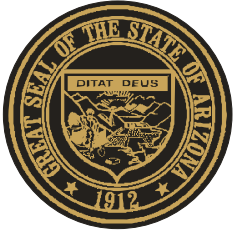


**OFFICE OF THE
ARIZONA STATE TREASURER**



Kimberly Yee

TREASURER



AUGUST 2022

Presented To:

Arizona State Board of Investment

September 27, 2022

STATE BOARD OF INVESTMENT

A G E N D A

September 27, 2022

1. Call to Order; Opening Remarks The Honorable Kimberly Yee, Chair
2. Approval of Minutes of August 30, 2022, BOI Meeting
3. AZ 529 Arizona’s Education Savings Plan
 - A. Monthly Program and Marketing Review..... Jeffrey Ong, AZ529 Administrator
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 DistributionsTim White, Director of Endowments
Land Sales Monthly Proceeds Endowment Funds
Endowment Investments and Performance Reports
5. Discussion and Action on the August 2022 Report
6. Treasurer’s ReportThe 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

September 27, 2022

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**Minutes of
BOARD OF INVESTMENT MEETING
August 30, 2022**

The regular meeting of the State Board of Investment was held on August 30, 2022, in person in the Treasury's conference room and via WebEx. Treasurer Kimberly Yee called the meeting to order at 1:05 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
Director Evan Daniels – via WebEx

Designees Present:

Ashley Ruiz, Designee for Andy Tobin, Director of Administration – 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
Tim White, Director of Endowment, 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
Jeffrey Ong, AZ529 Administrator, Arizona State Treasurer's Office
Nick Barnhiser, IT Director, Arizona State Treasurer's Office
Shaandiin Parrish, AZ529 Marketing Coordinator
Alyssa Koury, Public Information Officer, Arizona State Treasurer's Office

1. Call to Order

Treasurer Yee called the August 30, 2022, BOI meeting to order at 1:07 p.m.

Treasurer's Comments

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

2. Approval of Minutes

Mr. Papp moved that the July 26, 2022, meeting minutes be approved as distributed. Seconded by Treasurer Ford. Motion carried unanimously.

3. AZ529 Arizona's Educational Savings Plan

A. Monthly Program and Marketing Review

AZ529 Program Administrator, Jeffrey Ong, reported that as of July 2022, total AZ529 Plan Assets Under Management. Total AZ529 Accounts in July were up YOY to 99,111. Fidelity is the largest provider with 62.8% of Assets and y64% of Accounts. Second largest provider is Goldman Sachs, holding 35.2% of Assets and 33.8% of Accounts. Lastly, College Savings Bank holds 2% of Assets and 2.2% of Accounts. For Fidelity, the Direct-Sold Plan, Assets in July were up 0.2% YOY, with total Accounts up 12.5% YOY to 63,471. Goldman Sachs total Assets were down YOY in July to over \$653 million with total Accounts down 7% YOY to 33,477. Since October 2020, after 22 months of operation, the AZ529 accounts have increased by 20,950 and assets are up 14.6% in that same time frame to \$1.86 billion.

Marketing Coordinator, Shaandiin Parrish, reported that Treasurer Kimberly Yee visited several schools and Boys & Girls Clubs to promote the essay contest, which was launched on August 22, 2022, and will run through October 2, 2022.

B. Quarterly Investment Review

Capital Cities, LLC, Tiffany Spudich, Chief Client Officer presented the AZ529 Quarterly Investment Review for the direct-sold plan which is carried by Fidelity. She reported that the 2nd quarter ended with roughly \$1.1 billion in assets, about 68% of those assets were within our age-based portfolios. The Fidelity active funds continue to be the most popular way to invest within the age-based portfolios, which represents about 36% of overall assets. The static portfolios, which are risk-based funds are already diversified for account owners, represent about 12% of assets, and individual portfolios allowing account owners to build their own diversified portfolios represent about 21% of assets. Capital Cities monitor each of those investment options from a qualitative and quantitative perspective.

C. Rules Package One-Year Review

AZ529 Administrator Jeffrey Ong, pursuant to A.R.S. 41-1095 which requires an agency that was granted a one-time rulemaking exemption to review the rule within one year of the rule being adopted to determine whether any rule should be amended or repealed, staff recommended there be no amendments at this time and request permission by the board to proceed with filing the report to the Governor's Regulatory Review Council by September 28, 2022 for their approval.

ACTION: Director Daniels moved to approve the filing of the report to the GRRC as presented by staff. Seconded by Mr. Papp. Motion approved unanimously.

D. Approval of FY23 Account Maximum Contribution Limit

AZ529 Administrator Jeffrey Ong, pursuant to Rule 1-13-204 of the Arizona Administrative Code, proposed the maximum contribution limit be changed to \$531,000 for the 2022-2023 academic year, which is rounded up to the nearest thousand. The proposal is based calculations according to a methodology outlined in Rule 2-33-204

and is subject to annual review by the BOI. The current maximum contribution limit is \$519,000, which has been in effect since October 1, 2021, through September 30, 2022. If approved the maximum contribution limit will be \$531,000, effective October 1, 2022, through September 30, 2023.

Action: Director Daniels moved to approve the FY23 Account Maximum Contribution Limit as proposed by staff. Seconded by Treasurer 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 July 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 July 2022. See memo.

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

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

5. Discussion and Action: Approval of July 2022 Report

Mr. Papp moved the approval of the July 2022 Monthly Report. Seconded by Director Daniels. The motion carried unanimously.

6. Annual External Manager Investment Report – U.S. Bankcorp Asset Management

Jim Palmer, CFA, Chief Investment Officer and Mike Welle, CFRA Portfolio Manager, U.S. Bankcorp Asset Management presented an overall report on the investment climate. They noted that some of the major themes this past year were the rising inflation and the Federal government's reaction by raising interest rates, which also created greater volatility to the market. Balance sheets are strong, but as output changes, they have a slower growth outlook which requires everyone to be a little more selective and underwrite accordingly. Unemployment numbers are low, corporate balance sheets are solid. Risks at this point are skewed towards rates moving higher. They suggest the risk of a 4% 2 year Treasurys.. With that they will keep their portfolio duration short to the benchmark they have for most of 2020.

7. Proposed Investment Policy Statement Changes

Deputy Treasurer, Mark Swenson, presented staff's proposed Investment Policy Statement Change noting that staff would like to take a proactive approach to codifying the policy statement currently practiced by the investment team which is not taking any sort of political

views like ESGs in making investment decisions. This makes it clear that none of the investment managers are to screen investments on a political basis, and also in proxy voting as well as in securities lending. Since there has been an interest in this topic, staff thought it would be best to be proactive and to make it clear that the Treasury is not engaged in these types of practices.

Action: Mr. Papp moved the approval of the Investment Policy Statement changes as proposed by staff. Treasurer Ford seconded the motion. Motion carried unanimously.

8. Treasurer's Report

Treasurer Yee thanked the Investment team for their strong report and reiterated that the policy statement change was important, so the public knows that our investment staff is not participating in making political investment decisions. She thanked the investment team for their success in responding to the volatility in the marketplace, noting the YOY increases in earnings on a percentage term shows how quickly rates have increased. The \$7.17 million in earnings for the LGIP in July is a 991% increase in one year. LGIP assets continue to grow and are up 15.97% YOY to \$5.49 billion, and since December 31, 2018, total LGIP assets have increased 63% or \$2.1 billion. In the last month we've visited LGIP clients in Goodyear, Yuma, and Arizona Western College.

Tim's strategy of being short duration continues to pay dividends, with the fund outperforming its benchmark by 172 basis points for the calendar year and 10-year returns at 8.79% and the balance at \$7.5 billion. Since December 31, 2018, PLETF has received \$1.05 billion land sales, paid out more than \$1.36 billion, and increased in value by \$1.98 billion. That increase is the direct result of our investment returns.

Turning to the AZ529 program, since October 2020 when the program came to the Treasury, our 529 accounts have increased by 20,950 accounts and assets are up 14.6% in that same timeframe to \$1.86 billion. The Treasury participated in the back-to-school backpack donations which contained financial literacy information together with our AZ529 brochures to a Boys and Girls club in Avondale. The Fall essay contest was launched at the Treasurer's home elementary school with Channel 3 doing a live shot and Channel 15 airing the segment on the day of the launch. The contest is open to all 5th graders throughout the state. While in Yuma the Treasurer also had an opportunity to discuss the contest with YUMA television.

The Treasurer wrote to Morningstar, regarding Arizona's anti-BDS law and a subsidiary of Morningstar that downgrades firms that do business in Israel, which is in a violation of Arizona law. They have 30 days to respond to the letter. The Board will be updated at the next meeting.

9. Market Outlook

Mr. Papp provided the Board with a brief market outlook noting that there has been a great deal of volatility, as he previously had predicted. He also offered high odds that there will be no cut in Federal funds rate in 2023. What's important is inflation, how that moves

forward, and what the Federal Reserve does about that, and if they'll raise interest rates. While the market is concerned about a recession, at his office, they are not, and they don't think it is likely that there will be a recession this year or next. They expect a strong jobs report again. Corporate earnings are doing quite well, even with the higher interest rates. Even with some weakness and some caution among corporations with 2nd quarter earnings and forward guidance the marketplace is still anticipating 7% or 8% corporate earnings growth. We have 11.2 million jobs open with no one to fill them and corporate earnings growing 7% or 8%, that doesn't sound like a recession. So, they're optimistic though there will still be lots of volatility. Need to get through the Federal Reserve meeting on September 21 and the elections in November. Though it may be very unlikely that the stock market would go down more than 5% or 10% from here, they don't see a big risk of a 15% or 20% decline or a long-lasting decline. But because of the volatility, may need to be careful and still stay short in duration.

10. Call to the Public

There was no public comment.

11. Notice of Next Meeting

Treasurer Yee announced that the next board meeting will be held on Tuesday, September 27, 2022, at 1:00 p.m.

12. Adjournment

With no further business to discuss, Mr. Papp moved that the meeting be adjourned. Seconded by Treasurer Ford. The motion carried unanimously. Meeting adjourned at 1:54 p.m.

Respectfully Submitted by:

Deborah Gomez
Executive Assistant

Approved by:

Kimberly Yee
Chair

Date

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OFFICE OF THE ARIZONA STATE TREASURER

KIMBERLY YEE
TREASURER



Investment Summary | August 2022

Overall Performance – Where We Are Now |

➤ State Agency Pools:

- Total assets: \$16,321,876,798
- August earnings distributed: \$27,463,385 (+668.61% YoY)
- General Fund earnings distributed: \$18,067,282 (+1170.88% YoY)

Outlook |

The Federal Reserve raised the discount rate 75bps on September 21 and said they plan on more hikes in the near future. It's highly probable that they will raise at least another 100bps or more before the year is finished. One-year treasuries are over 4% right now and 30-year mortgages have hit 6.3%, the highest level since 2008. The fear of inflation is greater than the fear of a severe recession caused by higher interest rates. We have begun adding duration selectively at nicely higher rates. The yield cost of holding our assets in short duration assets will continue to be insignificant compared to the returns we will give the taxpayers in the long run as we add duration at higher rates. 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. 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 for the fiscal year-to-date was up 9.4% vs last year. Retail sales tax revenue was up 7% vs last year and contracting tax revenue was up 26% vs last year. After 14 months of significant growth the amusement and lodging tax revenues has leveled off and begun to decline slightly. The U.S. real GDP declined -0.6% in the second quarter and further contractions are probable in the next several quarters. Federal unemployment is 3.7% and Arizona's unemployment rate stands at 3.5% there are approximately twice as many job openings as unemployed people.

The war in Ukraine continues with no serious peace talks taking place. The Baltic nations have closed their borders with Russia.

Strategy: Monthly Commentary |

Our strategy is evolving with the slow addition to duration. 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.

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
- Europe is not able to acquire enough fuels for the coming winter
- Consumer demand evaporates due to exhaustion of federal pandemic subsidies and significant drops in home, equity, and bond portfolio values
- Poor crop results in the U.S, and Ukraine is not allowed to export its crops in sufficient quantities
- Rolling electricity blackouts across the U.S. causes economic and social upheaval

State Agency Investment Pool Balances |

	August 31, 2022	August 31, 2021	YoY Change
Pool 2 FF&C	\$1,541,466,022	\$1,337,805,332	+\$203,660,690
Pool 3 Internal	\$7,151,387,443	\$5,581,607,072	+\$1,569,780,371
Pool 3 External	\$111,194,761	\$113,127,315	-\$1,932,554
Pool 4 Gov.	\$1,177,343,058	\$1,074,810,284	+\$102,532,774
Pool 10 Internal	\$502,280,596	\$451,871,082	+\$50,409,514
Pool 10 External	\$558,274,923	\$614,989,540	-\$56,714,617
Pool 12 CAWCD	\$554,121,177	\$506,617,083	+\$47,504,094
Pool 15 Operating	\$4,508,704,029	\$1,433,131,665	+\$3,075,572,364
Pool 16 ECDHB	\$217,104,790	\$276,737,291	-\$59,632,501
TOTAL STATE AGENCY	\$16,321,876,798	\$11,390,696,664	+\$4,931,180,134

Local Government Investment Pools (LGIP) Summary

Overall Performance – Where We Are Now |

➤ Local Government Investment Pools:

- Total assets: \$5,382,240,876
- Total August earnings: \$9,302,155; +1343.05% vs. Aug 2021
- Total fiscal year-to-date yields:
 - Pool 5: 1.94%; +188bps vs. August 2021
 - Pool 7: 1.66%; +165bps vs. August 2021
 - Pool 500: 1.73%; +86bps vs. August 2021
 - Pool 700: 0.99%; +71bps vs. August 2021

Strategy: Short-term Pools 5 & 7 |

The Federal Reserve raised rates by another 75 basis points(bps) at the September FOMC meeting. While the market was anticipating this move, they did not expect them to be as hawkish as they were. The FOMC dot plot now shows Fed officials want to see the median Fed Funds rate at 4.4% by the end of 2022 and 4.6% by the end of 2023. Which is approximately one percentage point higher than when they gave their guidance in June. Pool 5 and 7 are positioned well for these rate hikes with our WAM less than 50 days. We can invest cash and maturing securities at better yields with how short duration our strategy has been. We will maintain current cash for liquidity and look to increase the WAM in the coming months while investing in securities maturing around the next few rate hikes.

Strategy: Intermediate Pools 500 & 700 |

After the September FOMC meeting 2yr treasury notes popped above 4%, higher than it has been since 2006. The Federal Reserve is still looking to combat high inflation for the foreseeable future. We will see how high they will have to push short-term rates to meet this target and if it pushes the U.S. into a recession. The economic data and future FOMC meetings will give us a better indication heading into 2023. Pool 500 and 700 will continue the short duration strategy headed into the next few FOMC meetings but will start taking more opportunities to extend past 2 years with treasury yields above 4% in the belly of the curve. Both pools have a strong maturity schedule leading into the end of the year which we will be able to reinvest that cash at higher yields.

