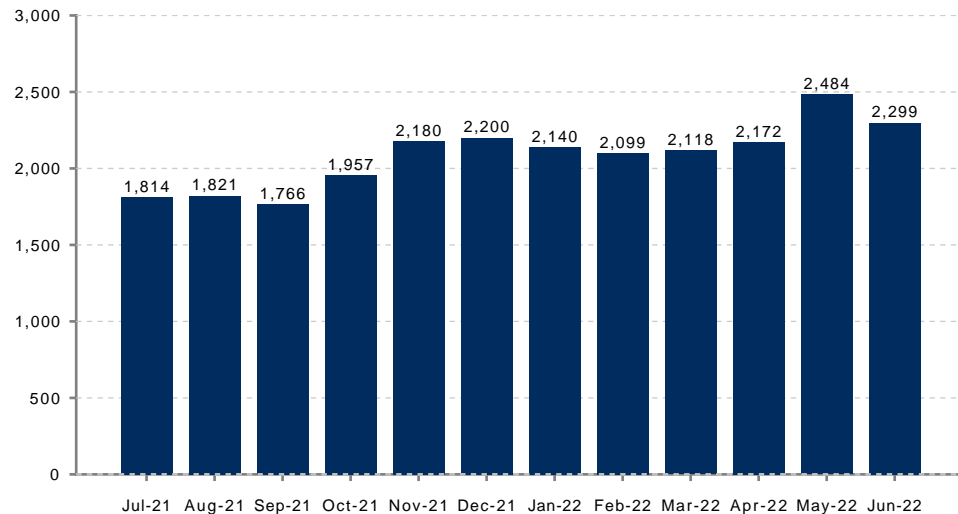
### Asset Allocation

**Ending Market Value**

POOL 7 LGIP FF&C	2,298,518,021
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### Net Asset Values over Time (\$MM)

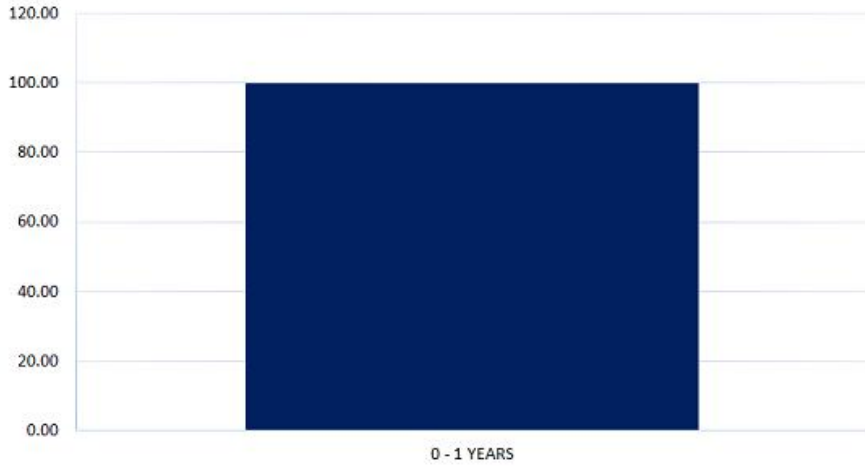


### Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 7 LGIP FF&C		
CREDIT AGRICOLE REPO	300,012,167	13.05
SUNTRUST BKS INC DTC CP GENERIC CUSIP	290,085,147	12.62
DAIWA CAPITAL MARKETS REPO	247,670,388	10.78
BMO TRIPARTY MTGE	175,103,542	7.62
GOLDMAN SACHS TRUST GOLDMAN	150,030,173	6.53
CANTOR FITZGERALD REPO	150,019,375	6.53
JP MORGAN MONEY MARKET	100,009,439	4.35
SUNTRUST BKS INC DTC CP GENERIC CUSIP	84,978,837	3.70
WESTERN ALLIANCE CDARS	62,193,488	2.71
AMHERST PIERPONT	50,037,847	2.18



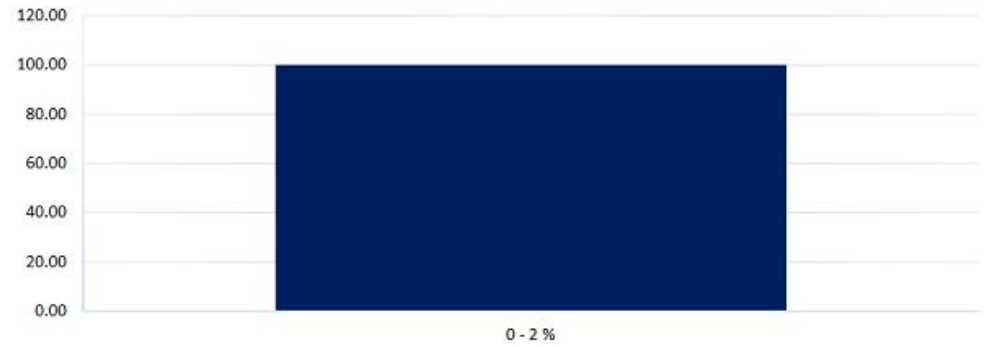
**Duration Distribution**



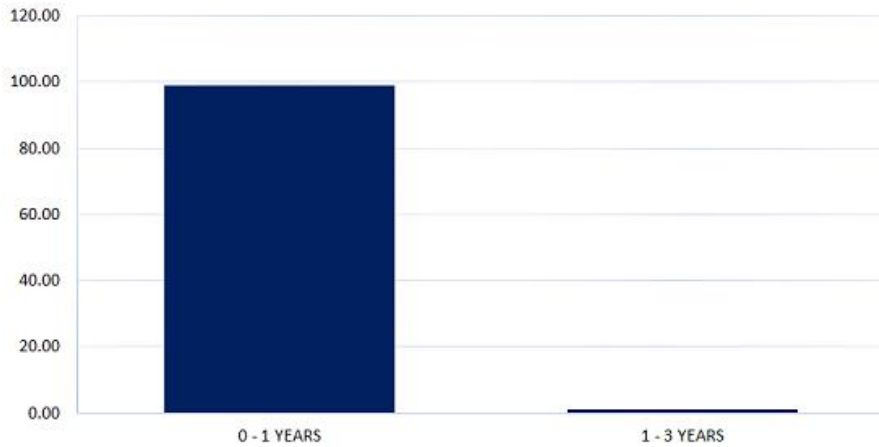
**Portfolio Level Characteristics**

	POOL 7 LGIP FF&C
Effective Maturity	0.09
Coupon	0.39
Effective Duration	0.09
Quality Rating (Moody's)	AAA

**Coupon Distribution**



**Expected Maturity Distribution**



**Rating Distribution**



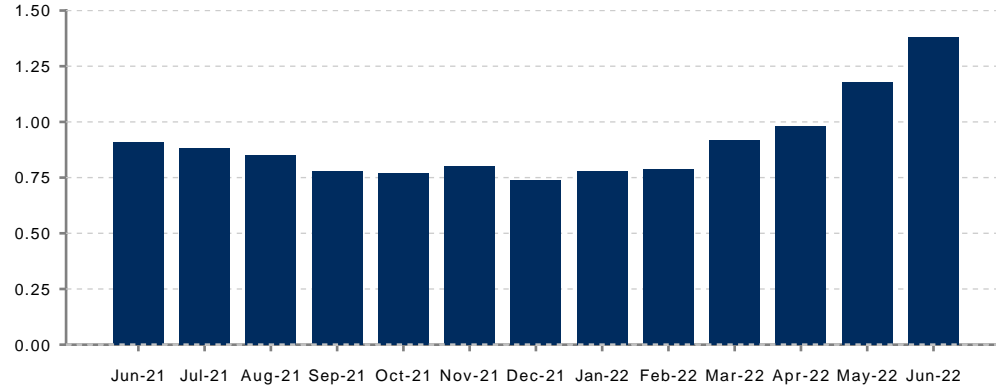
# OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2022

POOL 500 LGIP MED



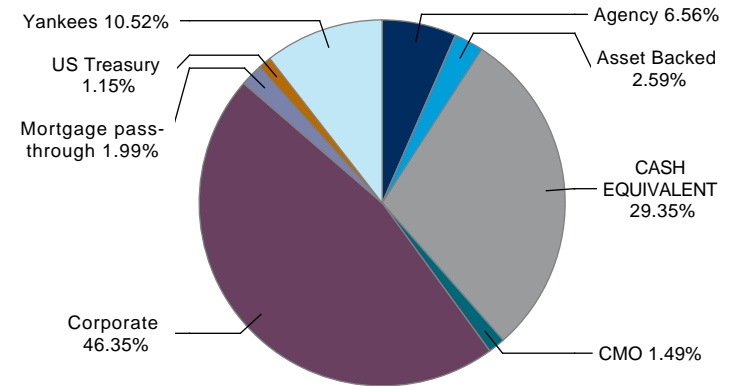
## Net Yield



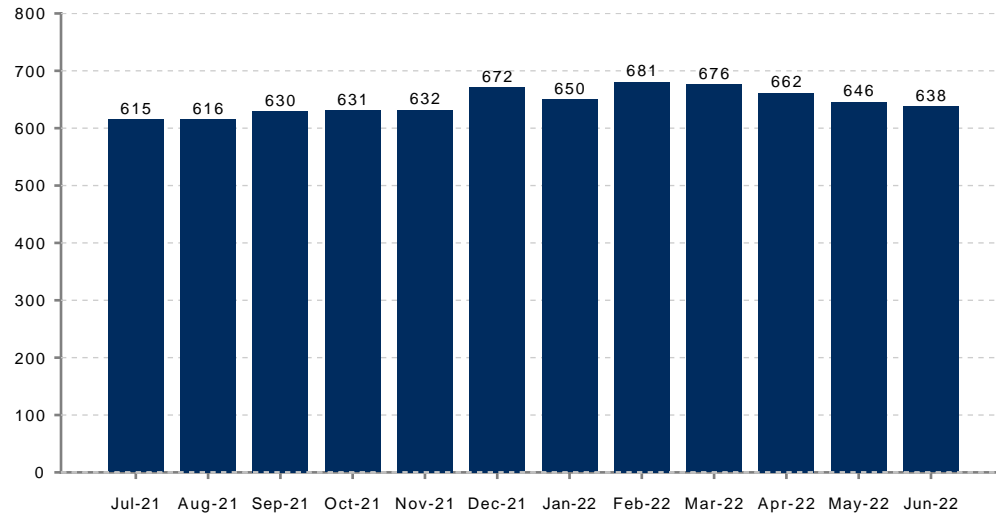
	Current Mth	Prior Mth	1 Year Ago
POOL 500 LGIP MED	1.38	1.18	0.91

## Asset Allocation

	Ending Market Value
POOL 500 LGIP MED	638,169,706



## Net Asset Values over Time (\$MM)

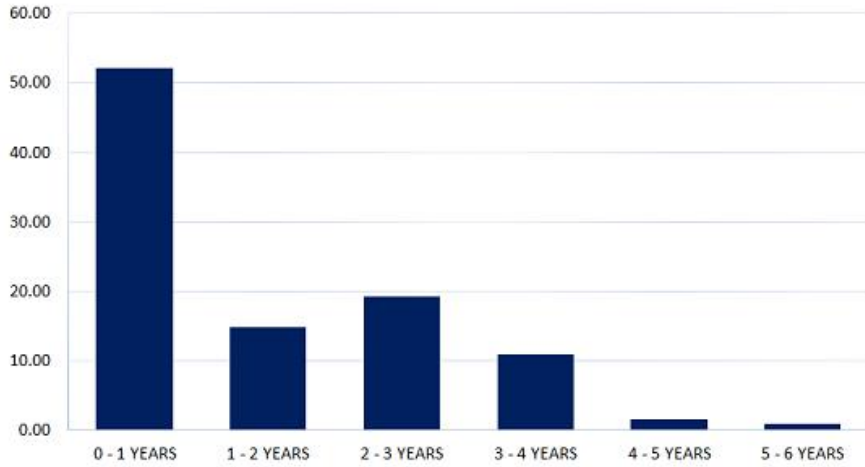


## Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 500 LGIP MED		
SOUTH STREET REPO	8,724,972	1.37
AUST & NEW ZEA	5,662,621	0.89
ROYAL BANK OF CANADA	5,013,594	0.79
ROYAL BANK OF CANADA	5,013,043	0.79
BANK OF MONTREAL-	5,010,407	0.79
CANTOR FITZGERALD REPO	5,009,429	0.78
US BANK NA CINCINNATI	5,003,876	0.78
ROYAL BK OF CANADA	5,001,724	0.78
ARIZONA PUBLIC SERVI	5,000,000	0.78
VERIZON COMMNTN INC	4,999,333	0.78



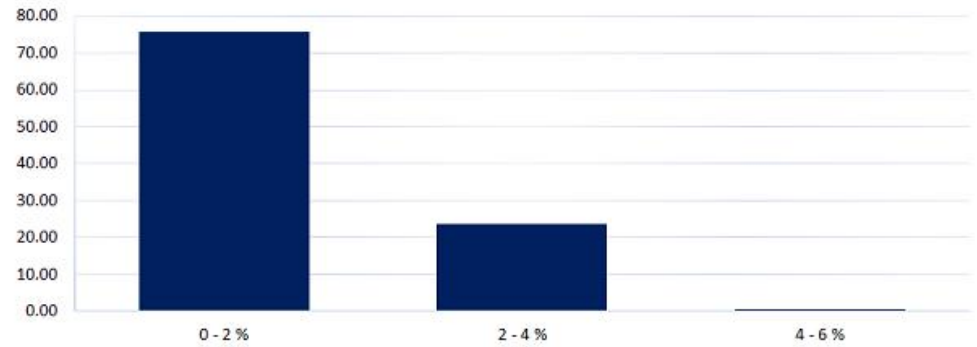
**Duration Distribution**



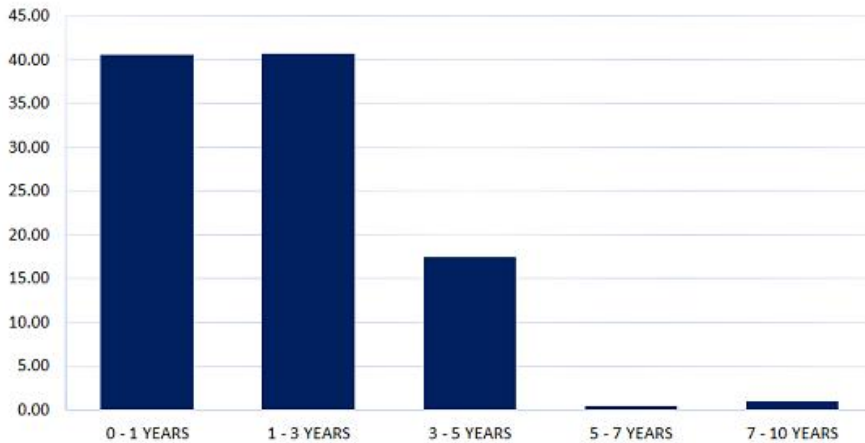
**Portfolio Level Characteristics**

	POOL 500 LGIP MED
Effective Maturity	1.75
Coupon	1.54
Effective Duration	1.38
Quality Rating (Moody's)	AA-3

