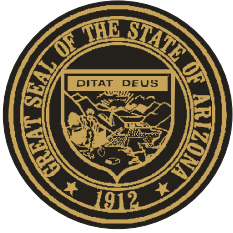


OFFICE OF THE
ARIZONA STATE TREASURER



JEFF DEWIT
TREASURER



NOVEMBER 2016

Presented To:

Arizona State Board of Investment

December 22, 2016

STATE BOARD OF INVESTMENT

A G E N D A

December 22, 2016

1. Call to Order
2. Chairman Remarks
3. Approval of November 29, 2016 Minutes
4. Review of Treasurer's Monthly Reports
 - A. Earnings Distribution; Investment Pools
 - B. Operating Monies Invested Balances
 - C. State Agency Pools Investments and Performance Reports
 - D. LGIP Pools Investments and Performance Reports
 - E. Earnings Distributed Endowment Funds
 - F. Land Sales Monthly Proceeds Endowment Funds
 - G. Endowment Investments and Performance Reports
5. Proposed Changes to the Investment Policy
 - A. Review of Proposed Changes
 - B. Public Comment on Proposed Changes
 - C. Discussion and Action on Proposed Changes
6. Review and Approval of Proposed/Pending Securities Dealers
7. General Business
8. Call to the Public
9. Notice of Next Meeting
10. Adjournment

REPORT OF THE STATE TREASURER

FOR

December 22, 2016

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**Minutes of
BOARD OF INVESTMENT MEETING**

The regular meeting of the State Board of Investment was held on November 29, 2016 in the Office of the State Treasurer, 1700 West Washington, State Capitol, West Wing, Treasurer's Conference Room, Phoenix, Arizona. Treasurer DeWit called the meeting to order at approximately 1:31 p.m.

Members Present:

Jeff DeWit, Chair, State Treasurer
Harry A. Papp, CFA and Managing Partner, L. Roy Papp & Associate
Beth Ford, Treasurer, Pima County, Via-Teleconference
Robert Charlton, Superintendent, Department of Financial Institutions
Clark Partridge, State Comptroller, Arizona Department of Administration

Others Present:

Mark Swenson, Deputy Treasurer of Policy & Research, Arizona State Treasurer's Office
Lorraine Jones, Deputy Treasurer of Operations, Arizona State Treasurer's Office
Patty Humbert, Chief Investment Officer, Arizona State Treasurer's Office
Tim White, Senior Portfolio Manager, Arizona State Treasurer's Office
Dennis Stevenson, Portfolio Manager, Arizona State Treasurer's Office
Eric Stivers, Collateral Analyst, Arizona State Treasurer's Office
Dale Stomberg, Investment Accounting Manager, Arizona State Treasurer's Office
Michael Leslein, Asst. Investment Accounting Manager, Arizona State Treasurer's Office
Ken Price, Human Resource Manager, Arizona State Treasurer's Office

Pursuant to A.R.S. 35-311, the following reports for October, 2016 were submitted for the Board's approval:

Review of Treasurer's Monthly Reports:

Earnings Distribution; Investment Pools
Operating Monies Invested Balances
State Agency Pools Investments and Performance Reports
LGIP Pools Investments and Performance Reports
Earnings Distributed Endowment Funds
Land Sales Monthly Proceeds Endowment Funds
Endowment Investments and Performance Reports

1. Call to Order:

Treasurer DeWit called the November 29, 2016 BOI meeting to order at approximately 1:31 p.m.

2. Treasurers Comments:

Treasurer DeWit welcomed the board members and guests and thanked all present for attending the November 29, 2016 meeting.

3. Approval of Minutes:

Mr. Papp made a motion to approve the October 27, 2016 minutes. Mr. Charlton seconded the motion. Motion carried.

4. Review of Treasurer's Monthly Report

Earnings Distribution – Investment Pools

Ms. Humbert reported the earnings distributed month-to-date, year-to-date, prior year-to-date, and investment management fees deposited in the General Fund for the month of October, 2016.

Ms. Humbert will follow up with the Board with any requested changes to the Investment Policy as a result of legislation regarding the Arizona Public Schools Credit Enhancement Program.

Operating Monies Average Invested Balance

Ms. Humbert reported the Operating Monies average invested balance for the month of October, 2016.

Review of Treasurer's Monthly Report – Agency Pools:

Ms. Humbert presented the monthly report for the Agency Pools portion of the Arizona State Treasurer's Office to the Board of Investment as follows:

State Agency Pools Portfolio Yield Analysis

Ms. Humbert reported the net yields for the State Agency Pools for the month of October, 2016.

Manager Allocation of Invested Monies for the State Agency Pools

Ms. Humbert reported the total market value of all of the State Agency Pools broken up to show the percent allocated to each individual State Agency Pool as of October 31, 2016.

Investments Outstanding in State Agency Pools

Ms. Humbert reported the total net assets, asset allocation, the weighted average life, the weighted average duration and the weighted average rating for the State Agency Investment Pools as of October 31, 2016.

Review of Treasurer's Monthly Report – LGIP Investment Pools:

Mr. Stevenson presented the monthly report for the LGIP Investment Pools portion of the Arizona State Treasurer's Office to the Board of Investment as follows:

LGIP (Pool 5) & LGIP GOV (Pool 7) Portfolio Yield Analysis

Mr. Stevenson reported the net yield for the LGIP and LGIP-Gov Pools and the comparison to the benchmark for the month of October, 2016.

Pool 500 & Pool 700 Portfolio Yield Analysis

Mr. Stevenson reported the net yield for the LGIP Medium Term Pools and the comparison to the benchmark for the month of October, 2016.

Manager Allocation of Invested Monies for the LGIP Pools

Mr. Stevenson reported the total market value invested in all of the LGIP Pools as a percentage of the total that was allocated to each of the LGIP, LGIP-Gov, and LGIP Medium Term Pools as of October 31, 2016.

LGIP Pools Investments and Performance Reports

Mr. Stevenson reported the total net assets, asset allocation, the weighted average life, the weighted average duration, and the weighted average rating on the LGIP, LGIP-Gov, and LGIP Medium Term pools for the month of October, 2016.

Review of Treasurer's Monthly Report – Endowments:

Mr. White presented the endowment portion of the monthly report of the Arizona State Treasurer's Office to the Board of Investment as follows:

Earnings Distributed Endowment Funds

Mr. White reported the earnings distributed for the Endowment Funds for the month of October, 2016.

Net Realized Capital Gains/Losses – Endowment Funds

Mr. White reported the net realized capital gains for the Endowment Fixed Income, S&P 500, S&P 400 and S&P 600 pools for the month of October, 2016 and fiscal year to date.

Endowment Funds Fixed-Income Pool Purchases & Sales

Mr. White reported the purchases and sales of the Endowment Fixed Income Pool for the month of October, 2016.

Equity Funds Purchases & Sales

Mr. White reported the purchases and sales (summary) of the Endowment Equity Pools for the month of October, 2016.

Investments Outstanding in Endowment Funds

Mr. White reported the par, book, market value, and unrealized gains/loss of the Endowment Funds as of October 31, 2016.

Performance of Investments in Endowment Funds

Mr. White reported the performance of the Endowment Funds for the current month, the year to date, trailing one year, trailing three years, trailing five years, and since inception for the Endowment Funds as of October 31, 2016.

Manager Allocation of Invested Monies for the Endowment Pools

Mr. White reported the percentage of the total market value of all of the Endowment investments allocated to each of the Endowment Pools, as of October 31, 2016.

Equity Holdings Investments Outstanding S&P 500

Mr. White reported the investments outstanding by portfolio characteristics and industry sector for the S&P 500 Pool as of October 31, 2016.

Equity Holdings Investments Outstanding S&P 400

Mr. White reported the investments outstanding by portfolio characteristics and industry sector for the S&P 400 Pool as of October 31, 2016.

Equity Holdings Investments Outstanding S&P 600

Mr. White reported the investments outstanding by portfolio characteristics and industry sector for the S&P 600 Pool as of October 31, 2016.

Fixed Income Investments and Performance Reports

Mr. White reported the total net assets, asset allocation, the weighted average life, the weighted average duration and the weighted average rating for the Fixed Income Pool for the month of October, 2016.

Endowment Investments and Performance Growth by Account Reports

Mr. White reported the performance and growth for each of the Endowment Funds from the inception date of each fund through the end of October 31, 2016.

Approval of Treasurer's Report

Mr. Partridge made a motion to approve the Treasurer's Report. Ms. Ford seconded the motion. Motion carried.

5. Proposed Changes to Investment Policy:

No proposed changes to Investment Policy.

6. Review and approval of Proposed/Pending Securities Dealers:

There were no Securities Dealers to approve.

7. General Business:

There was no General Business.

8. Call to the Public:

There was no Public comment.

Mr. Partridge stated his great appreciation to the Board regarding Mr. Stomberg's years of outstanding service to the State of Arizona.

Mr. Papp provided the members of the board with a brief economic update.

9. Notice of Next Meeting:

Treasurer DeWit advised the Board that the next regular meeting of the Board of Investment will be Thursday, December 22, 2016 at 2:00 p.m. at 1700 West Washington, State Capitol, West Wing, Treasurer's Conference Room, Phoenix, Arizona.

10. Adjournment:

Mr. Charlton made a motion to adjourn the BOI meeting. Mr. Partridge seconded the motion. Upon unanimous approval the BOI Meeting was adjourned at 2:33 p.m.

Respectfully Submitted by:

Christine Thurston
Executive Consultant II

Approved by:

Jeff DeWit, Chair

Date

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**EARNINGS DISTRIBUTION - INVESTMENT POOLS
NOVEMBER 2016**

Recipient	Earnings Distributed			Fiscal YTD Investment Management Fees Received
	NOVEMBER 2016	Fiscal YTD 16/17	Fiscal YTD 15/16	
General Fund	\$1,259,541	\$6,629,948	\$4,885,822	
2 State Agencies - Full Faith & Credit	555,536	2,767,122	1,672,173	218,684
3 State Agencies - Diversified (Combined)	847,363	3,989,942	2,944,272	328,272
4 State Agencies - Gov	467,545	2,420,739	1,838,156	212,240
5 LGIP	503,451	2,192,213	744,182	272,660
7 LGIP Gov	325,616	1,638,026	420,848	248,355
10 Restricted Operating	386,855	1,872,194	1,430,960	291,576
12 CAWCD Medium-Term	412,203	2,034,924	1,602,856	78,343
16 ECDH Medium-Term	455,345	2,354,503	1,998,000	88,927
Subtotal	\$5,213,454	\$25,899,612	\$17,537,270	\$1,739,057
NAV POOL				
500 LGIP - Med Term	293,092	1,463,688	1,217,758	60,086
700 LGIP - FF&C Med Term	126,476	665,194	560,954	33,646
Total	\$5,633,022	\$28,028,493	\$19,315,982	\$1,832,789
NOVEMBER 2015 TOTALS	\$3,591,545			\$1,769,974

*Note: Pool 15 AHCCCS Operating Earnings are reported in General Fund

**Note: Pool 15 AHCCCS Operating Management Fees are reported in Pool 3 State Agencies Diversified (Combined)

OPERATING MONIES
AVERAGE INVESTED BALANCE
Through November 30, 2016
(in millions)

<u>Month</u>	<u>Fiscal Year</u> <u>2014/2015</u>	<u>Fiscal Year</u> <u>2015/2016</u>	<u>Fiscal Year</u> <u>2016/2017</u>
JULY	\$1,876	\$1,795	\$2,012
AUGUST	1,369	1,554	1,504
SEPTEMBER	1,638	1,874	1,694
OCTOBER	1,521	1,701	1,672
NOVEMBER	1,535	1,686	1,633
DECEMBER	1,478	1,734	
JANUARY	1,754	2,140	
FEBRUARY	1,959	2,295	
MARCH	1,686	2,092	
APRIL	1,879	2,407	
MAY	2,163	2,720	
JUNE	2,307	2,590	
Y-T-D Average	\$1,764	\$2,049	\$1,703
Budget Stabilization Average Fund Balance - November 2016			<u>\$452</u>
Total Average Cash Available - November 2016			\$2,085

**STATE AGENCY POOLS
 PORTFOLIO EARNINGS ANALYSIS
 NOVEMBER 2016**

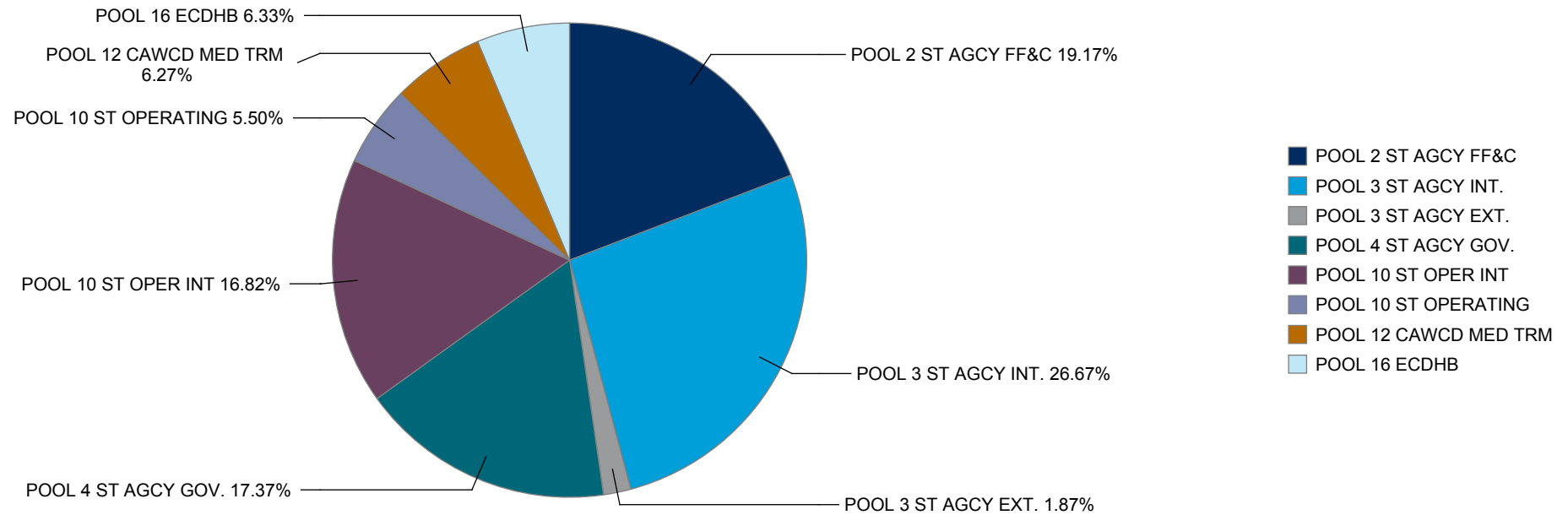
FUND	DESCRIPTION	Current Month 11/30/16	Prior Month 10/31/16	Prior Year 11/30/15	Net Asset Value Per Share
2	STATE AGENCIES - FULL FAITH & CREDIT	681,598	579,297	423,981	0.9958
3	STATE AGENCIES - DIVERSIFIED				
	INTERNAL MANAGERS	1,055,465	1,096,027	727,141	0.9975
	EXTERNAL MANAGERS	107,197	109,068	80,381	0.9991
	FUND 3 TOTAL	1,162,662	1,205,095	807,522	0.9976
4	STATE AGENCIES - GOV	587,007	629,406	474,397	0.9972
10	RESTRICTED OPERATING				
	INTERNAL MANAGERS	905,677	935,099	718,572	0.9973
	EXTERNAL MANAGERS	150,578	159,777	112,831	0.9982
	FUND 10 TOTAL	1,056,255	1,094,876	831,403	0.9975
12	CAWCD MEDIUM-TERM	412,203	408,751	186,898	1.0015
15	AHCCCS OPERATING	17,145	17,592	N/A	N/A
16	ECDH MEDIUM-TERM	455,345	460,359	236,848	0.9973
	TOTAL STATE AGENCIES	4,372,215	4,395,376	2,961,049	

**STATE AGENCY POOLS
PORTFOLIO YIELD ANALYSIS
NOVEMBER 2016**

FUND	DESCRIPTION	Current Month 11/30/16	Prior Month 10/31/16	Prior Year 11/30/15
2	STATE AGENCIES - FULL FAITH & CREDIT	0.81%	0.68%	0.56%
	75% MERRILL 0-1 US TREAS INDEX / 25%	1.17%	0.94%	1.01%
	MERRILL US GNMA MORTGAGE BACKED INDEX			
3	STATE AGENCIES - DIVERSIFIED			
	INTERNAL MANAGERS	1.01%	1.04%	0.71%
	EXTERNAL MANAGERS	1.26%	1.25%	0.96%
	COMBINED	1.03%	1.06%	0.73%
	50% 3 MONTH LIBOR INDEX / 50% MERRILL	1.17%	1.02%	0.83%
	1-3 US BROAD MARKET INDEX			
4	STATE AGENCIES - GOV	0.76%	0.79%	0.58%
	50% MERRILL 6 MTH US T-BILL INDEX / 50%	0.87%	0.69%	0.68%
	MERRILL 1-3 UNSUB. US TREAS / AGY INDEX			
10	RESTRICTED OPERATING			
	INTERNAL MANAGERS	1.19%	1.18%	0.88%
	EXTERNAL MANAGERS	0.60%	0.62%	0.45%
	COMBINED	1.04%	1.04%	0.78%
	50% 3 MONTH LIBOR INDEX / 50% MERRILL	1.17%	1.02%	0.83%
	1-3 US BROAD MARKET INDEX			
12	CAWCD MEDIUM-TERM	1.46%	1.40%	0.73%
	75% MERRILL 1-5 US D M INDEX / 25% S & P LGIP	1.44%	1.23%	1.25%
	INDEX			
15	AHCCCS OPERATING	0.39%	0.59%	N/A
16	ECDH MEDIUM-TERM	1.59%	1.55%	0.84%
	75% MERRILL 1-5 US D M INDEX / 25% S & P LGIP	1.44%	1.23%	1.25%
	INDEX			



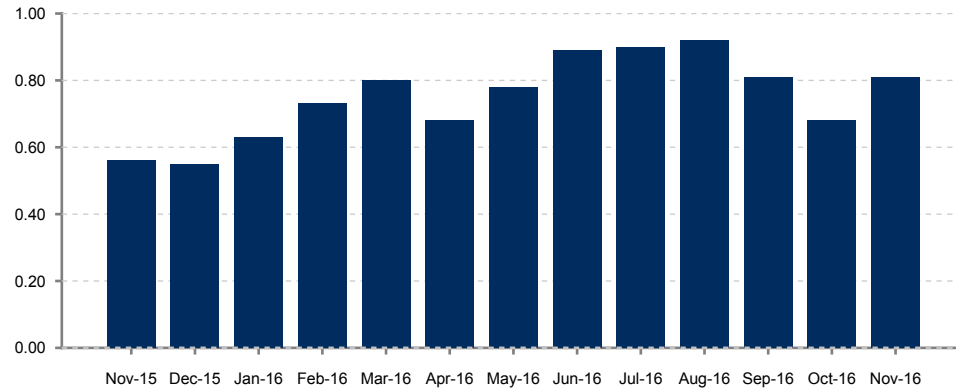
Manager Allocation



	Market Value	% of Portfolio
POOL 2 ST AGCY FF&C	1,058,285,720	19.2
POOL 3 ST AGCY INT.	1,472,443,374	26.7
POOL 3 ST AGCY EXT.	103,401,324	1.9
POOL 4 ST AGCY GOV.	959,241,641	17.4
POOL 10 ST OPER INT	928,645,212	16.8
POOL 10 ST OPERATING	303,686,909	5.5
POOL 12 CAWCD MED TRM	346,024,061	6.3
POOL 16 ECDHB	349,355,977	6.3
TOTAL STATE AGENCY	5,521,084,224	100.0



Net Yield

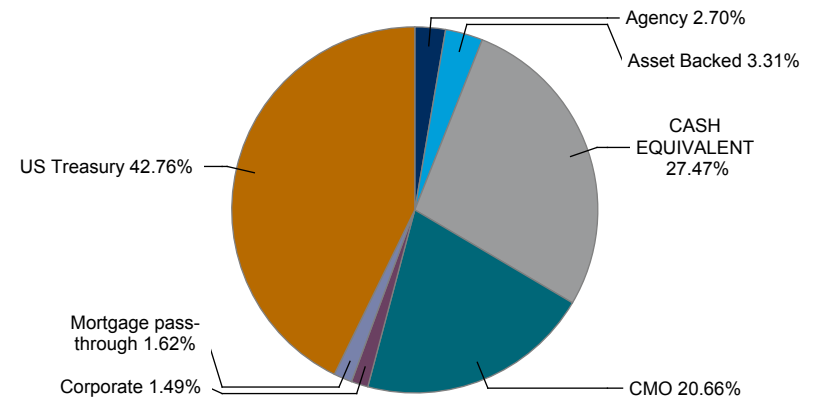


Current Mth Prior Mth 1 Year Ago

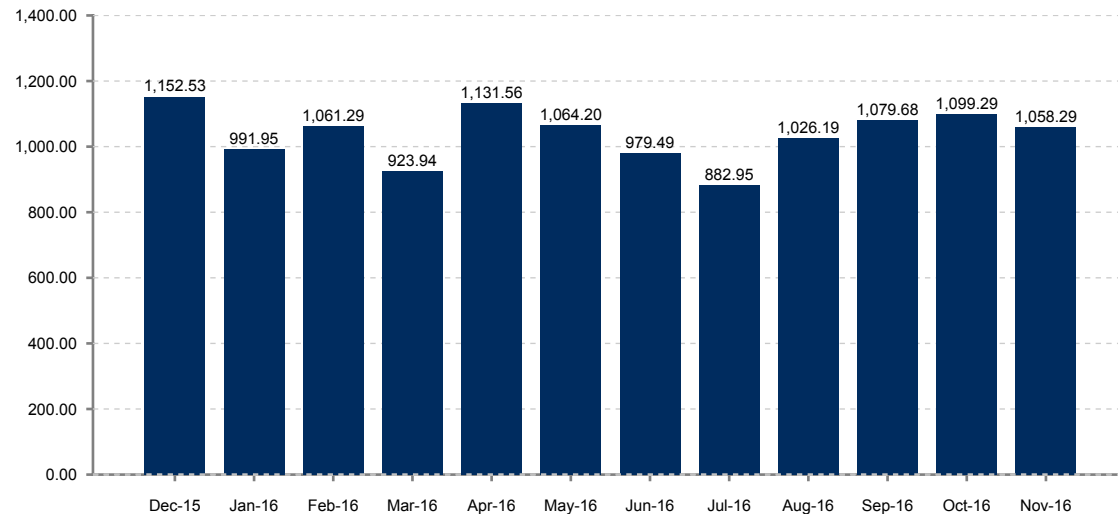
POOL 2 ST AGCY FF&C	0.81	0.68	0.56
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Asset Allocation

	Ending Market Value
POOL 2 ST AGCY FF&C	1,058,285,720



Net Asset Values over Time (\$MM)

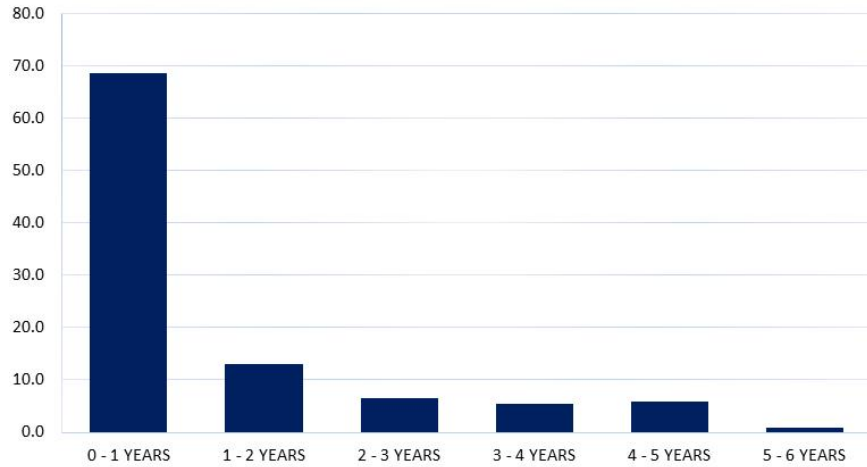


Top 10 Holdings

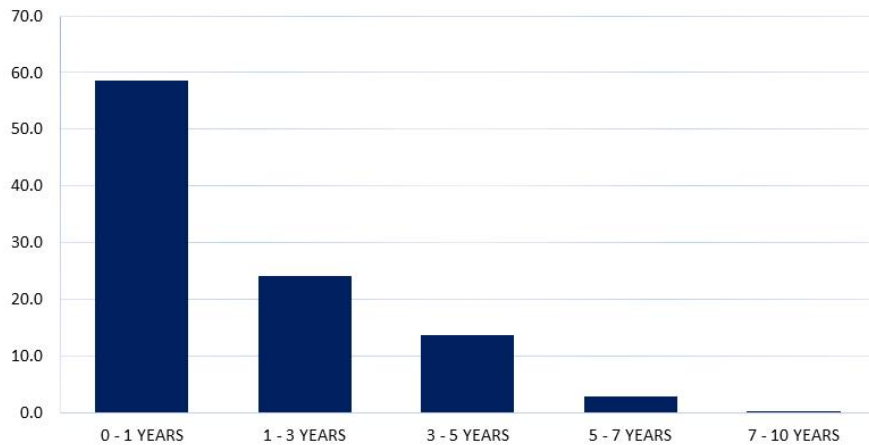
Security Name	Ending Market Value	% of Portfolio
POOL 2 ST AGCY FF&C		
SOUTH STREET REPO	130,001,083	12.28
GUGGENHEIM SECURITIES REPO	82,008,680	7.75
US TREASURY N/B	61,157,637	5.78
US TREASURY N/B	40,139,623	3.79
US TREASURY FRN	40,032,001	3.78
US TREASURY N/B	30,098,485	2.84
TREASURY BILL	29,964,870	2.83
GOVERNMENT NATIONAL MORTGAGE A	23,066,451	2.18
US TREASURY N/B	20,301,564	1.92
US TREASURY N/B	20,291,554	1.92