LGIP Investment Pool Balances |

	August 31, 2022	August 31, 2021	YoY Change
Pool 5 LGIP	\$2,421,227,678	\$2,038,797,435	+\$382,430,243
Pool 7 LGIP FF&C	\$2,064,040,647	\$1,821,331,922	+\$242,708,725
Pool 500 LGIP Med.	\$643,421,667	\$615,855,830	+\$27,565,837
Pool 700 LGIP Med FF&C	\$253,550,884	\$337,840,430	-\$84,289,546
TOTAL LGIP	\$5,382,240,876	\$4,813,825,616	+\$568,415,260

Endowment Summary

Overall Performance – Where Are We Now | Long-Term Performance Remains Stellar

➤ Highlights:

- PLETF August total return: -2.71%
- **PLETF lead aggregate benchmark by +55bps in August; 1-Year outperforming benchmark +218bps**
- PLETF 10-year annualized total return: +8.31%
- Prop 123 record high monthly distributions at \$36.1MM FYTD; Projected \$432.8MM in FY23
- AETF August total return: -3.52%
- AETF inception-to-date total return: +6.54%
- **AETF trailed aggregate benchmark -10bps in August; outperforming +44bps 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 90th Percentile vs All Public Colleges/Universities in NTSE study on 10-year annualized return

Big Picture:

- PLETF fair market value: \$7,273,841,138
- Fair Market Value down -\$238.58MM MoM; down -\$549.59MM YoY net of distributions
- FYTD2023 distributions \$72.1MM; up +\$5.5MM vs FY2022
- PLETF 12-Month return -8.60%
- **Annualized 10-Year total return through August is 8.31% versus July at 8.79%; -48bps MoM**
- PLETF Unrealized Gains: \$4.29BN
- August Realized Gains: \$3.09MM
- August TRR PLETF -2.71% vs benchmark -3.26%
- **Pool 205 Fixed Income outperforming FTSE Broad Investment Grade Index by +601bps YTD**
- 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/31 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

Tim White, Director of Endowments

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 6.54%

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 rebalancing 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 continuing on a tightening regime. Hence, **Pool 205 has outperformed the FTSE BIG Index benchmark YTD by a massive +601 basis points through August.** 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, heavily discounted callable US Agencies with bullet characteristics (2.5%-4.25% yields) and fixed income ETF's, opportunistically adding incremental duration as the market selloff has made rates more attractive. Existing floating rate securities in the portfolio continue to reset higher as the Fed increases rates and our short cash equivalents offer dry powder to re-deploy at these much higher rates as the Fed has indicated a continued hawkish stance. 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 may become more aggressive with duration as market conditions change. 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 3.21 years (-0.07 MoM), outperforming substantially (+617 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
United States											
US 30-Year	3.62	3.36	3.36	3.35	3.32	3.29	3.25	3.28	3.24	3.27	3.29
US 10-Year	3.69	3.22	3.17	3.19	3.18	3.09	3.02	3.06	3.02	3.03	3.03
US 5-Year	3.91	3.35	3.36	3.31	3.24	3.10	2.99	3.04	2.99	2.98	2.98
US 2-Year	4.12	3.47	3.51	3.52	3.42	3.20	3.07	2.98	2.91	2.83	2.80
US 3-Month Term SOFR	3.54	3.04	3.55	3.67	3.62	3.33	3.18	3.02	2.88	2.76	2.63
Fed Funds Rate - Upper Bound	3.25	3.25	4.05	4.15	4.10	3.95	3.85	3.65	3.50	3.45	3.20
Fed Funds Rate - Lower Bound	3.00	3.00	3.75	3.85	3.81	3.66	3.57	3.39	3.25	3.21	2.96
2 Year - 10 Year Spread	-0.43	-0.25	-0.33	-0.33	-0.24	-0.10	-0.05	0.08	0.11	0.19	0.23

*Table presented as-of 9/23/2022.

Endowment Monthly Land Sale Proceeds |

- +\$708k in August
- -\$13.32MM vs July
- -\$11.31MM YoY

Endowment Prop 123 Distributions |

- \$36.1MM total/\$33.5MM for K-12 successfully distributed on time from Pool 123 in August
- FYTD K-12 distribution \$67.07MM; up +\$5.1MM YoY
- Pool 123 has laddered liquidity of 11 months taking advantage of rising reinvestment rates

Pool Performance |

Equity/Fixed Income Pools:

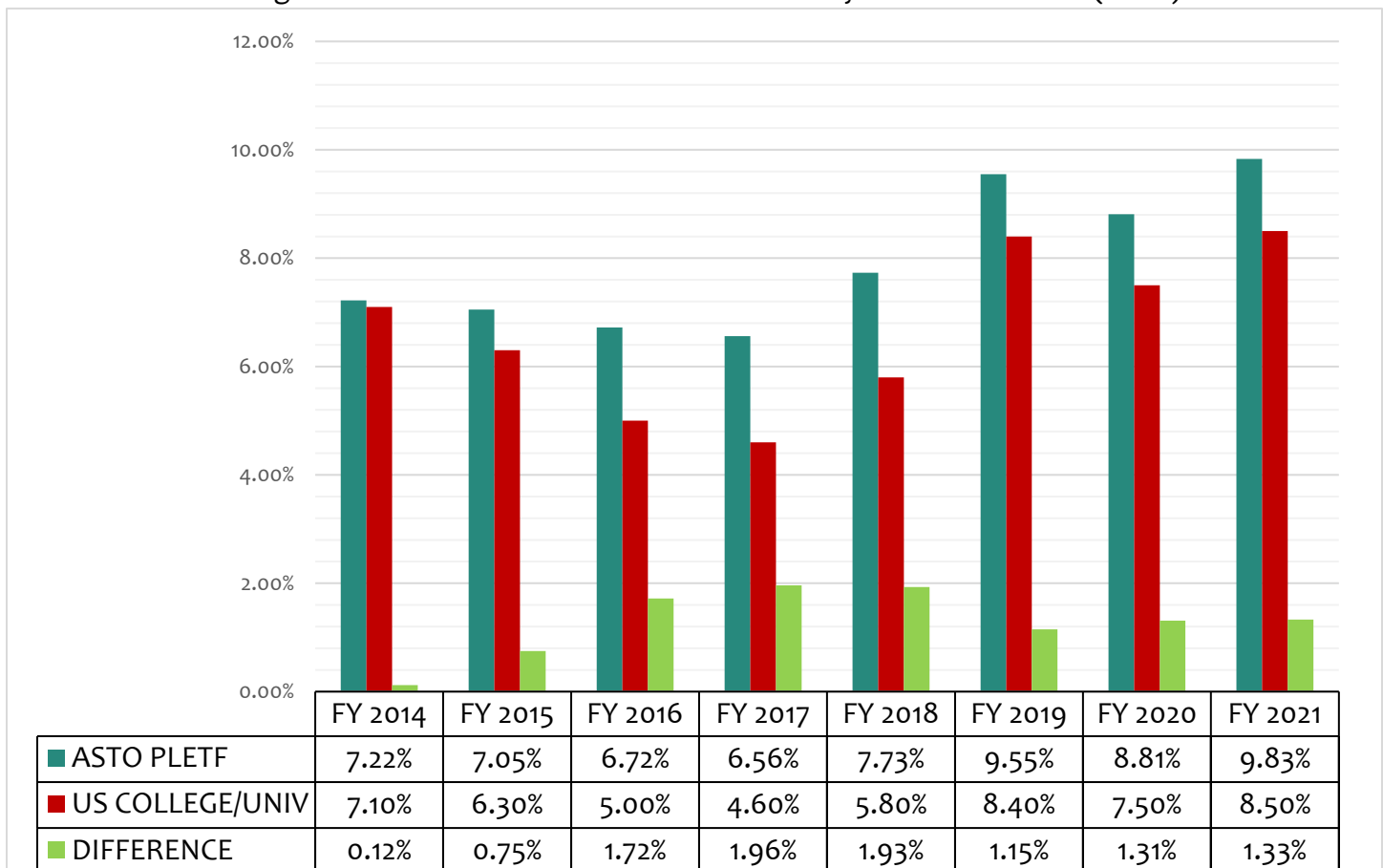
- Pool 201 Large Cap Equity lead the S&P 500 by +5bps MoM at -4.03%
- Pool 203 Mid Cap Equity lead the S&P 400 by +2bps MoM at -3.08%
- Pool 204 Small Cap Equity lead the S&P 600 by +17bps MoM at -4.22%
- Pool 205 lead the FTSE BIG Index by +150bps MoM at -1.21%
- Pool 123 returned +0.17% for August, 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
AUGUST 2022**

<u>Recipient</u>	<u>AUGUST 2022</u>	Earnings Distributed		<u>Change from Previous Year</u>	<u>Fiscal YTD Investment Management Fees Received</u>
		<u>Fiscal YTD 22/23</u>	<u>Fiscal YTD 21/22</u>		
General Fund (1)	\$18,067,272	\$31,994,980	\$3,081,578	938.3%	
2 State Agencies - Full Faith & Credit (2)	2,059,592	3,562,342	434,367	720.1%	\$131,246
3 State Agencies - Diversified (2) (3)	2,886,873	4,935,423	866,290	469.7%	1,122,647
4 State Agencies - Gov (2)	1,551,834	2,551,642	550,876	363.2%	109,493
5 LGIP (2)	4,295,802	7,627,839	195,776	3796.2%	225,127
7 LGIP Gov (2)	3,584,272	6,242,066	33,091	18763.5%	207,587
9A Public School Credit Enhancement (4)	0	0	0	0.0%	9,731
10 State Agencies Med/Tax-exempt non-AMT	1,437,512	2,510,647	527,894	375.6%	99,727
12 CAWCD Medium-Term	1,049,011	2,022,015	1,034,183	95.5%	54,938
16 ECDH Medium-Term	411,280	789,796	799,961	-1.3%	24,949
Subtotal	35,343,450	62,236,748	7,524,017	727.2%	1,985,445
NAV POOL					
500 LGIP - Med Term	1,024,920	1,896,736	904,051	109.8%	59,783
700 LGIP - FF&C Med Term (2)	194,881	351,810	159,932	120.0%	23,982
Total	\$36,563,250	\$64,485,295	\$8,587,999	650.9%	\$2,069,210

AUGUST 2021 TOTALS

\$4,213,350

\$1,489,328

- (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 August 31, 2022
(in millions)

<u>Month</u>	<u>Fiscal Year</u> <u>2021/2022</u>	<u>Fiscal Year</u> <u>2021/2022</u>	<u>Fiscal Year</u> <u>2022/2023</u>
JULY	\$3,805	\$7,377	\$11,347
AUGUST	3,661	5,881	10,674
SEPTEMBER	3,834	6,017	
OCTOBER	4,303	6,300	
NOVEMBER	4,382	6,537	
DECEMBER	4,642	7,054	
JANUARY	4,903	7,523	
FEBRUARY	5,135	7,790	
MARCH	5,003	8,155	
APRIL	5,299	8,904	
MAY	6,161	10,027	
JUNE	9,167	11,660	
Y-T-D Average	\$3,733	\$6,629	\$11,011
Full Year Average	\$5,025	\$7,769	\$11,011

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

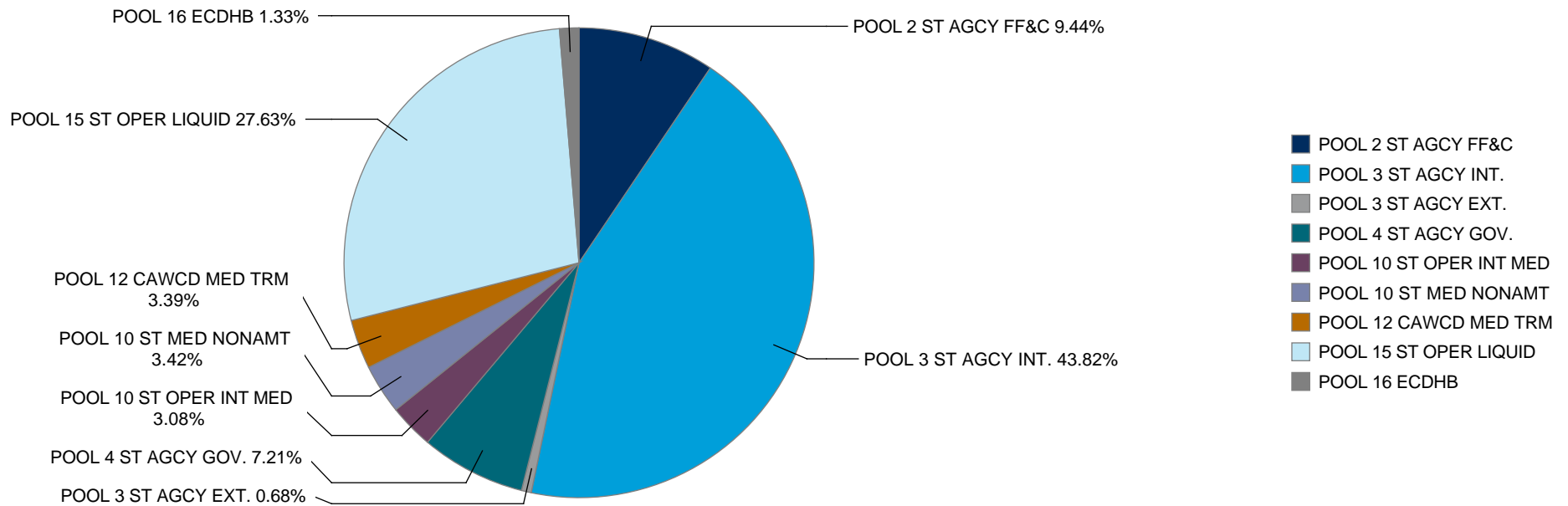
FUND	DESCRIPTION	Current Month 08/31/22	Prior Month 07/31/22	Prior Year 08/31/21	Net Asset Value Per Share
2	STATE AGENCIES - FULL FAITH & CREDIT	\$2,212,537	\$1,617,786	\$233,633	0.988743
3	STATE AGENCIES - DIVERSIFIED				
	INTERNAL MANAGERS	11,988,722	9,893,761	1,694,915	0.986521
	EXTERNAL MANAGERS	137,057	120,546	81,023	0.978892
	FUND 3 TOTAL	12,125,779	10,014,306	1,775,938	0.986515
4	STATE AGENCIES - GOV	1,868,644	1,213,634	361,216	0.981296
9A	PUBLIC SCHOOL CREDIT ENHANCEMENT	164,245	119,794	20,114	0.988743
10	STATE AGENCIES MED-TERM/TAX-EX NON-AMT				
	INTERNAL MANAGERS	890,595	699,196	246,025	0.989831
	EXTERNAL MANAGERS	719,482	503,350	28,727	0.996227
	FUND 10 TOTAL	1,610,077	1,202,546	274,751	0.993188
12	CAWCD MEDIUM-TERM	1,049,011	973,004	502,394	0.942267
15	STATE AGENCIES OPERATING LIQUIDITY	7,819,521	5,228,591	13,010	1.000000
16	ECDH MEDIUM-TERM	411,280	378,516	387,677	0.940354
	TOTAL STATE AGENCIES	\$27,261,095	\$20,748,176	\$3,568,732	