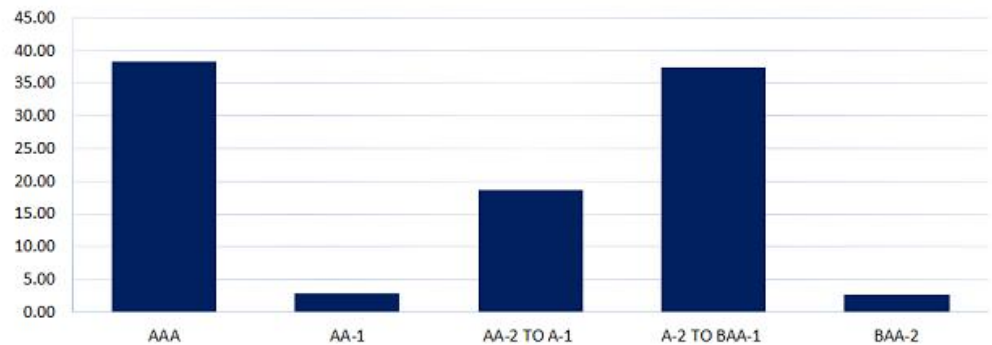
**Coupon Distribution**



**Expected Maturity Distribution**

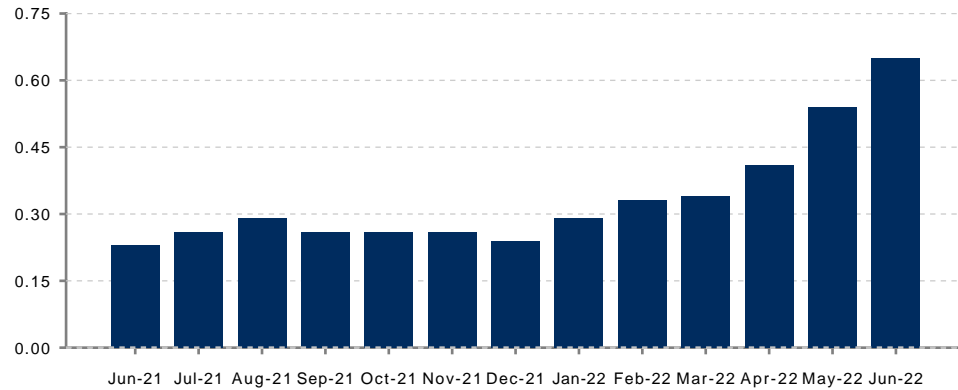


**Rating Distribution**





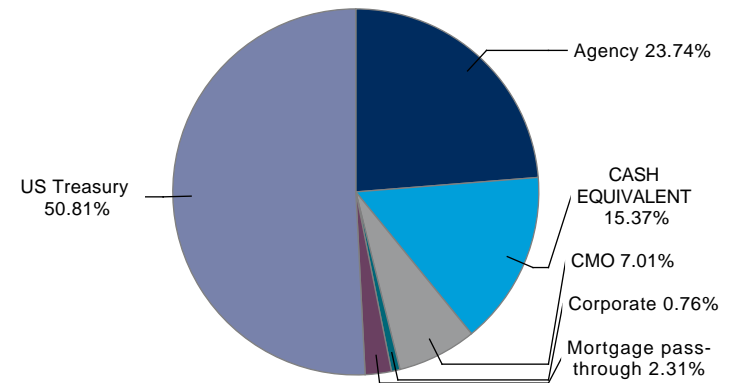
## Net Yield



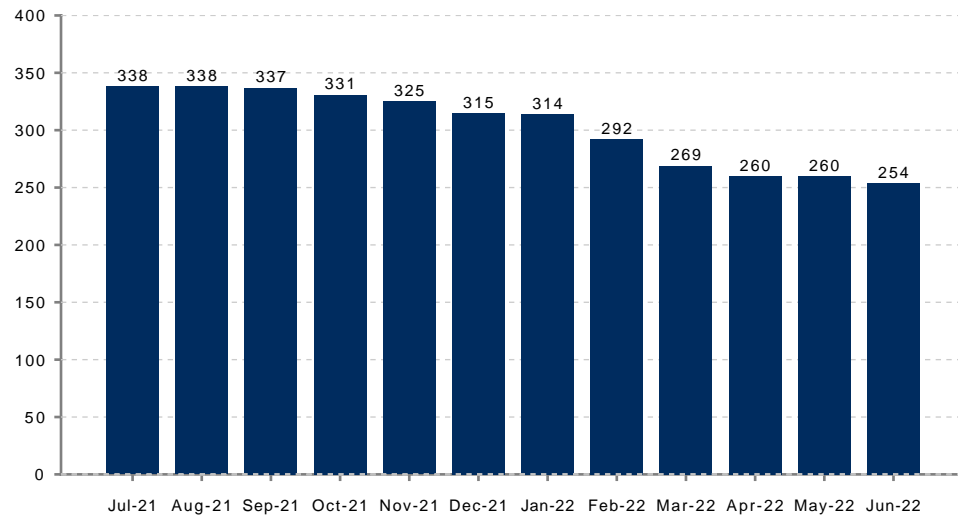
	Current Mth	Prior Mth	1 Year Ago
POOL 700 LGIP MD FF&C	0.65	0.54	0.23

## Asset Allocation

	Ending Market Value
POOL 700 LGIP MD FF&C	253,804,380



## Net Asset Values over Time (\$MM)



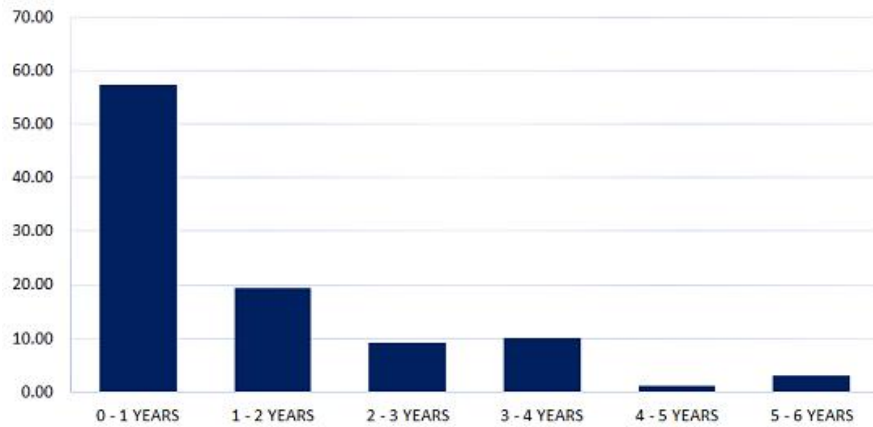
## Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 700 LGIP MD FF&C		
SUNTRUST BKS INC DTC CP GENERIC CUSIP	15,025,413	5.92
US TREASURY N/B	11,858,478	4.67
SUNTRUST BKS INC DTC CP GENERIC CUSIP	10,002,936	3.94
US TREASURY N/B	9,910,043	3.90
US TREASURY N/B	6,986,205	2.75
INT DEVELOPMENT FIN CORP	6,501,992	2.56
TREASURY BILL	4,999,300	1.97
US TREASURY N/B	4,980,760	1.96
TREASURY BILL	4,976,628	1.96
INT DEVELOPMENT FIN CORP	4,973,260	1.96





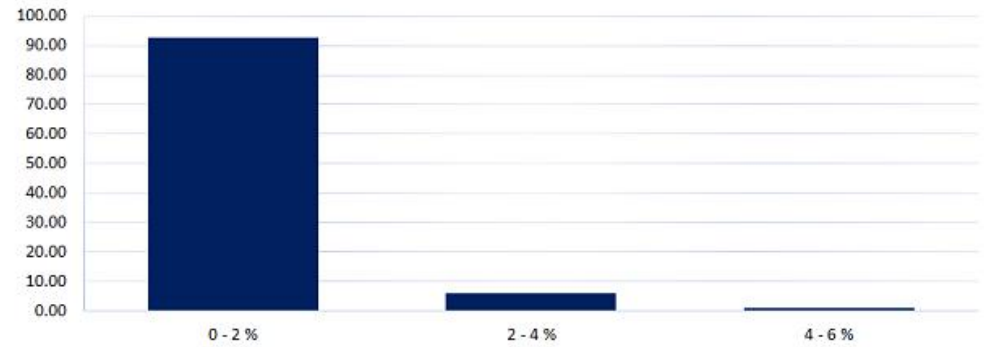
**Duration Distribution**



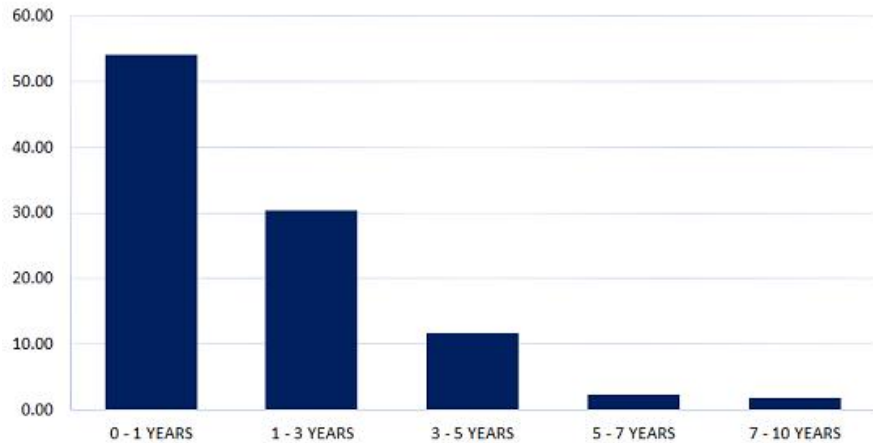
**Portfolio Level Characteristics**

	POOL 700 LGIP MD FF&C
Effective Maturity	1.44
Coupon	0.66
Effective Duration	1.43
Quality Rating (Moody's)	AAA

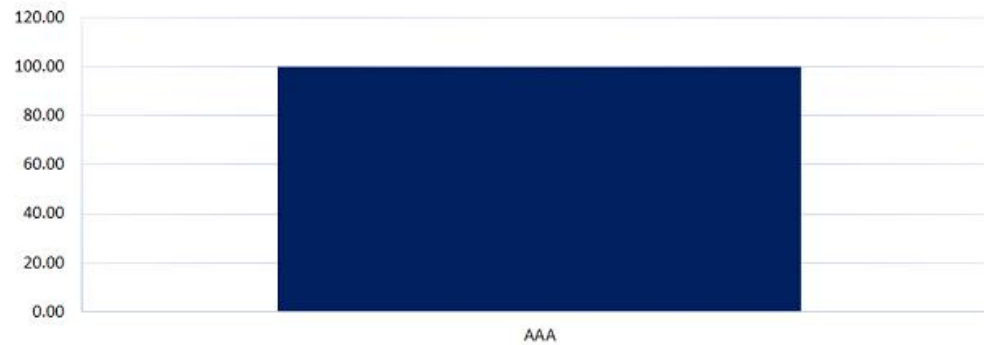
**Coupon Distribution**



**Expected Maturity Distribution**



**Rating Distribution**



**EARNINGS DISTRIBUTED  
 PERMANENT LAND ENDOWMENT TRUST FUND  
 JUNE 2022**

**Distributed in Current Month**

Recipient	JUNE 2022	Fiscal YTD 21/22	Fiscal YTD 20/21	Fiscal YTD Change
101 A & M Colleges	\$75,442	\$905,308	\$895,659	\$9,649
102 State Hospital	57,779	693,350	656,956	36,395
103 Leg., Exec., & Jud.	63,087	757,047	745,836	11,211
104 Military Institute	4,256	51,066	49,990	1,076
105 Miners Hospital	183,974	2,207,683	2,126,760	80,923
107 Normal School ASU/NAU	35,072	420,863	400,161	20,702
108 Penitentiaries	121,853	1,462,238	1,420,647	41,591
109 Permanent Common School	31,000,271	372,003,247	358,003,313	13,999,934
110 School for Deaf & Blind	45,210	542,522	520,516	22,006
111 School of Mines	86,226	1,034,713	1,020,835	13,878
112 State Charitable-Pioneers Home	443,994	5,327,927	5,106,279	221,648
112 State Charitable-Corrections	221,997	2,663,963	2,553,139	110,824
112 State Charitable-Youth Treatment	221,997	2,663,963	2,553,139	110,824
113 University Fund	169,919	2,039,034	1,914,817	124,217
114 U of A Land - 1881	588,327	7,059,921	6,804,291	255,630
<b>Total</b>	<b>\$33,319,404</b>	<b>\$399,832,846</b>	<b>\$384,772,338</b>	<b>\$15,060,508</b>

**Land Sales Monthly Proceeds  
 Permanent Land Endowment Trust Fund**

<b>Month</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>
<b>January</b>	\$5,108,687	\$2,960,815	\$809,822	\$30,671,107	\$34,028,510	\$77,327,332	\$65,776,496
<b>February</b>	1,083,178	1,103,303	744,295	875,823	2,362,463	17,814,405	107,134,375
<b>March</b>	1,106,860	3,045,043	8,296,029	997,479	13,103,761	3,772,571	5,230,088
<b>April</b>	28,981,969	78,134,289	22,707,772	12,816,140	6,837,496	4,099,129	95,870,019
<b>May</b>	20,147,116	27,642,672	16,234,823	590,432	3,656,783	88,763,368	109,978,359
<b>June</b>	31,844,678	2,451,110	6,799,100	3,654,938	3,379,021	2,001,347	105,071,646
<b>July</b>	2,469,997	13,838,188	27,835,379	4,356,585	19,069,989	37,347,276	
<b>August</b>	13,094,287	5,746,802	6,932,754	10,038,331	6,378,777	12,016,036	
<b>September</b>	(12,580,728)	19,937,751	8,293,343	1,201,114	3,851,950	13,865,289	
<b>October</b>	10,614,885	480,710	24,823,636	5,075,858	72,432,497	1,724,181	
<b>November</b>	28,490,238	9,500,048	42,245,892	9,161,341	3,119,856	1,487,524	
<b>December</b>	6,127,407	3,869,818	2,283,305	15,116,940	29,134,954	1,252,026	
<b>Calendar Year</b>	136,488,573	168,710,549	168,006,150	94,556,089	197,356,057	261,470,483	489,060,983
<b>Fiscal Year (July 1st to June 30th)</b>	105,360,563	163,553,318	108,965,158	162,020,229	108,318,203	327,766,175	556,753,315

**NET REALIZED CAPITAL GAINS / LOSSES - PERM LAND ENDOW TRUST FUND**

<u>Endowment Fund</u>	<b>June 2022</b> <u>NET GAIN(LOSS)</u>	<b>June 2021</b> <u>NET GAIN(LOSS)</u>
-----		
Fixed Income Pool	(\$391,005)	(\$427,540)
500 Large-Cap Fund	5,508,645	10,120,777
400 Mid-Cap Fund	1,751,143	13,065,659
600 Small-Cap Fund	4,070,073	10,261,135
<b>Totals</b>	\$10,938,855	\$33,020,031

<u>Endowment Fund</u>	<b>2021/2022</b> <u>FISCAL YEAR TO DATE</u> <u>GAINS(LOSSES)</u>	<b>2020/2021</b> <u>FISCAL YEAR TO DATE</u> <u>GAINS(LOSSES)</u>
Fixed Income Pool	(\$6,507,509)	(\$7,877,656)
500 Large-Cap Fund	202,723,818	126,773,488
400 Mid-Cap Fund	67,666,053	133,918,615
600 Small-Cap Fund	49,839,094	124,808,514
<b>Totals</b>	\$313,721,457	\$377,622,961