Duration Distribution



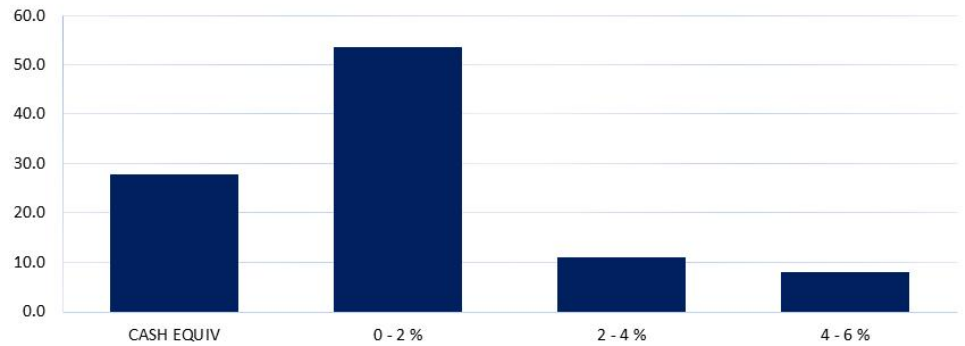
Expected Maturity Distribution



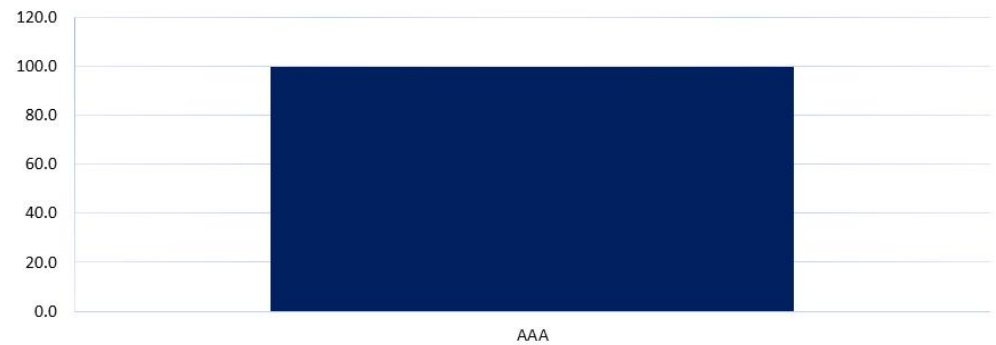
Portfolio Level Characteristics

	POOL 2 ST AGCY FF&C
Weighted Average Life	1.34
Coupon	1.55
Effective Duration	0.95
Quality Rating (Moody's)	AAA

Coupon Distribution

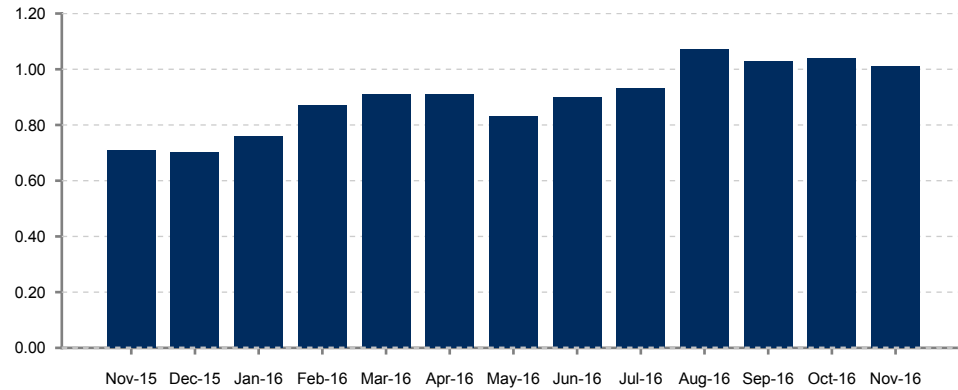


Rating Distribution





Net Yield

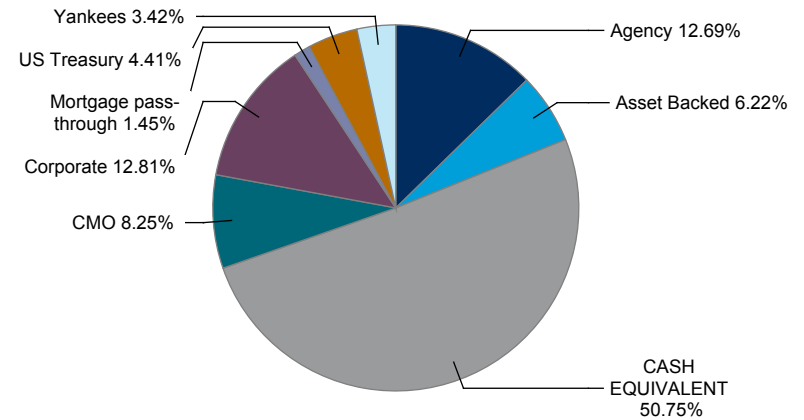


Current Mth **Prior Mth** **1 Year Ago**

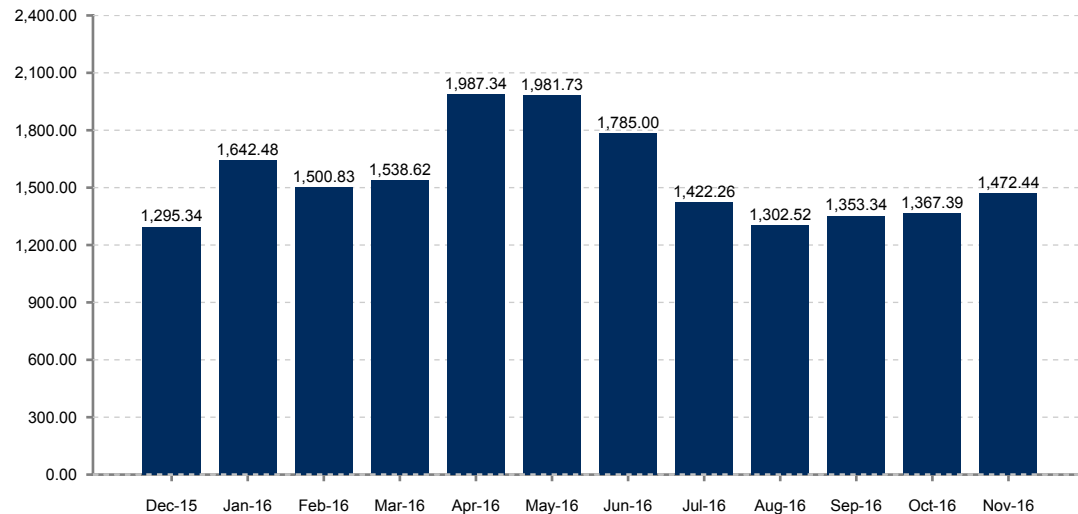
POOL 3 ST AGCY INT.	1.01	1.04	0.71
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Asset Allocation

	Ending Market Value
POOL 3 ST AGCY INT.	1,472,443,374



Net Asset Values over Time (\$MM)

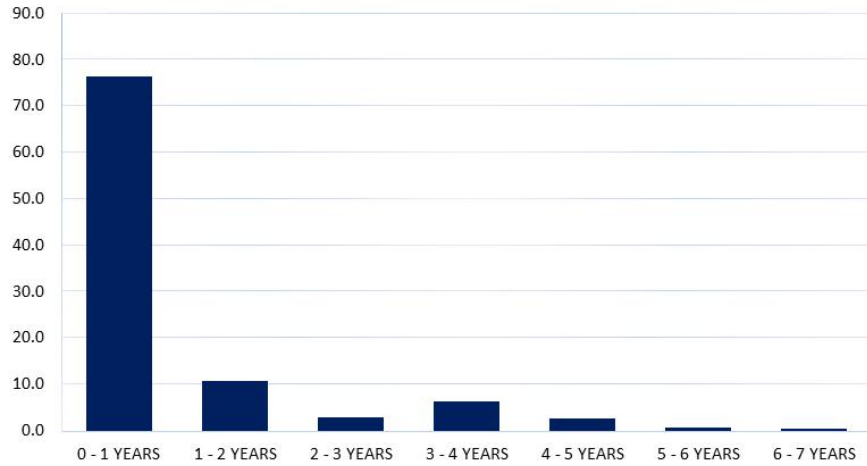


Top 10 Holdings

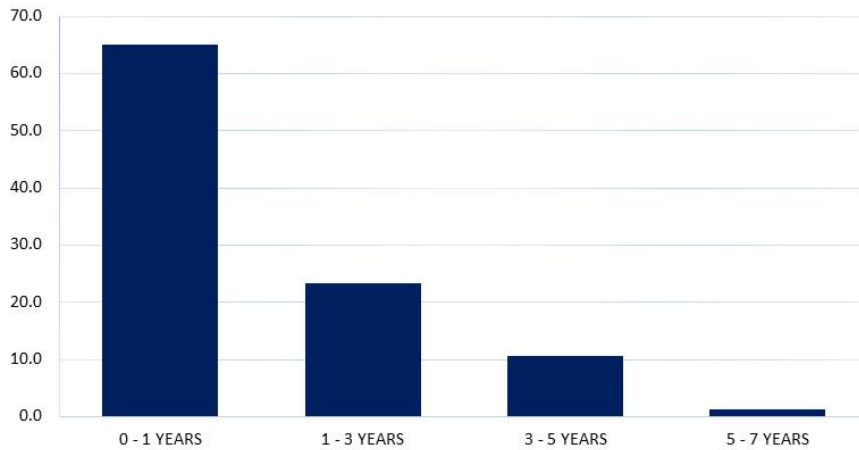
Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY INT.		
SOUTH STREET REPO	257,497,201	17.49
CANADIAN IMPERIAL BK	30,116,200	2.05
FREDDIE MAC	30,018,542	2.04
NATIONAL SECS CLEARING	29,982,600	2.04
LEGACY CAPITAL COMPANY	25,593,805	1.74
MOUNTCLIFF	25,000,000	1.70
CONCORD MIN CPTL CO	24,997,167	1.70
ATLANTIC ASSET SECUR	24,995,917	1.70
SHEFFIELD RECEIVABLE	24,986,806	1.70
CEDAR SPRING CPTL CO	24,977,792	1.70



Duration Distribution



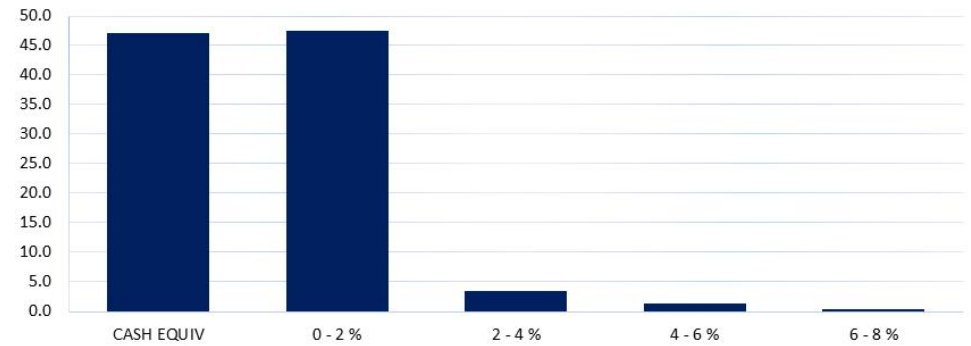
Expected Maturity Distribution



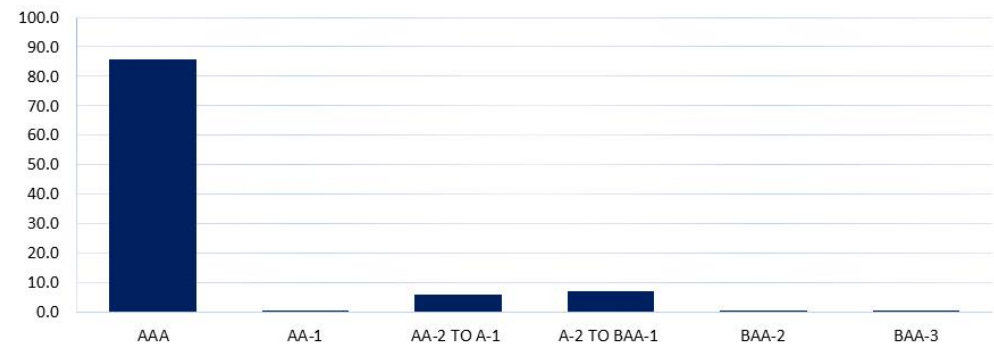
Portfolio Level Characteristics

	POOL 3 ST AGCY INT.
Weighted Average Life	0.94
Coupon	0.87
Effective Duration	0.68
Quality Rating (Moody's)	AA-1

Coupon Distribution

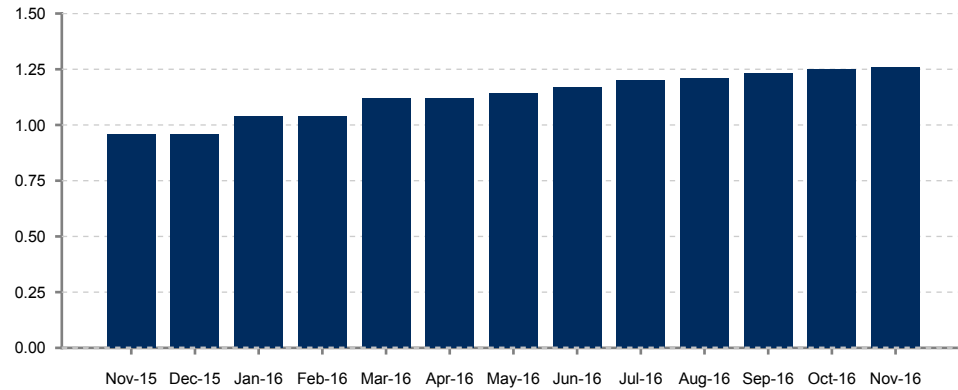


Rating Distribution





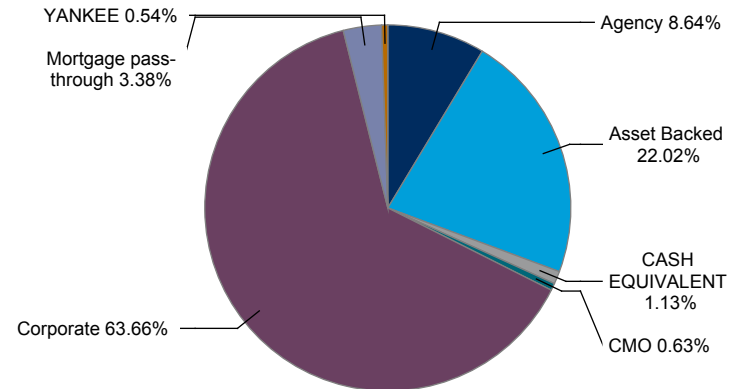
Net Yield



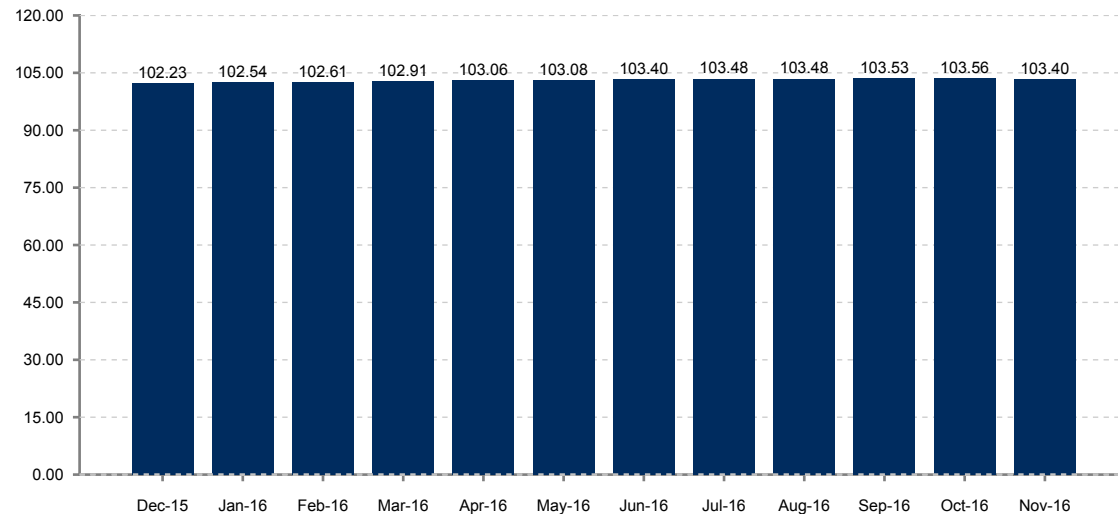
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY EXT.	1.26	1.25	0.96

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY EXT.	103,401,324



Net Asset Values over Time (\$MM)

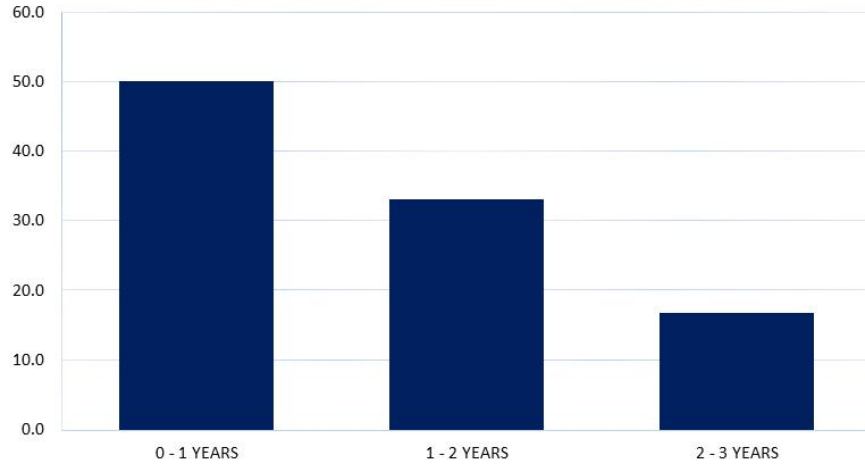


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY EXT.		
FANNIE MAE	2,974,359	2.88
FREDDIE MAC	2,797,670	2.71
FNMA POOL MA1443	2,432,446	2.35
DISCOVER CARD EXECUTION NOTE T	2,106,828	2.04
FANNIE MAE	1,992,001	1.93
CITIBANK CREDIT CARD ISSUANCE	1,735,184	1.68
3M COMPANY	1,543,183	1.49
PEPSICO INC	1,505,970	1.46
HONEYWELL INTERNATIONAL	1,490,406	1.44
CISCO SYSTEMS INC	1,407,043	1.36



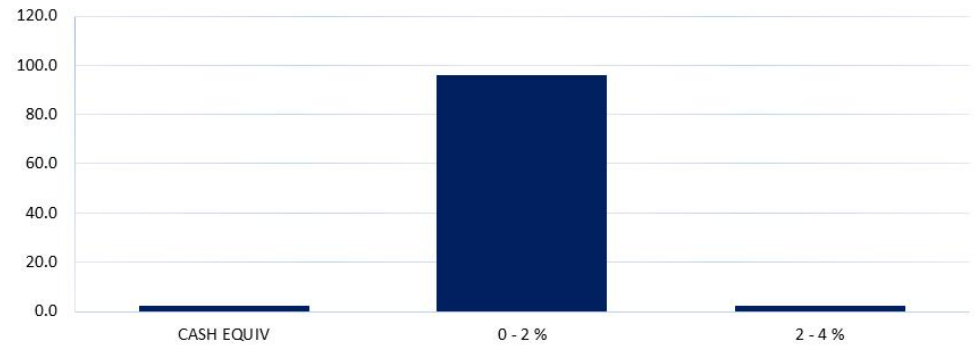
Duration Distribution



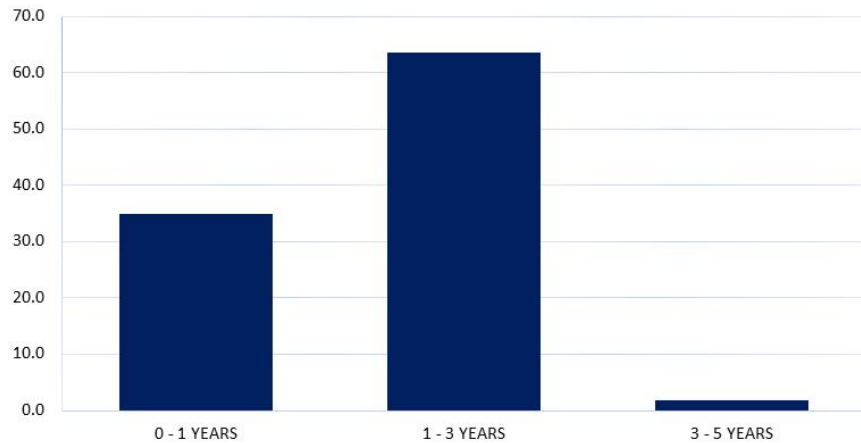
Portfolio Level Characteristics

	POOL 3 ST AGCY EXT.
Weighted Average Life	1.51
Coupon	1.30
Effective Duration	1.10
Quality Rating (Moody's)	AA-3

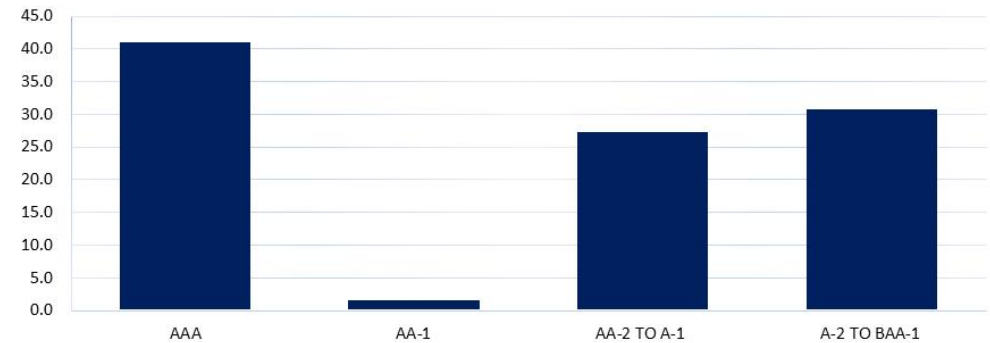
Coupon Distribution



Expected Maturity Distribution

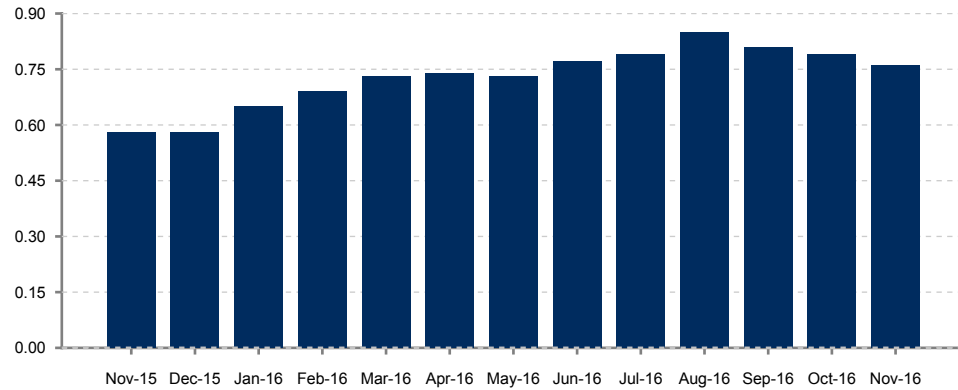


Rating Distribution





Net Yield

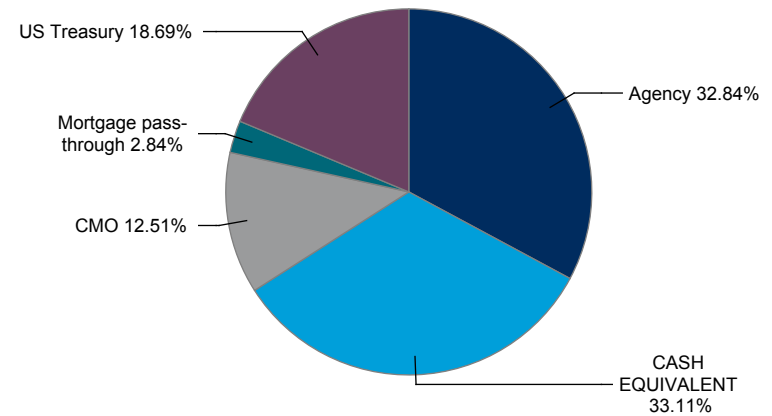


Current Mth **Prior Mth** **1 Year Ago**

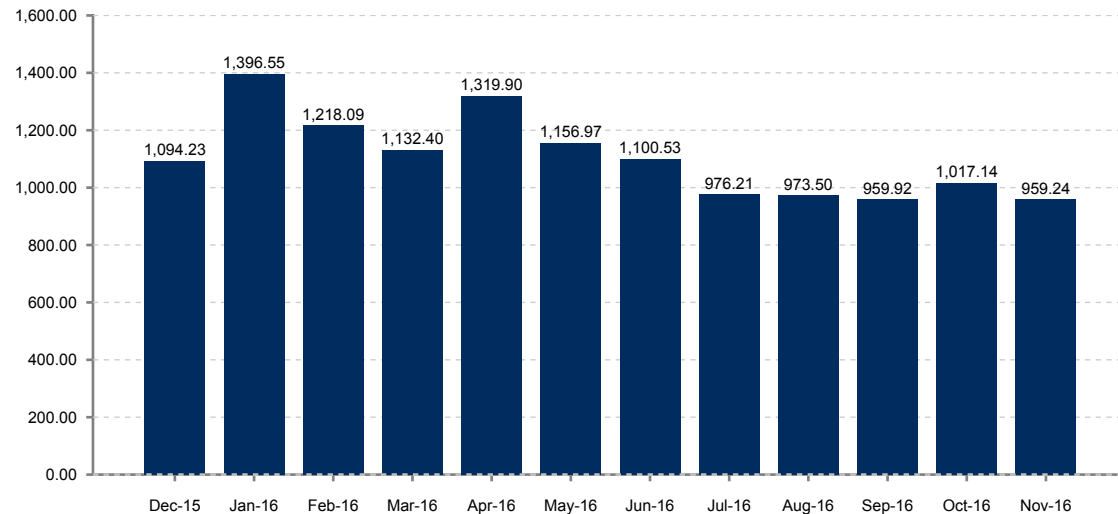
POOL 4 ST AGCY GOV.	0.76	0.79	0.58
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Asset Allocation

	Ending Market Value
POOL 4 ST AGCY GOV.	959,241,641



Net Asset Values over Time (\$MM)