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

FUND	DESCRIPTION	Current Month 08/31/22	Prior Month 07/31/22	Prior Year 08/31/21
2	STATE AGENCIES - FULL FAITH & CREDIT	1.84%	1.36%	0.23%
	50% Trailing 3-mo T-bill /	2.67%	2.29%	0.14%
	50% Bloomberg Barclays 1-3 year UST			
3	STATE AGENCIES - DIVERSIFIED			
	INTERNAL MANAGERS	1.97%	1.52%	0.38%
	EXTERNAL MANAGERS	1.42%	1.25%	0.85%
	COMBINED	1.96%	1.52%	0.39%
	50% 1 month T-bill /	2.82%	2.50%	0.18%
	50% Bloomberg Barclays 1-3 year US Agg			
4	STATE AGENCIES - GOV	1.84%	1.24%	0.40%
	50% Trailing 3-mo T-bill /	2.68%	2.29%	0.14%
	50% Bloomberg Barclays 1-3 year US Gov			
9A	PUBLIC SCHOOL CREDIT ENHANCEMENT	1.84%	1.36%	0.23%
10	STATE AGENCIES MED-TERM/TAX-EXEMPT NON-AMT			
	INTERNAL MANAGERS	2.07%	1.63%	0.64%
	EXTERNAL MANAGERS	1.51%	1.05%	0.06%
	COMBINED	1.78%	1.33%	0.30%
	50% Trailing 3-mo T-bill /	2.79%	2.41%	0.19%
	50% Bloomberg Barclays 1-3 year US Agg			
12	CAWCD MEDIUM-TERM	2.10%	1.95%	1.17%
	25% S&P LGIP Index /	3.05%	2.80%	0.26%
	75% Bloomberg Barclays 1-3 year US Agg			
15	STATE AGENCIES OPERATING LIQUIDITY	2.06%	1.37%	0.01%
	Trailing 3-mo T-bill	2.08%	1.50%	0.04%
16	ECDH MEDIUM-TERM	2.10%	1.93%	1.68%
	25% S&P LGIP Index /	3.05%	2.80%	0.26%
	75% Bloomberg Barclays 1-3 year US Agg			



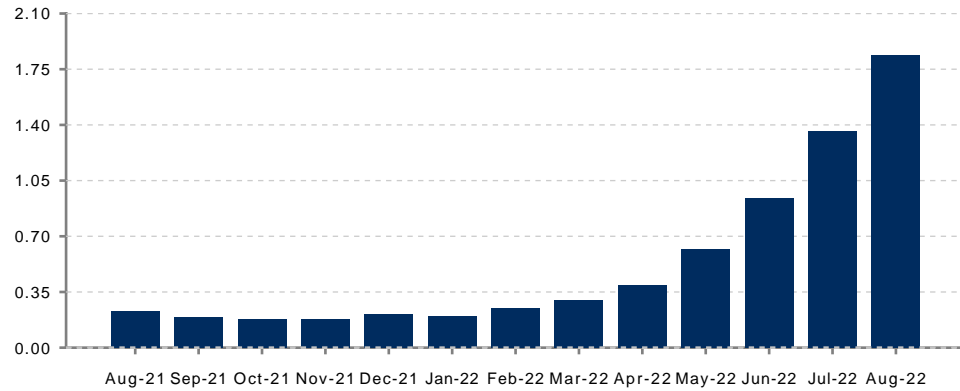
Manager Allocation



	Market Value	% of Portfolio
POOL 2 ST AGCY FF&C	1,541,466,022	9.44
POOL 3 ST AGCY INT.	7,151,387,443	43.81
POOL 3 ST AGCY EXT.	111,194,761	0.68
POOL 4 ST AGCY GOV.	1,177,343,058	7.21
POOL 10 ST OPER INT MED	502,280,596	3.08
POOL 10 ST MED NONAMT	558,274,923	3.42
POOL 12 CAWCD MED TRM	554,121,177	3.39
POOL 15 ST OPER LIQUID	4,508,704,029	27.62
POOL 16 ECDHB	217,104,790	1.33
TOTAL STATE AGENCY	16,321,876,798	100.00



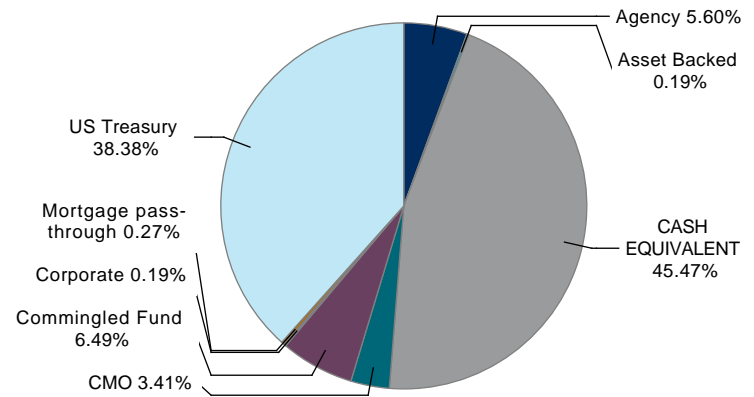
Net Yield



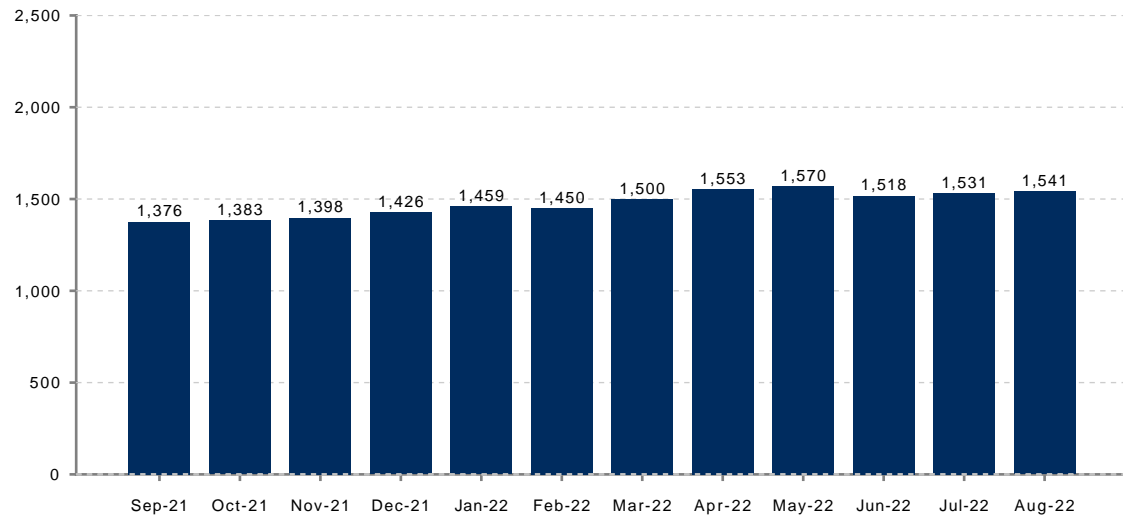
	Current Mth	Prior Mth	1 Year Ago
POOL 2 ST AGCY FF&C	1.84	1.36	0.23

Asset Allocation

	Ending Market Value
POOL 2 ST AGCY FF&C	1,541,466,022



Net Asset Values over Time (\$MM)

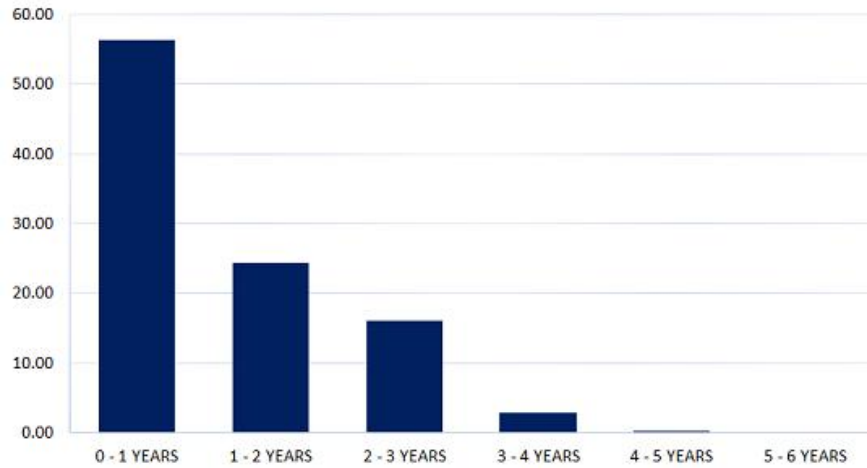


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 2 ST AGCY FF&C		
BMO TRIPARTY MTGE	150,282,500	9.75
TREASURY BILL	111,308,960	7.22
DAIWA CAPITAL MARKETS	111,207,942	7.21
TREASURY BILL	109,998,364	7.14
JPMORGAN US TREASURY	100,209,289	6.50
RBC CAPITAL MARKETS R	100,006,111	6.49
US TREASURY N/B	89,056,131	5.78
US TREASURY N/B	74,295,002	4.82
US TREASURY N/B	69,600,187	4.52
US TREASURY N/B	49,844,684	3.23



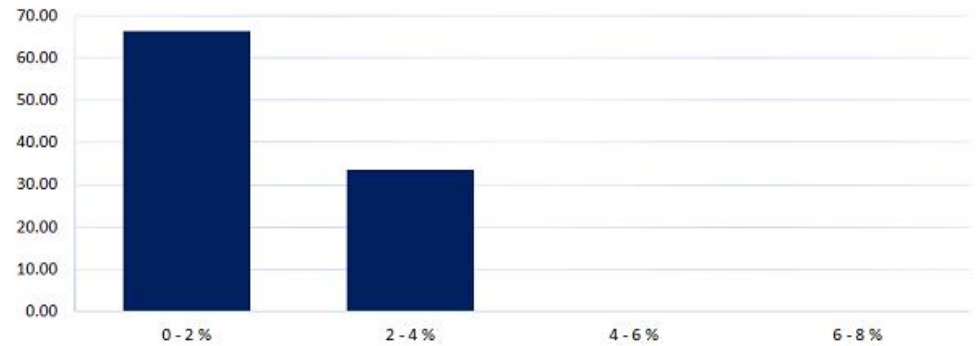
Duration Distribution



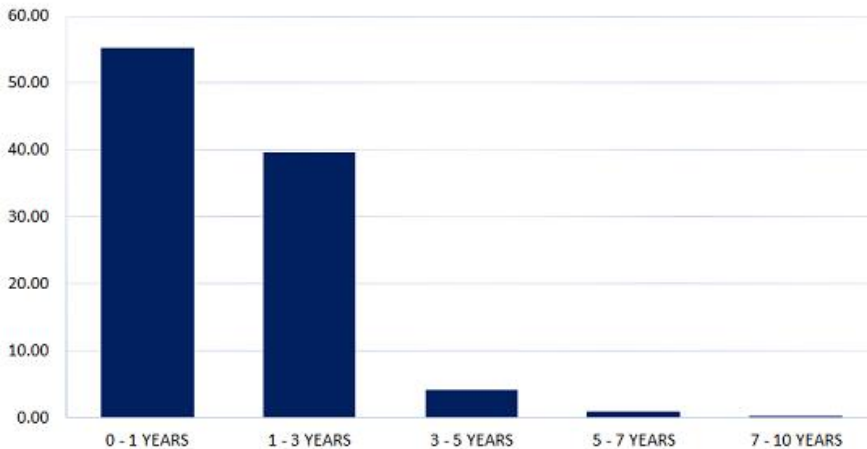
Portfolio Level Characteristics

	POOL 2 ST AGCY FF&C
Effective Maturity	1.13
Coupon	1.50
Effective Duration	1.18
Quality Rating (Moody's)	AAA

Coupon Distribution



Expected Maturity Distribution



Rating Distribution



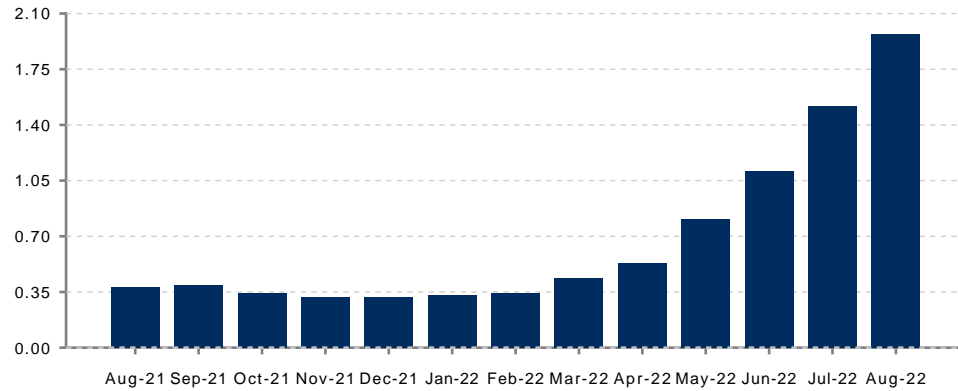
OFFICE OF THE ARIZONA STATE TREASURER

August 31, 2022

POOL 3 ST AGCY INT.



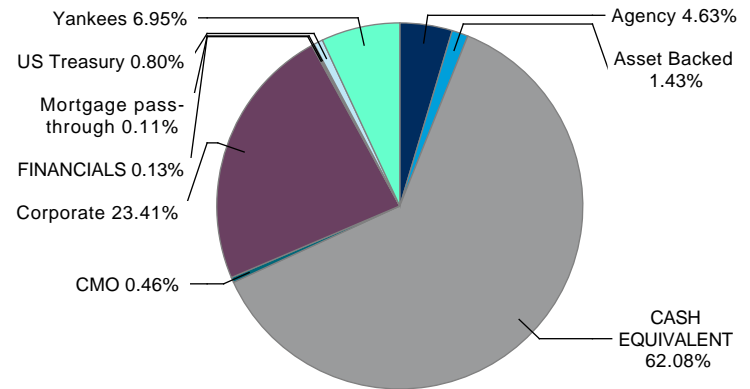
Net Yield



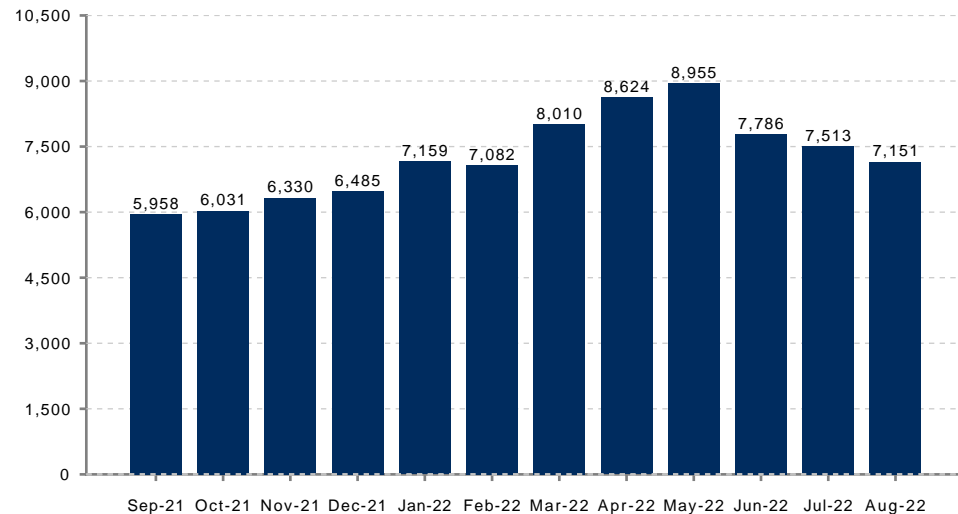
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY INT.	1.97	1.52	0.38