**PERM LAND ENDOWMENT TRUST FUND FIXED-INCOME POOLS  
PURCHASES & SALES  
JUNE 2022**

**I. Endowment Funds Purchases**

<u>POOL</u>	<u>SECURITY DESCRIPTION</u>	<u>RATE</u>	<u>MATURITY</u>	<u>WAL YEARS (1)</u>	<u>PAR VALUE</u>	<u>PURCHASE COST</u>	<u>YIELD</u>	<u>MOODY'S RATING</u>
205	BANK OF AMERICA	3.00	12/20/2023	NA	10,000,000	9,975,000	3.53%	A2
205	CEDAR SPRING	2.71	03/06/2023	NA	10,000,000	9,795,997	2.77%	P-1
205	CIESCO	2.50	10/25/2022	NA	5,000,000	4,959,375	2.52%	P-1
205	DUKE ENERGY	1.93	07/19/2022	NA	20,000,000	19,973,194	1.93%	P-2
205	DUKE ENERGY	1.94	07/22/2022	NA	10,000,000	9,986,528	1.94%	P-2
205	FANNIE MAE	4.50	07/25/2033	5.94	6,039,426	6,186,419	4.00%	Aaa
205	FFCB BONDS	1.74	06/03/2030	NA	3,135,000	2,730,742	3.61%	Aaa
205	FFCB BONDS	1.57	09/23/2030	NA	3,771,000	3,218,171	3.63%	Aaa
205	GM FINANCIAL	1.11	10/21/2024	NA	8,360,000	8,193,127	3.53%	Aa2
205	GM FINANCIAL	1.11	10/21/2024	NA	8,610,000	8,438,136	3.53%	Aa2
205	GOLDMAN SACHS	5.00	06/30/2027	NA	10,000,000	10,000,000	5.00%	A2
205	LIBERTY	2.50	10/12/2022	NA	15,000,000	14,891,667	2.52%	P-1
205	PARKER HANNIFIN	3.65	06/15/2024	NA	20,000,000	19,986,200	3.69%	Baa1
123	AUTOZONE	1.25	06/29/2022	NA	25,000,000	24,986,979	1.25%	P-2
123	AUTOZONE	1.84	07/18/2022	NA	9,540,000	9,531,223	1.84%	P-2
123	CAFCO	2.50	10/27/2022	NA	10,000,000	9,917,361	2.52%	P-1
123	CEDAR SPRING	2.24	09/26/2022	NA	4,289,000	4,265,515	2.25%	P-1
123	CEDAR SPRING	2.71	03/06/2023	NA	5,000,000	4,897,999	2.77%	P-1
123	CIESCO	2.50	10/25/2022	NA	10,000,000	9,918,750	2.52%	P-1
123	DUKE ENERGY	1.93	07/19/2022	NA	15,000,000	14,979,896	1.93%	P-2
123	DUKE ENERGY	1.94	07/22/2022	NA	25,000,000	24,966,319	1.94%	P-2
123	FAIRWAY	2.00	10/26/2022	NA	10,000,000	9,921,111	2.02%	P-1
123	GOTHAM	2.35	09/29/2022	NA	15,000,000	14,910,896	2.36%	P-1
123	HARLEY-DAVIDSON	2.08	07/08/2022	NA	14,700,000	14,691,507	2.08%	P-3
123	HARLEY-DAVIDSON	2.10	07/12/2022	NA	4,000,000	3,996,733	2.10%	P-3
123	HARLEY-DAVIDSON	1.78	07/22/2022	NA	20,000,000	19,962,422	1.78%	P-3
123	JOHN DEERE	1.45	08/02/2022	NA	10,000,000	9,980,264	1.45%	P-1
123	LIBERTY	2.50	10/12/2022	NA	15,000,000	14,891,667	2.52%	P-1
123	NEXTERA	1.25	06/30/2022	NA	15,000,000	14,988,542	1.25%	P-2
123	PROTECTIVE LIFE	1.40	06/27/2022	NA	10,000,000	9,993,000	1.40%	P-2
123	VICTORY	2.30	09/26/2022	NA	20,000,000	19,885,000	2.31%	P-1
<b>TOTAL ENDOWMENT FUNDS PURCHASES</b>					<b><u>\$367,444,426</u></b>	<b><u>\$365,019,740</u></b>		

**II. Endowment Funds Sales**

<u>POOL</u>	<u>SECURITY DESCRIPTION</u>	<u>MATURITY</u>	<u>PAR VALUE</u>	<u>NET PROCEEDS</u>	<u>SALES GAINS/(LOSSES)</u>	<u>MOODY'S RATING</u>
123	CONCORD MINUTEMEN	06/17/2022	\$15,000,000	\$14,998,438	(\$538)	P-1
<b>TOTAL ENDOWMENT FUNDS SALES</b>			<b><u>\$15,000,000</u></b>	<b><u>\$14,998,438</u></b>	<b><u>(\$538)</u></b>	

(1) WAL is the weighted average life of the security based on the Bloomberg calculation at the time the trade is executed. The calculation is used only with mortgage-backed pass-through/CMO securities.

**PERMANENT LAND ENDOWMENT TRUST FUND  
 EQUITY FUNDS PURCHASES & SALES  
 JUNE 2022**

**I. Equity Fund Purchases**

	<u>SHARES</u>	<u>PURCHASE COST</u>	<u>COMMISSIONS</u>
400 Mid-Cap Fund	1,013,607	\$40,001,650	\$7,603
500 Large-Cap Fund	435,224	36,925,834	3,265
600 Small-Cap Fund	1,317,186	30,277,373	9,531
<b>TOTAL EQUITY PURCHASES</b>	<b><u>2,766,017</u></b>	<b><u>\$107,204,857</u></b>	<b><u>\$20,399</u></b>

**II. Equity Funds Sales**

	<u>SHARES</u>	<u>SALES AMOUNT</u>	<u>COMMISSIONS</u>
400 Mid-Cap Fund	386,263	\$14,130,816	\$2,547
500 Large-Cap Fund	171,501	11,980,792	1,287
600 Small-Cap Fund	646,158	13,326,528	4,847
<b>TOTAL EQUITY SALES</b>	<b><u>1,203,922</u></b>	<b><u>\$39,438,136</u></b>	<b><u>\$8,680</u></b>

**PERMANENT LAND ENDOWMENT TRUST FUND**  
**INVESTMENTS OUTSTANDING**  
**JUNE 30, 2022**  
**(In Thousands)**

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FUND NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	<b>Mkt Value/ Book Value</b>
101 A & M Colleges					
<i>Shares in Equity Pools</i>	\$310	\$2,179	\$7,826	\$5,647	
<i>Shares in Fixed Income Pools</i>	3,075	2,201	5,591	3,390	
Total	<u>3,384</u>	<u>4,380</u>	<u>13,416</u>	<u>9,036</u>	<b>3.063</b>
102 State Hospital					
<i>Shares in Equity Pools</i>	303	3,545	7,662	4,117	
<i>Shares in Fixed Income Pools</i>	3,147	3,079	5,722	2,643	
Total	<u>3,450</u>	<u>6,624</u>	<u>13,384</u>	<u>6,759</u>	<b>2.020</b>
103 Leg., Exec., & Jud					
<i>Shares in Equity Pools</i>		1,909	6,383	4,474	
<i>Shares in Fixed Income Pools</i>	2,732	1,958	4,968	3,010	
Total	<u>2,732</u>	<u>3,868</u>	<u>11,351</u>	<u>7,484</u>	<b>2.935</b>
104 Military Institute					
<i>Shares in Equity Pools</i>	17	132	426	294	
<i>Shares in Fixed Income Pools</i>	187	132	341	209	
Total	<u>204</u>	<u>264</u>	<u>767</u>	<u>503</u>	<b>2.904</b>
105 Miners Hospital					
<i>Shares in Equity Pools</i>	839	7,986	21,187	13,202	
<i>Shares in Fixed Income Pools</i>	8,399	7,577	15,272	7,695	
Total	<u>9,237</u>	<u>15,563</u>	<u>36,459</u>	<u>20,896</u>	<b>2.343</b>
107 Normal School ASU/NAU					
<i>Shares in Equity Pools</i>	164	1,598	4,154	2,556	
<i>Shares in Fixed Income Pools</i>	1,697	1,455	3,086	1,630	
Total	<u>1,861</u>	<u>3,053</u>	<u>7,240</u>	<u>4,187</u>	<b>2.371</b>
108 Penitentiaries					
<i>Shares in Equity Pools</i>	511	4,362	12,900	8,537	
<i>Shares in Fixed Income Pools</i>	5,221	4,319	9,494	5,176	
Total	<u>5,732</u>	<u>8,681</u>	<u>22,394</u>	<u>13,713</u>	<b>2.580</b>

**PERMANENT LAND ENDOWMENT TRUST FUND**  
**INVESTMENTS OUTSTANDING**  
**JUNE 30, 2022**  
**(In Thousands)**

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NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	<b>Mkt Value/ Book Value</b>
109 Permanent Common School					
<i>Shares in Equity Pools</i>	152,248	1,442,523	3,846,248	2,403,725	
<i>Shares in Fixed Income Pools</i>	1,525,783	1,355,299	2,774,471	1,419,172	
Total	1,678,031	2,797,822	6,620,719	3,822,897	<b>2.366</b>
110 School for Deaf & Blind					
<i>Shares in Equity Pools</i>	188	1,634	4,749	3,115	
<i>Shares in Fixed Income Pools</i>	2,149	1,728	3,908	2,181	
Total	2,337	3,361	8,657	5,295	<b>2.575</b>
111 School of Mines					
<i>Shares in Equity Pools</i>	350	2,630	8,853	6,223	
<i>Shares in Fixed Income Pools</i>	3,605	2,677	6,555	3,878	
Total	3,955	5,307	15,408	10,101	<b>2.903</b>
112 State Charitable					
<i>Shares in Equity Pools</i>	4,639	47,899	117,192	69,293	
<i>Shares in Fixed Income Pools</i>	45,297	41,986	82,368	40,381	
Total	49,936	89,886	199,560	109,674	<b>2.220</b>
113 University Fund					
<i>Shares in Equity Pools</i>	947	12,293	23,930	11,637	
<i>Shares in Fixed Income Pools</i>	9,786	9,928	17,795	7,868	
Total	10,734	22,221	41,725	19,504	<b>1.878</b>
114 U Of A Land - 1881					
<i>Shares in Equity Pools</i>	2,483	24,350	62,731	38,381	
<i>Shares in Fixed Income Pools</i>	25,554	22,149	46,466	24,317	
Total	\$28,037	\$46,500	\$109,198	\$62,698	<b>2.348</b>
TOTALS - ALL FUNDS					
<i>Shares in Equity Pools</i>	163,000	1,553,041	4,124,240	2,571,199	
<i>Shares in Fixed Income Pools</i>	1,636,632	1,454,489	2,976,037	1,521,549	
<b>Grand Total</b>	\$1,799,631	\$3,007,530	\$7,100,278	\$4,092,748	
<b>PRIOR YEAR:</b>					
<b>JUNE 2021 BALANCES</b>	<b>\$1,761,778</b>	<b>\$2,732,284</b>	<b>\$7,654,823</b>	<b>\$4,922,539</b>	



**PERMANENT LAND ENDOWMENT TRUST FUND  
INVESTMENTS OUTSTANDING  
JUNE 30, 2022**

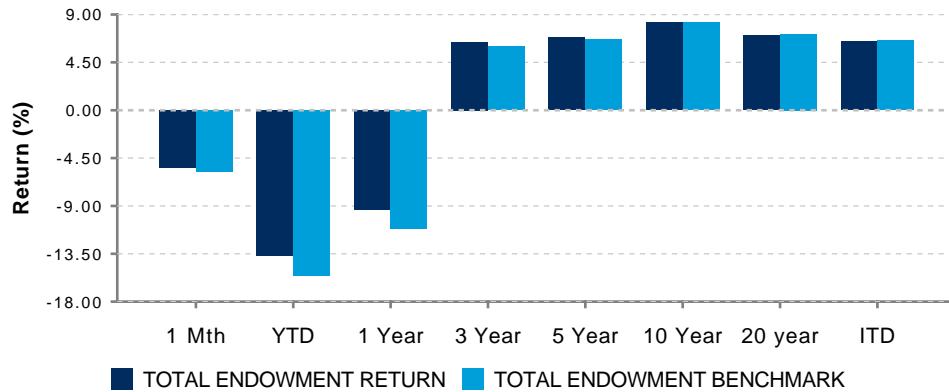
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**ASSET ALLOCATION PERCENTAGE**

	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	<b>JUNE 2021 MARKET VALUE</b>
<i>Equity Pools</i>	9.06%	51.64%	58.09%	<b>61.52%</b>
<i>Fixed Income Pools</i>	90.94%	48.36%	41.91%	<b>38.48%</b>
<b>Total</b>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u><b>100.00%</b></u>



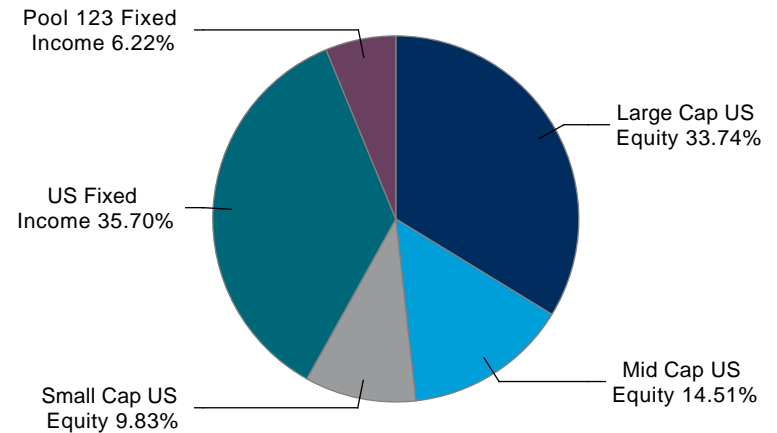
### Performance



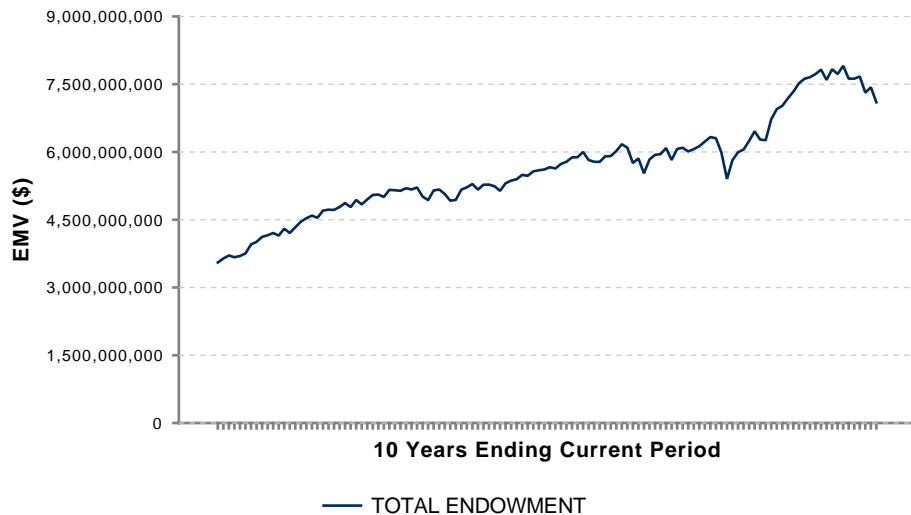
	1 Mth	YTD	1 Year	3 Year	5 Year	10 Year	20 Year	ITD	Incept Date
TOTAL ENDOWMENT RETURN	-5.42	-13.68	-9.32	6.40	6.83	8.24	7.03	6.48	07/99
TOTAL ENDOWMENT BENCHMARK	-5.74	-15.61	-11.14	5.98	6.64	8.25	7.19	6.58	07/99
	0.32	1.93	1.81	0.42	0.19	-0.01	-0.16	-0.11	