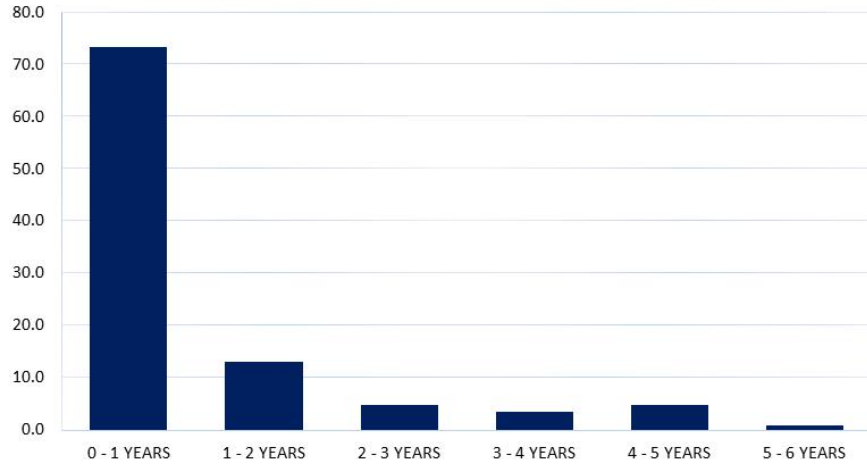


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 4 ST AGCY GOV.		
SOUTH STREET REPO	142,506,466	14.86
FED HOME LN DISCOUNT NT	39,975,250	4.17
US TREASURY N/B	30,104,718	3.14
FED HOME LN DISCOUNT NT	24,993,531	2.61
FANNIEMAE ACES	21,684,956	2.26
FARMER MAC	20,113,088	2.10
US TREASURY N/B	20,066,119	2.09
FEDERAL FARM CREDIT BANK	20,022,502	2.09
FEDERAL FARM CREDIT BANK	20,012,690	2.09
FREDDIE MAC	20,012,361	2.09



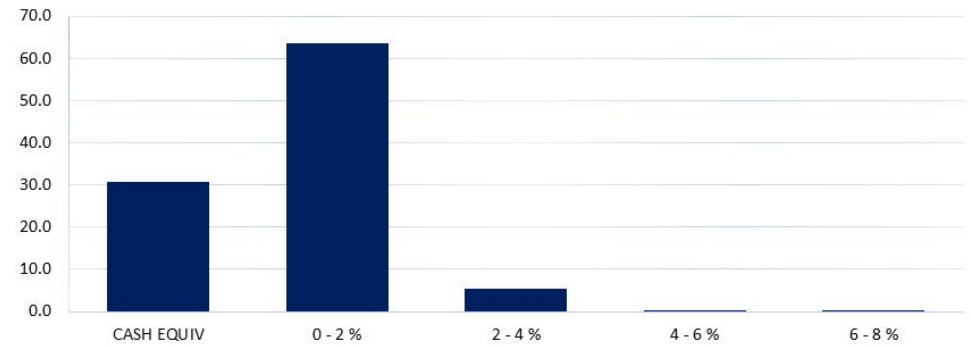
Duration Distribution



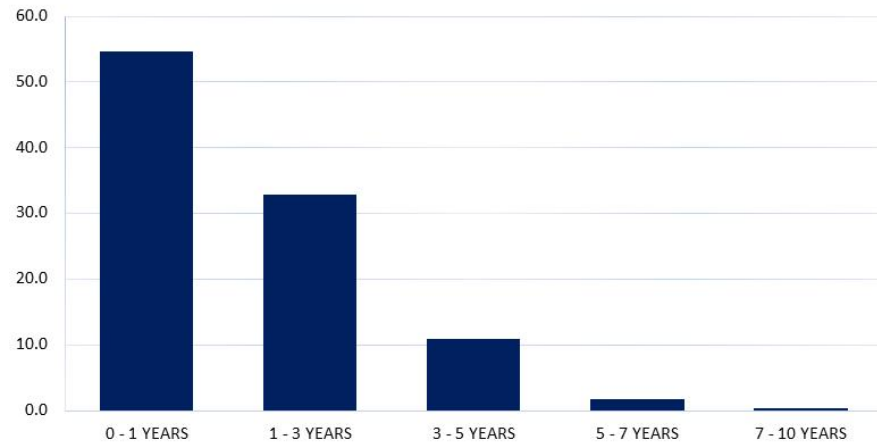
Portfolio Level Characteristics

	POOL 4 ST AGCY GOV.
Weighted Average Life	1.23
Coupon	0.88
Effective Duration	0.83
Quality Rating (Moody's)	AAA

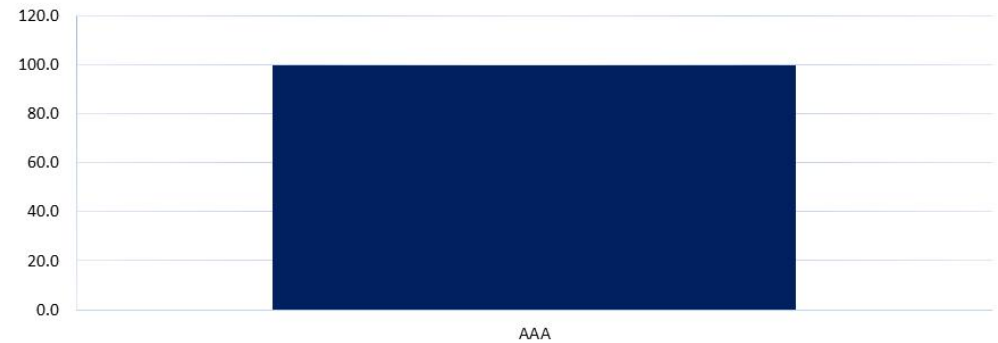
Coupon Distribution



Expected Maturity Distribution

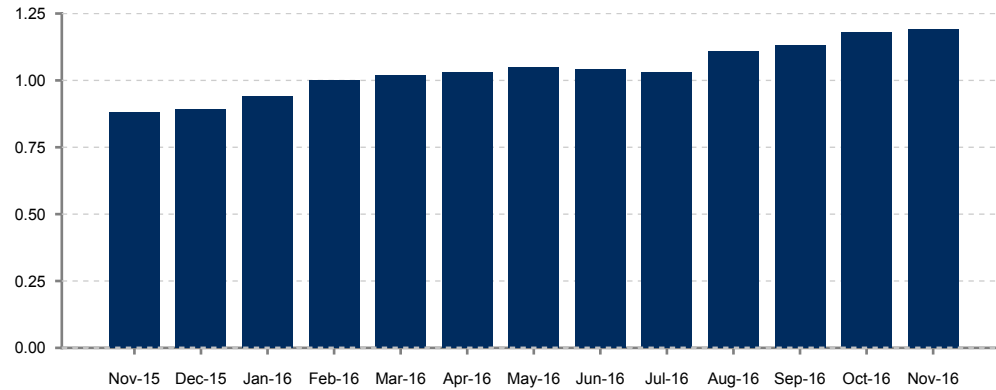


Rating Distribution





Net Yield

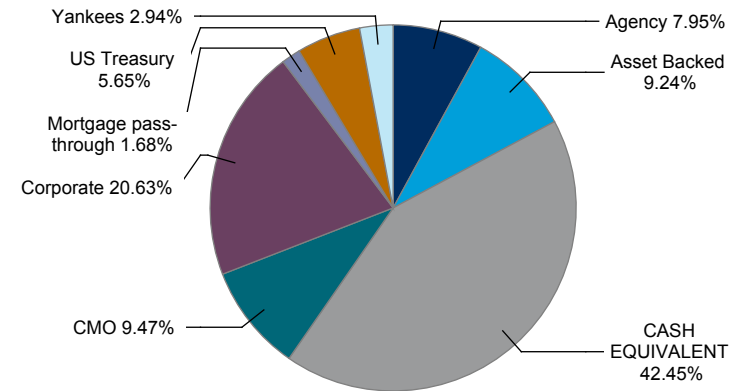


Current Mth **Prior Mth** **1 Year Ago**

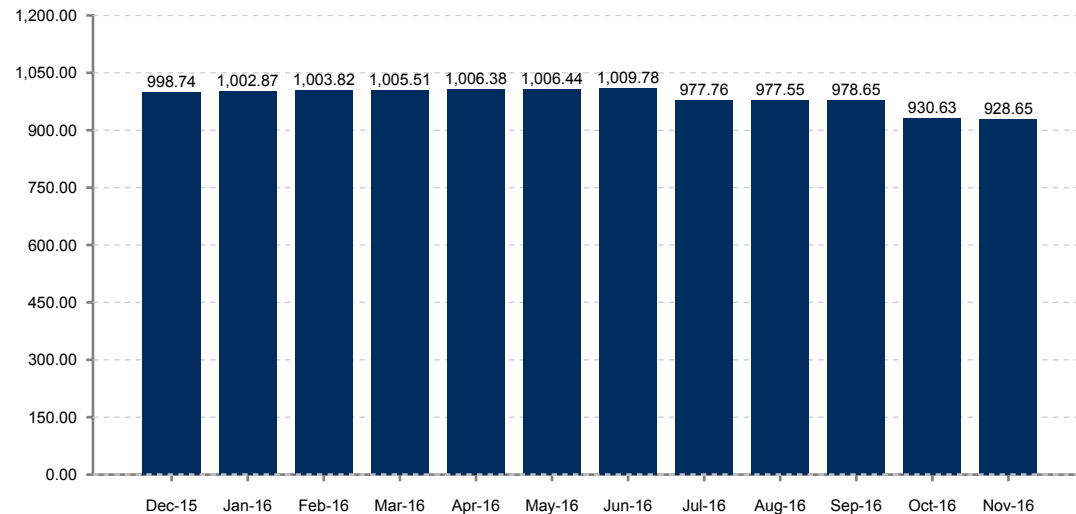
POOL 10 ST OPER INT	1.19	1.18	0.88
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Asset Allocation

	Ending Market Value
POOL 10 ST OPER INT	928,645,212



Net Asset Values over Time (\$MM)

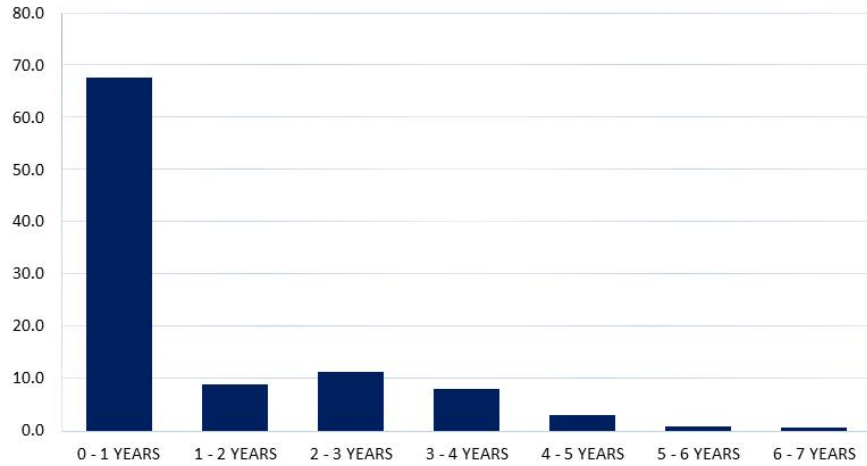


Top 10 Holdings

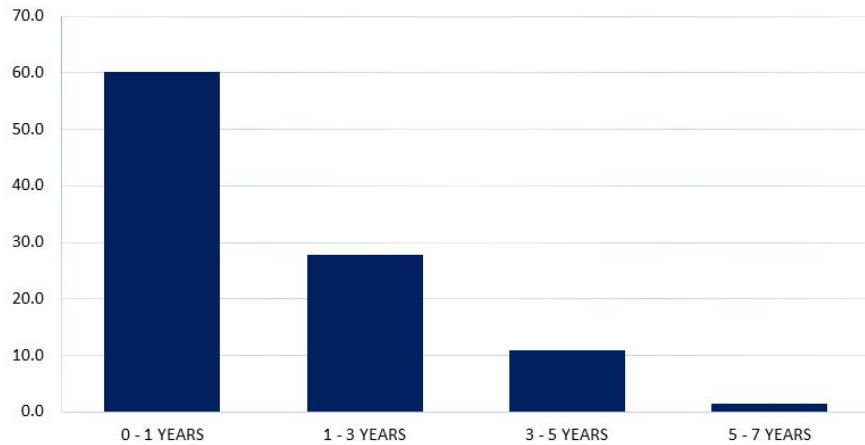
Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPER INT		
ATLANTIC ASSET SECUR	24,995,917	2.69
ANGLESEA FDG PLC & ANG	24,982,813	2.69
CONCORD MIN CPTL CO	24,977,778	2.69
LEGACY CAPITAL COMPANY	24,976,389	2.69
ING (US) FUNDING LLC	24,942,445	2.69
WESTPAC BANKING CORP.	24,893,440	2.68
US TREASURY N/B	20,116,444	2.17
BNK OF TKYO-MTBSHI L	20,066,936	2.16
LIBERTY FUNDING LLC	19,980,717	2.15
MICROSOFT CORP	19,972,800	2.15



Duration Distribution



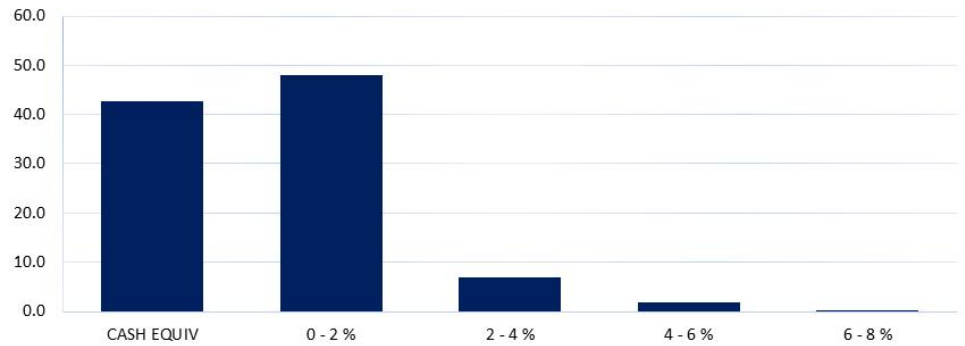
Expected Maturity Distribution



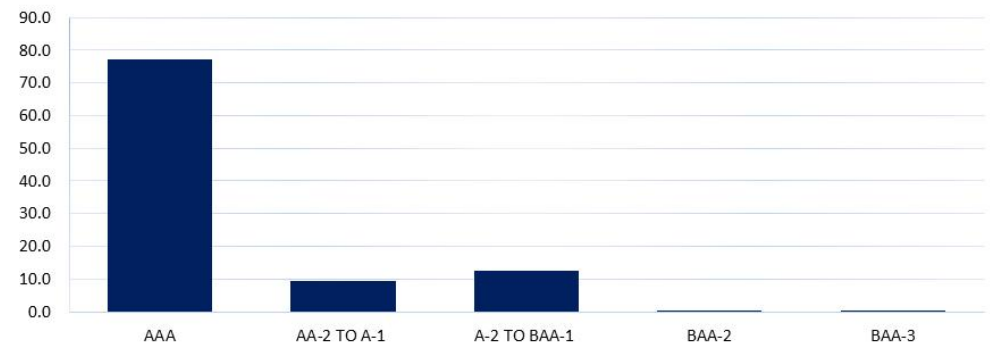
Portfolio Level Characteristics

	POOL 10 ST OPERATING INT
Weighted Average Life	1.16
Coupon	0.96
Effective Duration	1.04
Quality Rating (Moody's)	AA-2

Coupon Distribution

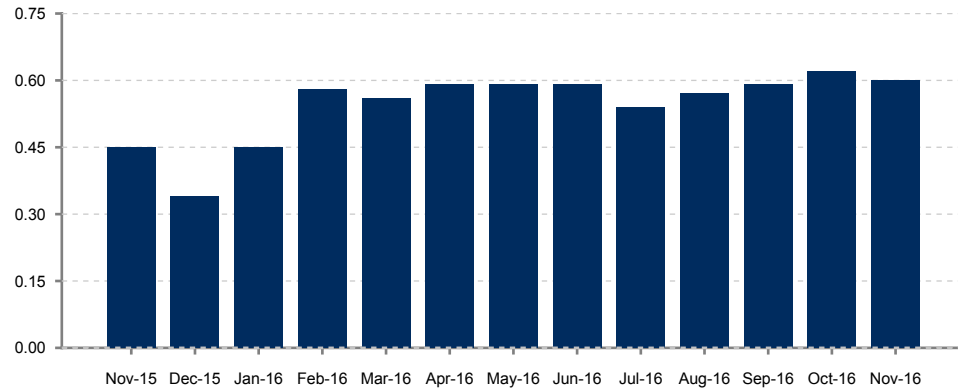


Rating Distribution





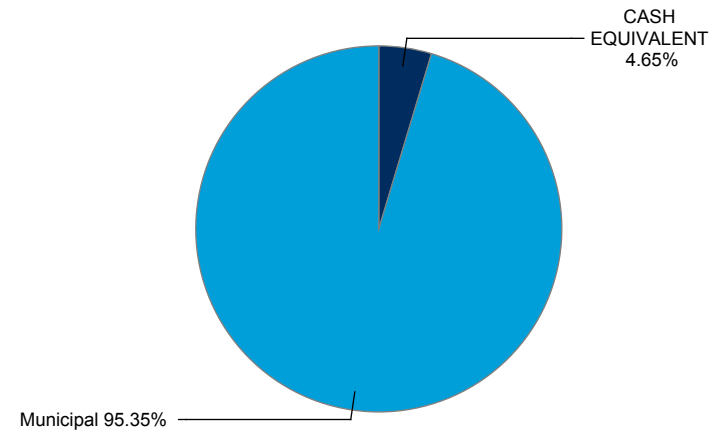
Net Yield



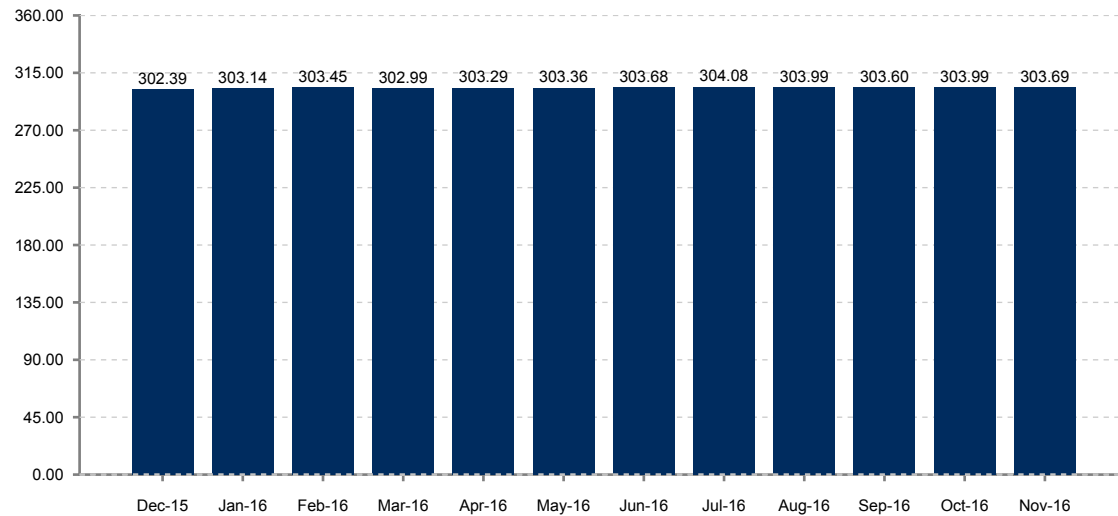
	Current Mth	Prior Mth	1 Year Ago
POOL 10 ST OPERATING	0.60	0.62	0.45

Asset Allocation

	Ending Market Value
POOL 10 ST OPERATING	303,686,909



Net Asset Values over Time (\$MM)

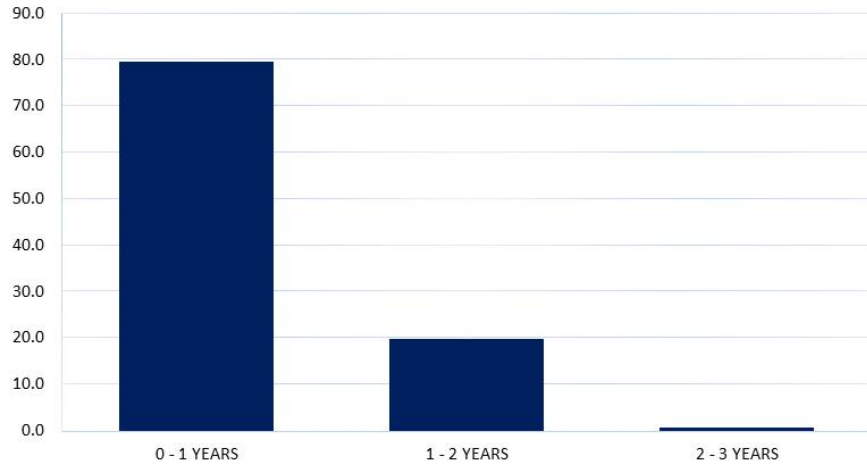


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPERATING		
DREYFUS TAX EXEMPT CA	14,141,784	4.66
PORTLAND OR CMNTY CL	12,274,960	4.04
HOUSTON TX INDEP SCH	11,619,475	3.83
PORTLAND OR SWR SYS	11,494,450	3.78
PENNSYLVANIA ST INDL D	10,891,468	3.59
VIRGINIA BEACH VA	10,616,961	3.50
LEAWOOD KS	10,479,187	3.45
MULTNOMAH CNTY OR SC	10,446,774	3.44
MADISON WI	10,253,343	3.38
NORTH SLOPE BORO AK	10,238,930	3.37



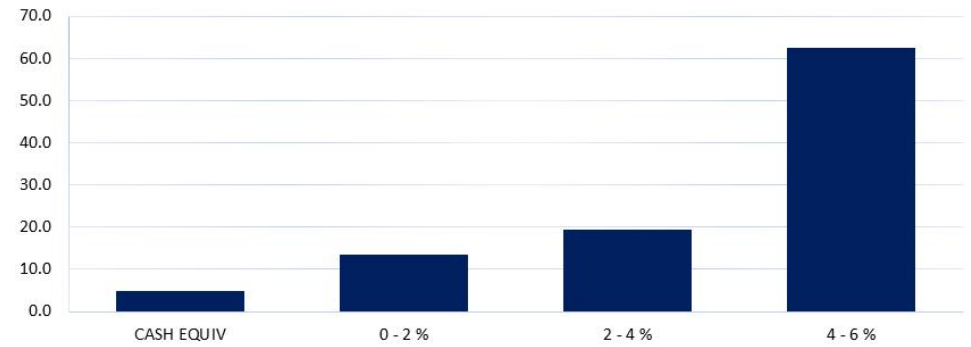
Duration Distribution



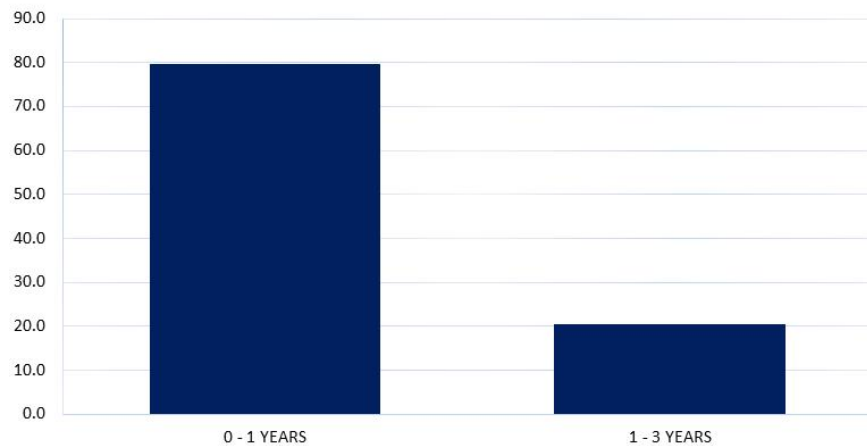
Portfolio Level Characteristics

	POOL 10 ST OPERATING
Weighted Average Life	0.70
Coupon	4.29
Effective Duration	0.68
Quality Rating (Moody's)	AA-1

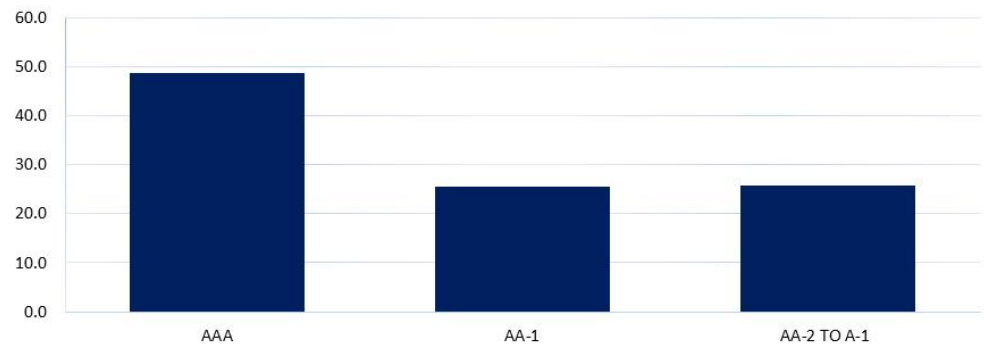
Coupon Distribution



Expected Maturity Distribution

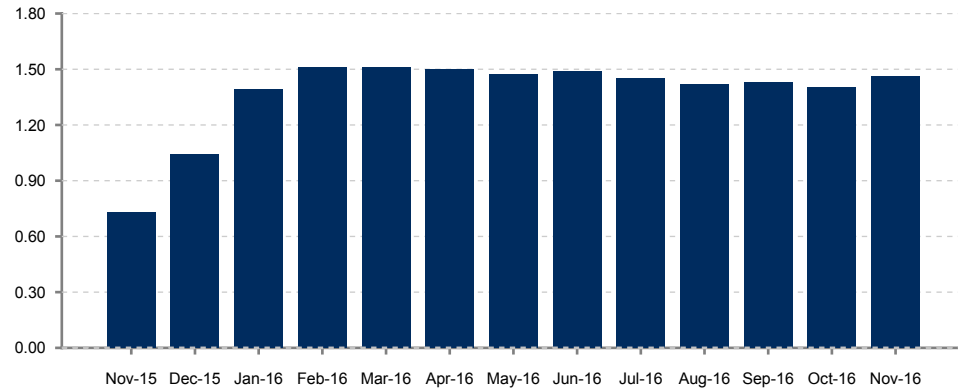


Rating Distribution





Net Yield

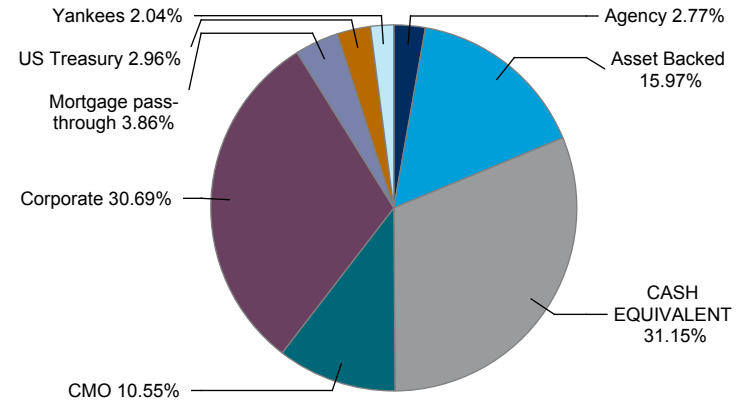


Current Mth **Prior Mth** **1 Year Ago**

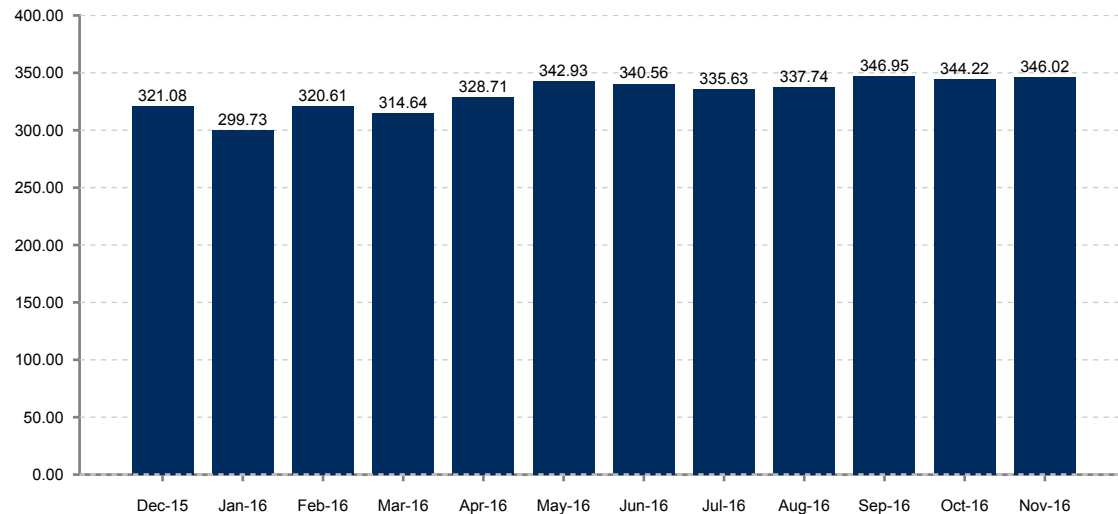
POOL 12 CAWCD MED TRM	1.46	1.40	0.73
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Asset Allocation