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY INT.	7,151,387,443



Net Asset Values over Time (\$MM)

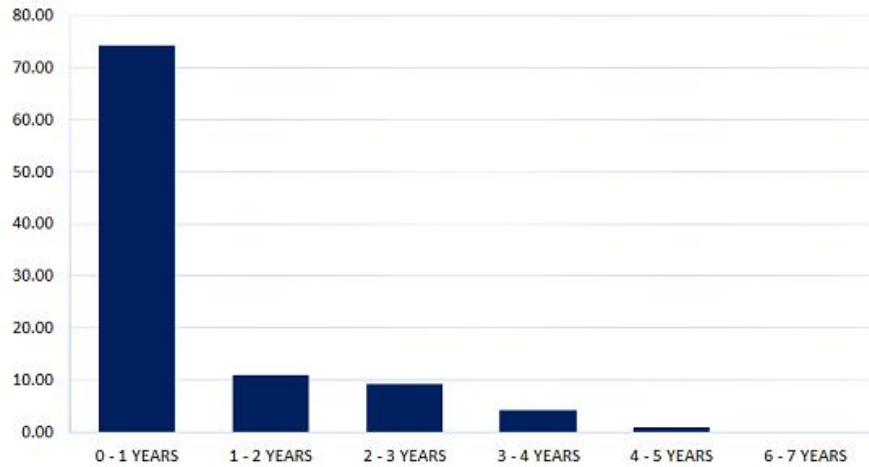


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY INT.		
SOUTH STREET REPO	466,614,413	6.52
BMO TRIPARTY MTGE	300,019,000	4.20
BMO TRIPARTY MTGE	281,594,220	3.94
DAIWA CAPITAL MARKETS REPO	267,538,833	3.74
MITSUBISHI UFJ REPO	250,015,417	3.50
JPMORGAN US GOVERNMENT MONEY M	215,591,034	3.01
SOUTH STREET REPO	210,012,542	2.94
GOLDMAN SACHS FINANCIAL SQUARE	165,651,308	2.32
FIDELITY INVESTMENTS MONEY MAR	90,414,261	1.26
MSILF GOVERNMENT PORTFOLIO	75,297,337	1.05



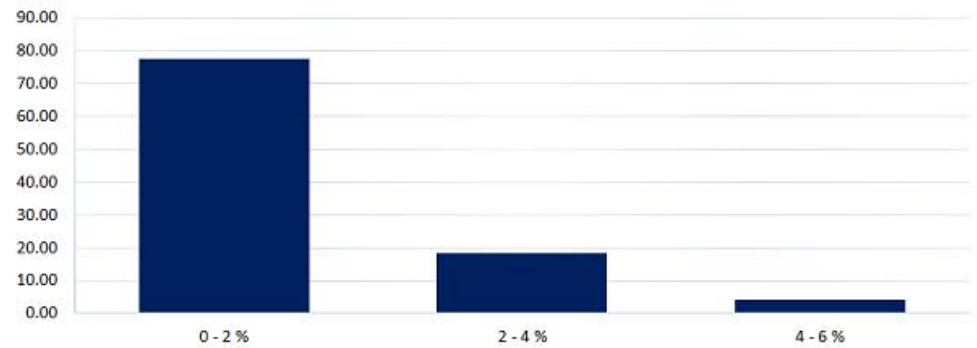
Duration Distribution



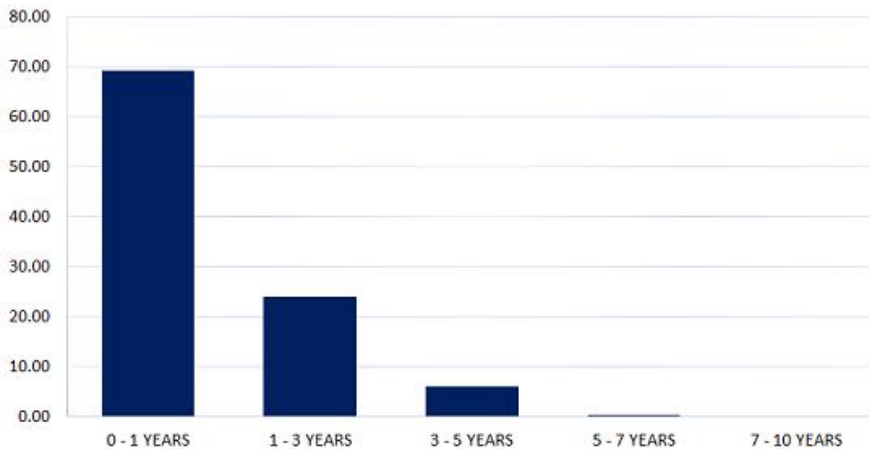
Portfolio Level Characteristics

	POOL 3 ST AGCY INT.
Effective Maturity	0.86
Coupon	2.17
Effective Duration	0.77
Quality Rating (Moody's)	AA-2

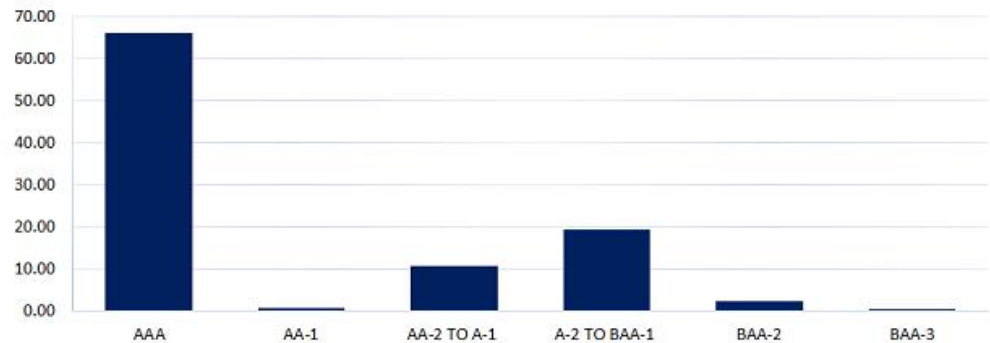
Coupon Distribution



Expected Maturity Distribution

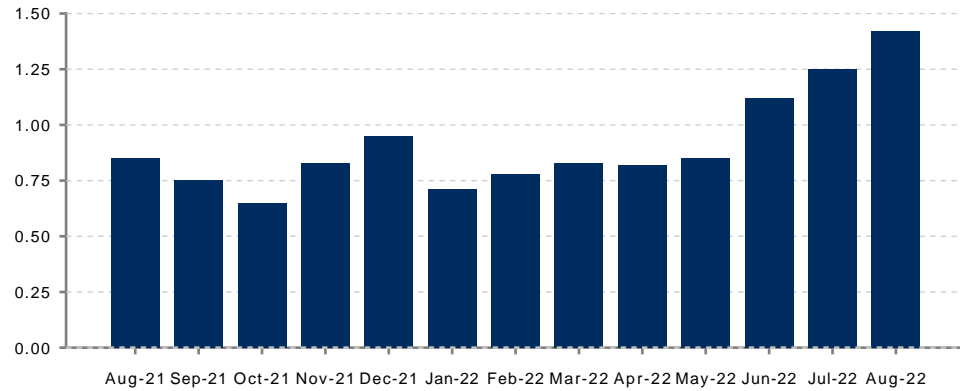


Rating Distribution





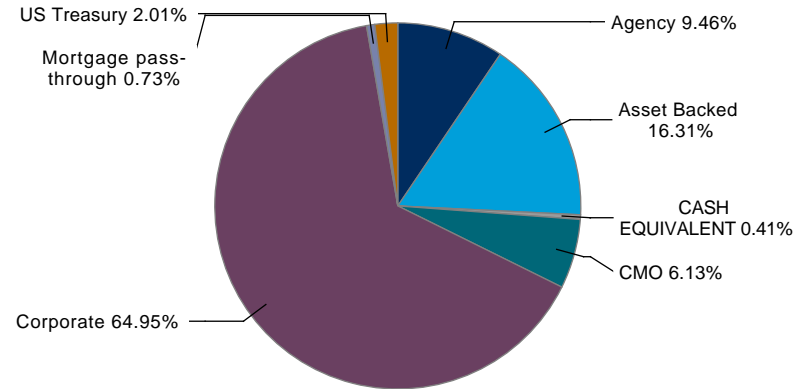
Net Yield



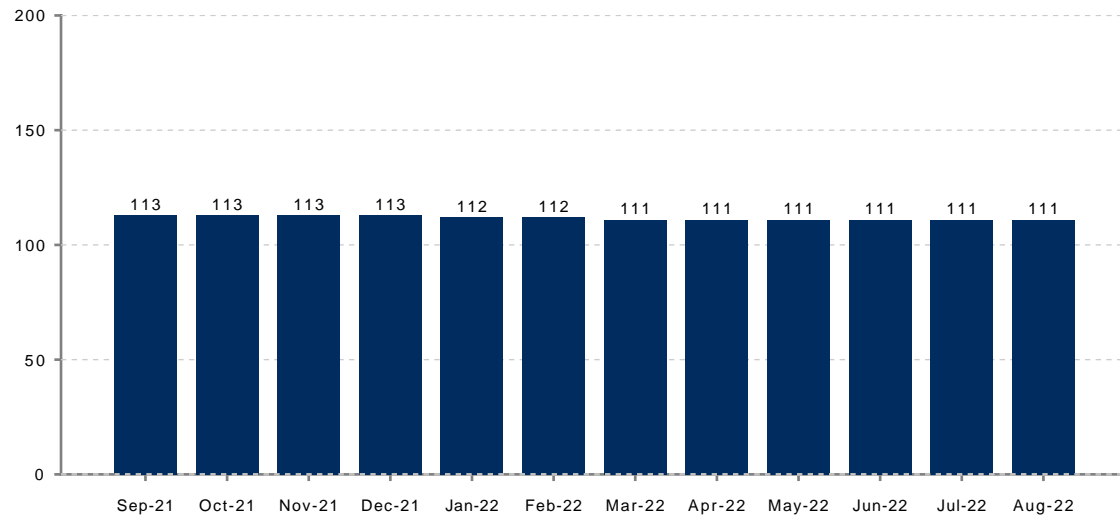
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY EXT.	1.42	1.25	0.85

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY EXT.	111,194,761



Net Asset Values over Time (\$MM)

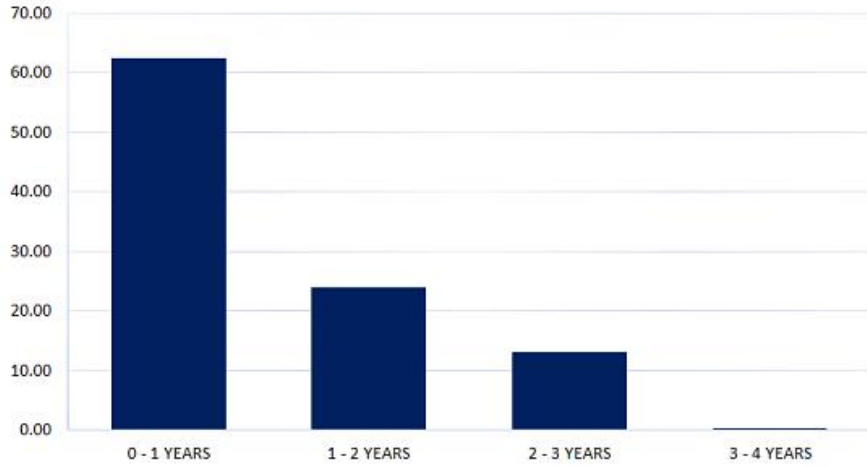


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY EXT.		
FHLMC MULTIFAMILY STRUCTURED P	1,870,840	1.68
FHLMC MULTIFAMILY STRUCTURED P	1,816,831	1.63
PUBLIC STORAGE	1,729,381	1.56
KIMBERLY CLARK CORP	1,571,723	1.41
COLGATE PALMOLIVE CO	1,354,781	1.22
FHLMC MULTIFAMILY STRUCTURED P	1,332,624	1.20
SALESFORCE INC	1,223,073	1.10
ADOBE INC	1,212,820	1.09
CITIZENS BANK NA/RI	1,203,534	1.08
JOHNSON + JOHNSON	1,104,468	0.99



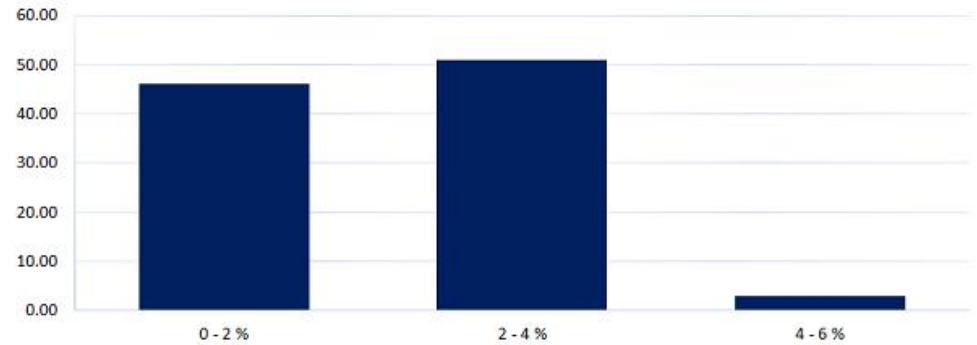
Duration Distribution



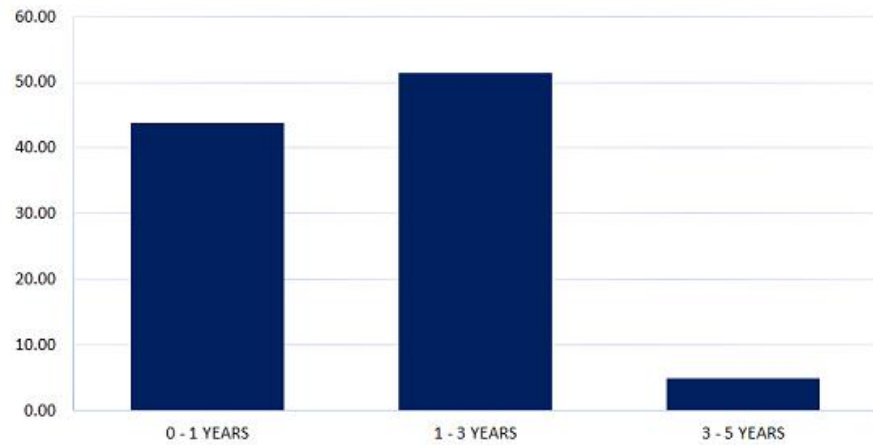
Portfolio Level Characteristics

	POOL 3 ST AGCY EXT.
Effective Maturity	1.33
Coupon	2.05
Effective Duration	0.93
Quality Rating (Moody's)	AA-3

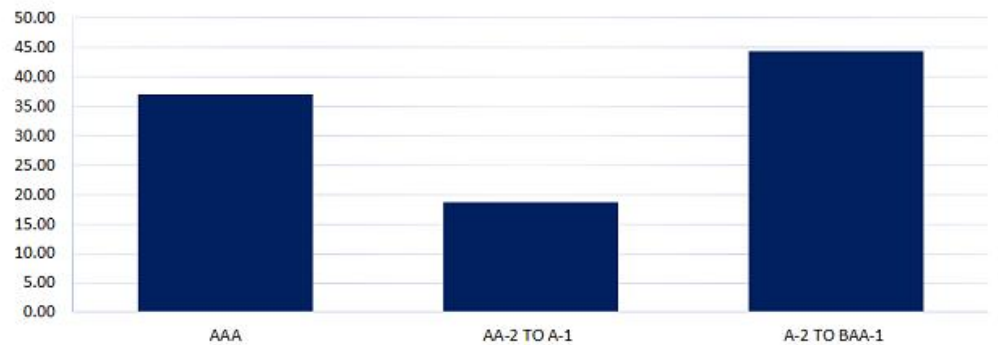
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



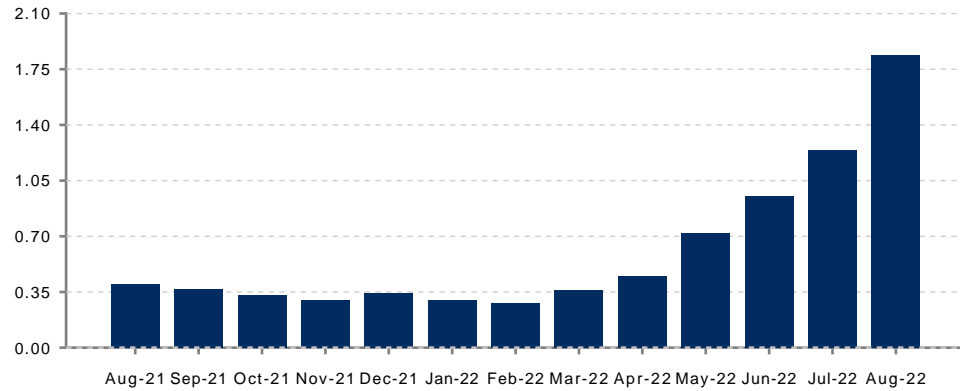
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POOL 4 ST AGCY GOV.