### Asset Allocation

	Ending Market Value
TOTAL ENDOWMENT RETURN	7,100,277,562

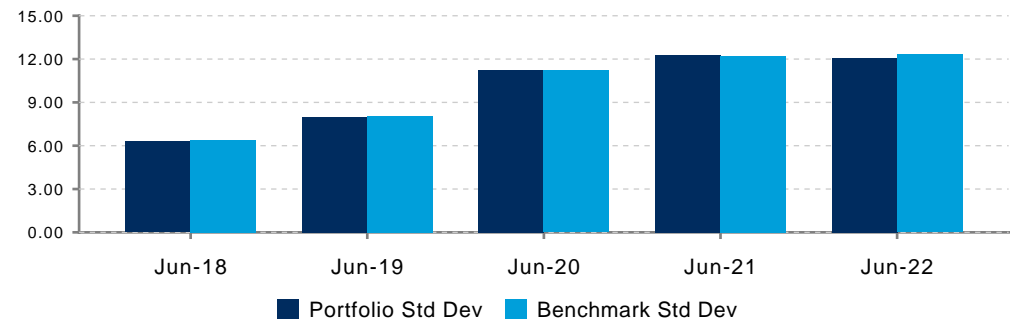


### Ending Market Value



### 3 Year Risk Statistics

	Return	Portfolio Std Dev	Benchmark Std Dev	Sharpe Ratio	Beta	Tracking Error	Information Ratio
TOTAL ENDOWMENT RETURN	6.40	12.07	12.32	0.48	0.98	0.78	0.54



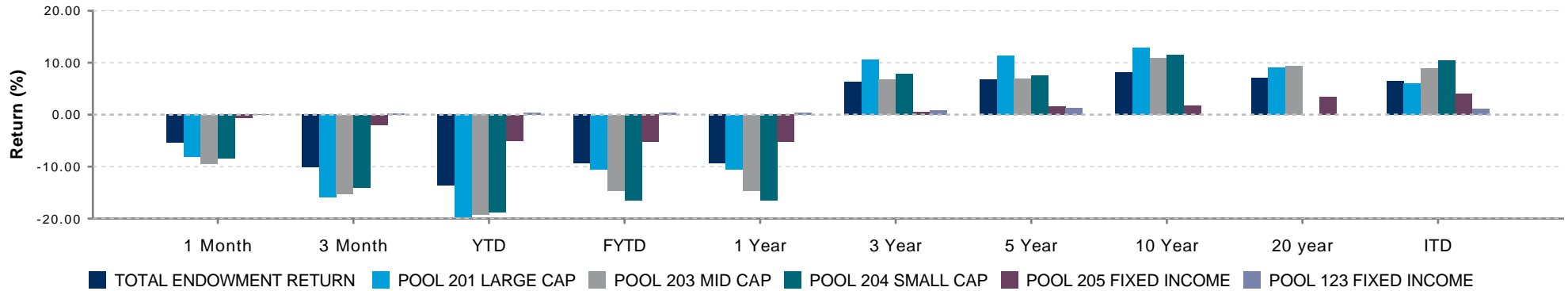
# OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2022

Total Returns Net Mgr



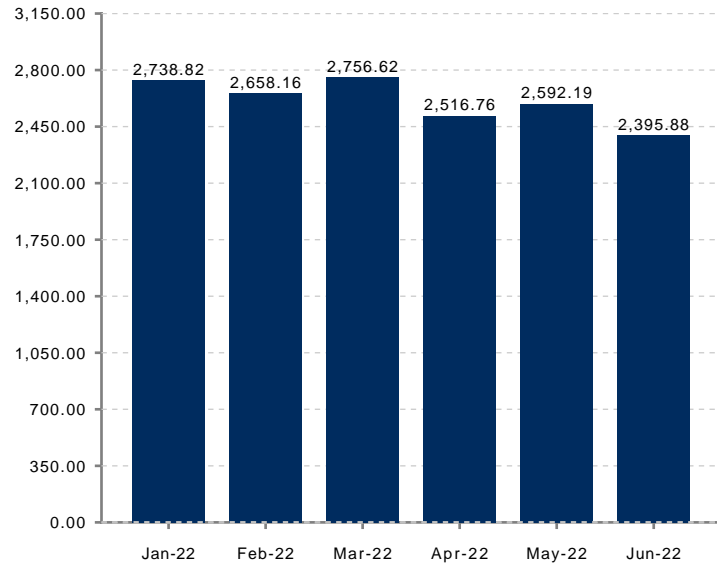
## Return Comparison



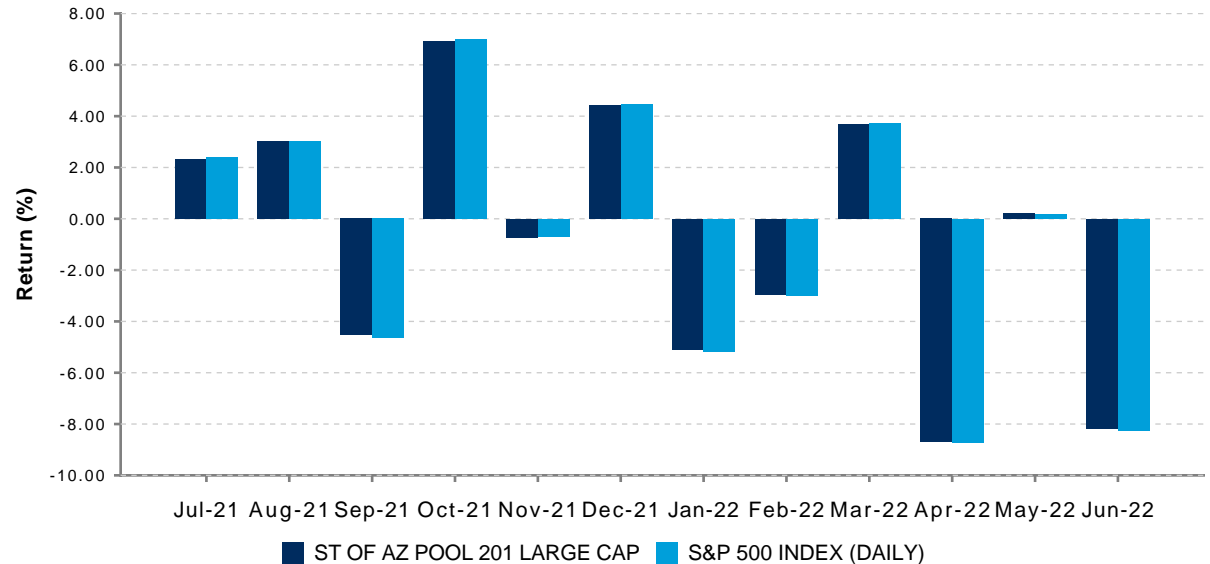
	Market Value	Actual Weight	1 Mth	3 Mth	YTD	FYTD	1 Year	3 Year	5 Year	10 Year	20 Year	ITD	Inc Date
TOTAL ENDOWMENT RETURN	7,100,277,562	100.00	-5.42	-10.09	-13.68	-9.32	-9.32	6.40	6.83	8.24	7.03	6.48	Jul-01-99
TOTAL ENDOWMENT BENCHMARK			-5.74	-11.16	-15.61	-11.14	-11.14	5.98	6.64	8.25	7.19	6.58	Jul-01-99
			0.32	1.07	1.93	1.81	1.81	0.42	0.19	-0.01	-0.16	-0.11	
ST OF AZ POOL 201 LARGE CAP	2,395,881,317	33.74	-8.17	-15.98	-19.74	-10.50	-10.50	10.62	11.30	12.92	9.02	6.09	Jul-01-99
S&P 500 INDEX (DAILY)			-8.25	-16.10	-19.96	-10.62	-10.62	10.60	11.31	12.96	9.08	6.50	Jul-01-99
			0.09	0.12	0.22	0.12	0.12	0.02	-0.01	-0.04	-0.06	-0.41	
ST OF AZ POOL 203 MID CAP	1,030,510,608	14.51	-9.45	-15.23	-19.31	-14.64	-14.64	6.75	7.00	10.91	9.41	8.93	Aug-01-01
S&P 400 MIDCAP INDEX (DAILY)			-9.62	-15.42	-19.54	-14.64	-14.64	6.87	7.02	10.90	9.55	8.94	Aug-01-01
			0.17	0.18	0.23	-0.01	-0.01	-0.11	-0.02	0.01	-0.14	-0.00	
ST OF AZ POOL 204 SMALL CAP	697,848,395	9.83	-8.43	-14.01	-18.84	-16.49	-16.49	7.87	7.58	11.49		10.47	Mar-01-11
S&P SM 600 TR			-8.55	-14.11	-18.94	-16.81	-16.81	7.30	7.20	11.26		10.28	Mar-01-11
			0.11	0.10	0.10	0.32	0.32	0.57	0.37	0.23		0.19	
POOL 205 FIXED INCOME	2,534,693,502	35.70	-0.73	-1.96	-5.02	-5.28	-5.28	0.53	1.62	1.71	3.48	4.12	Jul-01-99
FTSE BIG (DAILY)			-1.57	-4.83	-10.55	-10.55	-10.55	-0.92	0.88	1.55	3.63	4.20	Jul-01-99
			0.84	2.87	5.53	5.27	5.27	1.45	0.74	0.16	-0.15	-0.08	
POOL 123 FIXED INCOME	441,343,739	6.22	0.09	0.19	0.34	0.39	0.39	0.83	1.30			1.21	Jun-01-16
ASTO-POOL 5 BENCHMARK			0.10	0.19	0.23	0.26	0.26	0.66	1.15			1.05	Jun-01-16
			-0.01	-0.00	0.11	0.13	0.13	0.17	0.15			0.16	



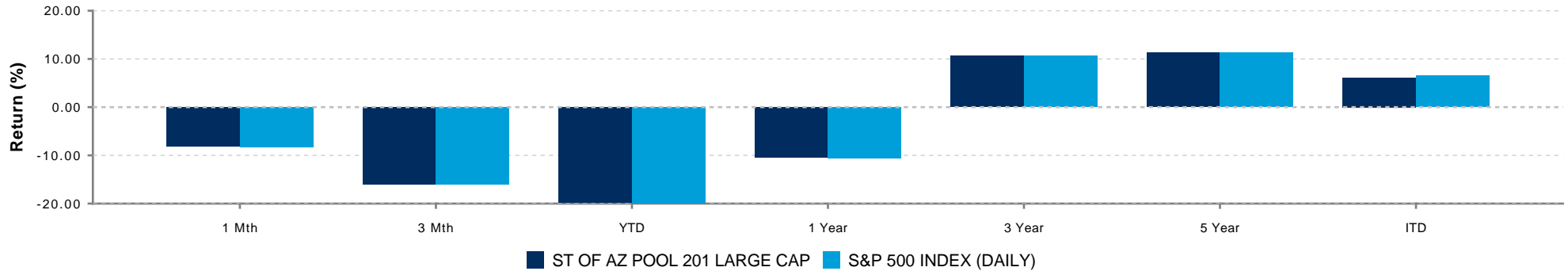
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return

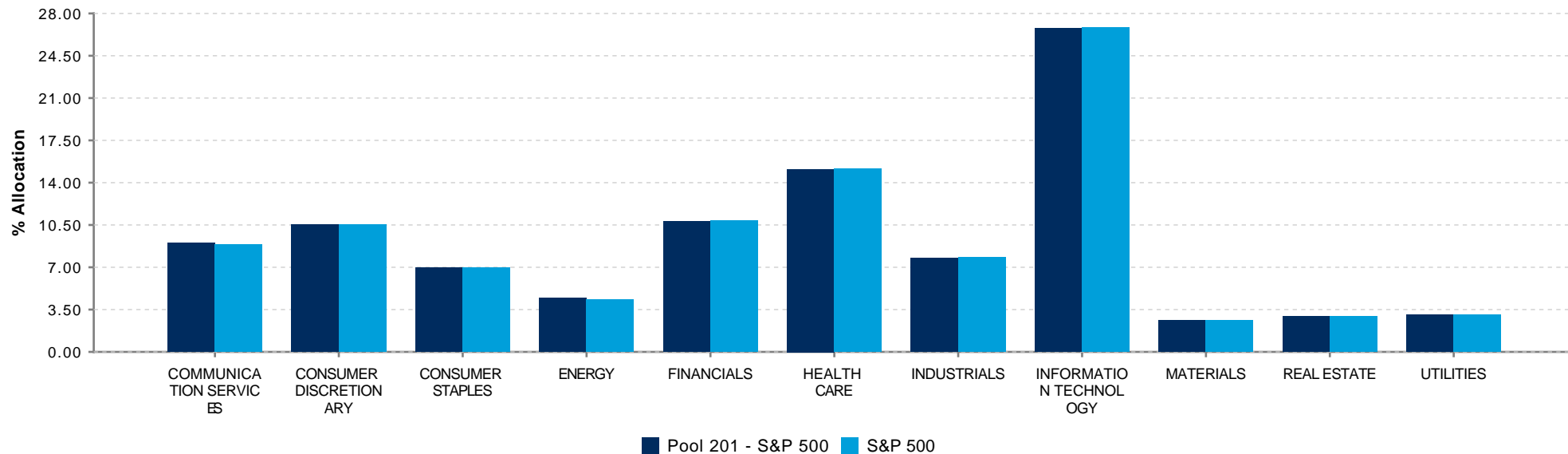


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Jun 30 2020	Jun 30 2021	Jun 30 2022
ST OF AZ POOL 201 LARGE CAP	-8.17	-15.98	-19.74	-10.50	10.62	11.30	6.09	7.56	40.60	-10.50
S&P 500 INDEX (DAILY)	-8.25	-16.10	-19.96	-10.62	10.60	11.31	6.50	7.51	40.79	-10.62
	0.09	0.12	0.22	0.12	0.02	-0.01	-0.41	0.06	-0.19	0.12

# OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2022

ST OF AZ POOL 201 LARGE CAP  
Sector Allocation vs S&P 500



	Fund Weight	Benchmark Weight	Relative Weight
ST OF AZ POOL 201 LARGE CAP	100.00	100.00	0.00
COMMUNICATION SERVICES	9.02	8.87	0.15
CONSUMER DISCRETIONARY	10.53	10.54	-0.01
CONSUMER STAPLES	6.98	6.99	-0.00
ENERGY	4.43	4.35	0.07
FINANCIALS	10.81	10.84	-0.03
HEALTH CARE	15.12	15.14	-0.02
INDUSTRIALS	7.76	7.81	-0.05
INFORMATION TECHNOLOGY	26.75	26.84	-0.09
MATERIALS	2.59	2.60	-0.01
REAL ESTATE	2.92	2.92	-0.00
UTILITIES	3.09	3.10	-0.01