	Ending Market Value
POOL 12 CAWCD MED TRM	346,024,061



Net Asset Values over Time (\$MM)

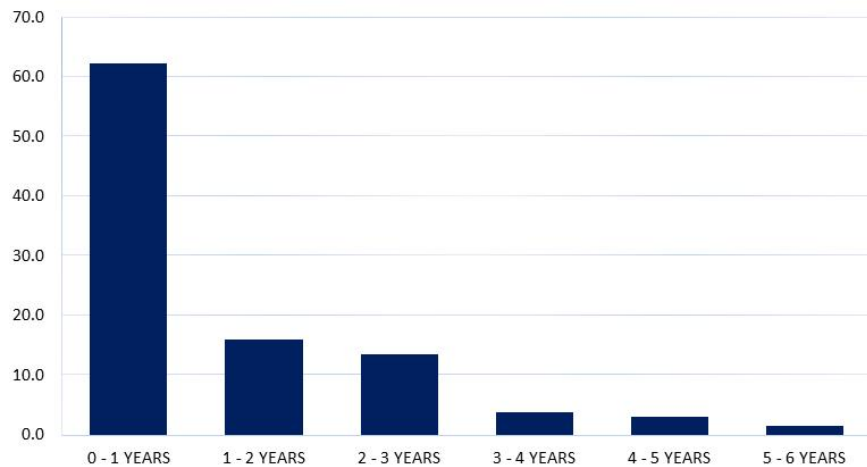


Top 10 Holdings

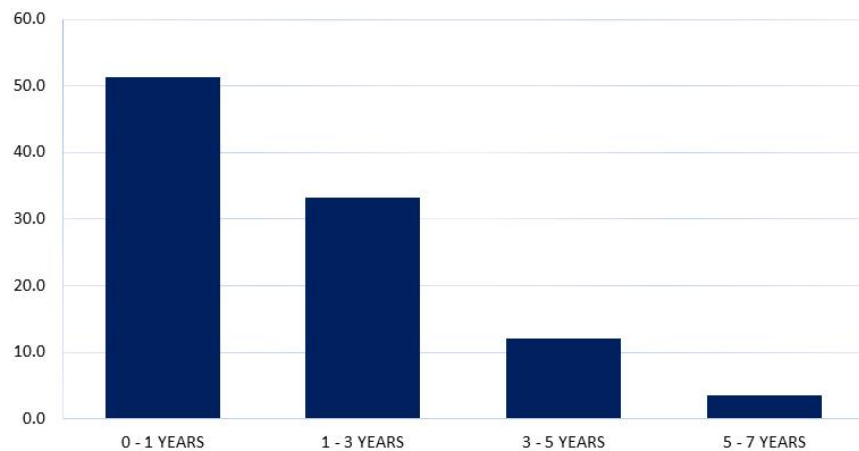
Security Name	Ending Market Value	% of Portfolio
POOL 12 CAWCD MED TRM		
BANK OF AMERICA REPO	14,290,846	4.13
GM FINANCIAL AUTOMOBILE LEASIN	10,026,011	2.90
HONDA AUTO RECEIVABLES OWNER T	5,993,913	1.73
FNMA POOL AV9175	5,567,008	1.61
FANNIE MAE	5,437,681	1.57
US TREASURY N/B	5,072,320	1.47
GOLDMAN SACHS GROUP INC	5,056,127	1.46
APPLE INC	5,035,698	1.46
WELLS FARGO + COMPANY	5,027,984	1.45
CISCO SYSTEMS INC	5,025,191	1.45



Duration Distribution



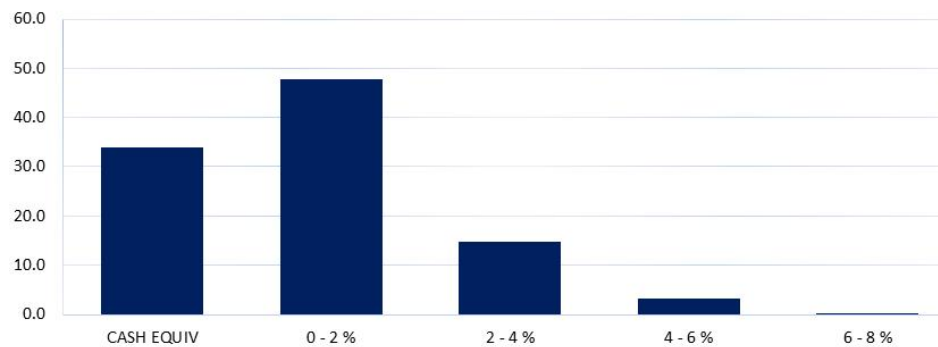
Expected Maturity Distribution



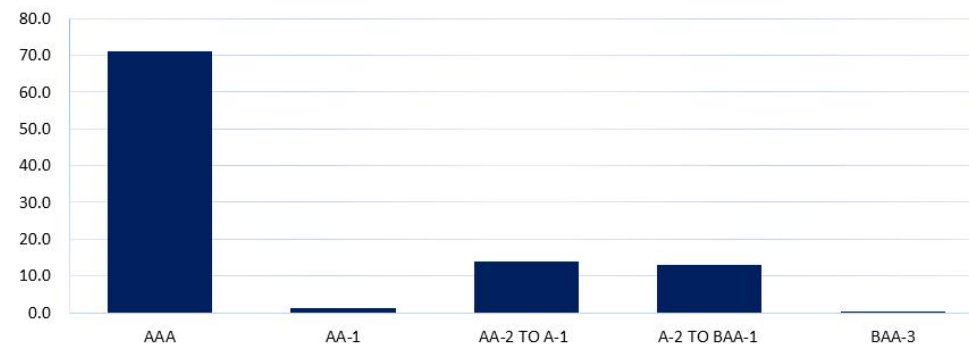
Portfolio Level Characteristics

	POOL 12 CAWCD MED TRM
Weighted Average Life	1.43
Coupon	1.37
Effective Duration	1.02
Quality Rating (Moody's)	AA-2

Coupon Distribution

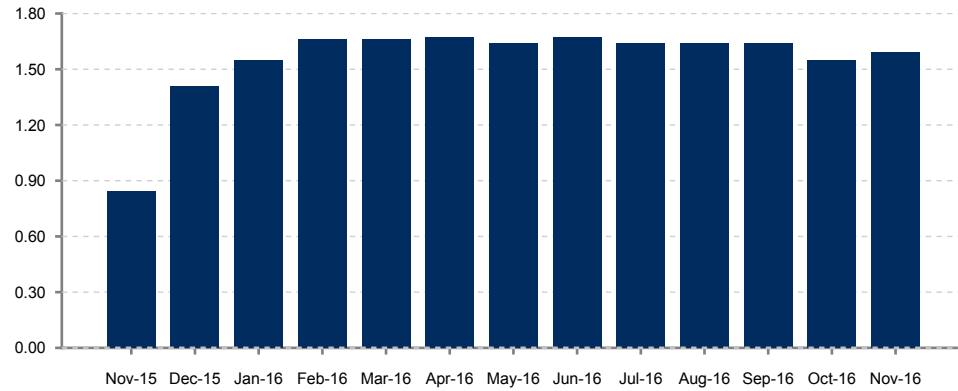


Rating Distribution





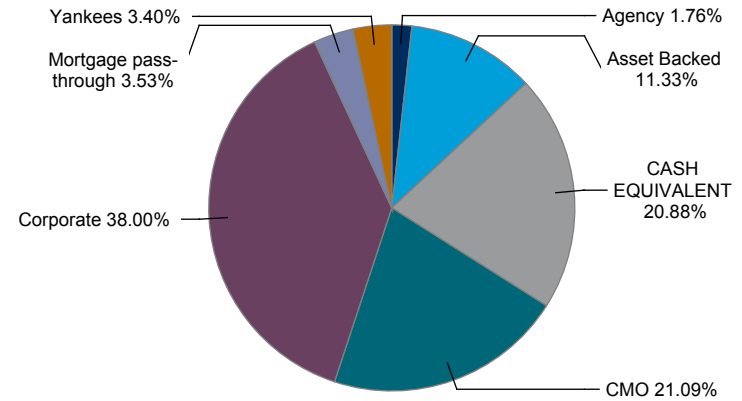
Net Yield



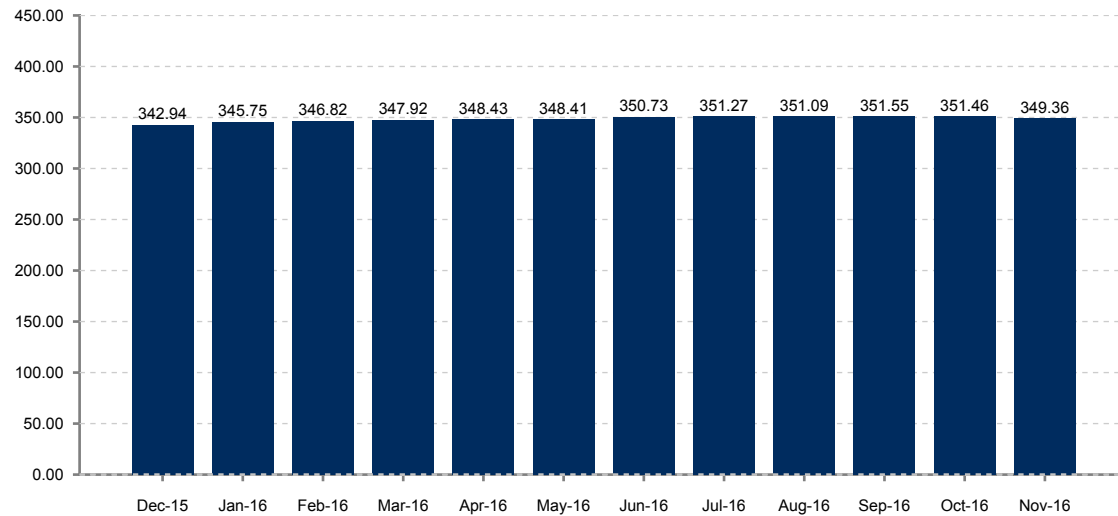
	Current Mth	Prior Mth	1 Year Ago
POOL 16 ECDHB	1.59	1.55	0.84

Asset Allocation

	Ending Market Value
POOL 16 ECDHB	349,355,977



Net Asset Values over Time (\$MM)

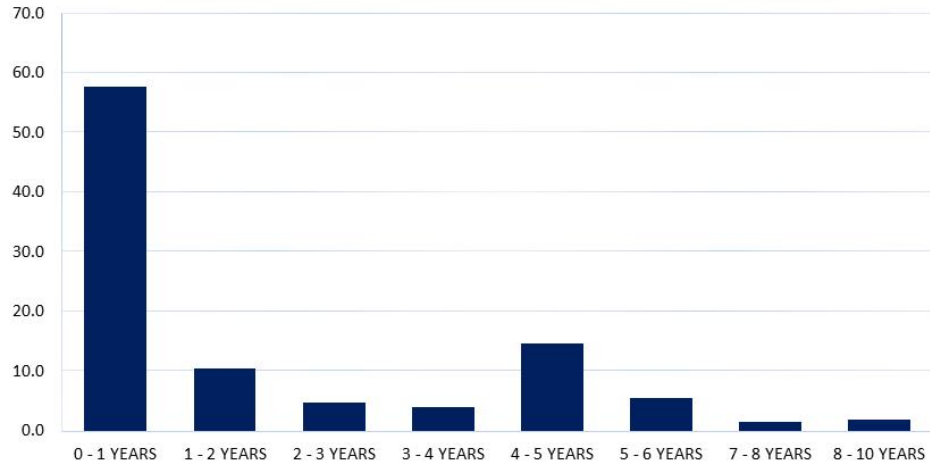


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 16 ECDHB		
SOUTH STREET REPO	11,000,046	3.15
NATIONAL CITY BANK	7,023,348	2.01
FREDDIEMAC STRIP	6,859,727	1.96
FANNIE MAE	6,393,360	1.83
FREDDIE MAC	5,401,298	1.55
FHLMC MULTIFAMILY STRUCTURED P	5,187,652	1.48
GOVERNMENT NATIONAL MORTGAGE A	5,169,798	1.48
FANNIE MAE	5,057,081	1.45
MET LIFE GLOB FUNDING I	5,032,533	1.44
WELLS FARGO + COMPANY	5,027,984	1.44



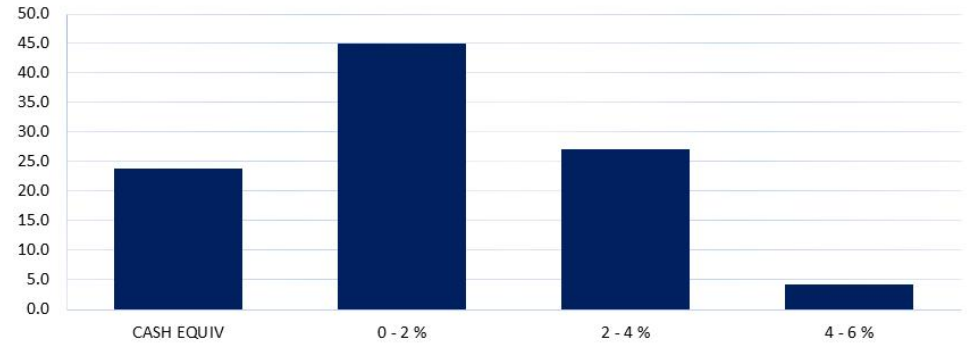
Duration Distribution



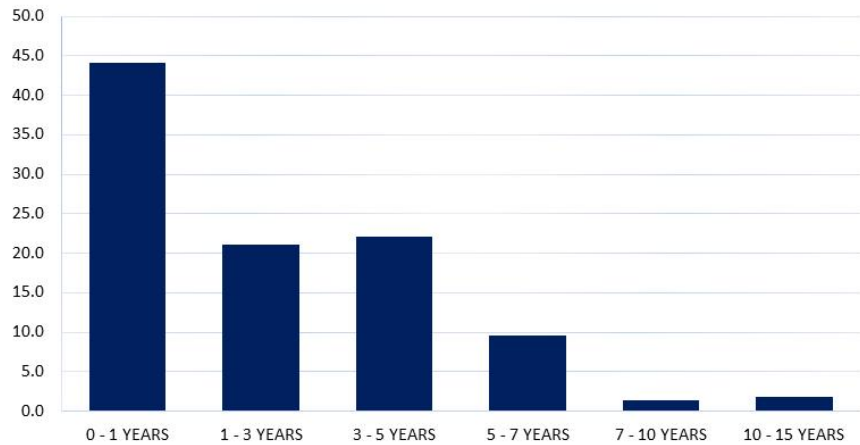
Portfolio Level Characteristics

	POOL 16 ECDHB
Weighted Average Life	2.33
Coupon	1.70
Effective Duration	1.73
Quality Rating (Moody's)	AA-2

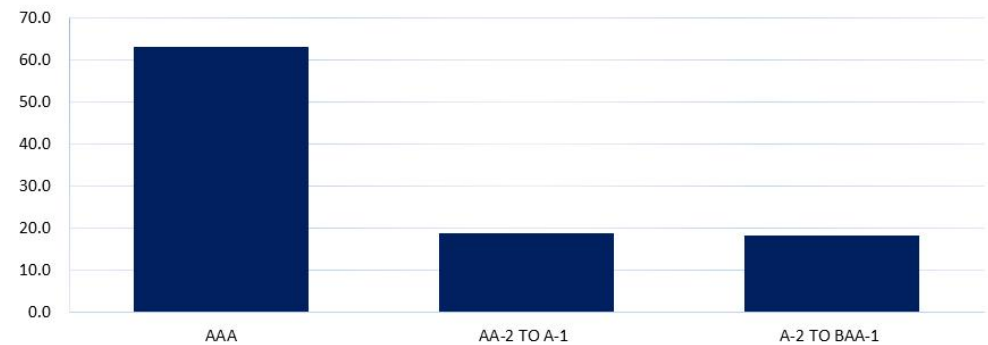
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



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**LGIP & LGIP- GOV
PORTFOLIO YIELD ANALYSIS
NOVEMBER 2016**

NET EARNINGS

FUND	DESCRIPTION	Current Month 11/30/16	Prior Month 10/31/16	Prior Year 11/30/15	Net Asset Value Per Share
5	LGIP	509,531	455,066	178,196	1.0000
7	LGIP - GOV	331,709	330,133	96,104	1.0000
	TOTAL LGIP & LGIP-GOV	841,240	785,199	274,300	

YIELDS

<u>MONTHLY</u>		Current Month 11/30/16	Prior Month 10/31/16	Prior Year 11/30/15
5	LGIP (NET)	0.45%	0.46%	0.17%
	S & P LGIP INDEX	0.50%	0.47%	0.11%
7	LGIP - GOV (NET)	0.35%	0.38%	0.12%
	3 MONTH T-BILL	0.44%	0.31%	0.11%
<u>YEAR TO DATE</u>				
5	LGIP (NET)	0.45%	0.45%	0.16%
	S & P LGIP INDEX	0.44%	0.43%	0.09%
7	LGIP - GOV (NET)	0.37%	0.38%	0.11%
	3 MONTH T-BILL	0.32%	0.29%	0.04%

* Note: 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
NOVEMBER 2016**

NET EARNINGS

FUND	DESCRIPTION	Current Month 11/30/16	Prior Month 10/31/16	Prior Year 11/30/15	Net Asset Value Per Share
500	LGIP - MED TERM POOL	293,092	308,834	246,058	1.0293
700	LGIP - FF&C MED TERM POOL	126,476	133,512	110,138	1.0066
	TOTAL LGIP MEDIUM TERM POOLS	419,568	442,346	356,196	

YIELDS

MONTHLY

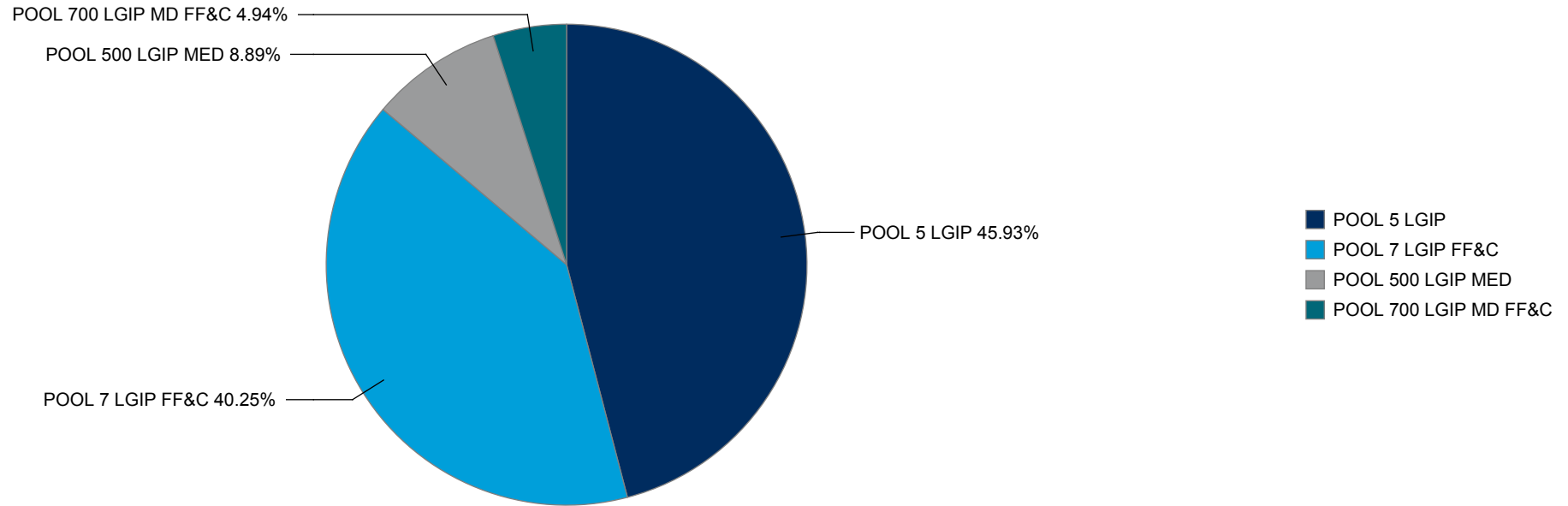
	Current Month 11/30/16	Prior Month 10/31/16	Prior Year 11/30/15
500 LGIP - MED TERM (NET)	1.36%	1.38%	1.23%
75% MERRILL 1-5 US D M INDEX / 25% S & P LGIP INDEX	1.44%	1.23%	1.25%
700 LGIP - FF&C MED TERM (NET)	1.06%	1.08%	0.93%
75% MERRILL 1-5 US TREAS INDEX / 15% MERRILL US GNMA 15 YR INDEX / 10% MERRILL US 3 MO T-BILL INDEX	1.39%	1.03%	1.20%

YEAR TO DATE

500 LGIP - MED TERM (NET)	1.34%	1.34%	1.20%
75% MERRILL 1-5 US D M INDEX / 25% S & P LGIP INDEX	1.21%	1.16%	1.16%
700 LGIP - FF&C MED TERM (NET)	1.09%	1.10%	0.92%
75% MERRILL 1-5 US TREAS INDEX / 15% MERRILL US GNMA 15 YR INDEX / 10% MERRILL US 3 MO T-BILL INDEX	1.03%	0.94%	1.04%



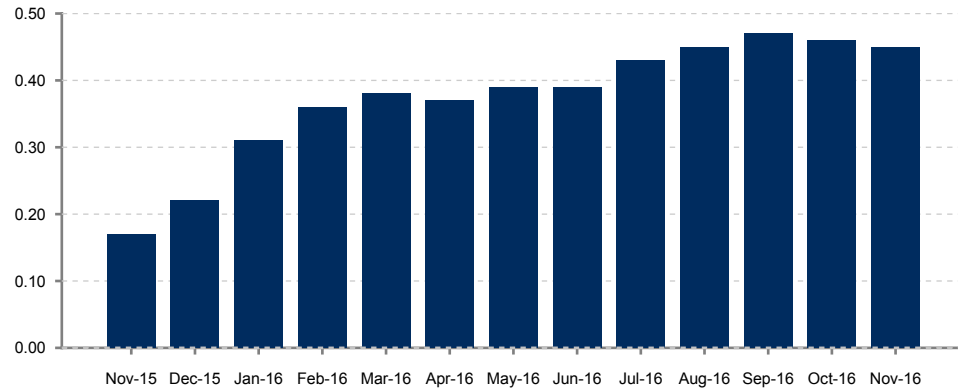
Manager Allocation



	Market Value	% of Portfolio
POOL 5 LGIP	1,351,241,523	45.9
POOL 7 LGIP FF&C	1,184,230,945	40.2
POOL 500 LGIP MED	261,516,423	8.9
POOL 700 LGIP MD FF&C	145,214,342	4.9
TOTAL LGIP	2,942,203,233	100.0



Net Yield



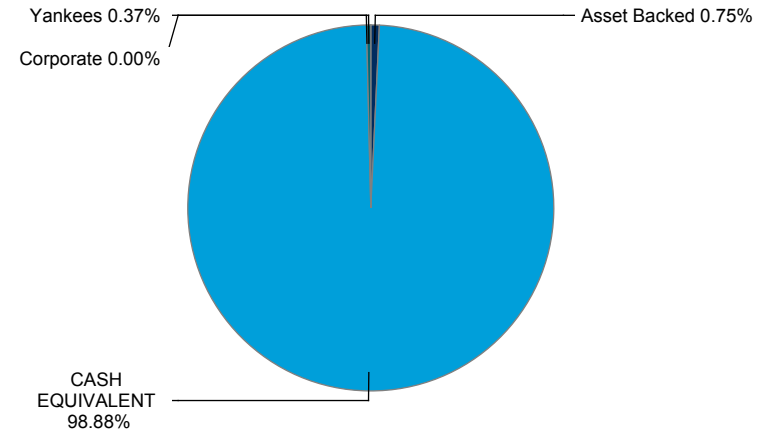
Current Mth **Prior Mth** **1 Year Ago**