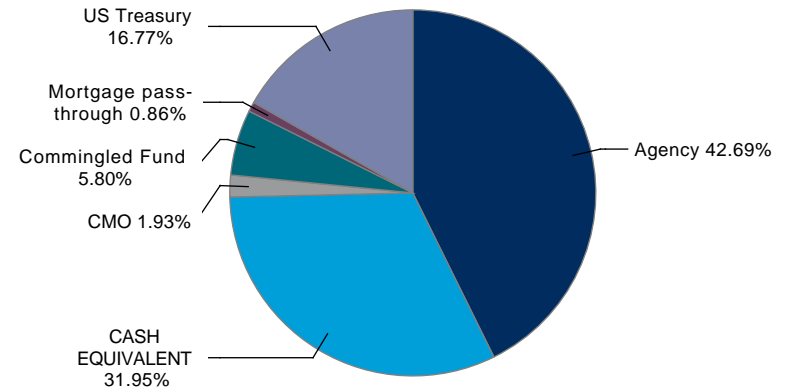
Net Yield



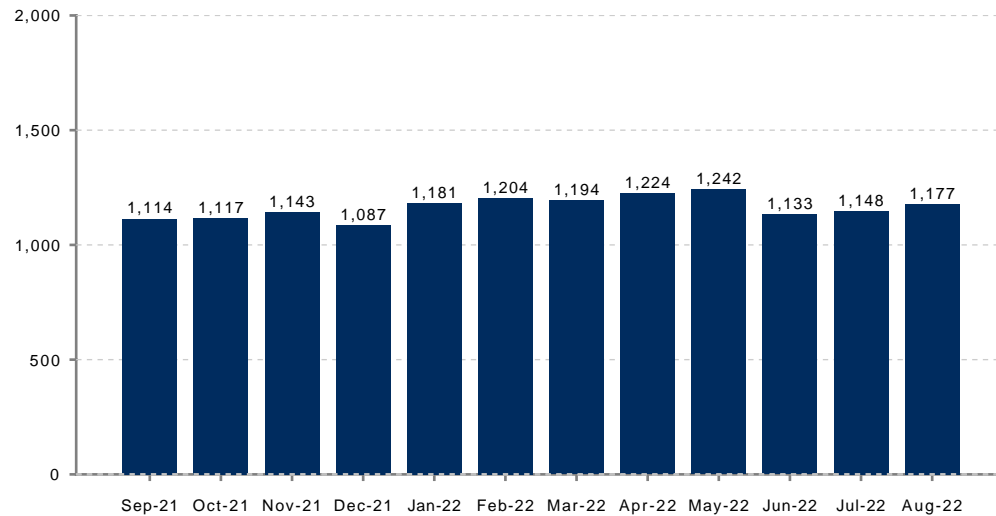
	Current Mth	Prior Mth	1 Year Ago
POOL 4 ST AGCY GOV.	1.84	1.24	0.40

Asset Allocation

	Ending Market Value
POOL 4 ST AGCY GOV.	1,177,343,058



Net Asset Values over Time (\$MM)

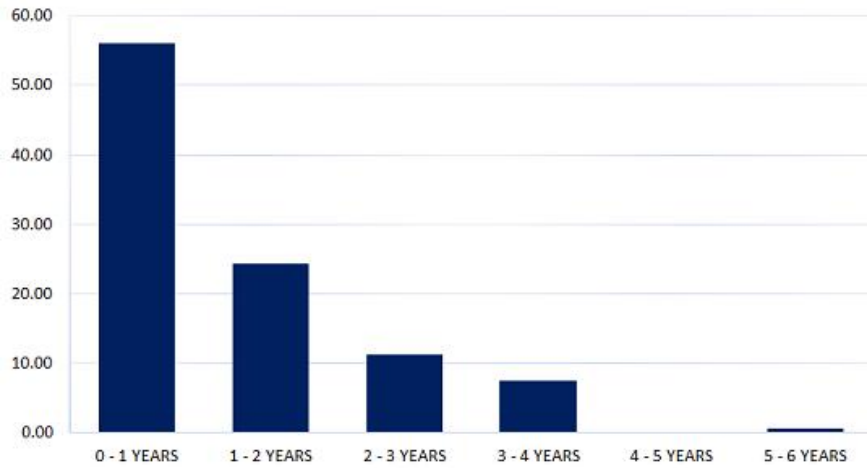


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 4 ST AGCY GOV.		
SOUTH STREET REPO	234,146,931	19.89
JPMORGAN US GOVERNMENT MONEY M	70,173,702	5.96
GOLDMAN SACHS FINANCIAL SQUARE	50,121,722	4.26
US TREASURY N/B	49,530,001	4.21
US TREASURY N/B	40,302,415	3.42
FEDERAL FARM CREDIT BANK	39,770,126	3.38
US TREASURY N/B	34,070,966	2.89
CANTOR FITZGERALD REPO	30,011,750	2.55
TREASURY BILL	24,999,670	2.12
FEDERAL HOME LOAN BANK	24,946,849	2.12



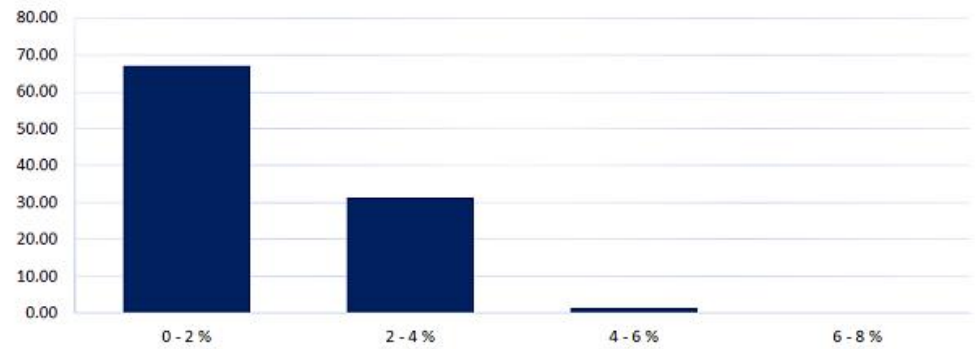
Duration Distribution



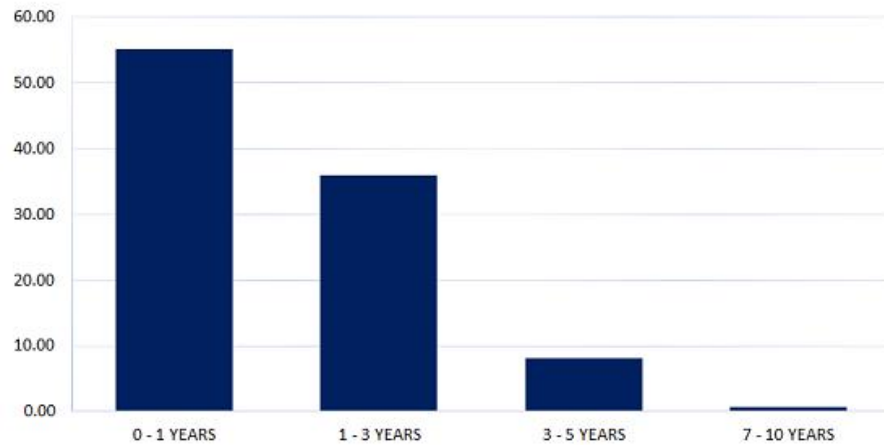
Portfolio Level Characteristics

	POOL 4 ST AGCY GOV.
Effective Maturity	1.15
Coupon	1.87
Effective Duration	1.09
Quality Rating (Moody's)	AAA

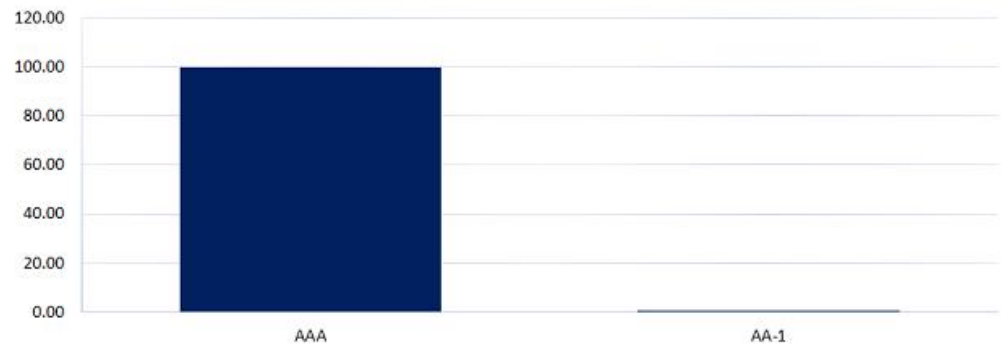
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



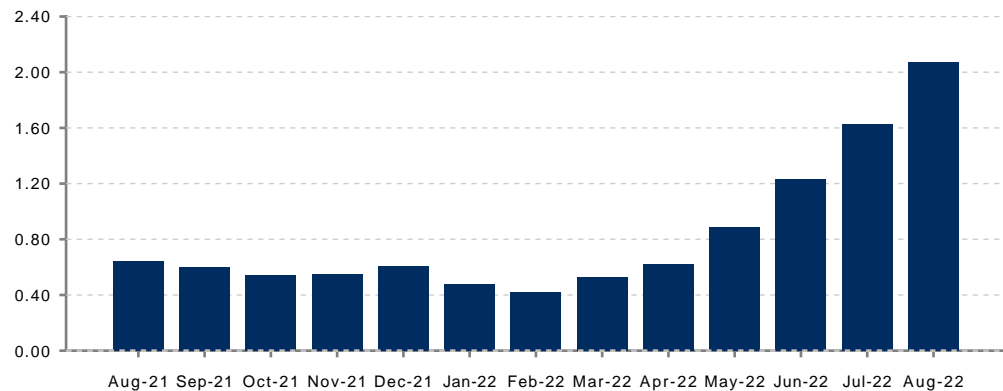
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August 31, 2022

POOL 10 ST OPER INT MED



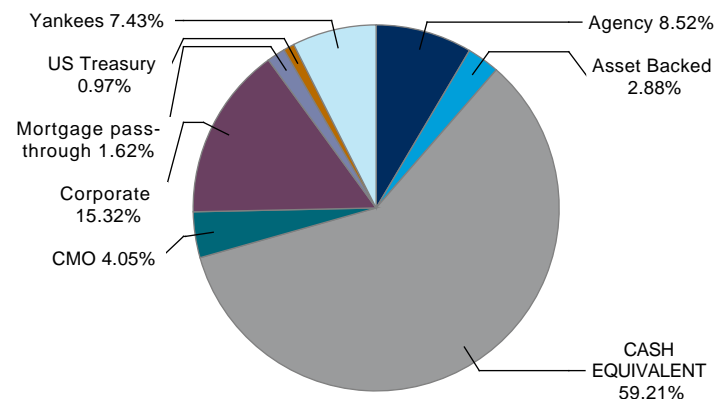
Net Yield



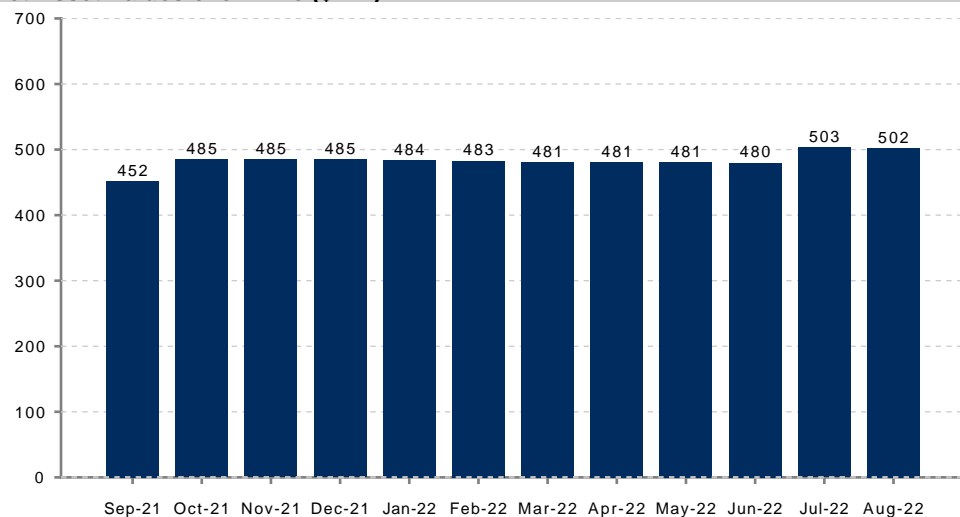
	Current Mth	Prior Mth	1 Year Ago
ST OF AZ POOL 10 ST OPER INT MED	2.07	1.63	0.64

Asset Allocation

	Ending Market Value
POOL 10 ST OPER INT MED	502,280,596



Net Asset Values over Time (\$MM)