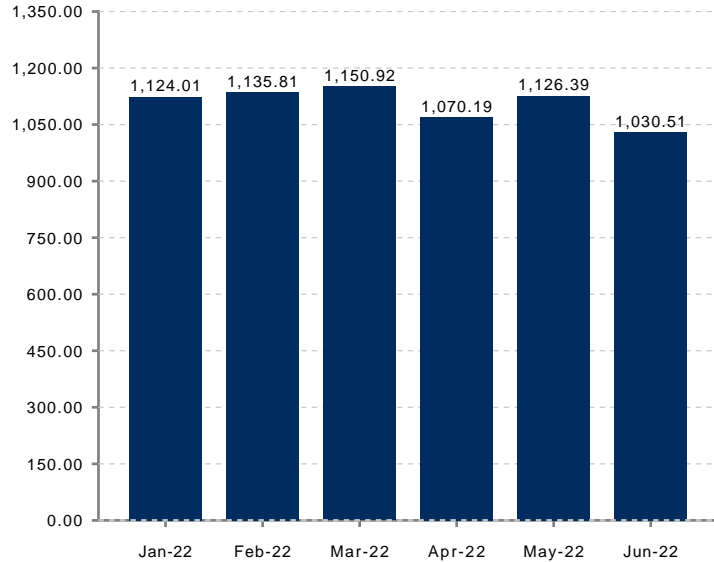
# OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2022

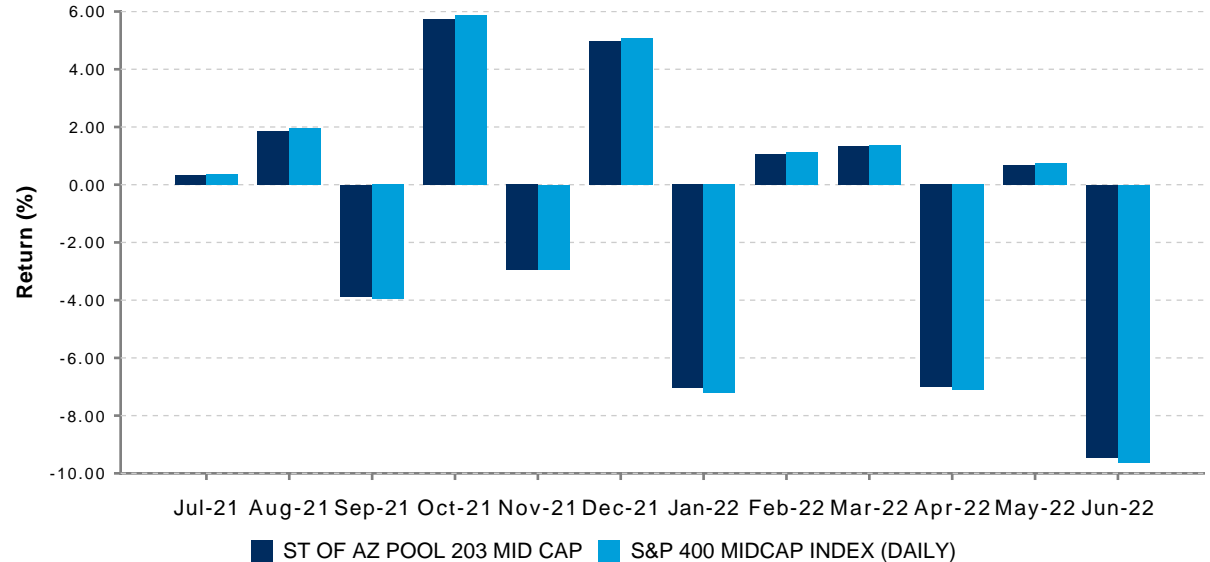
ST OF AZ POOL 203 MID CAP



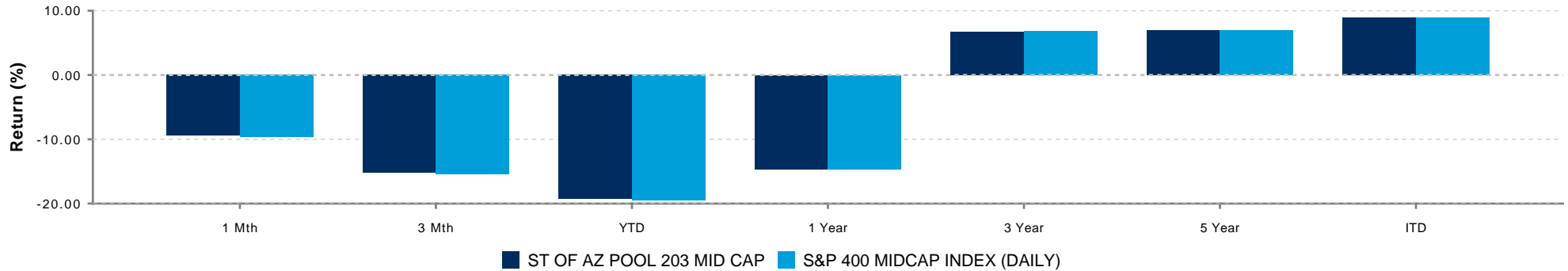
## Net Asset Values over Time (\$MM)



## Monthly Returns



## Rates of Return

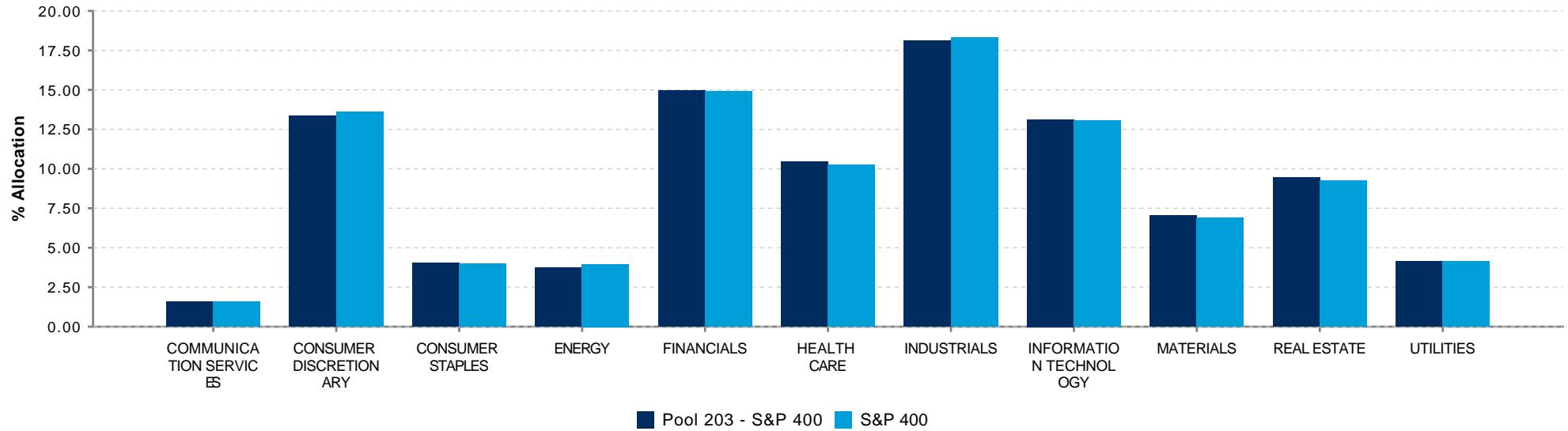


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Jun 30 2020	Jun 30 2021	Jun 30 2022
ST OF AZ POOL 203 MID CAP	-9.45	-15.23	-19.31	-14.64	6.75	7.00	8.93	-6.53	52.49	-14.64
S&P 400 MIDCAP INDEX (DAILY)	-9.62	-15.42	-19.54	-14.64	6.87	7.02	8.94	-6.70	53.24	-14.64
	0.17	0.18	0.23	-0.01	-0.11	-0.02	-0.00	0.16	-0.75	-0.01

# OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2022

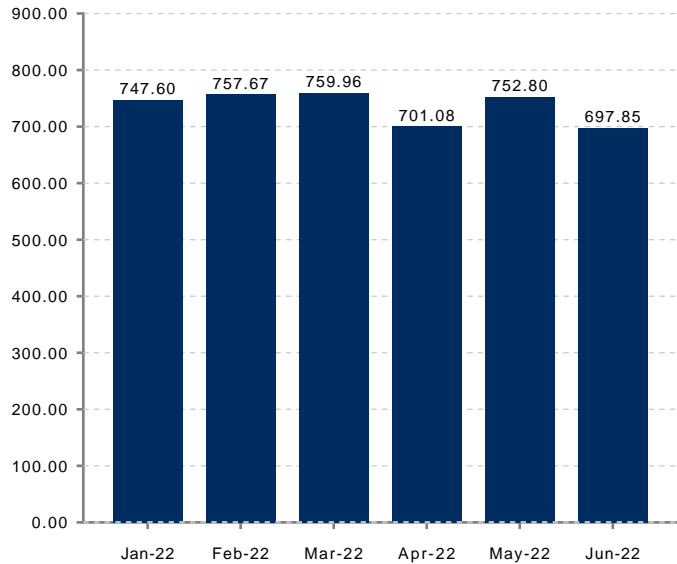
ST OF AZ POOL 203 MID CAP  
Sector Allocation vs S&P MID CAP 400



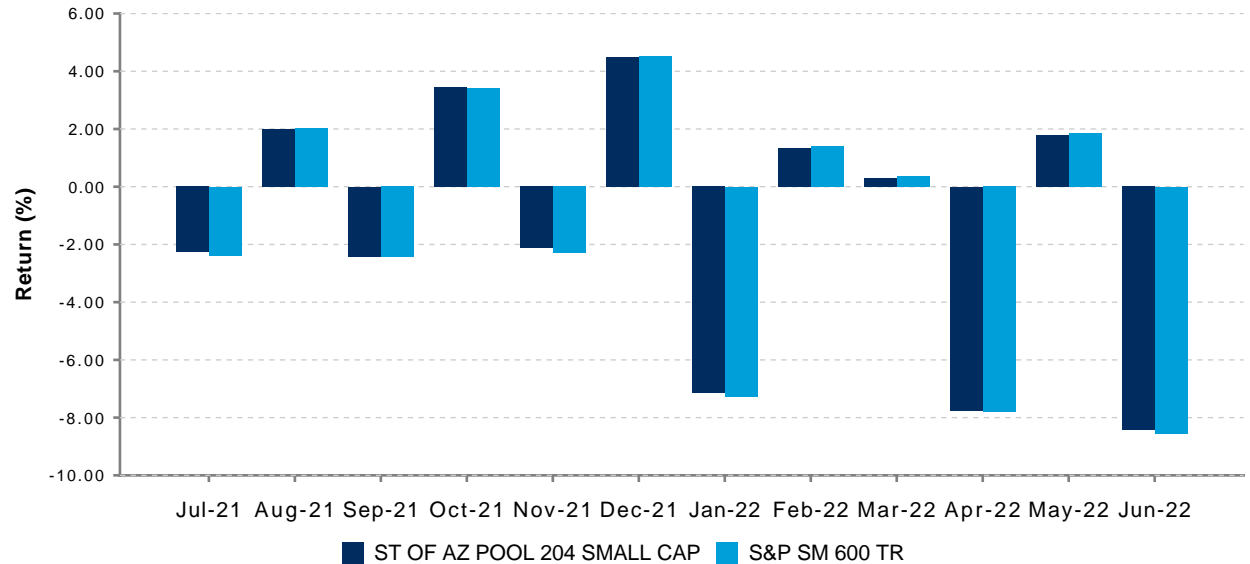
	Weight Fund	Weight Benchmark	Weight Relative
ST OF AZ POOL 203 MID CAP	100.00	100.00	0.00
COMMUNICATION SERVICES	1.59	1.58	0.01
CONSUMER DISCRETIONARY	13.35	13.62	-0.27
CONSUMER STAPLES	4.02	4.00	0.03
ENERGY	3.74	3.96	-0.22
FINANCIALS	14.96	14.90	0.06
HEALTH CARE	10.45	10.27	0.18
INDUSTRIALS	18.12	18.31	-0.19
INFORMATION TECHNOLOGY	13.13	13.06	0.08
MATERIALS	7.06	6.91	0.15
REAL ESTATE	9.45	9.26	0.19
UTILITIES	4.12	4.15	-0.02



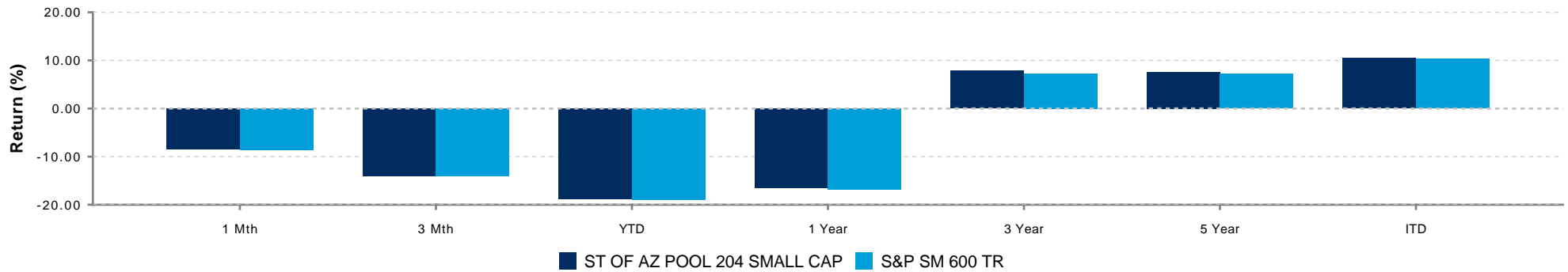
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return



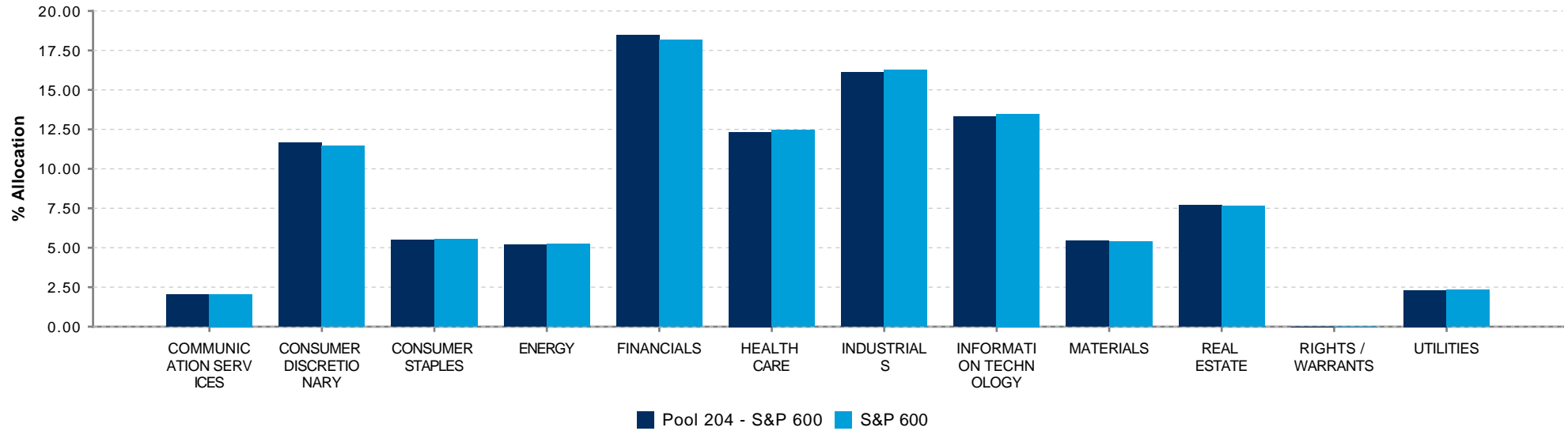
	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Jun 30 2020	Jun 30 2021	Jun 30 2022
ST OF AZ POOL 204 SMALL CAP	-8.43	-14.01	-18.84	-16.49	7.87	7.58	10.47	-10.25	67.47	-16.49
S&P SM 600 TR	-8.55	-14.11	-18.94	-16.81	7.30	7.20	10.28	-11.29	67.40	-16.81
	0.11	0.10	0.10	0.32	0.57	0.37	0.19	1.03	0.08	0.32



# OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2022

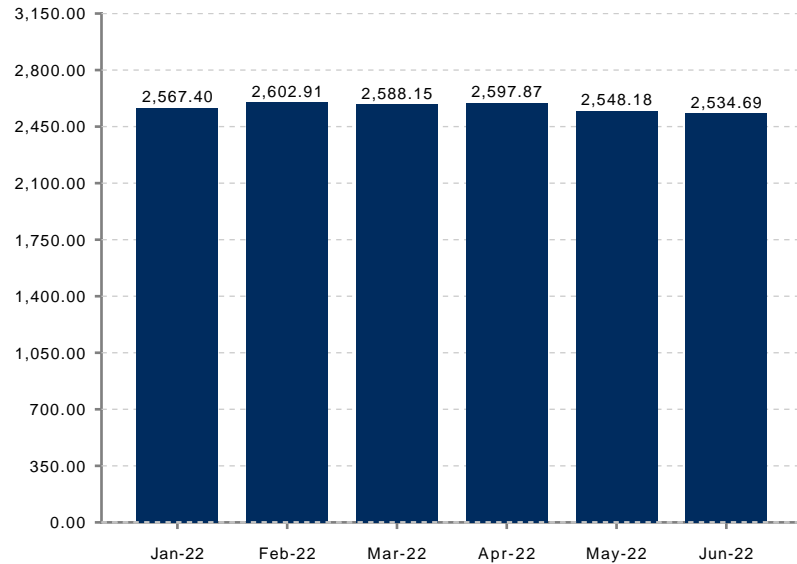
ST OF AZ POOL 204 SMALL CAP  
Sector Allocation vs S&P SMALLCAP 600



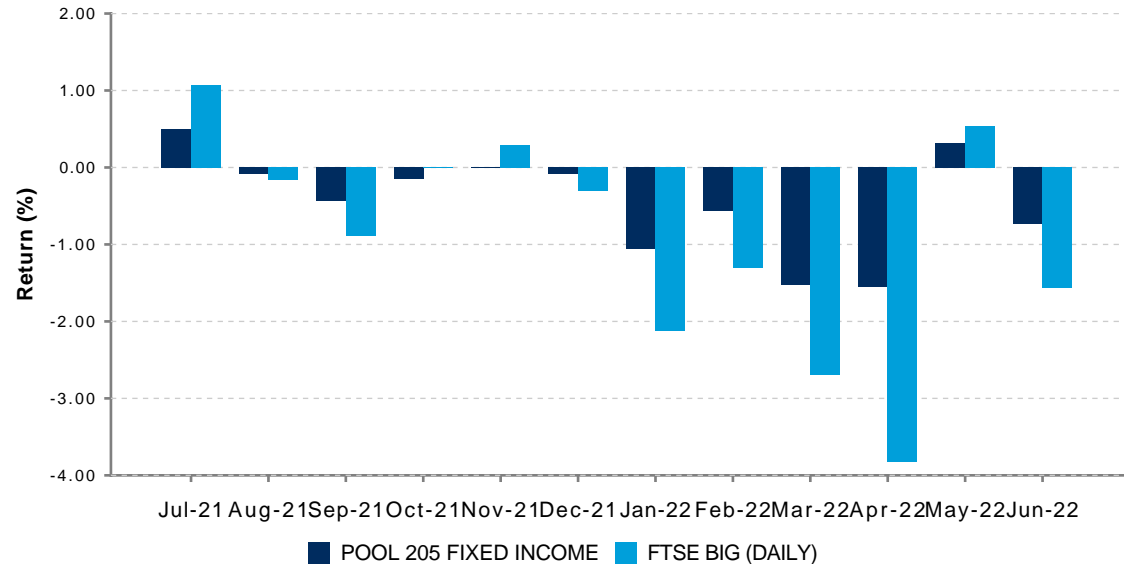
	Weight Fund	Weight Benchmark	Weight Relative
ST OF AZ POOL 204 SMALL CAP	100.00	100.00	0.00
COMMUNICATION SERVICES	2.04	2.06	-0.02
CONSUMER DISCRETIONARY	11.66	11.46	0.20
CONSUMER STAPLES	5.51	5.56	-0.05
ENERGY	5.18	5.23	-0.05
FINANCIALS	18.46	18.17	0.29
HEALTH CARE	12.33	12.45	-0.12
INDUSTRIALS	16.09	16.25	-0.17
INFORMATION TECHNOLOGY	13.29	13.48	-0.20
MATERIALS	5.46	5.37	0.09
REAL ESTATE	7.69	7.64	0.05
RIGHTS / WARRANTS	0.00	0.00	0.00
UTILITIES	2.31	2.33	-0.02



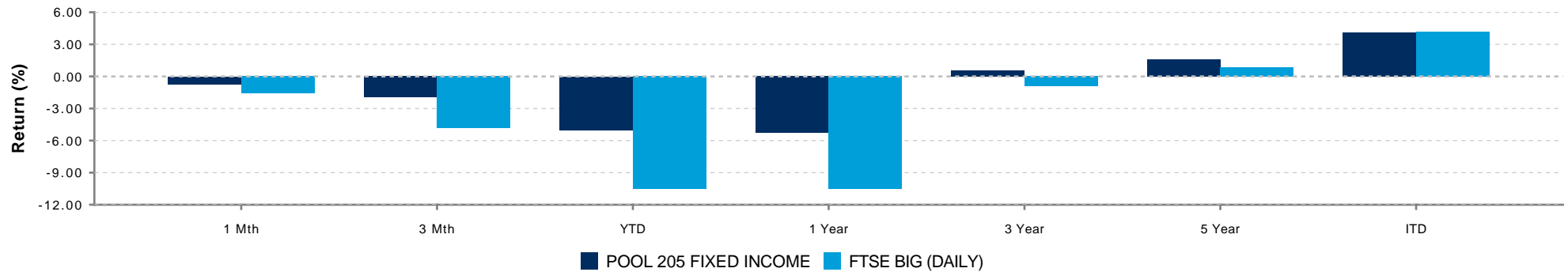
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return

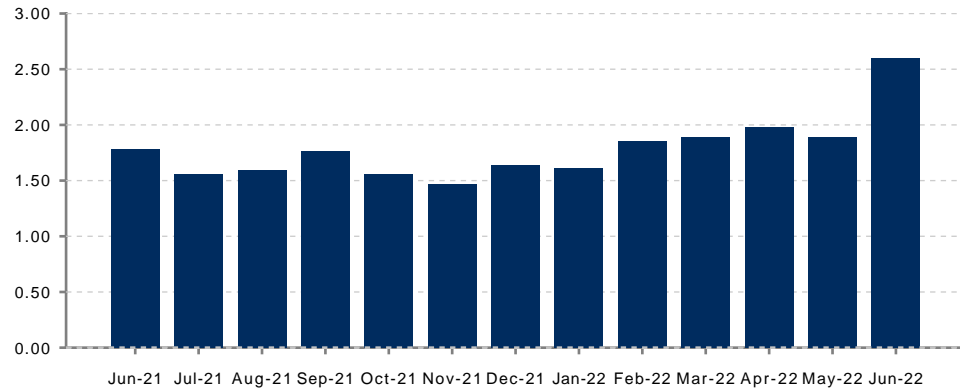


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Jun 30 2022	Jun 30 2021	Jun 30 2020
POOL 205 FIXED INCOME	-0.73	-1.96	-5.02	-5.28	0.53	1.62	4.12	-5.28	0.47	6.77
FTSE BIG (DAILY)	-1.57	-4.83	-10.55	-10.55	-0.92	0.88	4.20	-10.55	-0.21	8.96
	0.84	2.87	5.53	5.27	1.45	0.74	-0.08	5.27	0.68	-2.19

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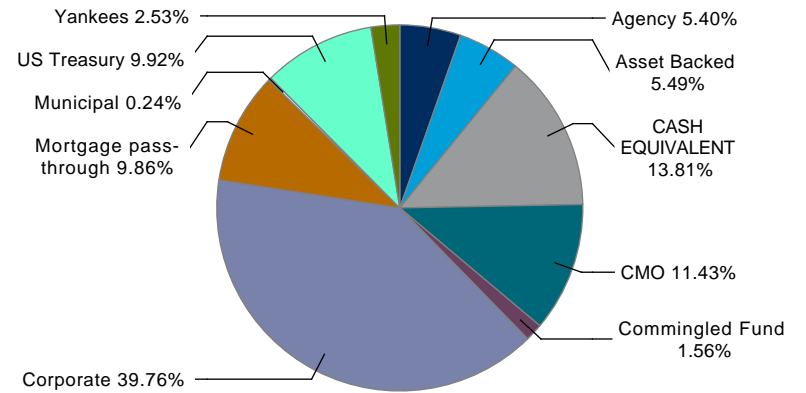
### Net Yield



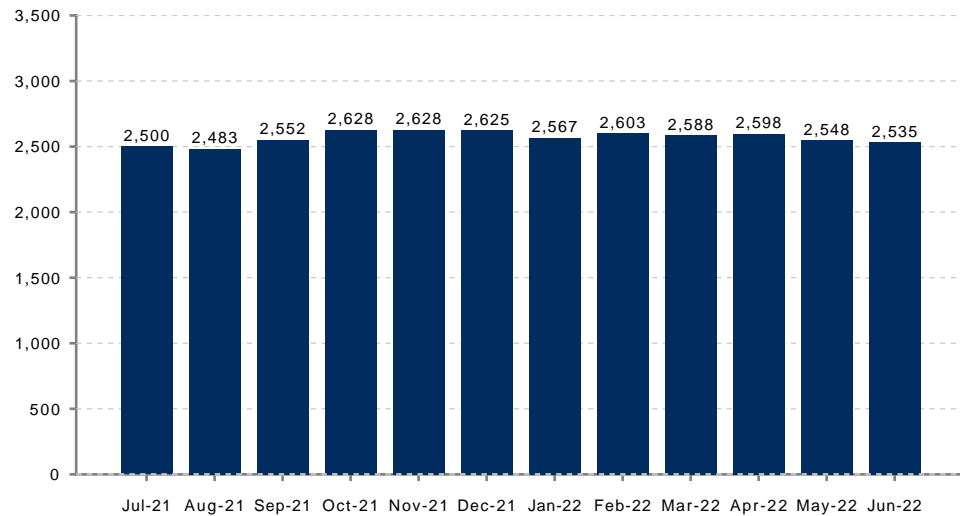
	Current Mth	Prior Mth	1 Year Ago
POOL 205 FIXED INCOME	2.60	1.89	1.78

### Asset Allocation

	Ending Market Value
POOL 205 FIXED INCOME	2,534,693,502



### Net Asset Values over Time (\$MM)

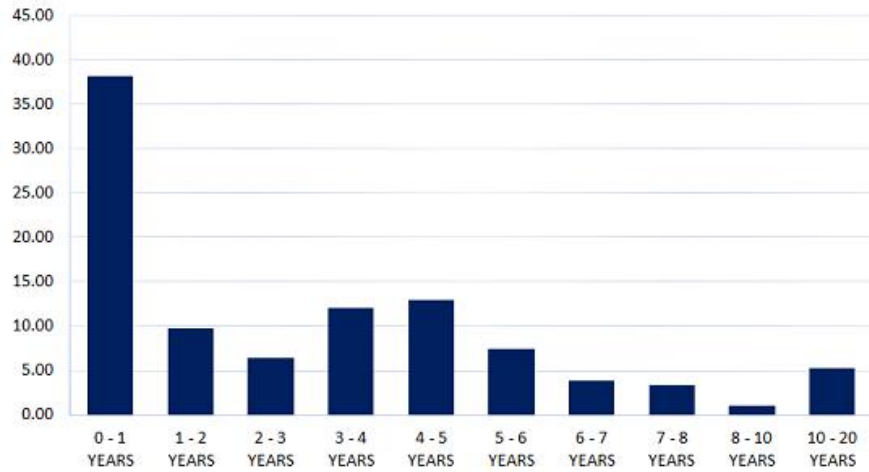


### Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 205 FIXED INCOME		
NVIDIA CORP	34,048,520	1.34
ISHARES TIPS BOND ETF	32,261,818	1.27
BOEING CO	29,893,399	1.18
US TREASURY N/B	26,016,480	1.03
WASTE MANAGEMENT INC	25,815,062	1.02
ILA FINANCIAL SQUARE GOVT	25,679,849	1.01
US TREASURY N/B	23,372,026	0.92
FORD CREDIT FLOORPLAN MASTER O	20,024,918	0.79
MERCK + CO INC	19,997,255	0.79
DUKE ENERGY CORP	19,980,700	0.79



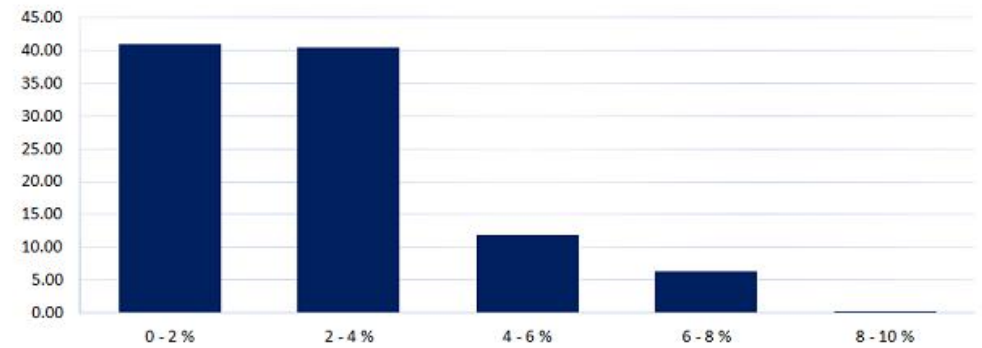
**Duration Distribution**



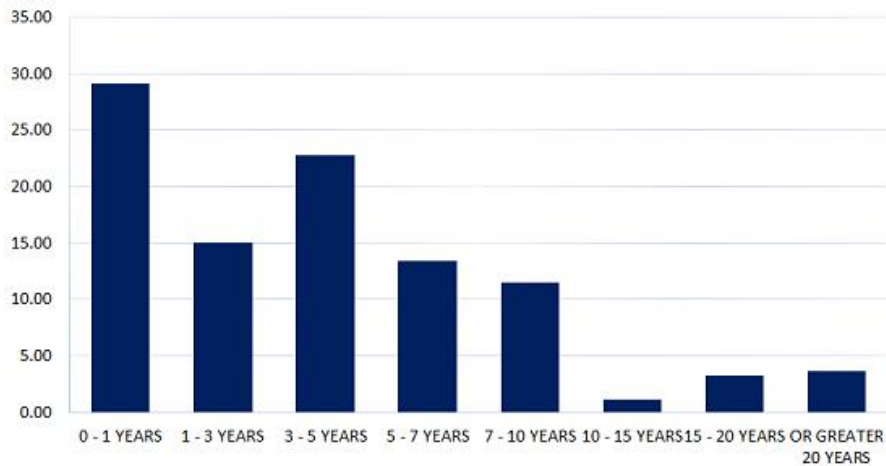
**Portfolio Level Characteristics**

	POOL 205 FIXED INCOME
Effective Maturity	4.93
Coupon	2.70
Effective Duration	3.11
Quality Rating (Moody's)	AA-2