POOL 5 LGIP	0.45	0.46	0.17
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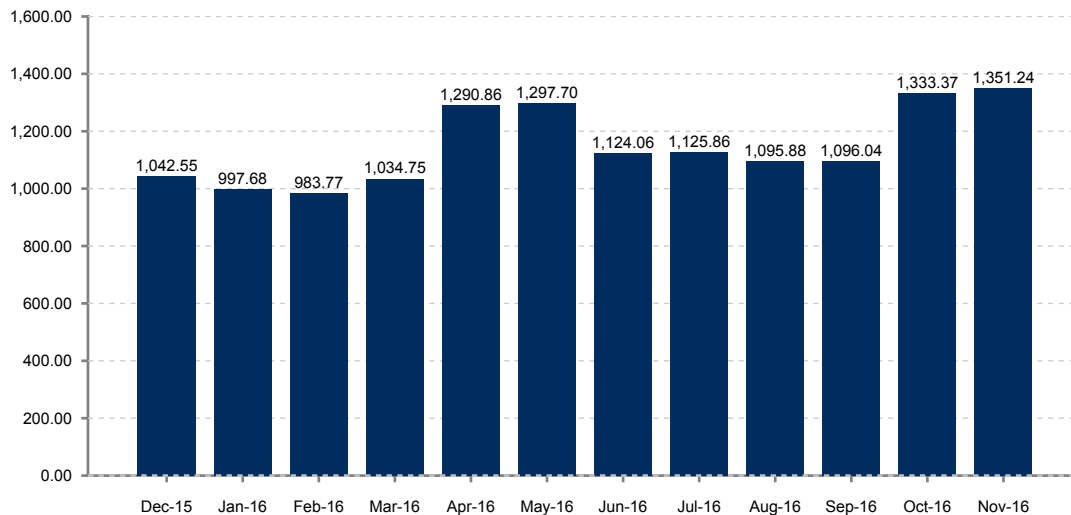
Asset Allocation

Ending Market Value

POOL 5 LGIP	1,351,241,523
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Net Asset Values over Time (\$MM)

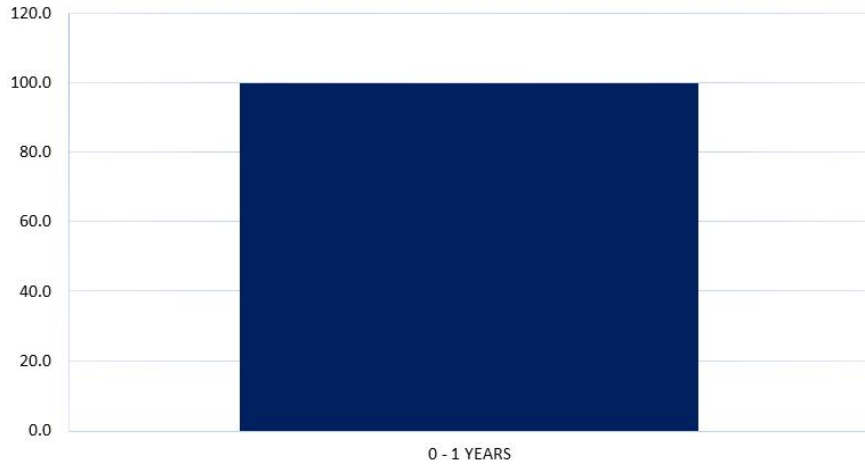


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 5 LGIP		
WELLS FARGO REPO	150,018,083	11.10
WELLS FARGO REPO	100,000,750	7.40
BANK OF AMERICA REPO	50,468,368	3.73
FIDELITY INVESTMENTS MONEY	50,130,237	3.71
MIZUHO	50,000,361	3.70
WI TREASURY SEC	29,997,667	2.22
NATIONAL SECS CLEARING	29,995,000	2.22
INTL BUS MACH CORP	29,986,567	2.22
WALT DISNEY CO	29,986,467	2.22
APPLE INC	29,976,150	2.22



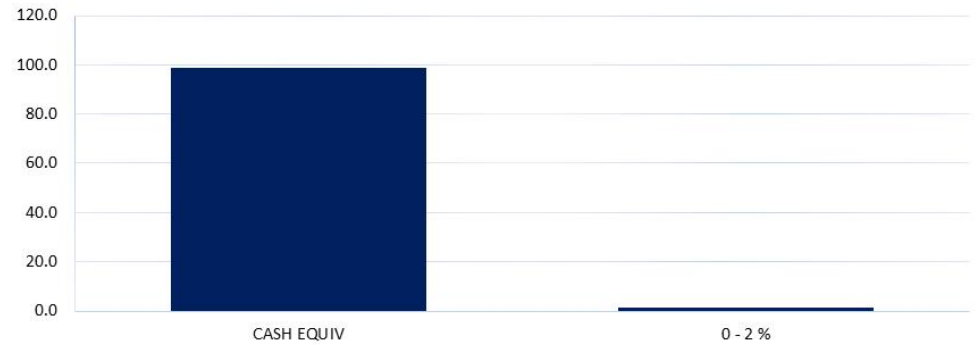
Duration Distribution



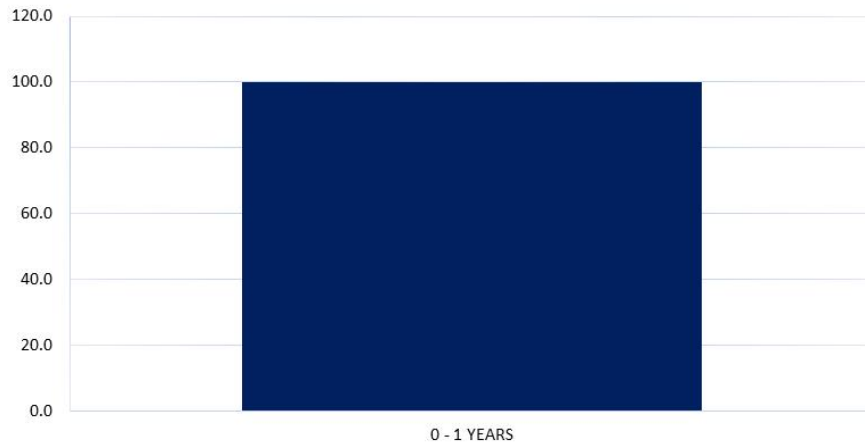
Portfolio Level Characteristics

	POOL 5 LGIP
Weighted Average Life	0.04
Coupon	0.07
Effective Duration	0.04
Quality Rating (Moody's)	AAA

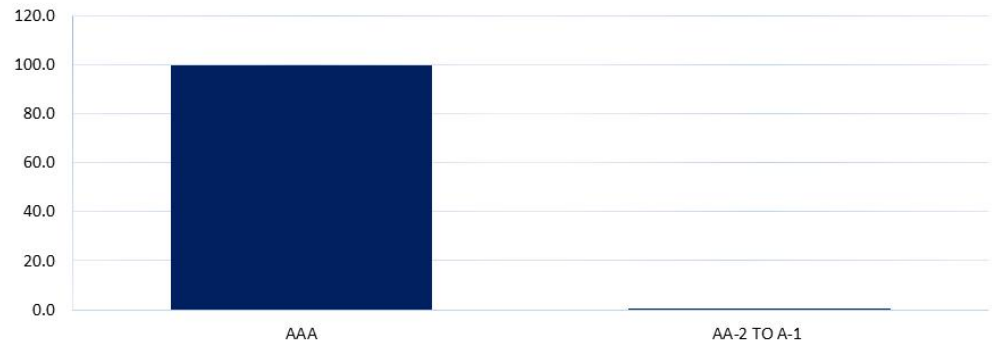
Coupon Distribution



Expected Maturity Distribution

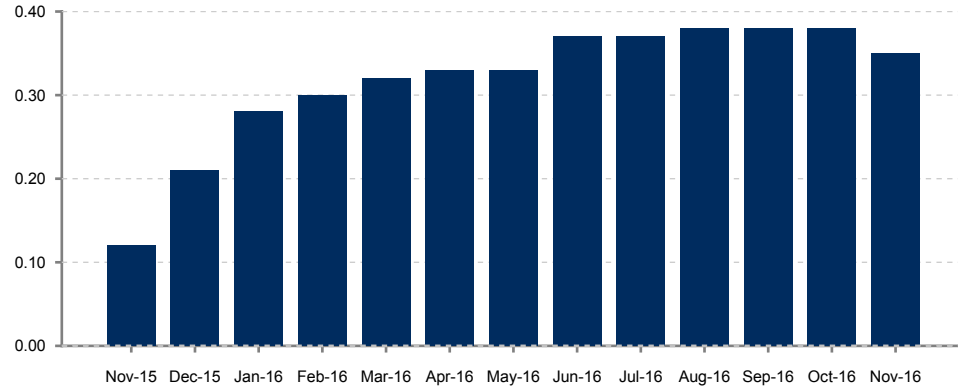


Rating Distribution





Net Yield

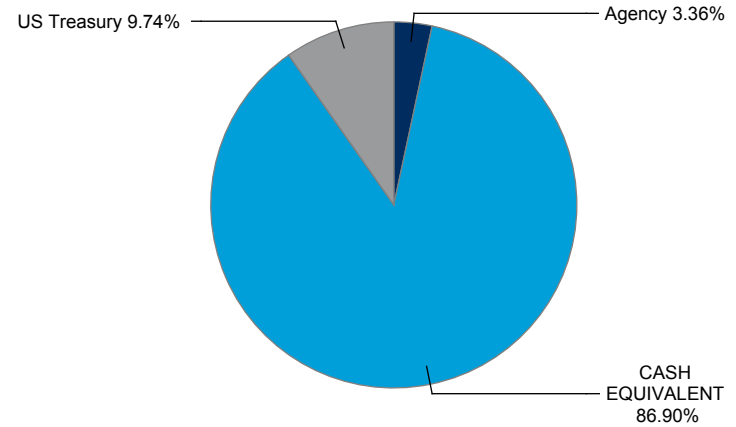


Current Mth **Prior Mth** **1 Year Ago**

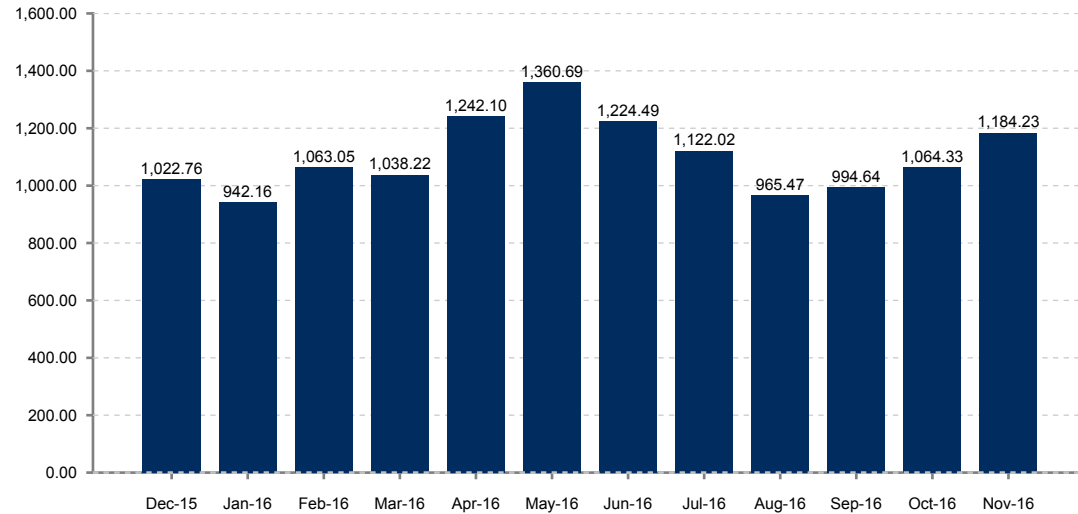
POOL 7 LGIP FF&C	0.35	0.38	0.12
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Asset Allocation

POOL 7 LGIP FF&C	Ending Market Value 1,184,230,945
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Net Asset Values over Time (\$MM)

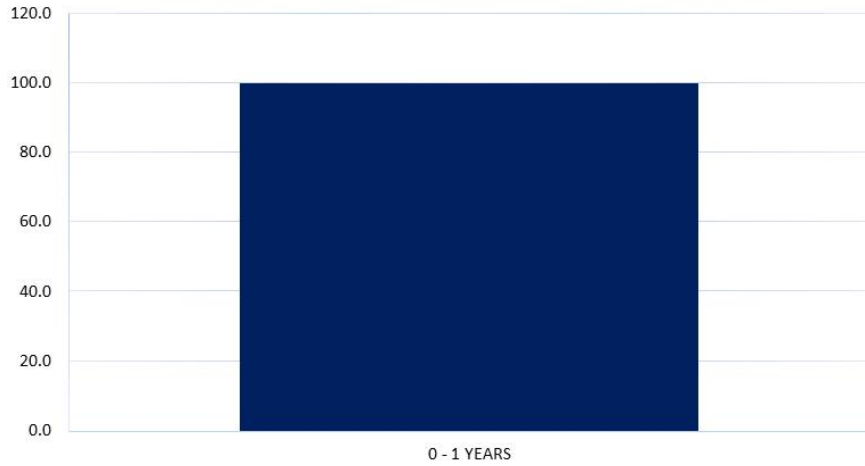


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 7 LGIP FF&C		
DAIWA CAPITAL MARKETS REPO	200,001,667	16.89
WELLS FARGO REPO	150,018,083	12.67
TREASURY BILL	89,798,220	7.58
TREASURY BILL	79,961,617	6.75
ALLIANCE BANK OF ARIZONA MONEY	79,408,743	6.71
TREASURY BILL	49,919,850	4.22
FIDELITY INVESTMENTS MONEY	40,054,133	3.38
WI TREASURY SEC	40,000,000	3.38
TREASURY BILL	39,985,067	3.38
TREASURY BILL	39,967,333	3.37



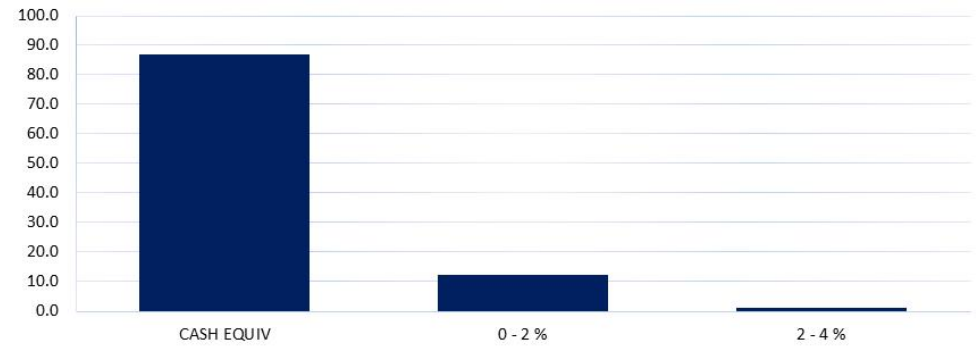
Duration Distribution



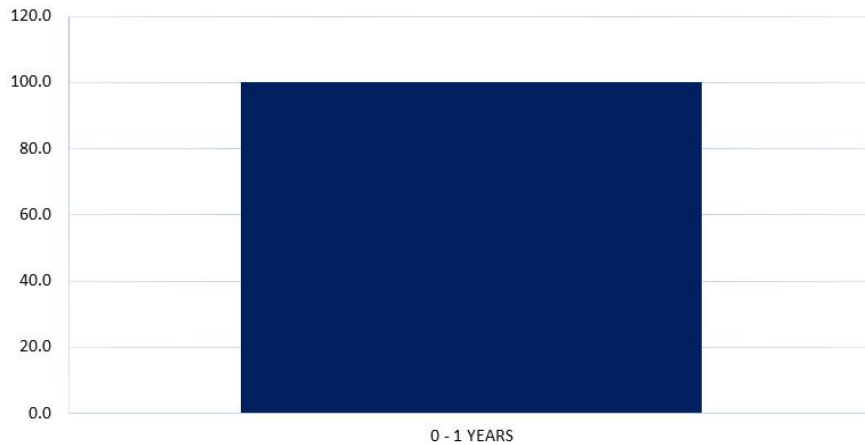
Portfolio Level Characteristics

	POOL 7 LGIP FF&C
Weighted Average Life	0.15
Coupon	0.16
Effective Duration	0.15
Quality Rating (Moody's)	AAA

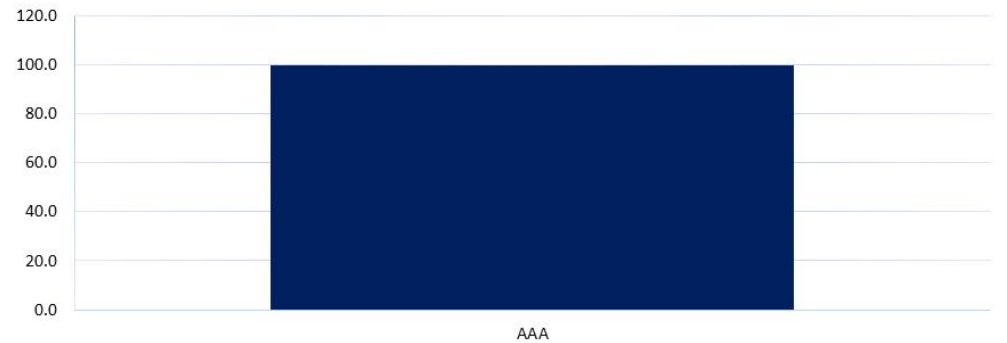
Coupon Distribution



Expected Maturity Distribution

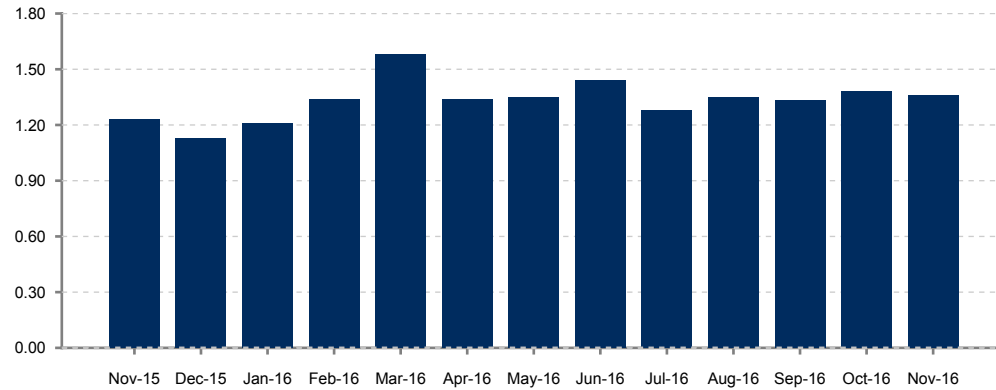


Rating Distribution





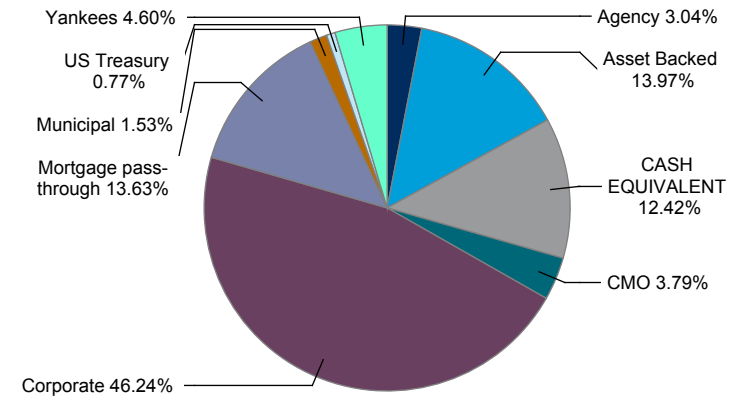
Net Yield



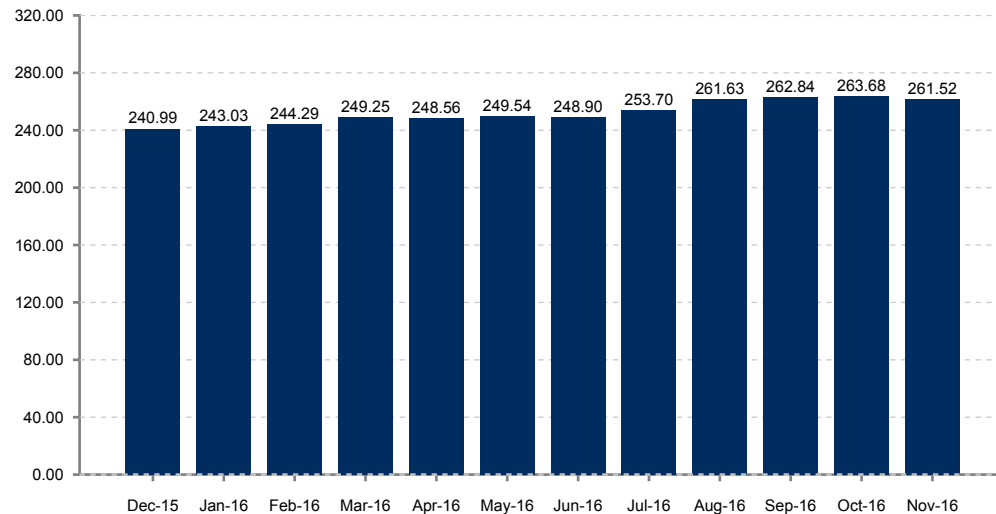
	Current Mth	Prior Mth	1 Year Ago
POOL 500 LGIP MED	1.36	1.38	1.23

Asset Allocation

	Ending Market Value
POOL 500 LGIP MED	261,516,423



Net Asset Values over Time (\$MM)

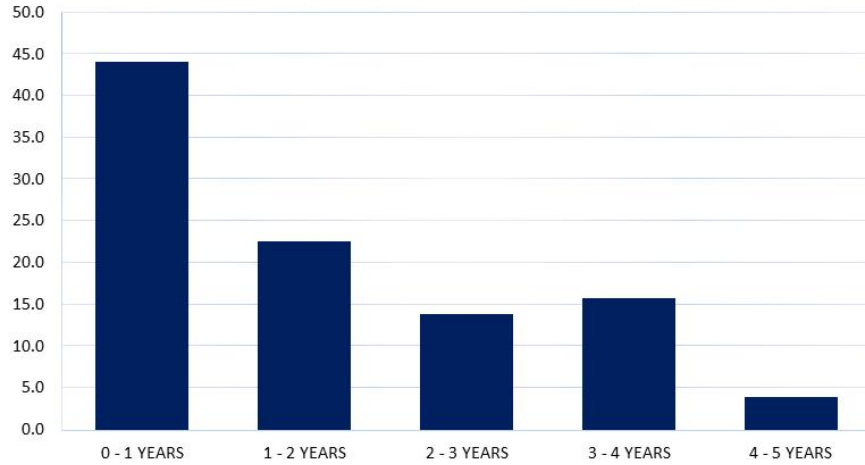


Top 10 Holdings

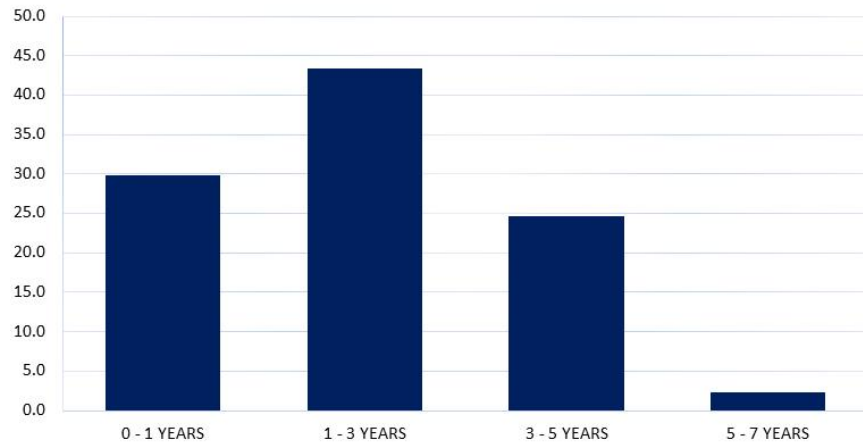
Security Name	Ending Market Value	% of Portfolio
POOL 500 LGIP MED		
SOUTH STREET REPO	23,000,096	8.79
MICROSOFT CORP	8,047,241	3.08
FNMA POOL AB5991	7,464,502	2.85
HERSHEY COMPANY	6,040,870	2.31
MERCK + CO INC	5,526,232	2.11
CHEVRON CORP	5,009,533	1.92
ELI LILLY + CO	5,006,931	1.91
FORD CREDIT FLOORPLAN MASTER O	5,006,578	1.91
NISSAN MOTOR ACCEPTANCE	5,006,161	1.91
APPLE INC	4,994,630	1.91



Duration Distribution



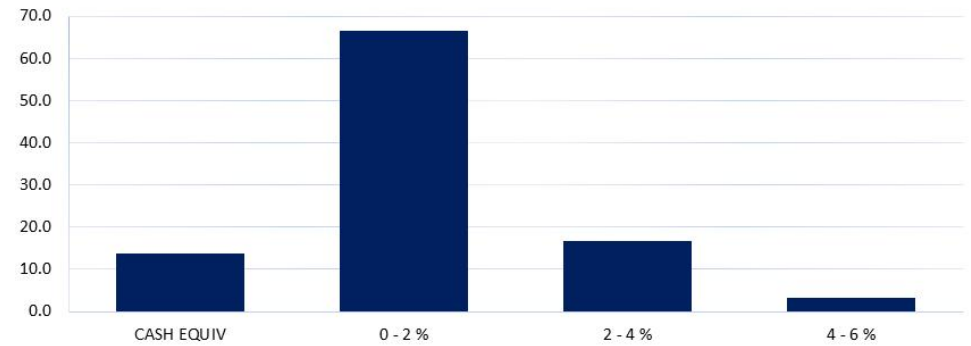
Expected Maturity Distribution



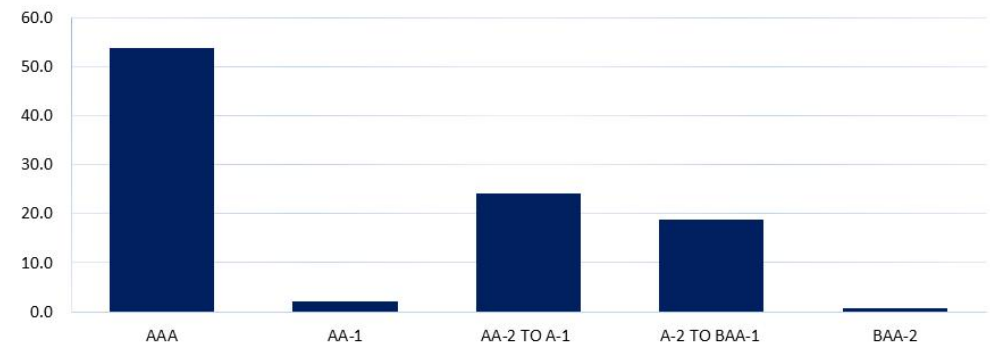
Portfolio Level Characteristics

	POOL 500 LGIP MED
Weighted Average Life	1.92
Coupon	1.68
Effective Duration	1.42
Quality Rating (Moody's)	AA-2