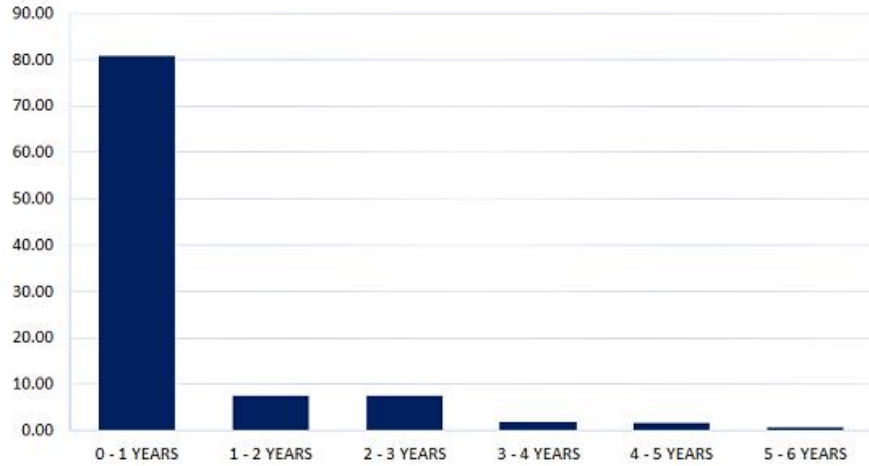


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPER INT MED		
SOUTH STREET REPO	37,843,265	7.53
BANK OF NOVA SCOTIA	10,032,973	2.00
COCA-COLA COMPANY	9,999,633	1.99
FREDDIE MAC	9,746,914	1.94
WALMART INC	8,071,460	1.61
TORONTO DOMINION BANK	5,970,602	1.19
CUMMINS INC	5,211,661	1.04
BANK OF AMERICA CORP	5,067,411	1.01
BANK OF MONTREAL-	5,023,040	1.00
CITIBANK CREDIT CARD ISSUANCE	5,020,151	1.00



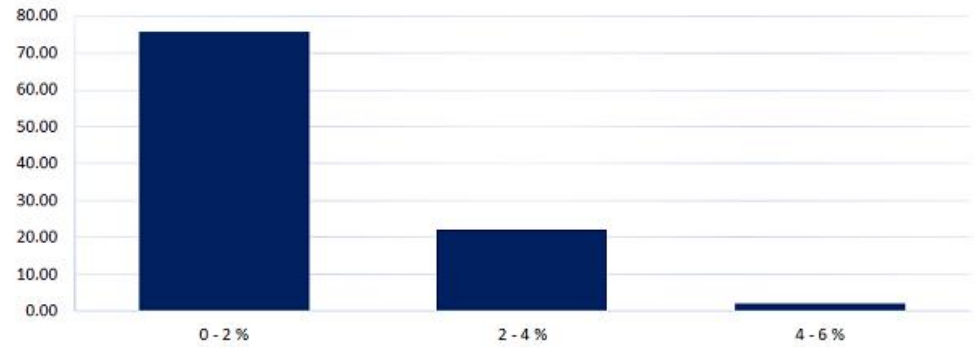
Duration Distribution



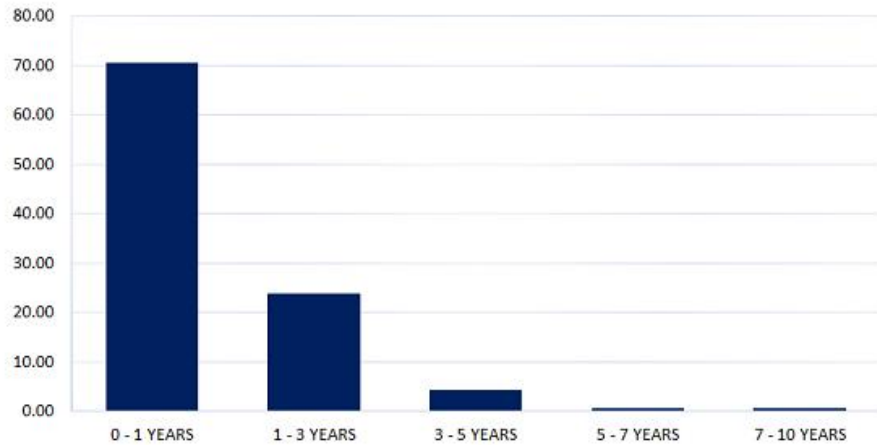
Portfolio Level Characteristics

	POOL 10 ST OPER INT MED
Effective Maturity	0.89
Coupon	2.29
Effective Duration	0.66
Quality Rating (Moody's)	AA-1

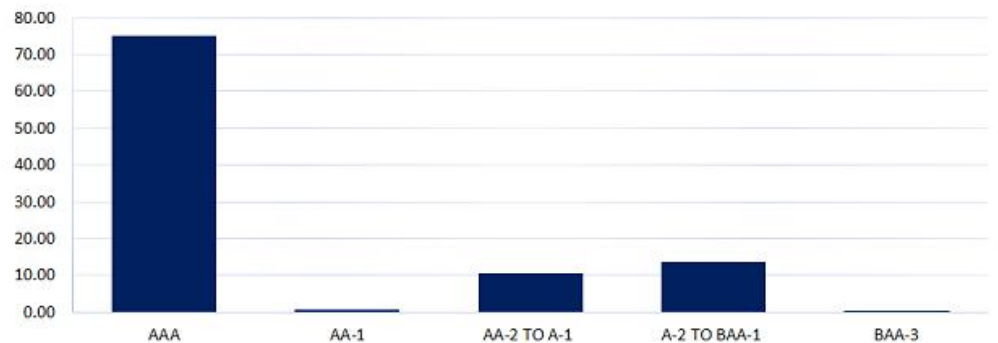
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



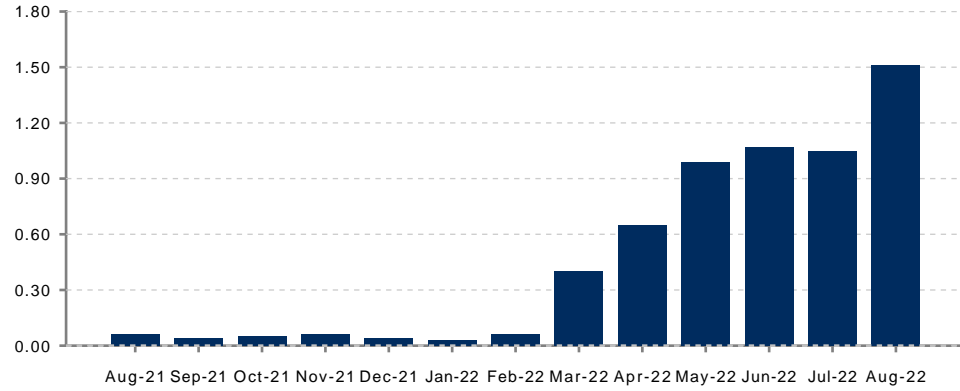
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August 31, 2022

POOL 10 ST MED NONAMT



Net Yield



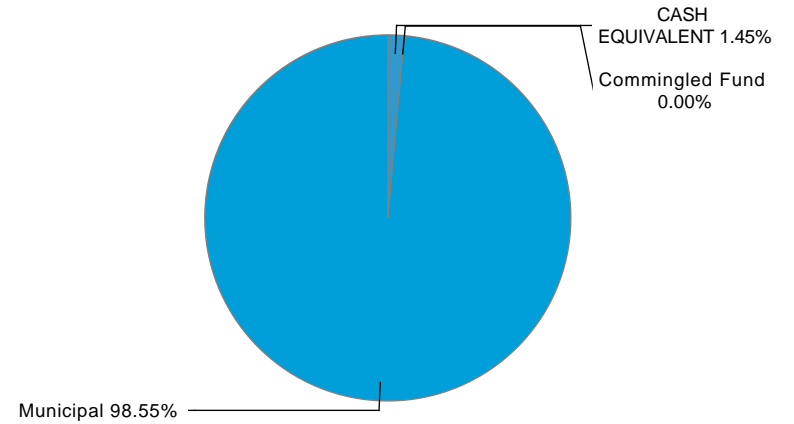
	Current Mth	Prior Mth	1 Year Ago
POOL 10 ST MED NONAMT	1.51	1.05	0.06

Asset Allocation

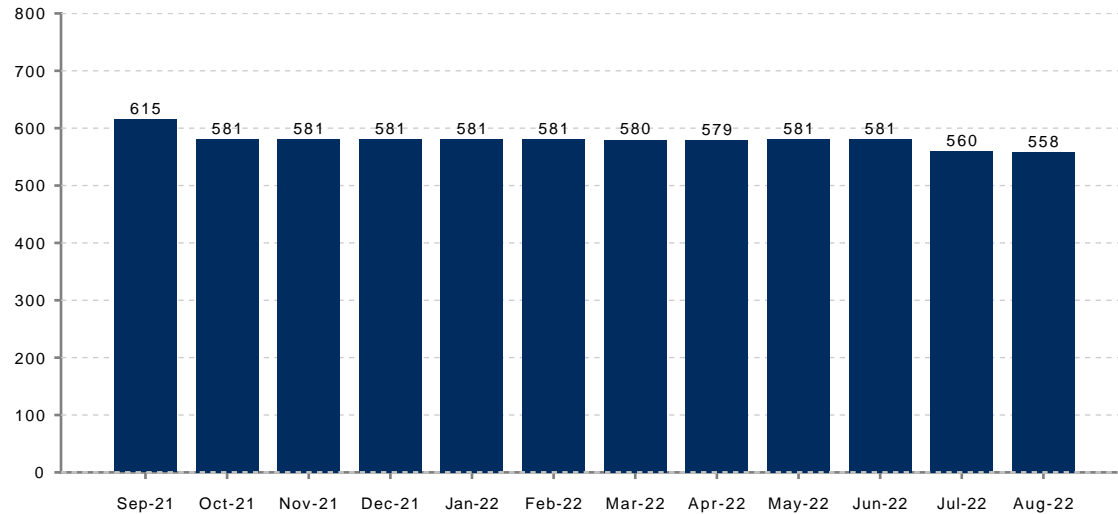
POOL 10 ST MED NONAMT

Ending Market Value

558,274,923



Net Asset Values over Time (\$MM)

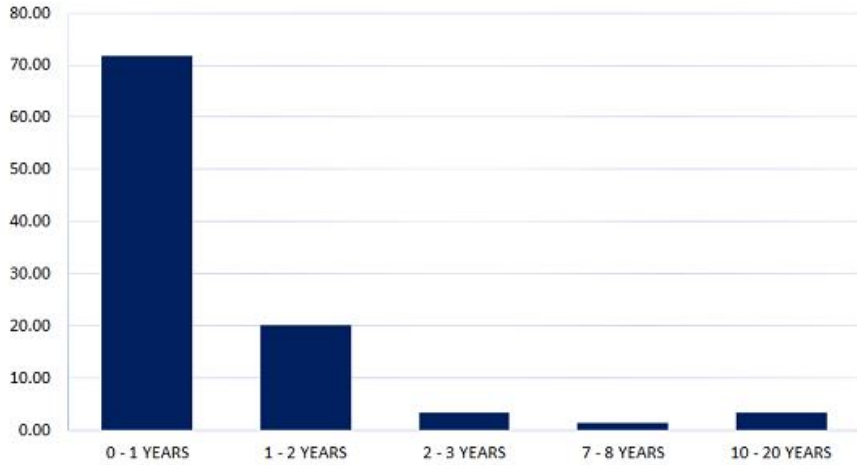


Top 10 Holdings

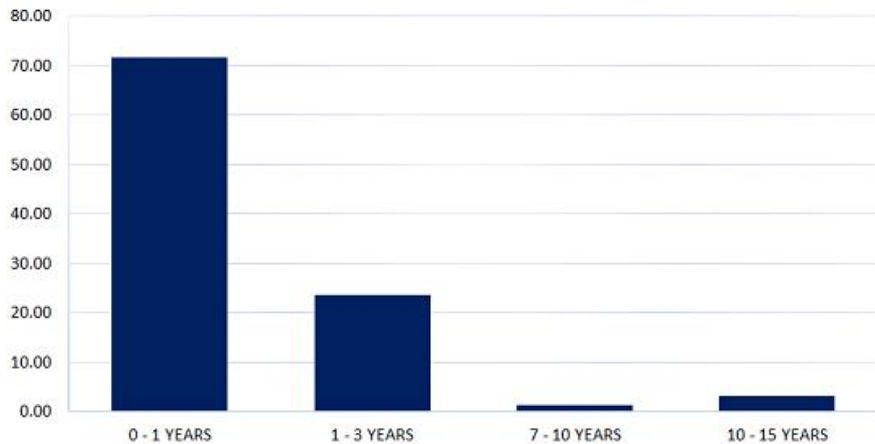
Security Name	Ending Market Value	% of Portfolio
POOL 10 ST MED NONAMT		
PORT TACOMA WA REVEN	25,282,798	4.53
LOUDOUN CNTY VA INDL	24,507,213	4.39
BALTIMORE CNTY MD	23,461,585	4.20
GEORGIA ST	20,922,391	3.75
ORANGE CNTY FL HLTH F	20,656,559	3.70
DENVER CITY CNTY CO	20,571,259	3.68
SAINT PAUL MN HSG RED	20,213,430	3.62
INDIANA ST FIN AUTH HOS	20,025,962	3.59
WISCONSIN ST HLTH ED	17,473,464	3.13
AUSTIN TX WTR WSTWT	17,318,928	3.10



Duration Distribution



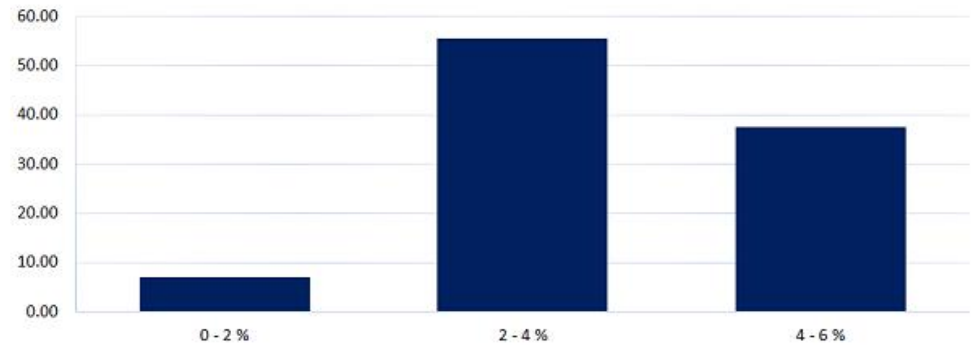
Expected Maturity Distribution



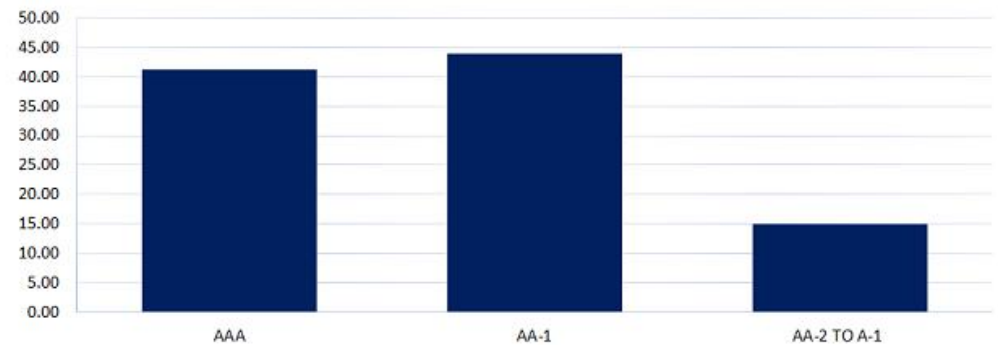
Portfolio Level Characteristics

	POOL 10 ST MED NONAMT
Effective Maturity	1.16
Coupon	3.74
Effective Duration	1.09
Quality Rating (Moody's)	AA-1