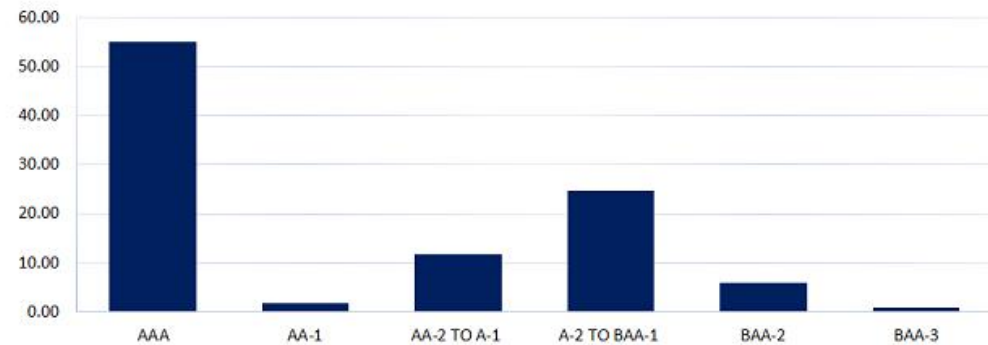
**Coupon Distribution**



**Expected Maturity Distribution**

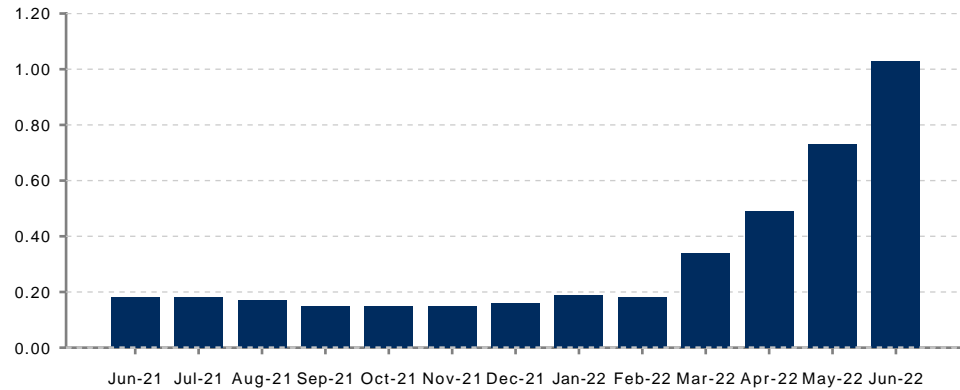


**Rating Distribution**





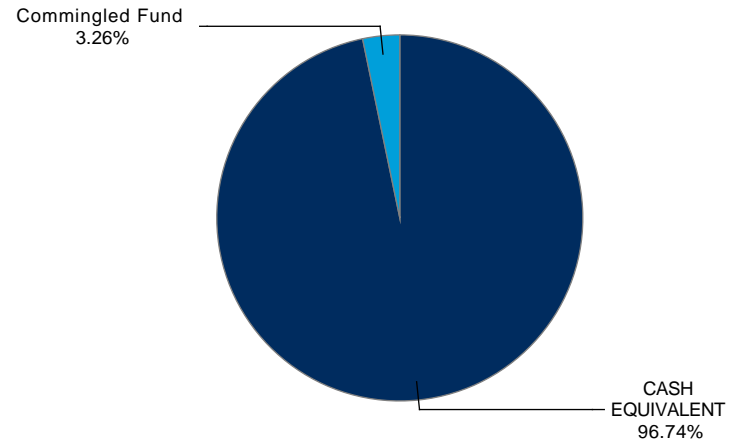
### Net Yield



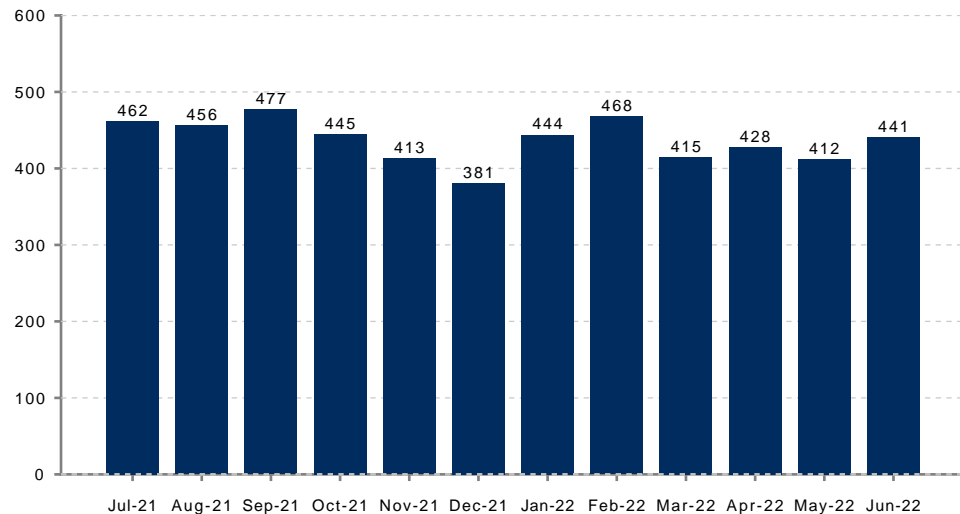
	Current Mth	Prior Mth	1 Year Ago
ST OF AZ POOL 123 ST FIXED INC	1.03	0.73	0.18

### Asset Allocation

	Ending Market Value
ST OF AZ POOL 123 ST FIXED INC	441,343,739



### Net Asset Values over Time (\$MM)

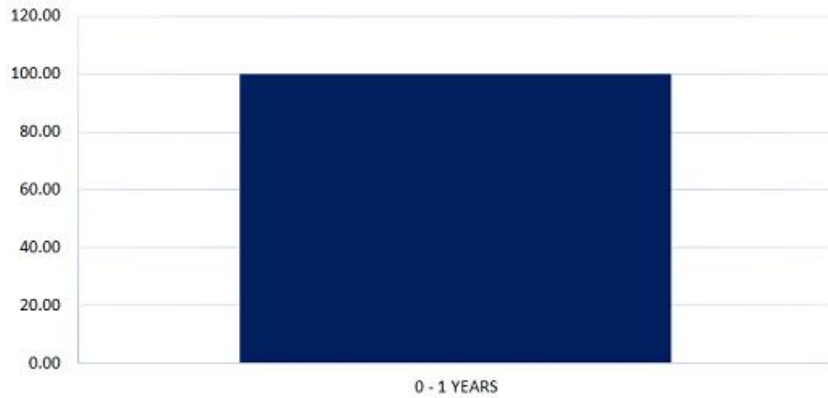


### Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
ST OF AZ POOL 123 ST FIXED INC		
CONCORD MIN CPTL CO	19,953,128	4.52
CROWN POINT CAP CO.	14,989,833	3.40
DISNEY (WALT) CO THE	14,992,717	3.40
DUKE ENERGY CORP	24,971,708	5.66
HARLEY-DAVIDSON FND CP	19,979,233	4.53
ILA FINANCIAL SQUARE GOVT	24,417,159	5.53
LEXINGTN PKR CAP CO LL	24,834,262	5.63
PARKER HANNIFIN CORP	24,985,903	5.66
VICTORY RECEIVABLES	19,888,833	4.51
VICTORY RECEIVABLES	15,000,000	3.40



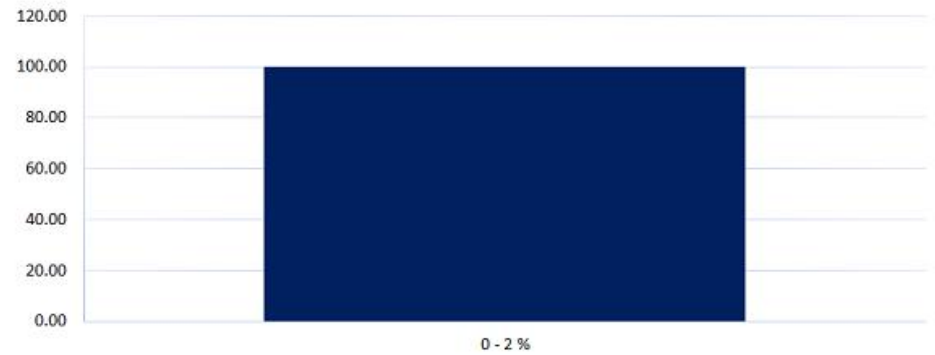
**Duration Distribution**



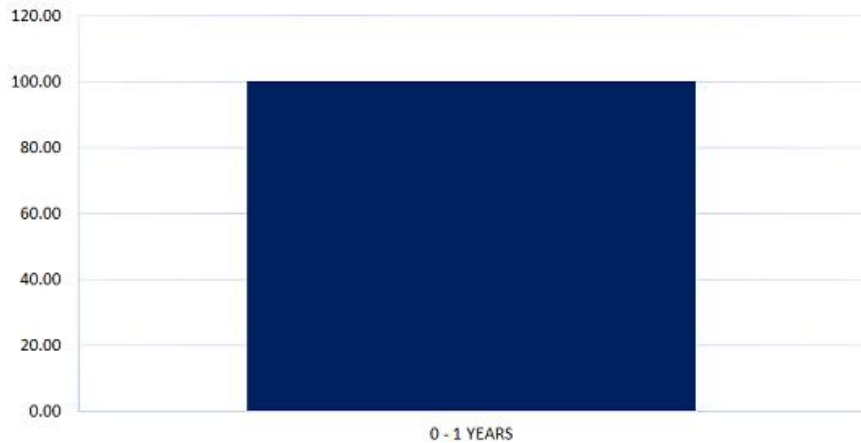
**Portfolio Level Characteristics**

	POOL 123 ST
Effective Maturity	0.16
Coupon	1.48
Effective Duration	0.16
Quality Rating (Moody's)	AA-2

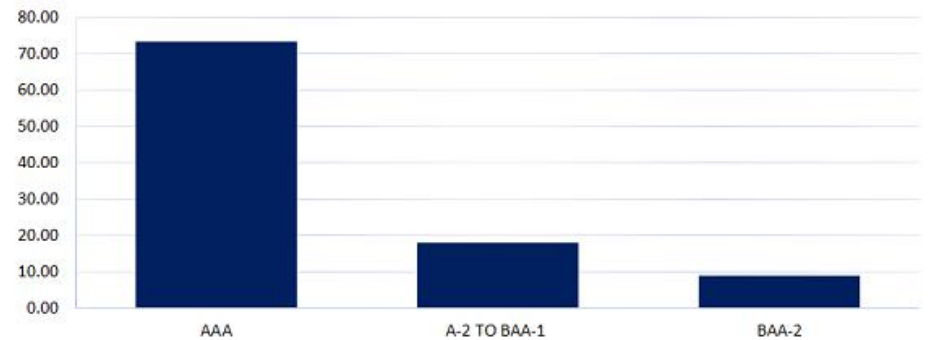
**Coupon Distribution**



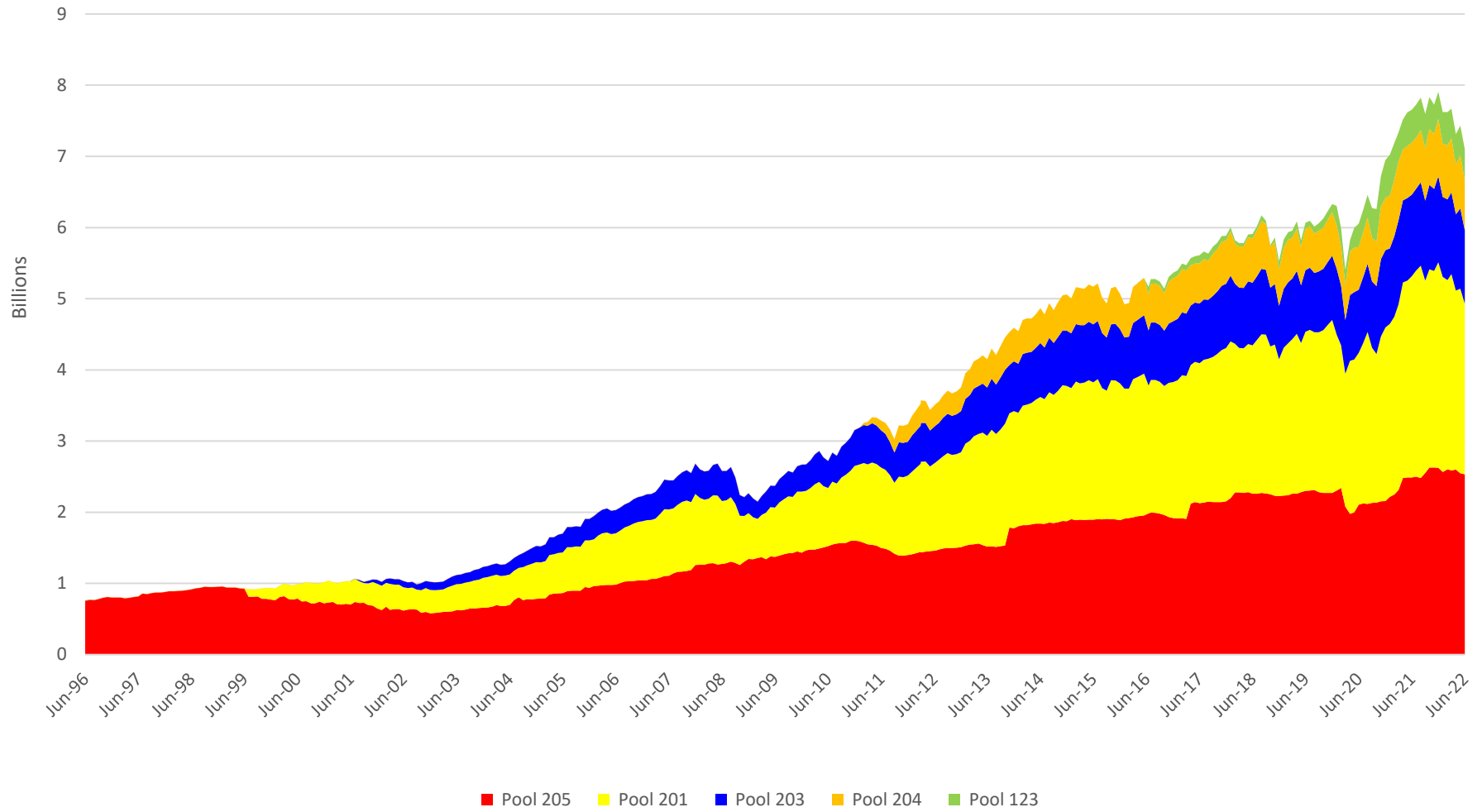
**Expected Maturity Distribution**



**Rating Distribution**



## Permanent Land Endowment Trust Fund Market Value





## ARIZONA ENDOWMENT TRUST FUND

### NET REALIZED CAPITAL GAIN/(LOSS)

	<u>June 2022</u>	<u>June 2021</u>
Current Month	\$0	\$0
Year-to-date	90,819	154,648