Coupon Distribution

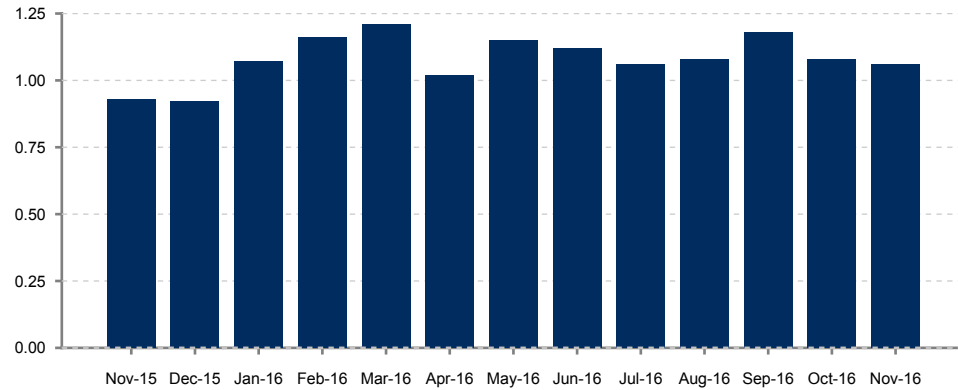


Rating Distribution





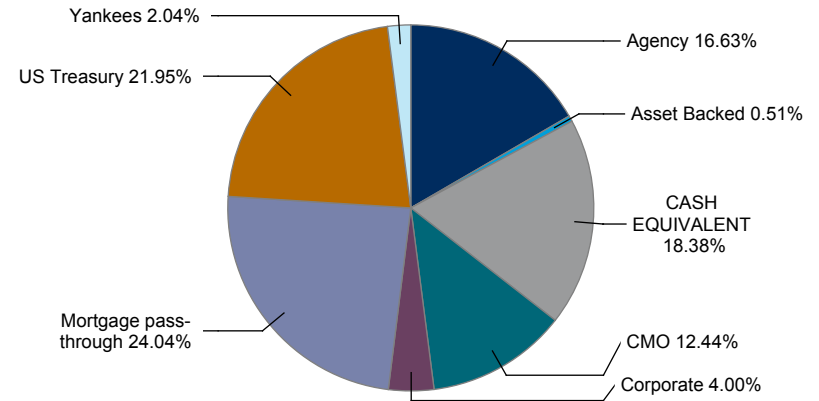
Net Yield



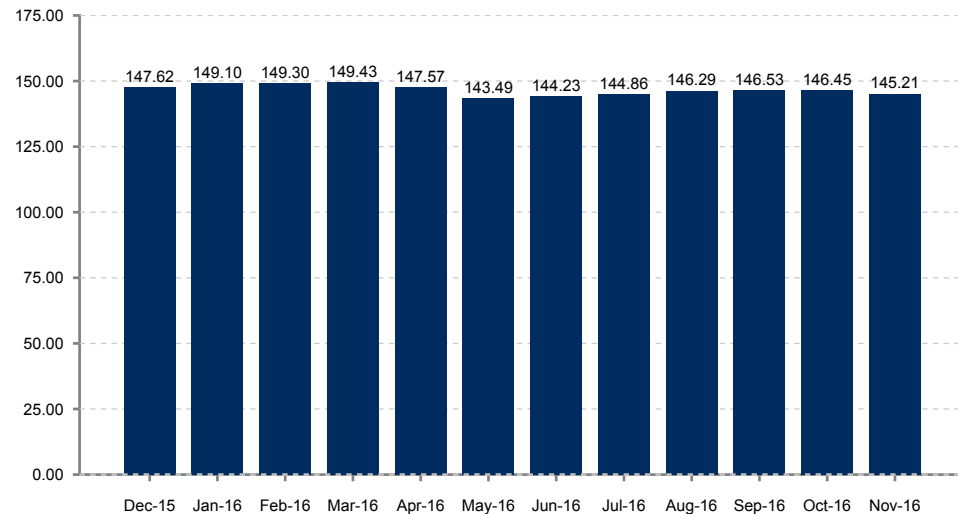
	Current Mth	Prior Mth	1 Year Ago
POOL 700 LGIP MD FF&C	1.06	1.08	0.93

Asset Allocation

	Ending Market Value
POOL 700 LGIP MD FF&C	145,214,342



Net Asset Values over Time (\$MM)

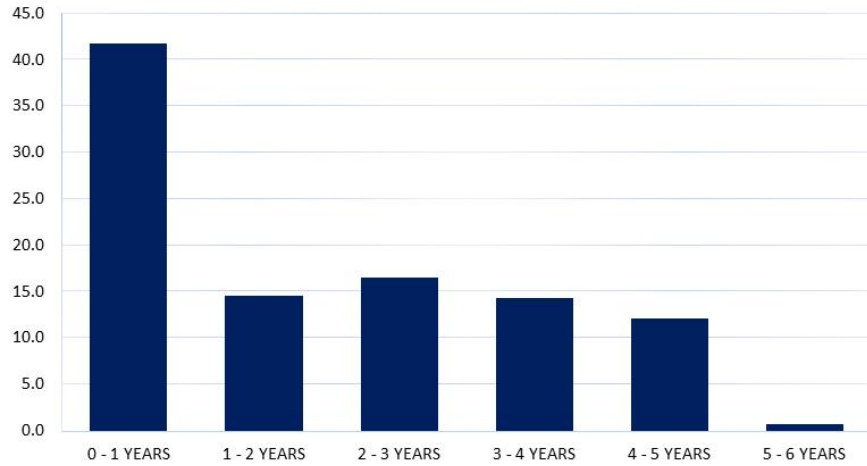


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 700 LGIP MD FF&C		
SOUTH STREET REPO	24,000,100	16.53
US TREASURY N/B	5,001,101	3.44
US TREASURY N/B	4,998,721	3.44
GNMA II POOL MA0213	4,569,641	3.15
OVERSEAS PRIVATE INV COR	4,493,250	3.09
PRIVATE EXPORT FUNDING	3,518,483	2.42
US TREASURY N/B	2,991,584	2.06
OVERSEAS PRIVATE INV COR	2,991,300	2.06
AID UKRAINE	2,941,546	2.03
GNMA POOL 775134	2,823,692	1.94



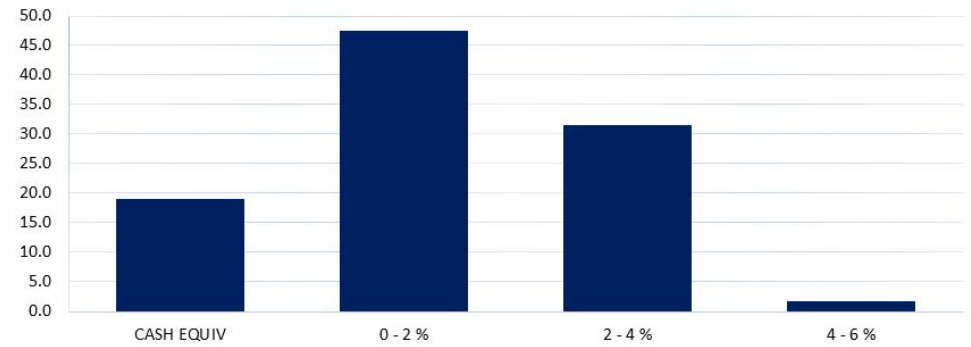
Duration Distribution



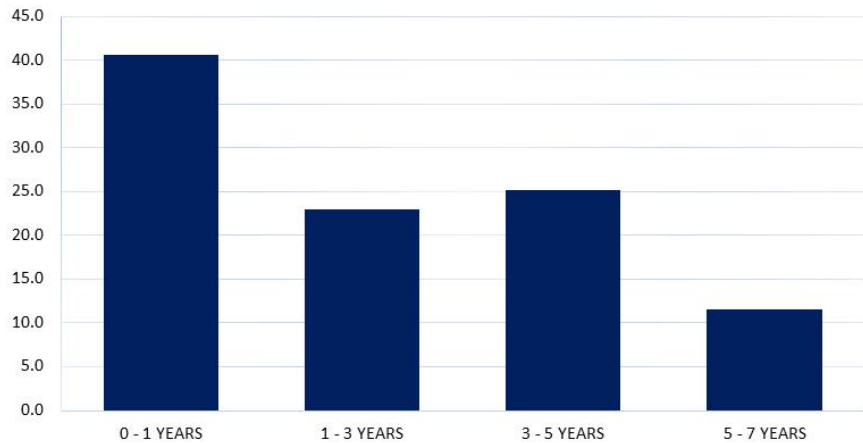
Portfolio Level Characteristics

	POOL 700 LGIP MD FF&C
Weighted Average Life	2.20
Coupon	1.71
Effective Duration	1.86
Quality Rating (Moody's)	AAA

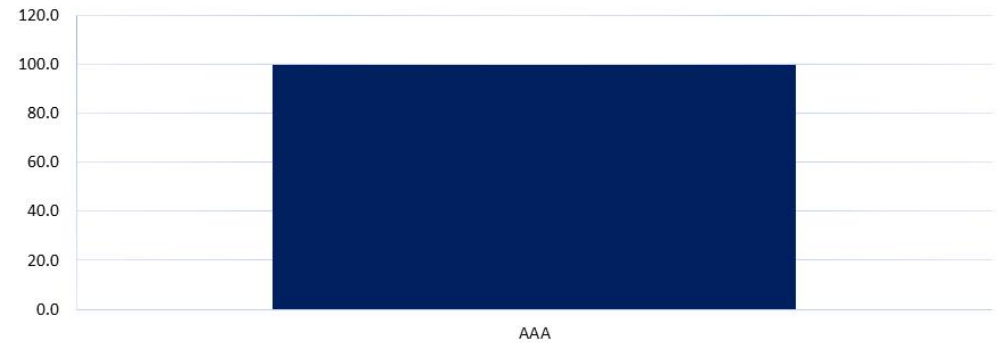
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



**EARNINGS DISTRIBUTED
ENDOWMENT FUNDS
NOVEMBER 2016**

Distributed in Current Month

Recipient	NOVEMBER 2016	Fiscal YTD 16/17	Fiscal YTD 15/16
101 A & M Colleges	\$62,695	\$313,475	\$104,955
102 State Hospital	39,692	198,460	65,076
103 Leg., Exec., & Jud.	51,413	257,065	85,581
104 Military Institute	3,456	17,280	5,829
105 Miners Hospital	126,965	634,825	196,553
107 Normal School ASU/NAU	23,855	119,275	38,744
108 Penitentiaries	85,542	427,710	136,827
109 Permanent Common School	22,463,210	112,316,050	36,327,172
110 School for Deaf & Blind	33,142	165,712	54,643
111 School of Mines	70,914	354,570	118,654
112 State Charitable-Pioneers Home	346,473	1,732,365	575,805
112 State Charitable-Corrections	173,236	866,182	287,903
112 State Charitable-Youth Treatment	173,236	866,182	287,903
113 University Fund	122,961	614,803	201,534
114 U of A Land - 1881	384,475	1,922,377	583,973
Total	\$24,161,266	\$120,806,331	\$39,071,151

**Land Sales Monthly Proceeds
 Endowment Funds**

Month	Year						
	2011	2012	2013	2014	2015	2016	2017
January	3,622,868.55	21,196,074.71	85,209,777.01	29,493,046.28	7,126,211.56	5,108,687.17	
February	8,915,154.72	92,150,172.81	24,412,865.22	33,969,800.59	2,535,243.50	1,083,177.76	
March	1,244,602.03	1,015,640.38	13,469,846.94	1,323,548.74	1,096,232.05	1,106,859.54	
April	2,413,502.46	1,796,773.65	4,599,023.88	2,252,527.11	1,968,280.90	28,981,968.64	
May	1,889,780.18	926,085.06	12,685,870.73	1,100,260.56	19,123,417.30	20,147,116.27	
June	3,446,619.87	22,369,423.34	6,493,350.52	4,564,719.20	33,179,898.41	31,844,677.79	
July	2,803,278.12	823,327.93	5,694,705.30	4,196,737.56	6,092,396.05	2,469,997.05	
August	3,470,995.89	33,621,310.51	2,304,138.37	24,838,429.94	1,038,970.78	13,094,287.08	
September	5,202,039.54	17,307,220.68	10,399,638.98	1,960,672.85	1,967,125.20	(12,580,727.94)	
October	5,799,334.80	1,403,700.22	1,240,496.83	3,150,170.16	2,366,518.63	10,614,884.64	
November	2,045,106.93	5,131,627.46	8,995,327.48	34,193,583.02	1,358,710.81	28,490,237.89	
December	5,123,132.98	28,846,813.20	3,574,630.63	1,136,538.16	4,264,354.38		
Calendar Year	45,976,416.07	226,588,169.95	179,079,671.89	142,180,034.17	82,117,359.57	130,361,165.89	-
Fiscal Year (July 1st to June 30th)	139,820,629.67	163,898,058.21	234,004,734.30	104,912,840.07	134,505,415.41	105,360,563.02	42,088,678.72

NET REALIZED CAPITAL GAINS / LOSSES - ENDOWMENT FUNDS

Endowment Fund	November 2016 NET GAIN(LOSS)	November 2015 NET GAIN(LOSS)
Fixed Income Pool	(\$170,516)	(\$335,715)
500 Large-Cap Fund	993,886	517,330
400 Mid-Cap Fund	(393,065)	392,171
600 Small-Cap Fund	522,235	(1,127,817)
Totals	\$952,540	(\$554,030)

Endowment Fund	2016/2017 FISCAL YEAR TO DATE GAINS(LOSSES)	2015/2016 FISCAL YEAR TO DATE GAINS(LOSSES)
Fixed Income Pool	(\$1,894,071)	(\$866,024)
500 Large-Cap Fund	8,878,194	10,174,620
400 Mid-Cap Fund	10,504,494	13,401,071
600 Small-Cap Fund	10,389,488	16,989,122
Totals	\$27,878,105	\$39,698,788

**ENDOWMENT FUNDS FIXED-INCOME POOLS
PURCHASES & SALES
NOVEMBER 2016**

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I. Endowment Funds Purchases

<u>POOL</u>	<u>SECURITY DESCRIPTION</u>	<u>RATE</u>	<u>MATURITY</u>	<u>*WAL YEARS</u>	<u>PAR VALUE</u>	<u>PURCHASE COST</u>	<u>YIELD</u>	<u>MOODY'S / S&P RATING</u>
205	FREDDIE MAC MTG	3.00	10/15/2043	4.84	\$4,985,065	\$5,100,397	2.50%	AAA/AA+
205	FREDDIE MAC MTG	2.50	10/15/2027	2.94	3,031,960	3,083,019	1.90%	AAA/AA+
205	FNMA MTG	3.00	12/01/2036	6.41	4,166,154	4,202,868	2.84%	AAA/AA+
205	FNMA MTG	3.00	11/01/2036	6.42	4,744,826	4,785,157	2.85%	AAA/AA+
205	FNMA MTG	3.50	03/25/2025	3.32	855,658	893,227	2.07%	AAA/AA+
205	GNMA MTG	3.00	01/16/2027	3.19	1,784,040	1,849,381	1.83%	AAA/AA+
205	GNMA MTG	3.00	07/20/2039	3.32	4,768,254	4,913,834	2.06%	AAA/AA+
205	GNMA MTG	3.00	12/20/2030	6.22	5,879,850	6,041,056	2.54%	AAA/AA+
205	PFIZER INC BONDS	2.20	12/15/2021	NA	5,000,000	4,995,450	2.22%	A1/NR
205	MOUNTCLIFF CP	1.06	02/28/2017	NA	15,000,000	14,954,508	1.06%	P1/A1
205	CROWN POINT CP	1.22	04/28/2017	NA	15,000,000	14,924,767	1.22%	P1/A1
123	MOUNTCLIFF CP	1.06	02/28/2017	NA	15,000,000	14,954,508	1.06%	P1/A1
123	SHEFFIELD CP	1.05	03/28/2017	NA	15,000,000	14,948,375	1.05%	P1/NR
123	CROWN POINT CP	1.22	04/28/2017	NA	10,000,000	9,949,844	1.22%	P1/A1
TOTAL ENDOWMENT FUNDS PURCHASES					\$105,215,807	\$105,596,391		

II. Endowment Funds Sales

<u>POOL</u>	<u>SECURITY DESCRIPTION</u>	<u>RATE</u>	<u>MATURITY</u>	<u>PAR VALUE</u>	<u>AMORTIZED COST/PROCEEDS</u>	<u>SALES GAINS/(LOSSES)</u>	<u>MOODY'S / S&P RATING</u>
205	US TREASURY	1.50	03/31/2019	\$5,000,000	\$5,047,703	\$39,007	AAA/AA+
205	US TREASURY	8.13	08/15/2019	2,500,000	3,011,472	184,987	AAA/AA+
TOTAL ENDOWMENT FUNDS SALES				\$7,500,000	\$8,059,175	\$223,993	

*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.

**EQUITY FUNDS
PURCHASES & SALES
NOVEMBER 2016**

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I. Equity Fund Purchases

	<u>SHARES</u>	<u>PURCHASE COST</u>	<u>COMMISSIONS</u>
400 Mid-Cap Fund	145,228	\$5,628,837	\$903
500 Large-Cap Fund	8,644	\$483,820	\$65
600 Small-Cap Fund	316,375	\$4,045,339	\$1,516
TOTAL EQUITY PURCHASES	470,247	\$10,157,996	\$2,483

II. Equity Funds Sales

	<u>SHARES</u>	<u>SALES AMOUNT</u>	<u>COMMISSIONS</u>
400 Mid-Cap Fund	128,083	\$2,566,699	\$103
500 Large-Cap Fund	106,237	\$6,093,199	\$694
600 Small-Cap Fund	107,251	\$3,108,211	\$720
TOTAL EQUITY SALES	341,571	\$11,768,109	\$1,518

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
 NOVEMBER 30, 2016
 (In Thousands)

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FUND	NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	Mkt Value/ Book Value
101	A & M Colleges					
	<i>Shares in Equity Pools</i>	431	\$3,030	\$7,889	\$4,859	
	<i>Shares in Fixed Income Pools</i>	4,331	3,101	4,750	1,649	
	Total	4,762	6,130	12,638	6,508	2.062
102	State Hospital					
	<i>Shares in Equity Pools</i>	292	2,140	5,345	3,205	
	<i>Shares in Fixed Income Pools</i>	3,011	2,341	3,302	961	
	Total	3,303	4,481	8,647	4,166	1.930
103	Leg., Exec., & Jud					
	<i>Shares in Equity Pools</i>	350	2,641	6,407	3,765	
	<i>Shares in Fixed Income Pools</i>	3,740	2,680	4,101	1,422	
	Total	4,090	5,321	10,508	5,187	1.975
104	Military Institute					
	<i>Shares in Equity Pools</i>	22	164	412	248	
	<i>Shares in Fixed Income Pools</i>	246	167	270	103	
	Total	269	331	682	351	2.059
105	Miners Hospital					
	<i>Shares in Equity Pools</i>	1,007	8,923	18,452	9,529	
	<i>Shares in Fixed Income Pools</i>	10,170	8,856	11,153	2,297	
	Total	11,178	17,779	29,606	11,826	1.665
107	Normal School ASU/NAU					
	<i>Shares in Equity Pools</i>	181	1,448	3,310	1,862	
	<i>Shares in Fixed Income Pools</i>	1,866	1,448	2,047	598	
	Total	2,047	2,896	5,357	2,461	1.850
108	Penitentiaries					
	<i>Shares in Equity Pools</i>	682	5,776	12,484	6,708	
	<i>Shares in Fixed Income Pools</i>	6,993	5,759	7,669	1,910	
	Total	7,675	11,536	20,154	8,618	1.747

ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
 NOVEMBER 30, 2016
 (In Thousands)

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NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	Mkt Value/ Book Value
109 Permanent Common School					
<i>Shares in Equity Pools</i>	167,913	1,345,196	3,075,715	1,730,518	
<i>Shares in Fixed Income Pools</i>	1,697,195	1,380,619	1,861,227	480,608	
Total	1,865,108	2,725,815	4,936,942	2,211,126	1.811
110 School for Deaf & Blind					
<i>Shares in Equity Pools</i>	229	1,728	4,201	2,473	
<i>Shares in Fixed Income Pools</i>	2,585	1,955	2,835	880	
Total	2,814	3,683	7,036	3,353	1.910
111 School of Mines					
<i>Shares in Equity Pools</i>	484	3,627	8,863	5,237	
<i>Shares in Fixed Income Pools</i>	4,990	3,703	5,472	1,769	
Total	5,474	7,329	14,335	7,006	1.956
112 State Charitable					
<i>Shares in Equity Pools</i>	4,895	36,877	89,667	52,790	
<i>Shares in Fixed Income Pools</i>	47,883	37,984	52,511	14,527	
Total	52,779	74,861	142,178	67,317	1.899
113 University Fund					
<i>Shares in Equity Pools</i>	882	6,989	16,161	9,172	
<i>Shares in Fixed Income Pools</i>	9,112	6,945	9,993	3,047	
Total	9,994	13,935	26,154	12,219	1.877
114 U Of A Land - 1881					
<i>Shares in Equity Pools</i>	3,153	29,438	57,751	28,313	
<i>Shares in Fixed Income Pools</i>	32,329	27,542	35,453	7,911	
Total	35,482	56,980	93,204	36,224	1.636
TOTALS - ALL FUNDS					
<i>Shares in Equity Pools</i>	180,521	1,447,978	3,306,659	1,858,681	
<i>Shares in Fixed Income Pools</i>	1,824,451	1,483,100	2,000,783	517,683	
Grand Total	2,004,972	\$2,931,079	\$5,307,442	\$2,376,363	
PRIOR YEAR:					
NOVEMBER 2015 BALANCE:	1,965,233	\$2,979,130	\$5,168,738	\$2,189,608	

**ENDOWMENT FUNDS
INVESTMENTS OUTSTANDING
NOVEMBER 30, 2016**

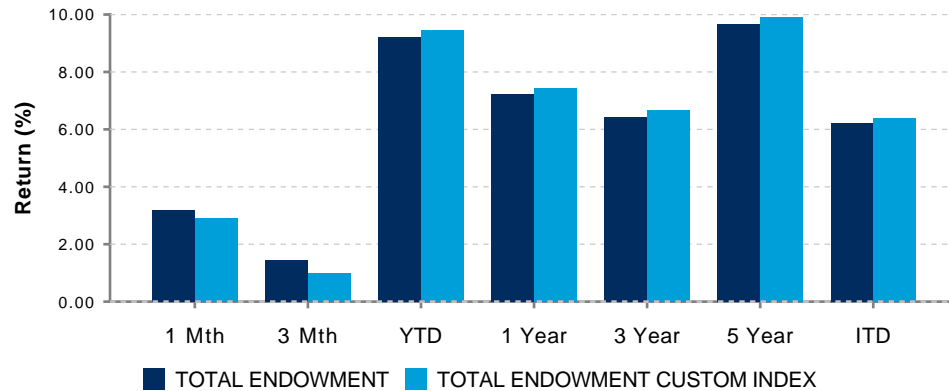
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ASSET ALLOCATION PERCENTAGE

	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	NOVEMBER 2015 MARKET VALUE
<i>Shares in Equity Pools</i>	9.00%	49.40%	62.30%	63.27%
<i>Shares in Fixed Income Pools</i>	91.00%	50.60%	37.70%	36.73%
	-----	-----	-----	-----
Total	100.00%	100.00%	100.00%	100.00%
	=====	=====	=====	=====



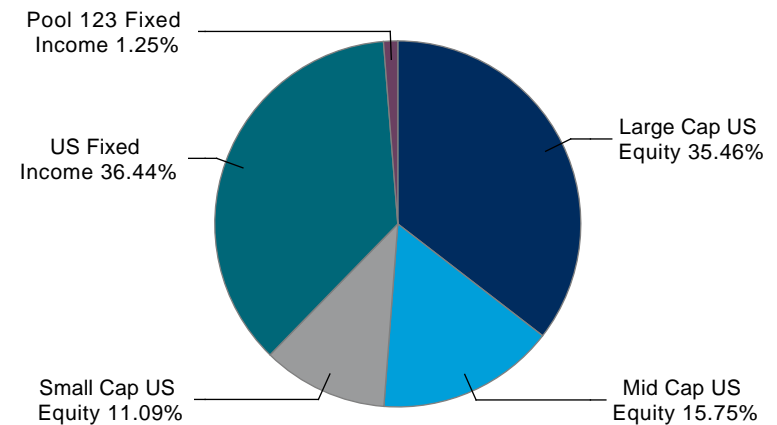
Performance



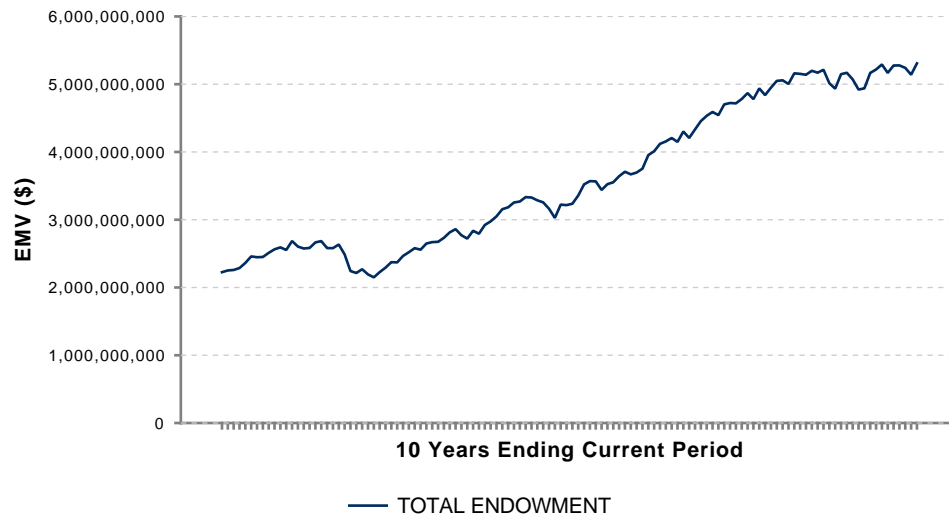
	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Incept Date
TOTAL ENDOWMENT	3.18	1.46	9.21	7.22	6.41	9.68	6.21	07/99
TOTAL ENDOWMENT CUSTOM INDEX	2.90	0.98	9.45	7.44	6.68	9.91	6.39	07/99
Excess	0.27	0.48	-0.24	-0.22	-0.27	-0.24	-0.18	