Coupon Distribution

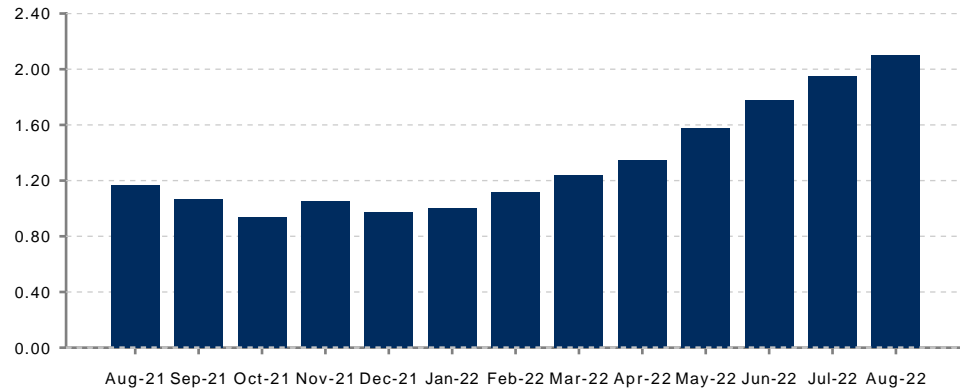


Rating Distribution





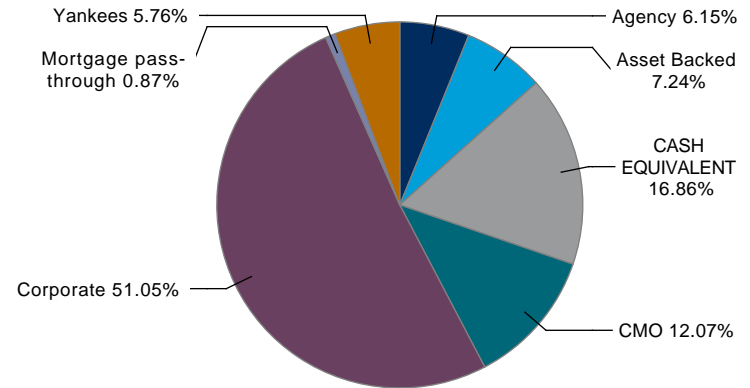
Net Yield



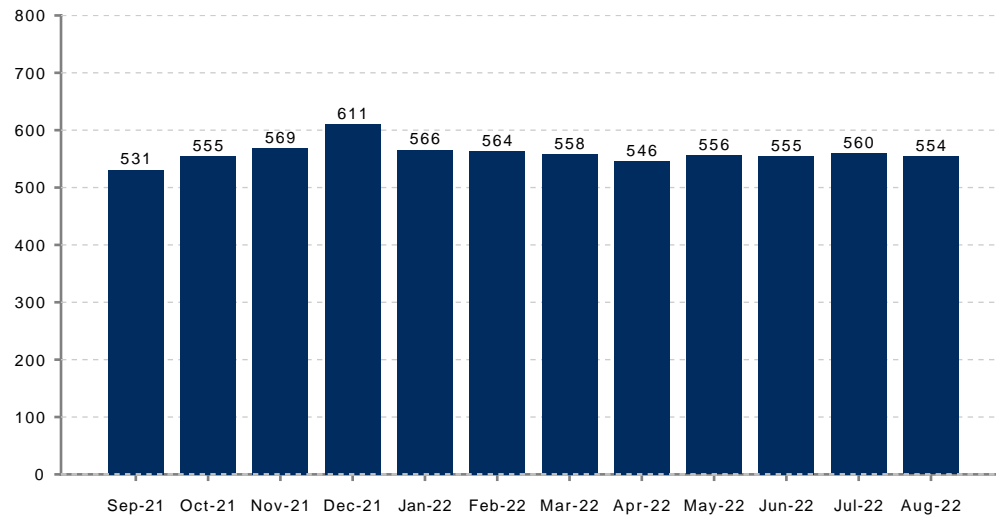
	Current Mth	Prior Mth	1 Year Ago
POOL 12 CAWCD MED TRM	2.10	1.95	1.17

Asset Allocation

	Ending Market Value
POOL 12 CAWCD MED TRM	554,121,177



Net Asset Values over Time (\$MM)

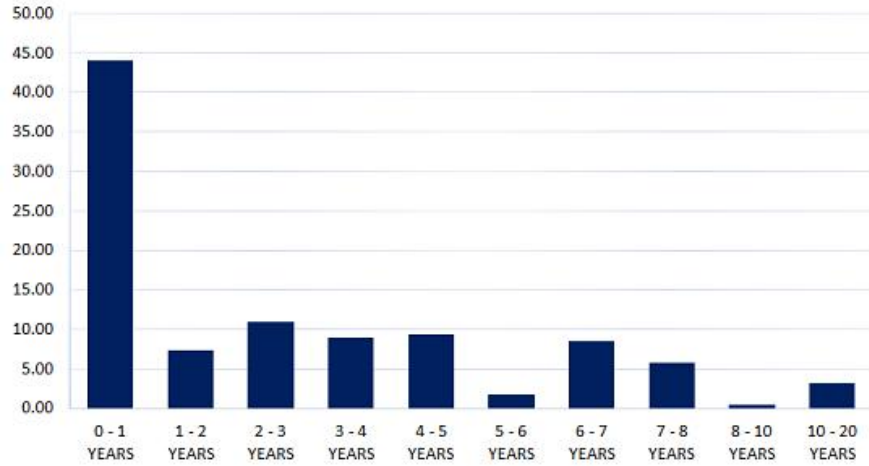


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 12 CAWCD MED TRM		
SOUTH STREET REPO	20,001,267	3.61
MORGAN STANLEY	10,066,491	1.82
CROWN POINT CAP CO.	9,913,867	1.79
BANK OF AMERICA CORP	9,802,152	1.77
NVIDIA CORP	9,743,662	1.76
PHILLIPS 66	8,266,877	1.49
FORD CREDIT FLOORPLAN MASTER O	7,710,871	1.39
GOTHAM FDG CORP	7,486,292	1.35
INTERCONTINENTALEXCHANGE	6,995,724	1.26
ALPHABET INC	6,561,072	1.18



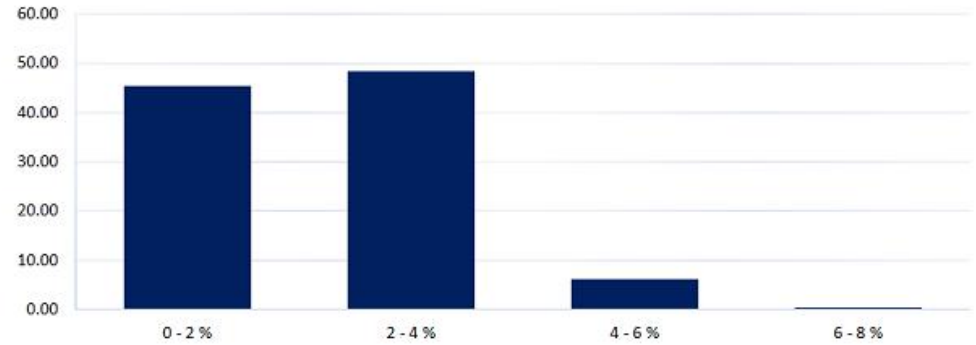
Duration Distribution



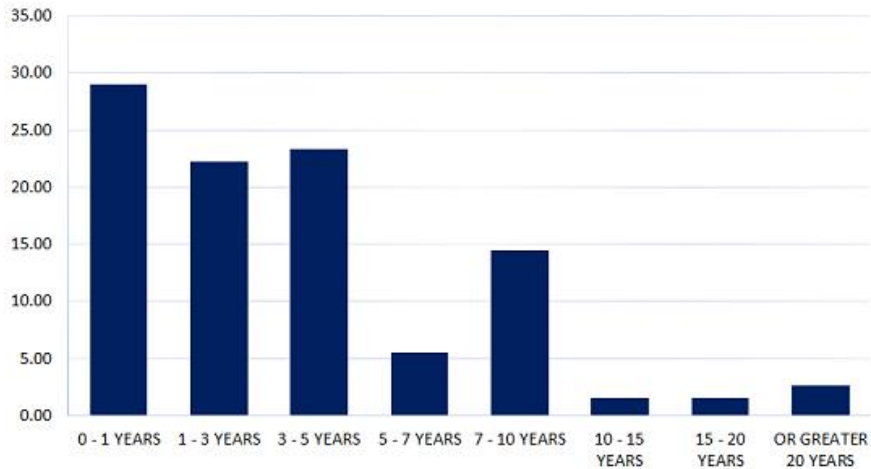
Portfolio Level Characteristics

POOL 12 CAWCD MED TRM	
Effective Maturity	4.30
Coupon	2.40
Effective Duration	2.99
Quality Rating (Moody's)	AA-3

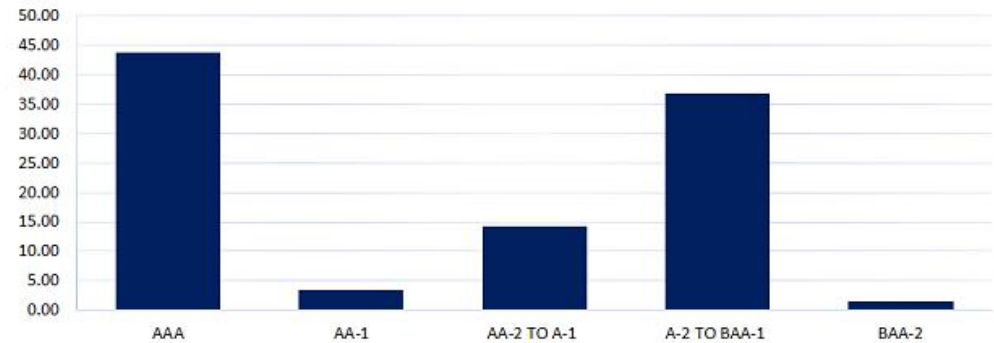
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



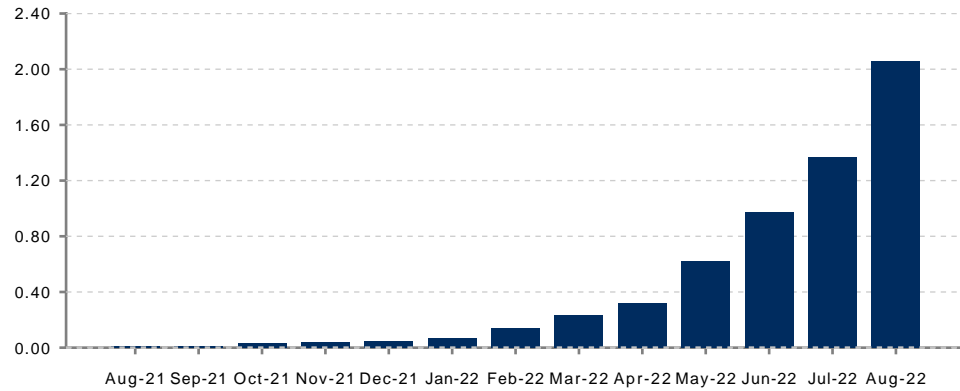
OFFICE OF THE ARIZONA STATE TREASURER

August 31, 2022

POOL 15 ST OPER LIQUID



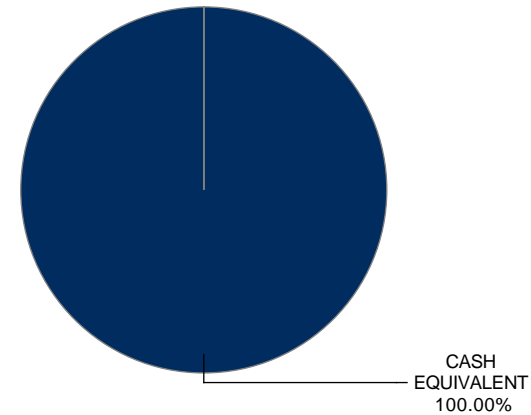
Net Yield



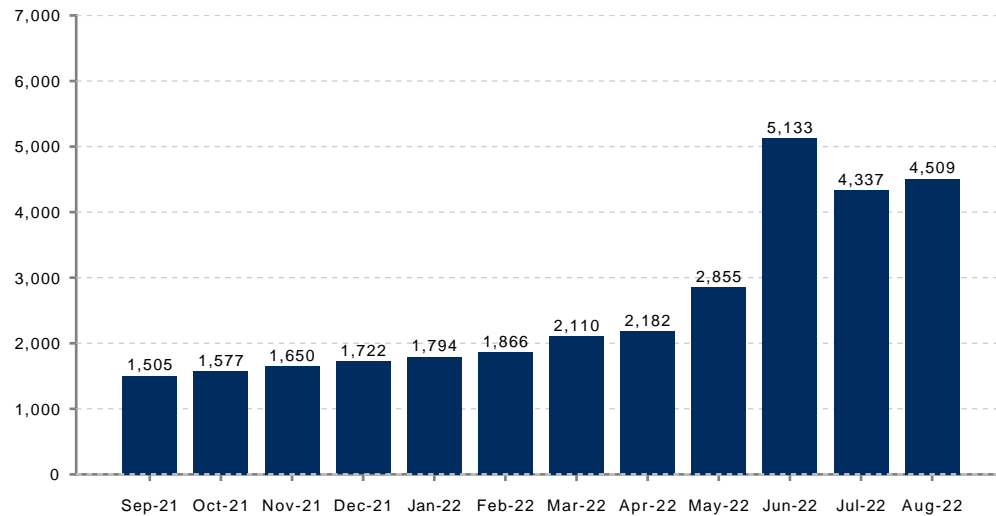
	Current Mth	Prior Mth	1 Year Ago
ST of AZ POOL 15 ST OPER LIQUIDITY	2.06	1.37	0.01

Asset Allocation

	Ending Market Value
POOL 15 ST OPER LIQUID	4,508,704,029



Net Asset Values over Time (\$MM)