### MONTHLY PROCEEDS

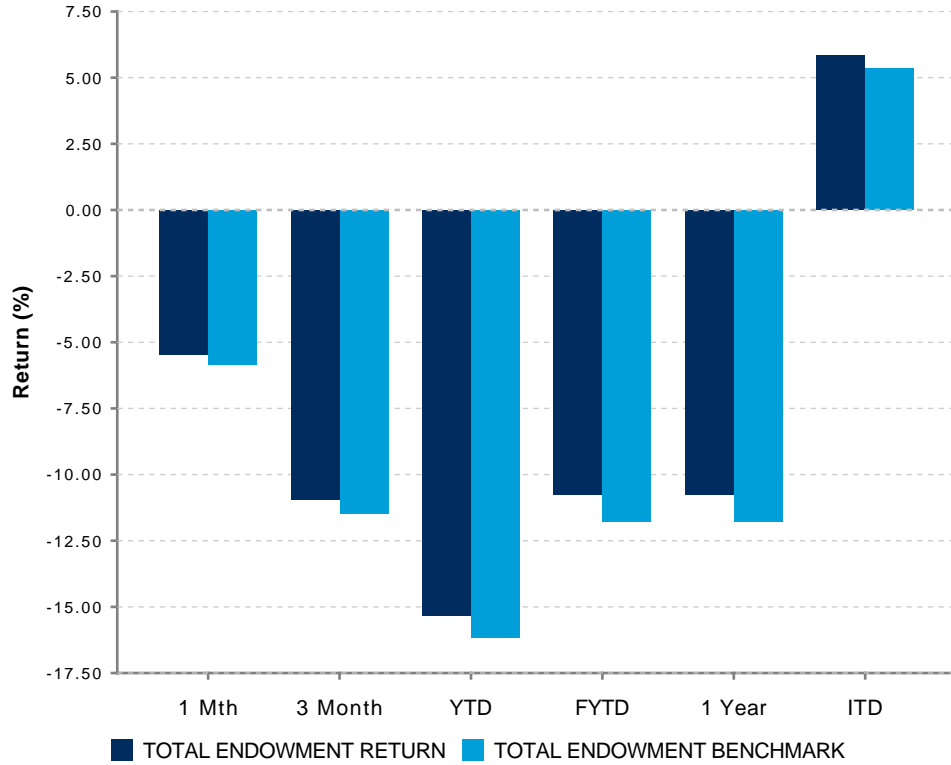
	<u>FY 21/22</u>
July	\$2,649,610
August	2,634,412
September	2,640,561
October	2,623,388
November	2,609,246
December	2,609,082
January	2,611,906
February	2,620,550
March	2,596,977
April	2,584,449
May	2,689,228
June	2,755,900
<b>TOTAL</b>	<b>\$31,625,308</b>

### ASSET ALLOCATION

	<u>SHARES OUTSTANDING</u>	<u>BOOK VALUE</u>	<u>MARKET VALUE</u>	<u>UNREALIZED GAIN / (LOSS)</u>
<i>Fixed Income Pools</i>	1,562,602	\$19,962,610	\$19,544,541	(\$418,070)
<i>Equity Pools</i>	2,550,735	29,943,916	27,593,022	(\$2,350,894)
<b>TOTAL</b>	<b>4,113,337</b>	<b>\$49,906,526</b>	<b>\$47,137,563</b>	<b>(\$2,768,964)</b>



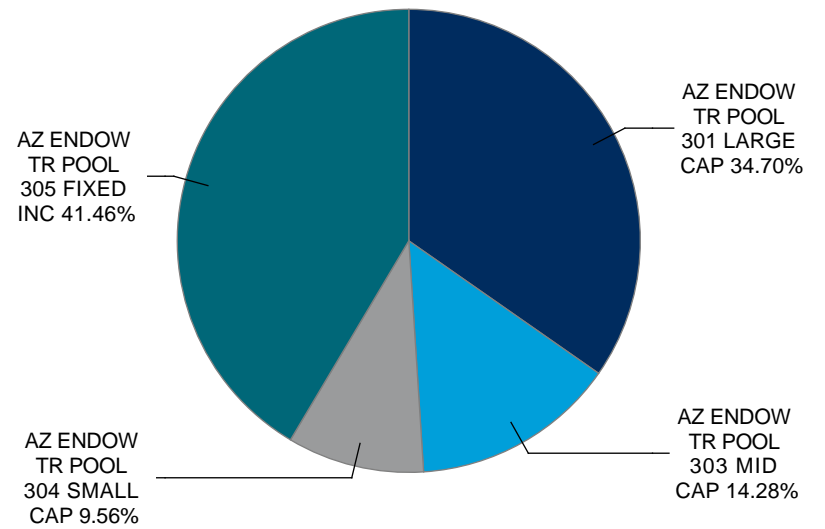
**Performance**



	1 Mth	3 Mth	YTD	FYTD	1 Year	ITD	Incept Date
TOTAL ENDOWMENT RETURN	-5.47	-10.93	-15.31	-10.74	-10.74	5.84	09/19
TOTAL ENDOWMENT BENCHMARK	-5.83	-11.46	-16.15	-11.76	-11.76	5.36	09/19
	0.36	0.52	0.84	1.02	1.02	0.48	

**Asset Allocation**

	Ending Market Value
TOTAL ENDOWMENT RETURN	47,137,563



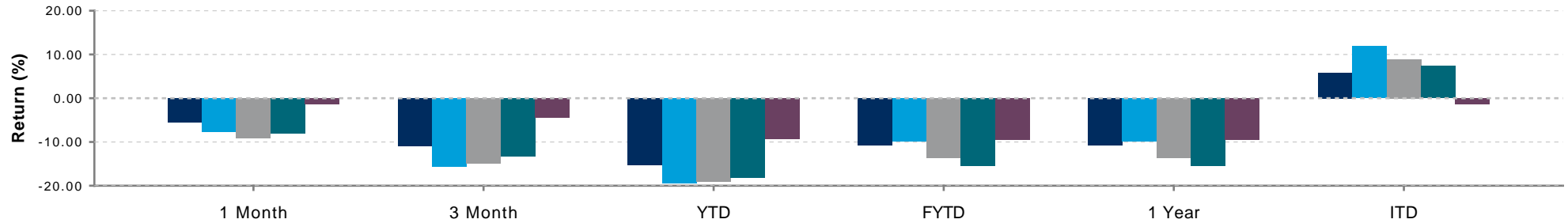
# OFFICE OF THE ARIZONA STATE TREASURER

June 30, 2022

Total Returns Net Mgr



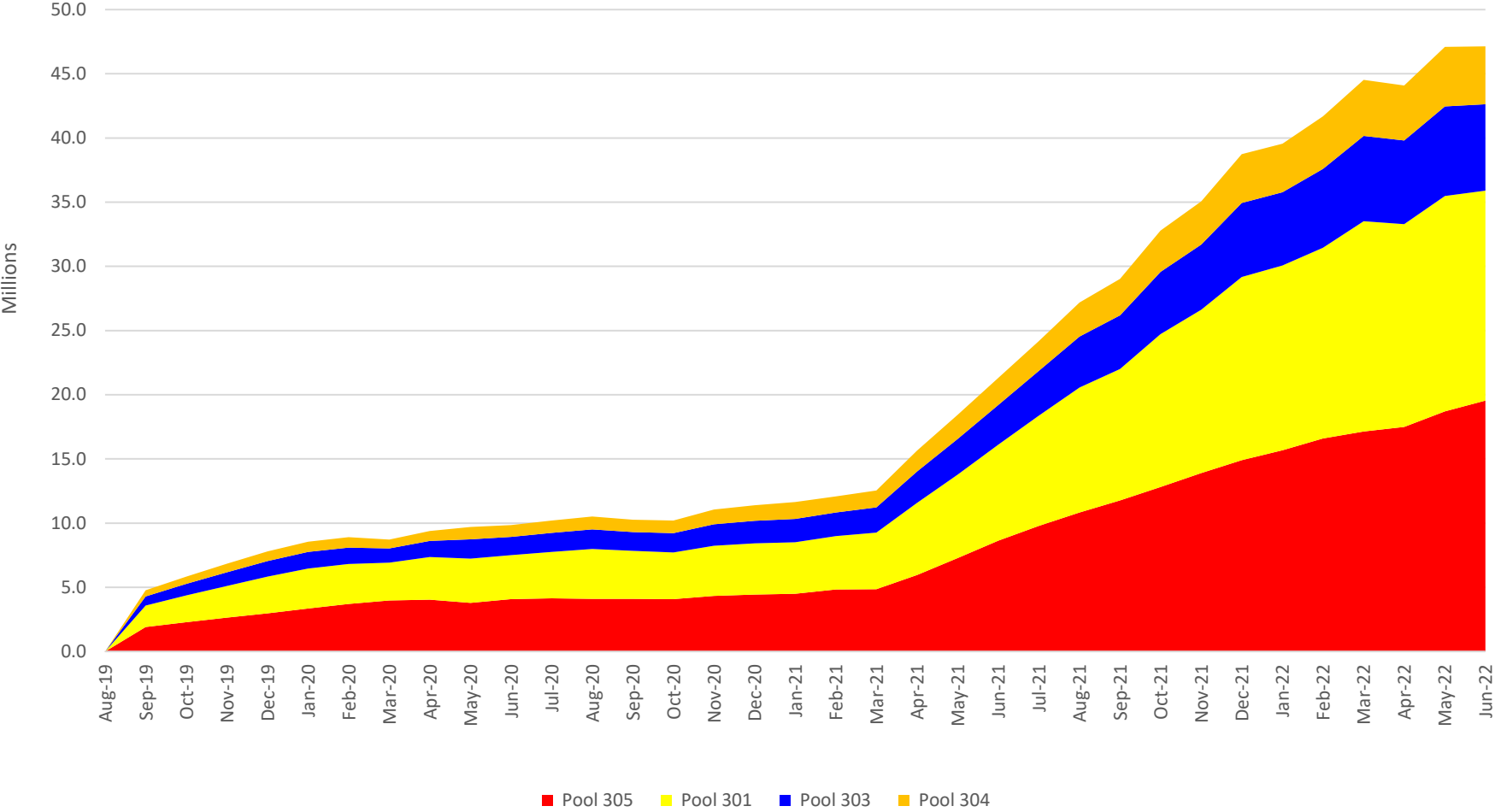
## Return Comparison



■ TOTAL ENDOWMENT RETURN 
 ■ AZ ENDOW TR POOL 301 LARGE CAP 
 ■ AZ ENDOW TR POOL 303 MID CAP 
 ■ AZ ENDOW TR POOL 304 SMALL CAP 
 ■ AZ ENDOW TR POOL 305 FIXED INC

	Market Value	Actual Weight	1 Mth	3 Mth	YTD	FYTD	1 Year	ITD	Inc Date
TOTAL ENDOWMENT RETURN	47,137,563	100.00	-5.47	-10.93	-15.31	-10.74	-10.74	5.84	Sep-01-19
TOTAL ENDOWMENT BENCHMARK			-5.83	-11.46	-16.15	-11.76	-11.76	5.36	Sep-01-19
			0.36	0.52	0.84	1.02	1.02	0.48	
AZ ENDOW TR POOL 301 LARGE CAP	16,356,678	34.70	-7.77	-15.59	-19.36	-9.90	-9.90	11.86	Sep-01-19
S&P 500 INDEX (DAILY)			-8.25	-16.10	-19.96	-10.62	-10.62	11.34	Sep-01-19
			0.49	0.51	0.60	0.72	0.72	0.52	
AZ ENDOW TR POOL 303 MID CAP	6,728,894	14.28	-9.16	-14.91	-19.00	-13.66	-13.66	8.89	Sep-01-19
S&P 400 MIDCAP INDEX (DAILY)			-9.62	-15.42	-19.54	-14.64	-14.64	8.48	Sep-01-19
			0.46	0.51	0.54	0.98	0.98	0.41	
AZ ENDOW TR POOL 304 SMALL CAP	4,507,450	9.56	-8.08	-13.34	-18.24	-15.53	-15.53	7.32	Sep-01-19
S&P SM 600 TR			-8.55	-14.11	-18.94	-16.81	-16.81	9.10	Sep-01-19
			0.47	0.77	0.70	1.28	1.28	-1.78	
AZ ENDOW TR POOL 305 FIXED INC	19,544,541	41.46	-1.38	-4.36	-9.33	-9.50	-9.50	-1.36	Sep-01-19
FTSE BIG (DAILY)			-1.57	-4.83	-10.55	-10.55	-10.55	-1.98	Sep-01-19
			0.19	0.46	1.22	1.05	1.05	0.62	

### Arizona Endowment Trust Fund Market Value



# Arizona's Education Savings Plan (AZ529) June 2022 Summary

## Overall Performance – Where We Are Now |

### ➤ AZ529, Arizona's Education Savings Plan:

- Total assets: \$1,775,019,536 (-10.2% YoY)
  - Total Arizona resident assets: \$861,456,653 (48.5%)
  - Total non-resident assets: \$913,562,884 (51.5%)
- Total accounts: 99,184 (+4.7% YoY)
  - Total Arizona resident accounts: 54,021 (54.5%)
  - Total non-resident accounts: 45,163 (45.5%)

## Fidelity AZ529, Arizona's Education Savings Plan | Direct Sold

Fidelity remains the largest AZ529 provider, holding 62.5% of total assets and 63.7% of total accounts. Total Fidelity AZ529, Arizona's Education Savings Plan assets in June were down 3.5% YoY to \$1,109,555,020 with total accounts up 13.1% YoY to 63,168. Arizona residents held 72.9% of total assets and 80.3% of total accounts, with the rest held by non-residents.

## Goldman Sachs 529 Plan | Advisor Sold

Ascensus/Goldman Sachs assumed control of Ivy InvestEd accounts on June 13, 2022. Goldman Sachs remains the second largest AZ529 provider, holding 35.3% of total assets and 34.1% of total accounts. Total Goldman Sachs 529 Plan assets in June were down 19.4% YoY to \$626,458,225, with total accounts down 6.5% YoY to 33,816. Arizona residents held 6.6% of total assets and 6.9% of total accounts, with the rest held by non-residents.

## College Savings Bank Plan | Closed Plan

College Savings Bank (CSB) remains the smallest AZ529 provider, holding 2.2% of total assets and 2.2% of total accounts. Total CSB Plan assets in June were down 21.4% YoY to \$39,006,291 with total accounts down 18.8% YoY to 2,200. Arizona residents held 28.2% of total assets and 43.8% of total accounts, with the rest held by non-residents. As of February 1, 2022, CSB is no longer accepting deposits to existing accounts.

## AZ529 Plan Assets |

	June 30, 2022	June 30, 2021	YoY Change
<b>Fidelity AZ529, Arizona's Education Savings Plan</b>	\$1,109,555,020	\$1,149,927,190	-3.5%
<b>*Ivy InvestEd 529/Goldman Sachs 529 Plan</b>	\$626,458,225	\$776,924,122	-19.4%
<b>College Savings Plan</b>	\$39,006,291	\$49,654,858	-21.4%
	<b>\$1,775,019,536</b>	<b>\$1,976,506,170</b>	<b>-10.2%</b>

\*Ascensus/Goldman Sachs assumed control of Ivy InvestEd accounts on June 13, 2022.

## AZ529 Plan Accounts |

	June 30, 2022	June 30, 2021	YoY Change
<b>Fidelity AZ529, Arizona's Education Savings Plan</b>	63,168	55,855	+13.1%
<b>*Ivy InvestEd 529/Goldman Sachs 529 Plan</b>	33,816	36,159	-6.5%
<b>College Savings Plan</b>	2,200	2,709	-18.8%
<b>TOTAL AZ529 ACCOUNTS</b>	<b>99,184</b>	<b>94,723</b>	<b>+4.7%</b>

\*Ascensus/Goldman Sachs assumed control of Ivy InvestEd accounts on June 13, 2022.