Asset Allocation

	Ending Market Value
TOTAL ENDOWMENT	5,307,442,020

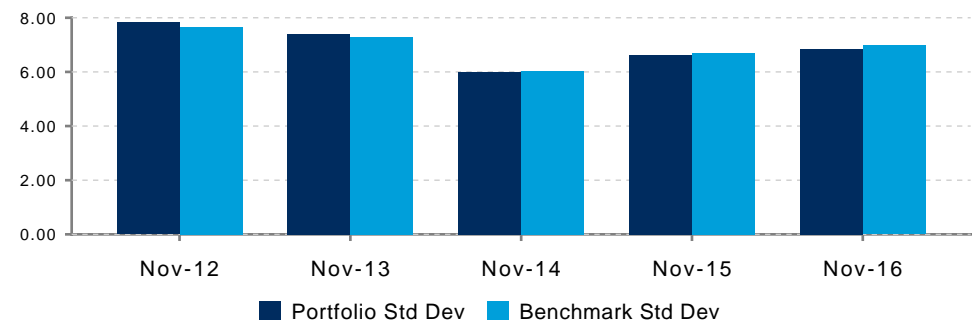


Ending Market Value



3 Year Risk Statistics

	Return	Portfolio Std Dev	Benchmark Std Dev	Sharpe Ratio	Beta	Tracking Error	Information Ratio
TOTAL ENDOWMENT	6.41	6.85	6.97	0.92	0.98	0.38	-0.71



OFFICE OF THE ARIZONA STATE TREASURER

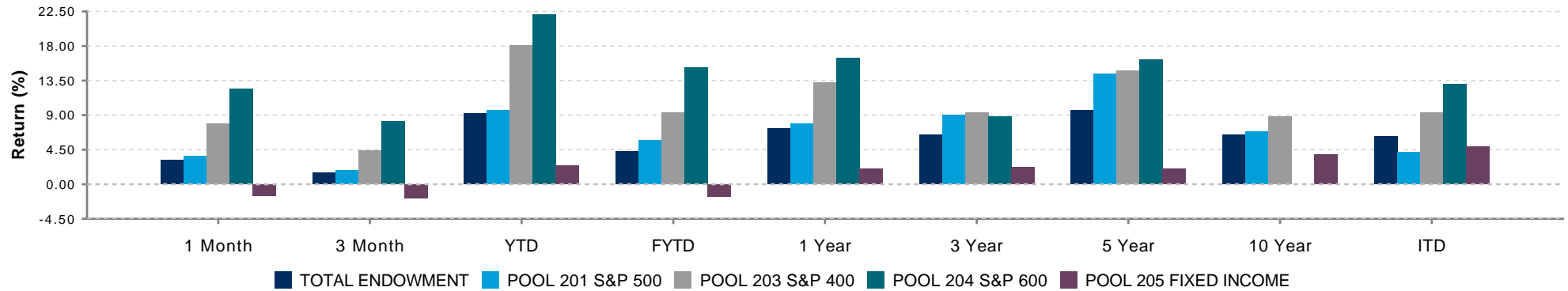
November 30, 2016

Total Returns Net Mgr



STATE STREET

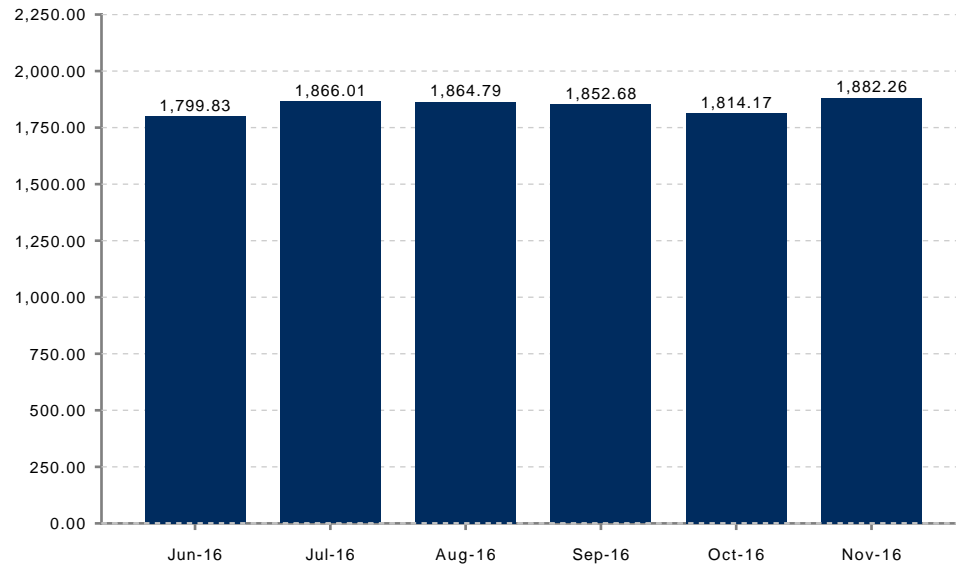
Return Comparison



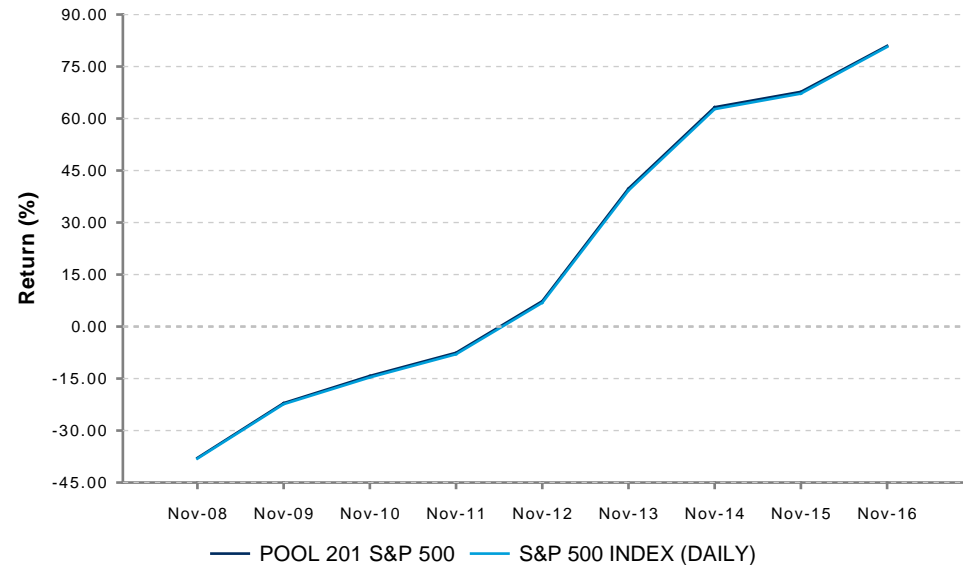
	Market Value	Actual Weight	1 Mth	3 Mth	YTD	FYTD	1 Year	3 Year	5 Year	10 Year	ITD	Inc Date
TOTAL ENDOWMENT	5,307,442,020	100.00	3.18	1.46	9.21	4.28	7.22	6.41	9.68	6.48	6.21	Jul-01-99
TOTAL ENDOWMENT CUSTOM INDEX			2.90	0.98	9.45	3.98	7.44	6.68	9.91	6.71	6.39	Jul-01-99
Excess			0.27	0.48	-0.24	0.30	-0.22	-0.27	-0.24	-0.23	-0.18	
POOL 201 S&P 500	1,882,257,339	35.46	3.67	1.80	9.63	5.70	7.91	8.98	14.38	6.89	4.19	Jul-01-99
S&P 500 INDEX (DAILY)			3.70	1.83	9.79	5.73	8.06	9.07	14.45	6.89	4.73	Jul-01-99
Excess			-0.03	-0.03	-0.16	-0.04	-0.15	-0.08	-0.07	0.01	-0.54	
POOL 203 S&P 400	835,774,001	15.75	7.84	4.34	18.09	9.34	13.22	9.36	14.77	8.80	9.34	Aug-01-01
S&P 400 MIDCAP INDEX (DAILY)			8.01	4.45	18.15	9.47	13.23	9.36	14.74	8.87	9.35	Aug-01-01
Excess			-0.16	-0.11	-0.06	-0.13	-0.00	0.00	0.03	-0.06	-0.01	
POOL 204 S&P 600	588,627,716	11.09	12.40	8.17	22.08	15.16	16.38	8.83	16.19		12.98	Mar-01-11
S&P SM 600 TR			12.55	8.20	22.43	15.25	16.57	8.79	16.13		12.96	Mar-01-11
Excess			-0.15	-0.03	-0.35	-0.09	-0.19	0.04	0.06		0.02	
POOL 205 FIXED INCOME	1,934,215,744	36.44	-1.48	-1.85	2.40	-1.64	2.04	2.24	2.01	3.86	4.88	Jul-01-99
CITIGROUP BIG (DAILY)			-2.42	-3.21	2.54	-2.68	2.20	2.78	2.42	4.35	5.17	Jul-01-99
Excess			0.94	1.37	-0.14	1.04	-0.16	-0.54	-0.41	-0.49	-0.29	
POOL 123 FIXED INCOME	66,567,220	1.25	0.08	0.19		0.29					0.32	Jun-01-16
ASTO - POOL 5 BENCHMARK			0.04	0.11		0.19					0.22	Jun-01-16
Excess			0.04	0.07		0.10					0.10	



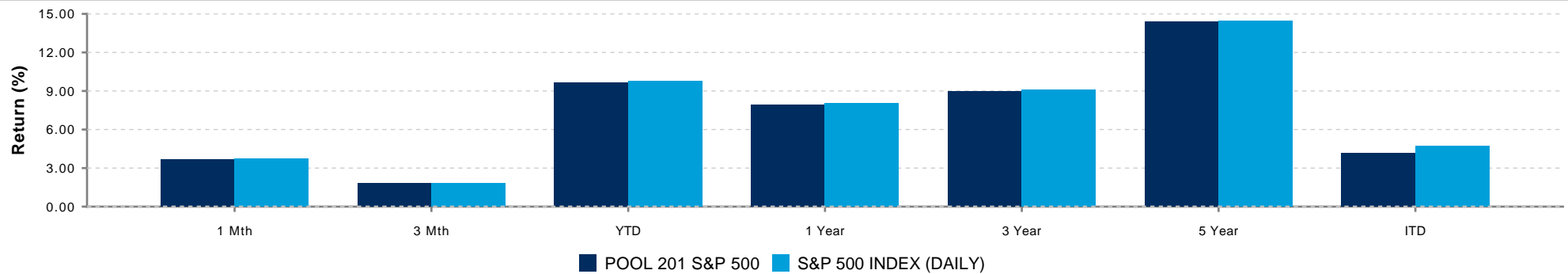
Net Asset Values over Time (\$MM)



Cumulative Return (%)



Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Nov 30 2016	Nov 30 2015	Nov 30 2014
POOL 201 S&P 500	3.67	1.80	9.63	7.91	8.98	14.38	4.19	7.91	2.71	16.79
S&P 500 INDEX (DAILY)	3.70	1.83	9.79	8.06	9.07	14.45	4.73	8.06	2.75	16.86
Excess	-0.03	-0.03	-0.16	-0.15	-0.08	-0.07	-0.54	-0.15	-0.04	-0.07

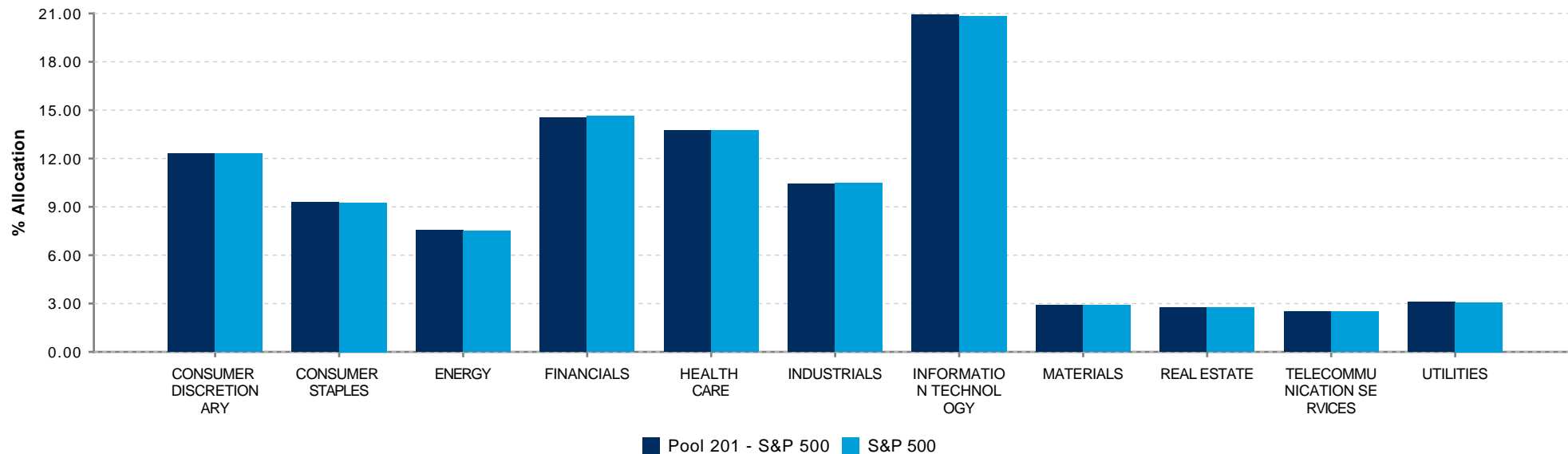
OFFICE OF THE ARIZONA STATE TREASURER

November 30, 2016

POOL 201 S&P 500
Sector Allocation vs S&P 500



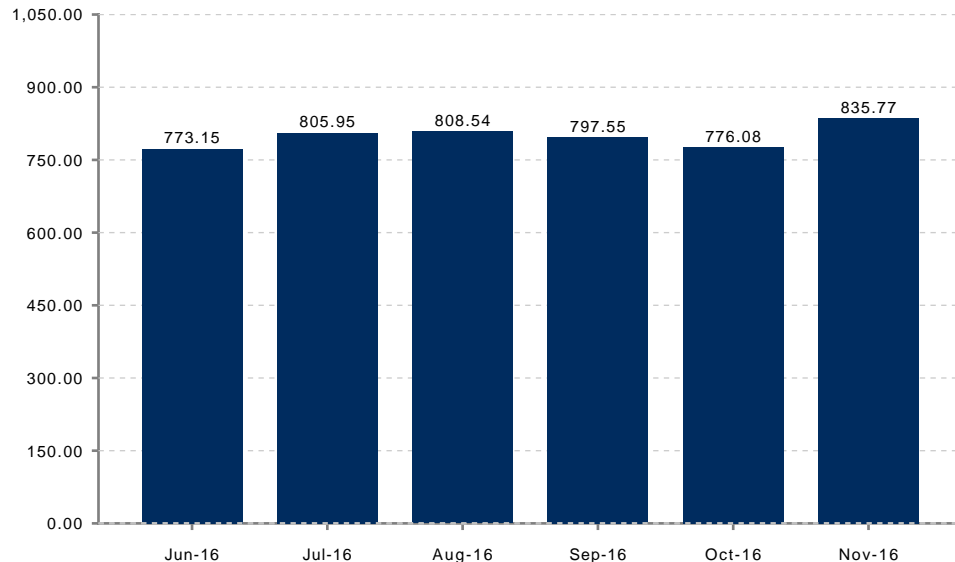
STATE STREET



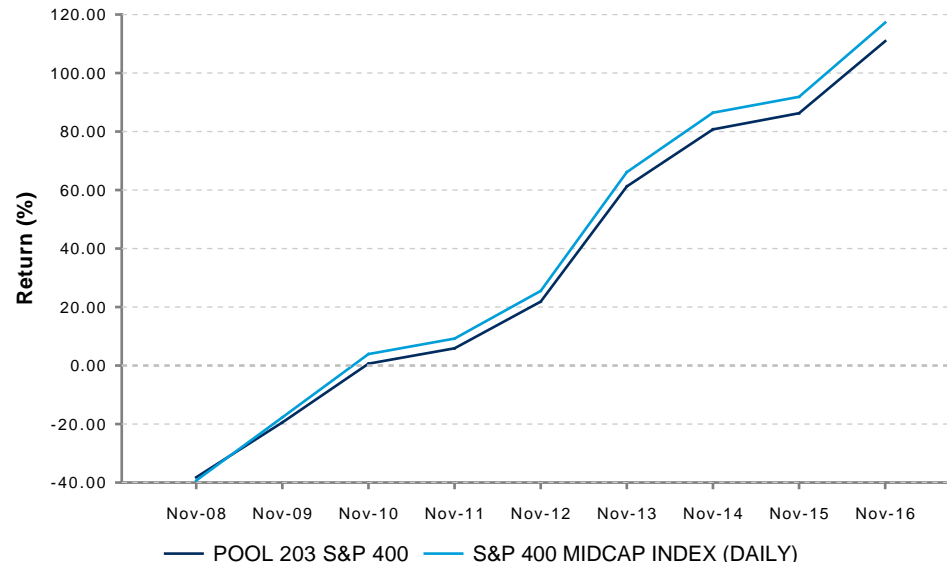
	Fund Weight	Benchmark Weight	Relative Weight
POOL 201 S&P 500	100.00	100.00	0.00
CONSUMER DISCRETIONARY	12.24	12.25	-0.01
CONSUMER STAPLES	10.05	10.04	0.01
ENERGY	7.19	7.20	-0.00
FINANCIALS	13.21	13.31	-0.09
HEALTH CARE	13.97	13.98	-0.00
INDUSTRIALS	9.97	9.98	-0.01
INFORMATION TECHNOLOGY	21.72	21.63	0.09
MATERIALS	2.81	2.81	-0.00
REAL ESTATE	2.94	2.95	-0.00
TELECOMMUNICATION SERVICES	2.52	2.49	0.03
UTILITIES	3.37	3.38	-0.00



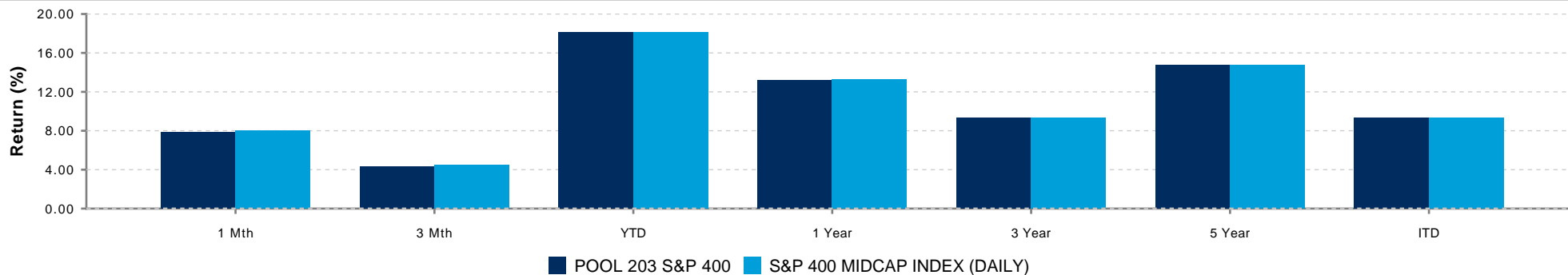
Net Asset Values over Time (\$MM)



Cumulative Return (%)



Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Nov 30 2016	Nov 30 2015	Nov 30 2014
POOL 203 S&P 400	7.84	4.34	18.09	13.22	9.36	14.77	9.34	13.22	3.05	12.10
S&P 400 MIDCAP INDEX (DAILY)	8.01	4.45	18.15	13.23	9.36	14.74	9.35	13.23	2.92	12.23
Excess	-0.16	-0.11	-0.06	-0.00	0.00	0.03	-0.01	-0.00	0.13	-0.13

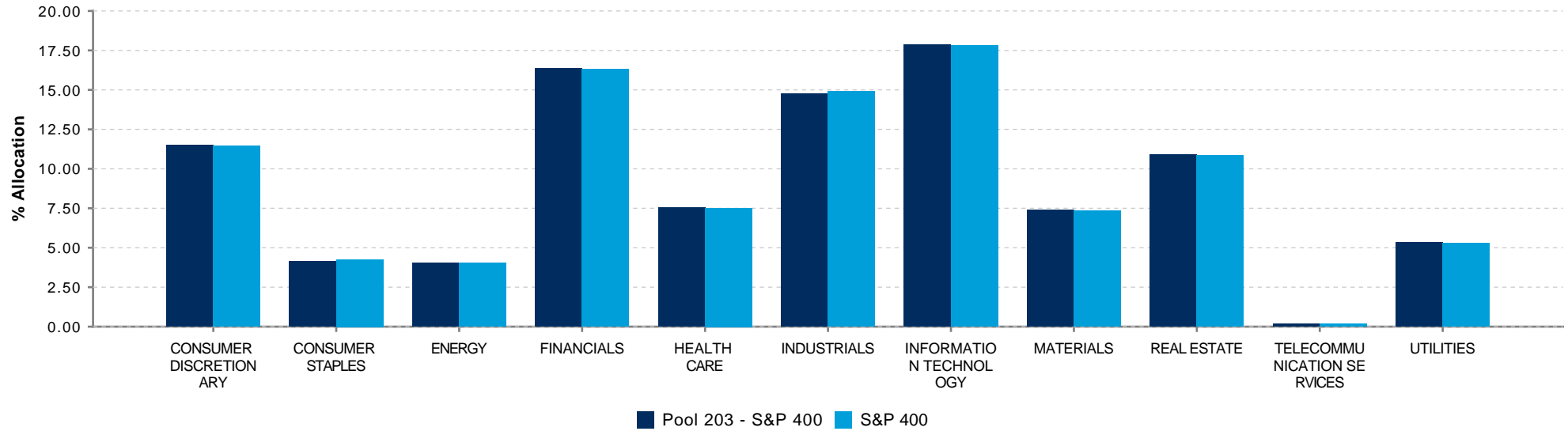
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November 30, 2016

POOL 203 S&P 400
Sector Allocation vs S&P MID CAP 400



STATE STREET



	Weight Fund	Weight Benchmark	Weight Relative
POOL 203 S&P 400	100.00	100.00	0.00
CONSUMER DISCRETIONARY	11.50	11.48	0.02
CONSUMER STAPLES	4.38	4.37	0.01
ENERGY	3.57	3.56	0.01
FINANCIALS	15.55	15.53	0.03
HEALTH CARE	7.62	7.62	0.00
INDUSTRIALS	14.19	14.35	-0.16
INFORMATION TECHNOLOGY	18.21	18.20	0.01
MATERIALS	7.18	7.16	0.02
REAL ESTATE	11.88	11.83	0.06
TELECOMMUNICATION SERVICES	0.16	0.16	0.00
UTILITIES	5.75	5.74	0.01

OFFICE OF THE ARIZONA STATE TREASURER

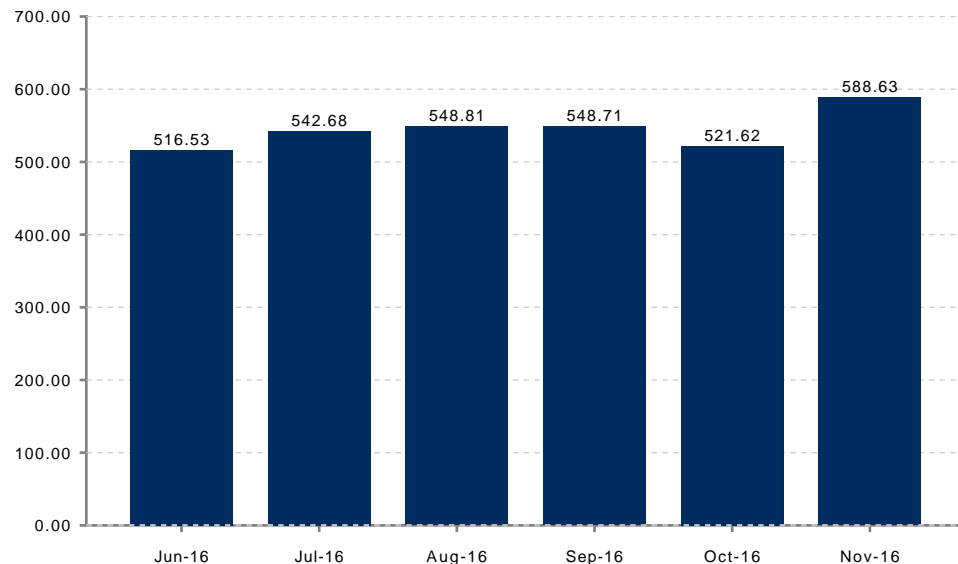
November 30, 2016

POOL 204 S&P 600

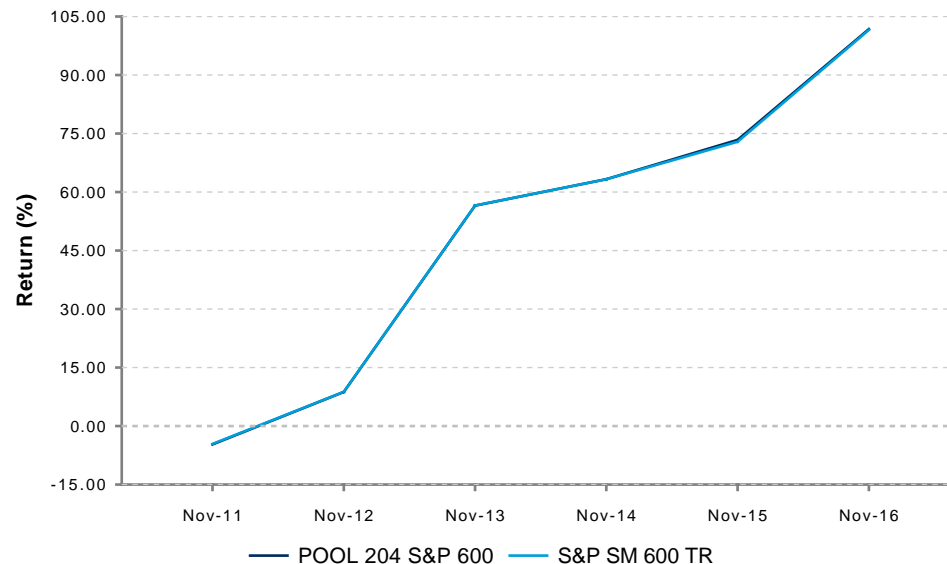


STATE STREET

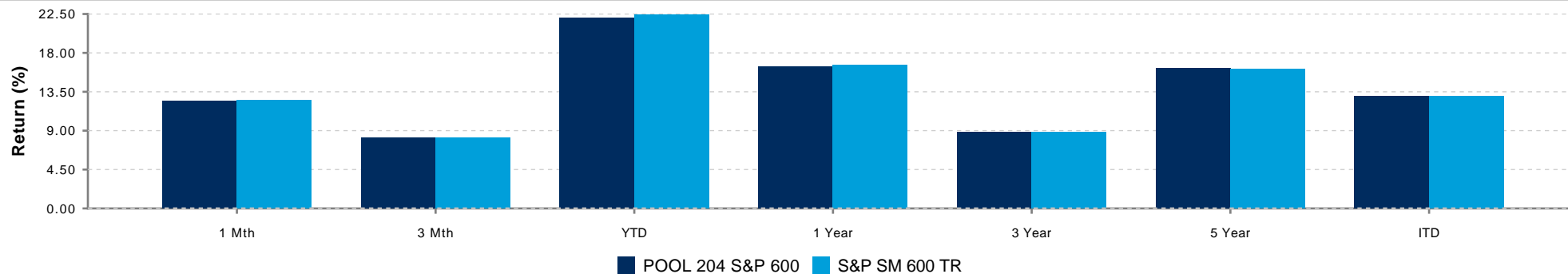
Net Asset Values over Time (\$MM)



Cumulative Return (%)



Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Nov 30 2016	Nov 30 2015	Nov 30 2014
POOL 204 S&P 600	12.40	8.17	22.08	16.38	8.83	16.19	12.98	16.38	6.18	4.32
S&P SM 600 TR	12.55	8.20	22.43	16.57	8.79	16.13	12.96	16.57	5.90	4.31
Excess	-0.15	-0.03	-0.35	-0.19	0.04	0.06	0.02	-0.19	0.28	0.02

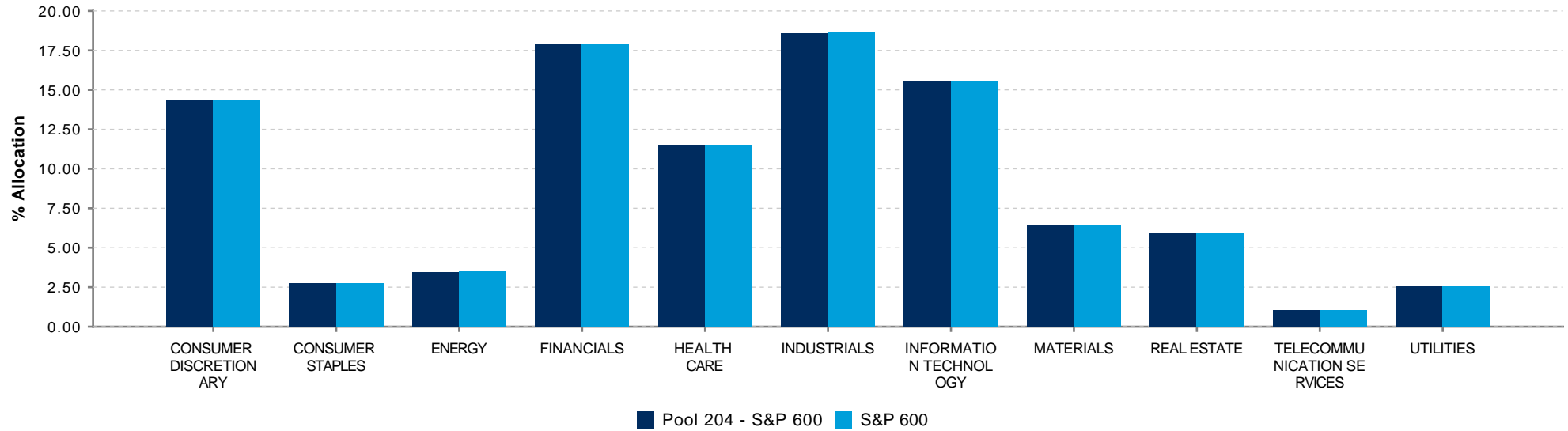
OFFICE OF THE ARIZONA STATE TREASURER

November 30, 2016

POOL 204 S&P 600
Sector Allocation vs S&P SMALLCAP 600



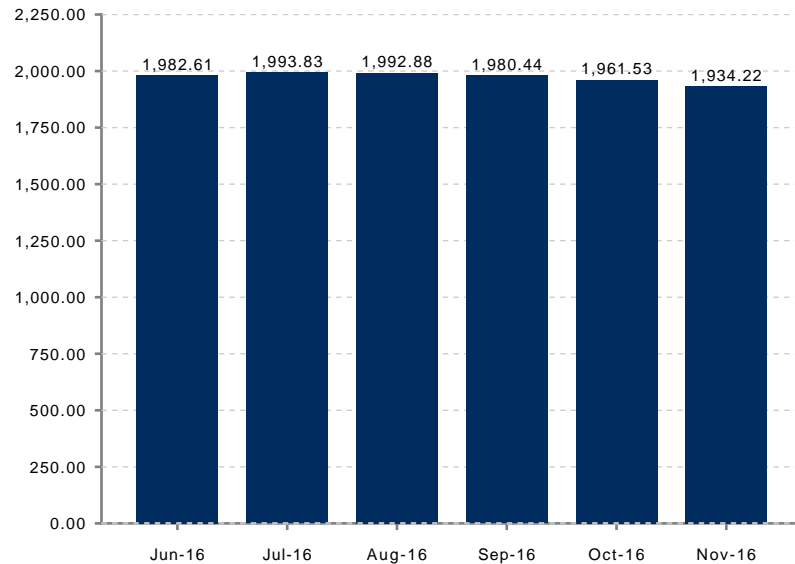
STATE STREET



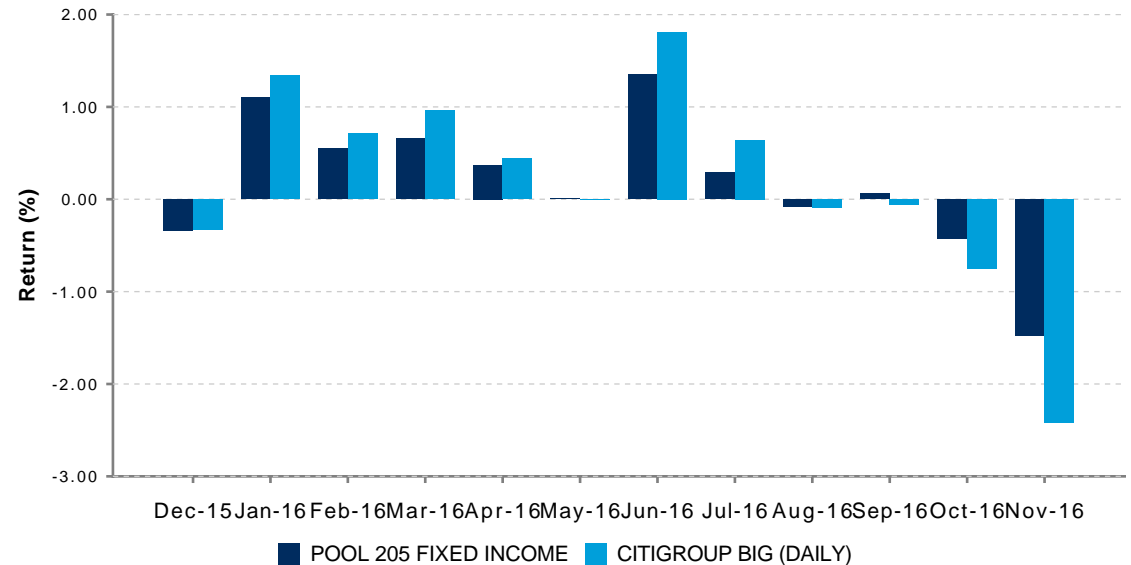
	Weight Fund	Weight Benchmark	Weight Relative
POOL 204 S&P 600	100.00	100.00	0.00
CONSUMER DISCRETIONARY	14.28	14.26	0.02
CONSUMER STAPLES	3.02	3.01	0.01
ENERGY	3.15	3.14	0.00
FINANCIALS	16.96	16.97	-0.01
HEALTH CARE	11.97	11.96	0.02
INDUSTRIALS	18.00	18.01	-0.01
INFORMATION TECHNOLOGY	16.30	16.43	-0.13
MATERIALS	5.98	5.97	0.01
REAL ESTATE	6.52	6.42	0.09
TELECOMMUNICATION SERVICES	1.06	1.06	0.00
UTILITIES	2.77	2.76	0.01



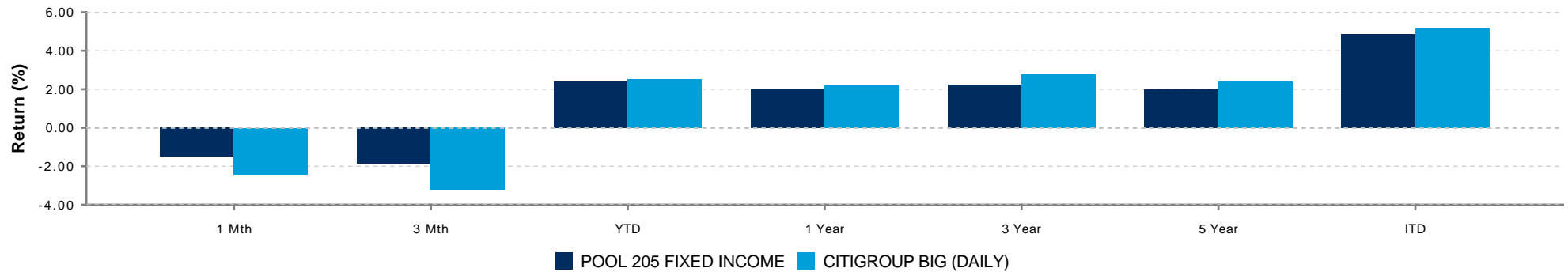
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Nov 30 2016	Nov 30 2015	Nov 30 2014
POOL 205 FIXED INCOME	-1.48	-1.85	2.40	2.04	2.24	2.01	4.88	2.04	1.17	3.53
CITIGROUP BIG (DAILY)	-2.42	-3.21	2.54	2.20	2.78	2.42	5.17	2.20	0.92	5.28
Excess	0.94	1.37	-0.14	-0.16	-0.54	-0.41	-0.29	-0.16	0.25	-1.75

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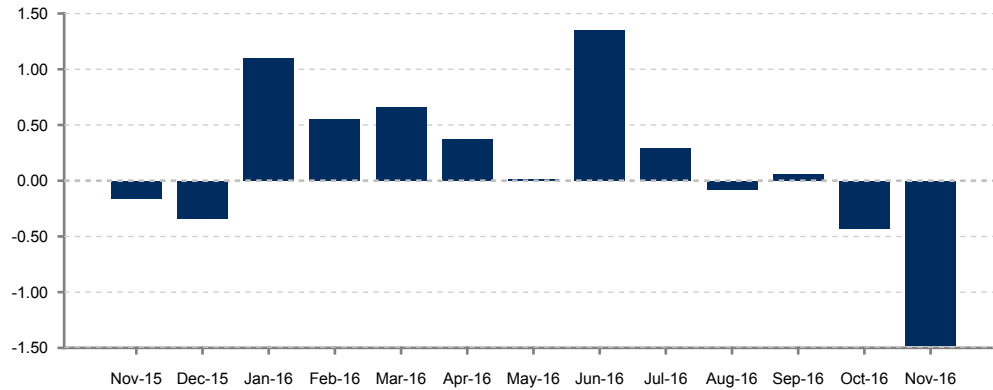
November 30, 2016

POOL 205 FIXED INCOME



STATE STREET

Net Mqr Return



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

POOL 205 FIXED INCOME

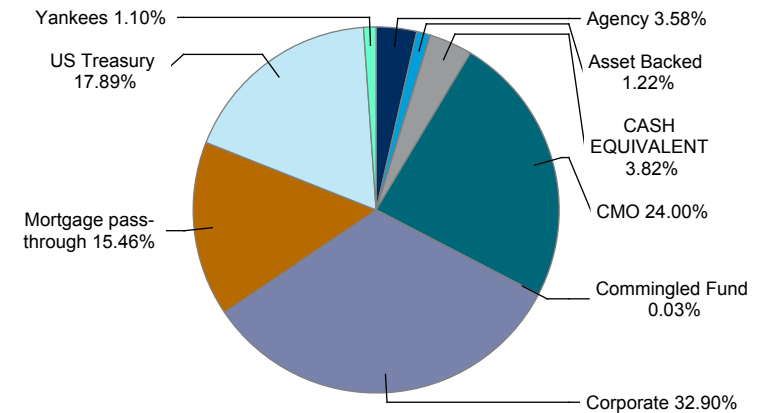
-1.48 -0.43 -0.16

Asset Allocation

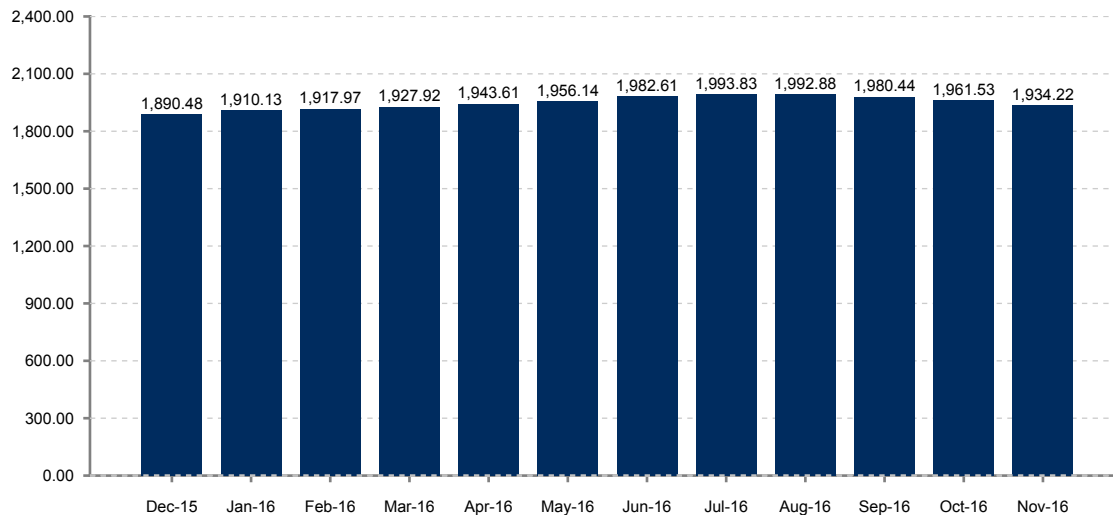
POOL 205 FIXED INCOME

Ending Market Value

1,934,215,744



Net Asset Values over Time (\$MM)

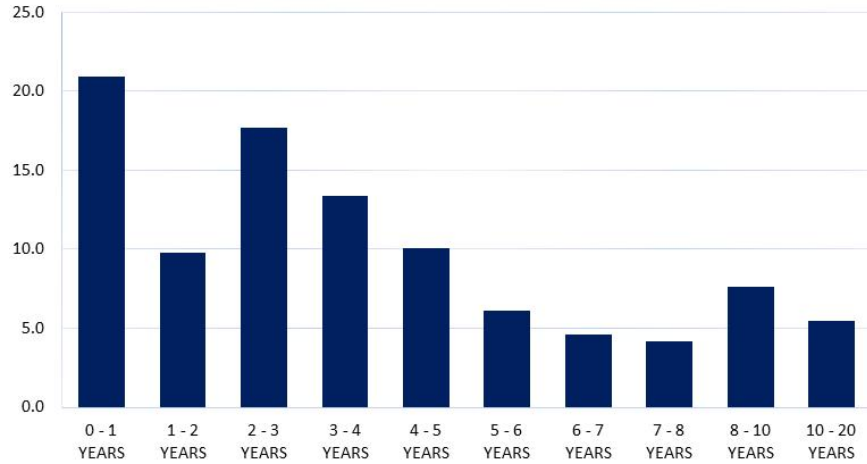


Top 10 Holdings

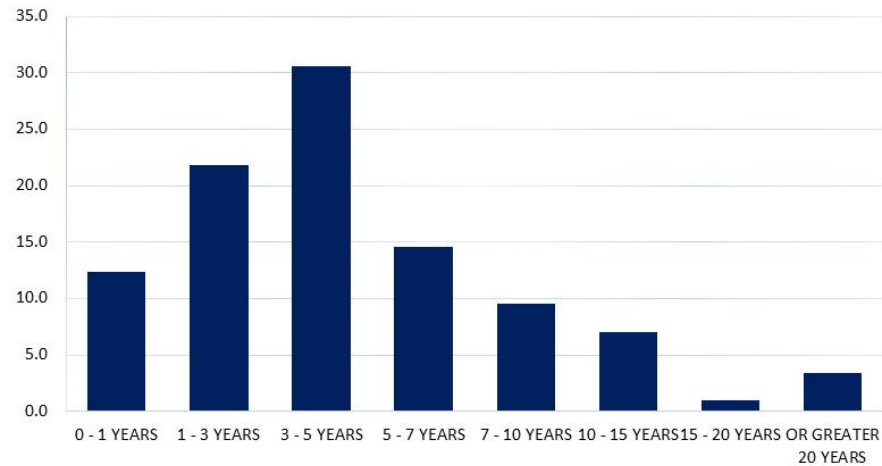
Security Name	Ending Market Value	% of Portfolio
POOL 205 FIXED INCOME		
BLACKROCK PROV TEMP	40,140,673	2.08
US TREASURY N/B	17,286,383	0.89
US TREASURY N/B	17,106,712	0.88
US TREASURY N/B	16,503,796	0.85
WELLS FARGO + COMPAN	15,422,941	0.80
FIFTH THIRD BANK	15,025,648	0.78
MOUNTCLIFF	14,960,692	0.77
CROWN POINT CAP CO.	14,925,810	0.77
USAA CAPITAL CORP	14,871,567	0.77
BANK OF NY MELLON COR	14,384,650	0.74



Duration Distribution



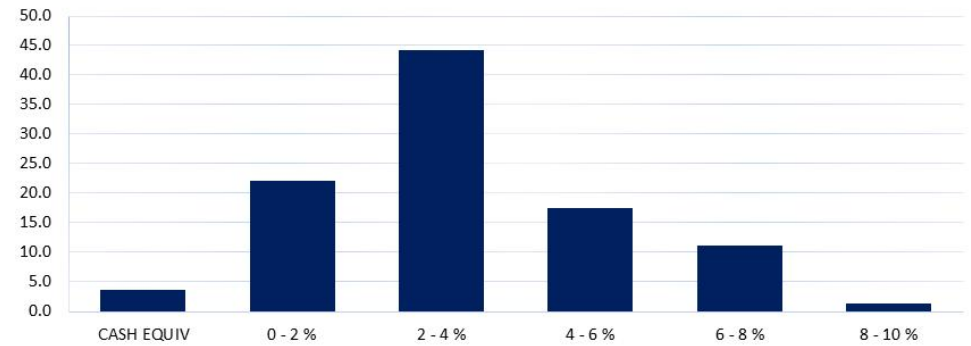
Expected Maturity Distribution



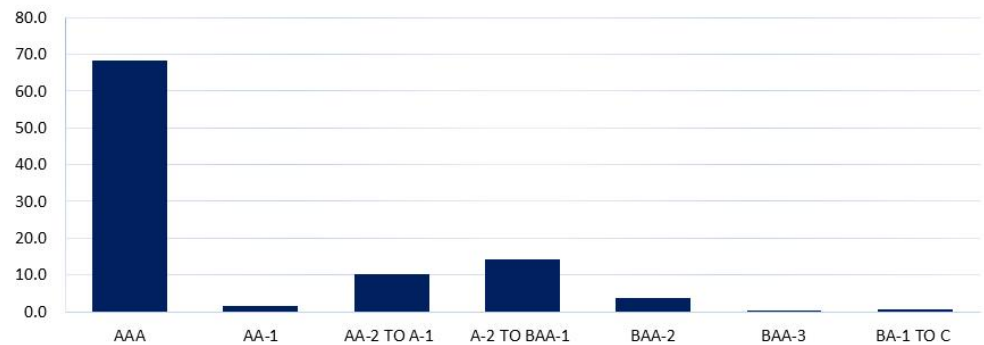
Portfolio Level Characteristics

	POOL 205 FIXED INCOME
Weighted Average Life	5.01
Coupon	3.45
Effective Duration	3.80
Quality Rating (Moody's)	AA-2

Coupon Distribution



Rating Distribution



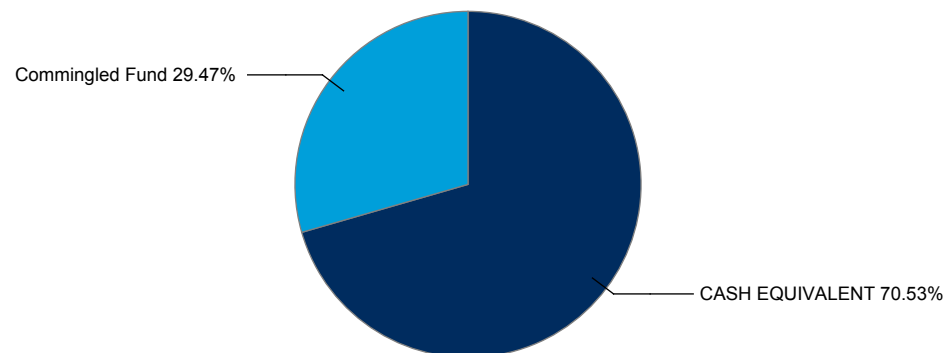


Asset Allocation

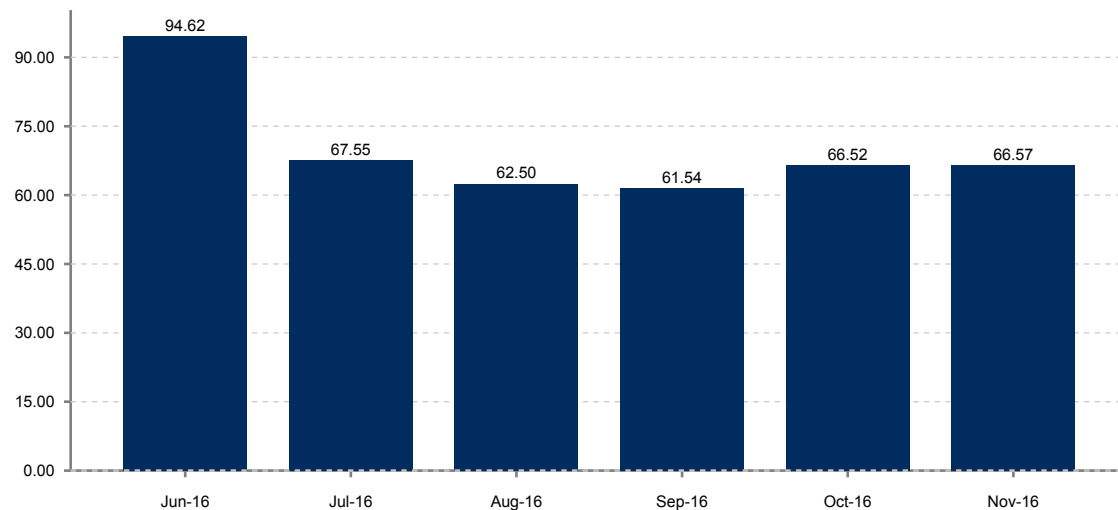
Ending Market Value

POOL 123 ST

66,567,220



Net Asset Values over Time (\$MM)

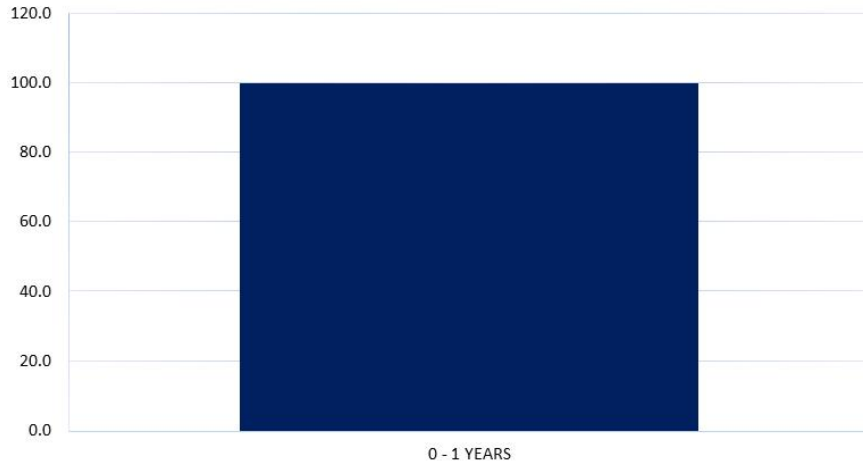


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 123 ST		
LOCAL GOVERNMENT INV	22,552,145	33.88
MOUNTCLIFF	14,960,692	22.47
SHEFFIELD RECEIVABLE	14,948,768	22.46
LEGACY CAPITAL COMPA	13,998,476	21.03
CROWN POINT CAP CO.	9,950,540	14.95



Duration Distribution



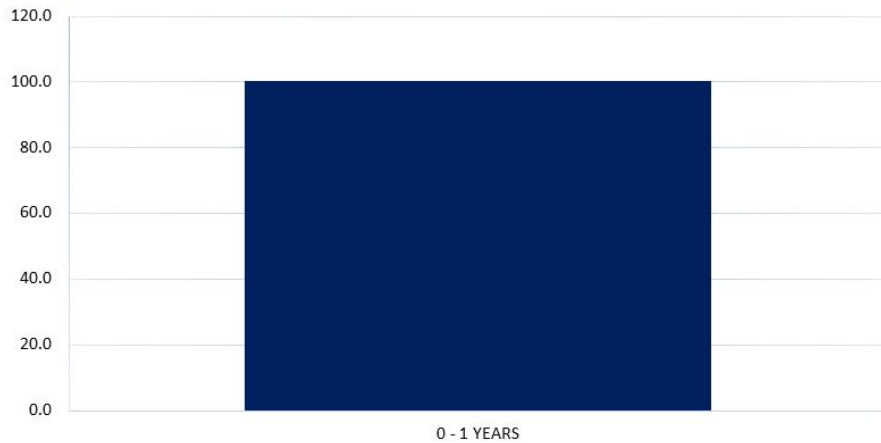
Portfolio Level Characteristics

	POOL 123 ST
Weighted Average Life	0.17
Coupon	0.00
Effective Duration	0.17
Quality Rating (Moody's)	AAA

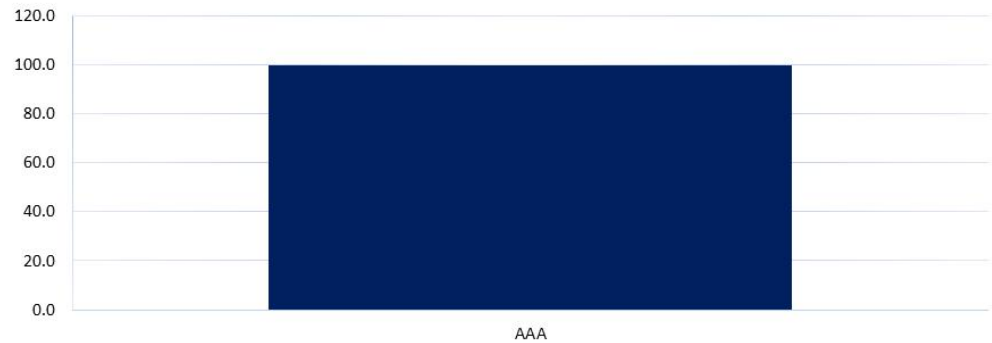
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



Endowment Fund Market Value