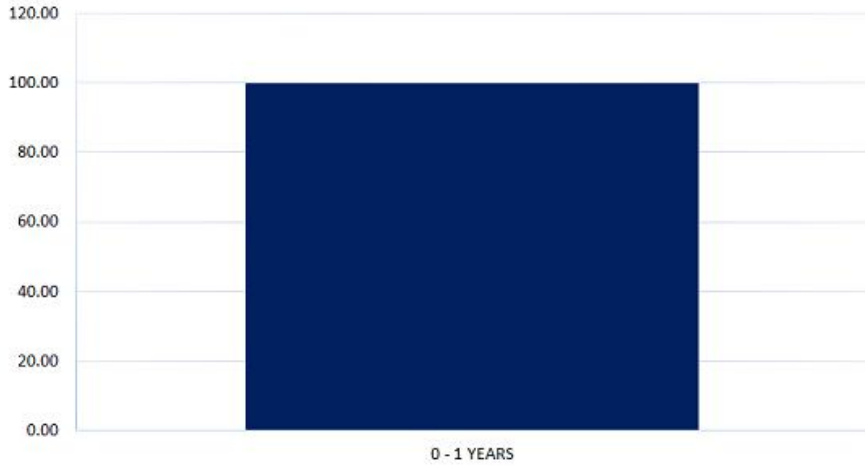


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 15 ST OPER LIQUID		
CANTOR FITZGERALD REPO	700,044,139	15.53
SOUTH STREET REPO	522,466,851	11.59
AMHERST PIERPONT	500,031,111	11.09
JPMORGAN US GOVERNMENT MONEY M	195,418,422	4.33
GOLDMAN SACHS FINANCIAL SQUARE	175,416,380	3.89
MSILF GOVERNMENT PORTFOLIO	150,290,076	3.33
TREASURY BILL	150,000,000	3.33
TREASURY BILL	149,967,888	3.33
TREASURY BILL	49,880,913	1.11
TREASURY BILL	49,837,530	1.11



Duration Distribution



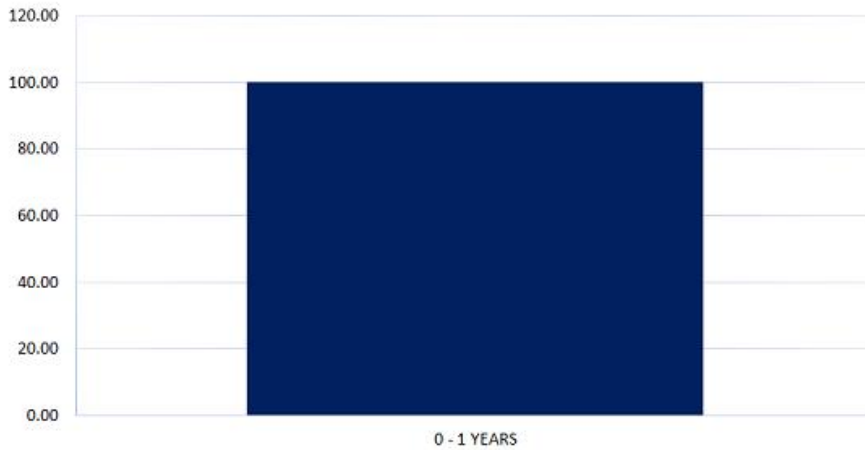
Portfolio Level Characteristics

	POOL 15 ST OPER LIQUID
Effective Maturity	0.09
Coupon	2.07
Effective Duration	0.09
Quality Rating (Moody's)	AAA

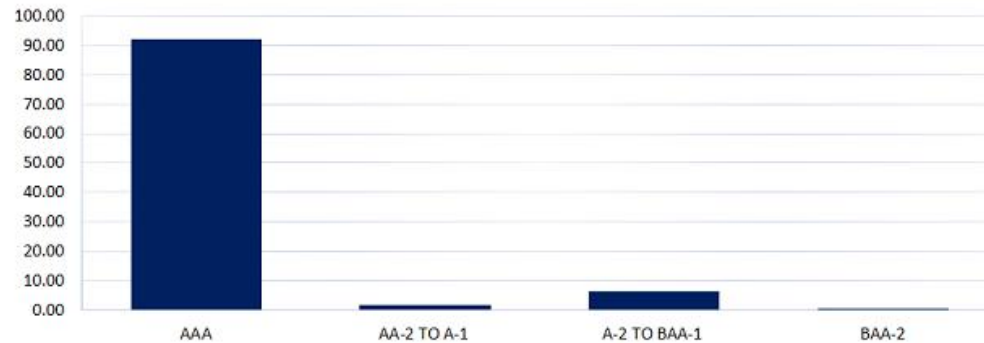
Coupon Distribution



Expected Maturity Distribution

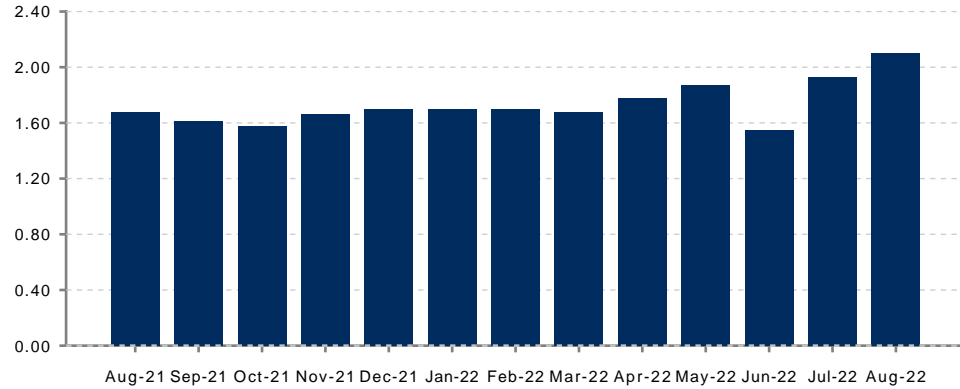


Rating Distribution





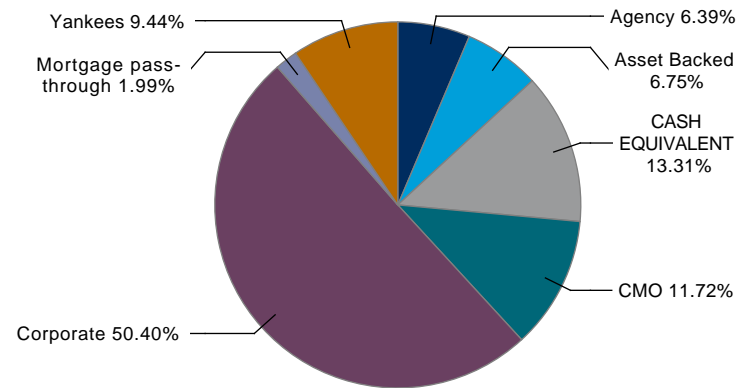
Net Yield



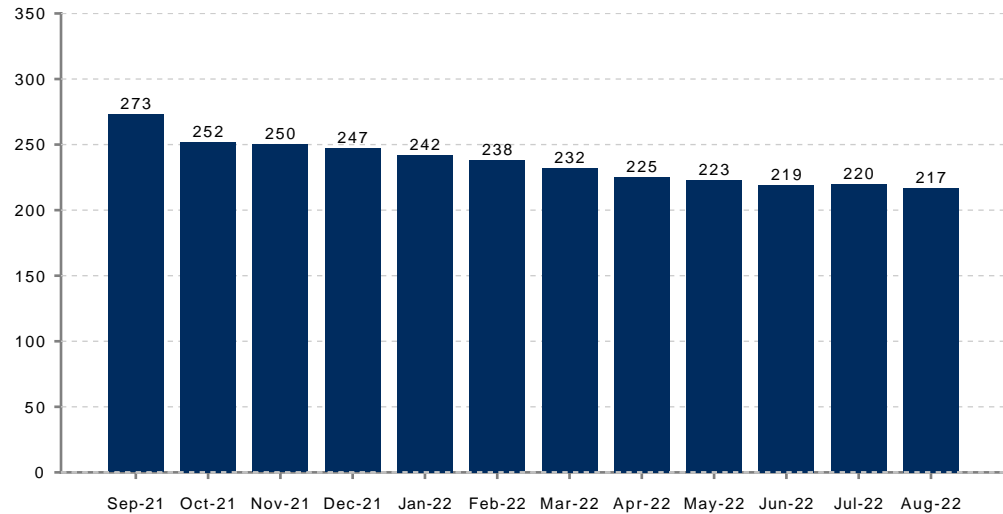
	Current Mth	Prior Mth	1 Year Ago
POOL 16 ECDHB	2.10	1.93	1.68

Asset Allocation

	Ending Market Value
POOL 16 ECDHB	217,104,790



Net Asset Values over Time (\$MM)

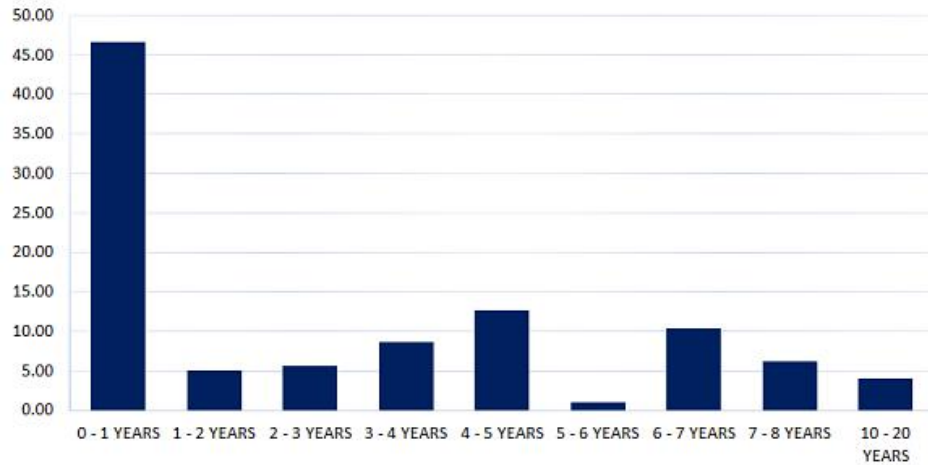


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 16 ECDHB		
SOUTH STREET REPO	16,501,045	7.60
BERKSHIRE HATHAWAY ENERG	5,086,256	2.34
BANK OF NY MELLON CORP	5,063,377	2.33
BANK OF NOVA SCOTIA	5,016,486	2.31
FORD CREDIT FLOORPLAN MASTER O	5,007,059	2.31
BANK OF NOVA SCOTIA	5,005,651	2.31
DISNEY (WALT) CO THE	4,999,553	2.30
BANK OF MONTREAL	4,987,630	2.30
CHARLES SCHWAB CORP	4,962,703	2.29
GOLDMAN SACHS GROUP INC	4,959,965	2.28



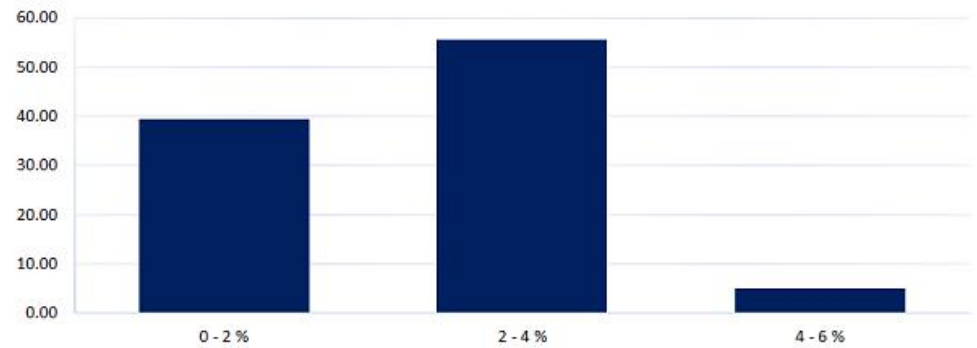
Duration Distribution



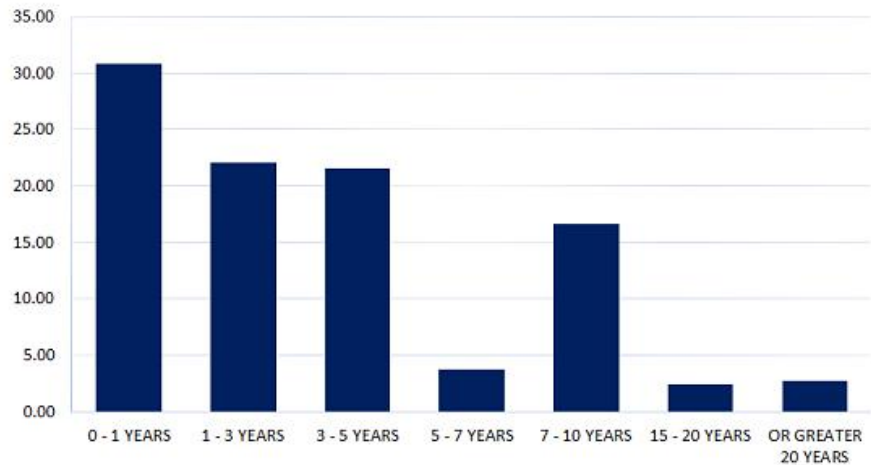
Portfolio Level Characteristics

	POOL 16 ECDHB
Effective Maturity	4.25
Coupon	2.47
Effective Duration	3.45
Quality Rating (Moody's)	AA-3

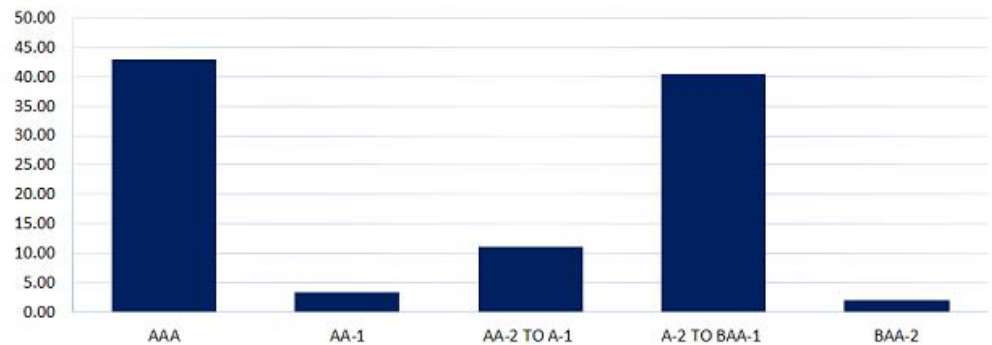
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



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

NET EARNINGS

FUND	DESCRIPTION	Current Month 08/31/22	Prior Month 07/31/22	Prior Year 08/31/21	Net Asset Value Per Share
5	LGIP	\$4,456,326	\$3,453,683	\$99,572	1.000000
7	LGIP - GOV (1)	3,584,279	2,657,798	17,006	1.000000
	TOTAL LGIP & LGIP-GOV	\$8,040,605	\$6,111,481	\$116,578	

YIELDS

<u>MONTHLY</u>		Current Month 08/31/22	Prior Month 07/31/22	Prior Year 8/31/21
5	LGIP (NET)	2.20%	1.67%	0.06%
	S&P LGIP Index	1.72%	1.20%	0.04%
7	LGIP - GOV (NET) (1)	1.95%	1.38%	0.01%
	Trailing 3-mo T-bill	2.08%	1.50%	0.04%

FISCAL YEAR TO DATE

5	LGIP (NET)	1.94%	1.67%	0.06%
	S&P LGIP Index	1.46%	1.20%	0.04%
7	LGIP - GOV (NET) (1)	1.66%	1.38%	0.01%
	Trailing 3-mo T-bill	1.79%	1.50%	0.03%

(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
AUGUST 2022**

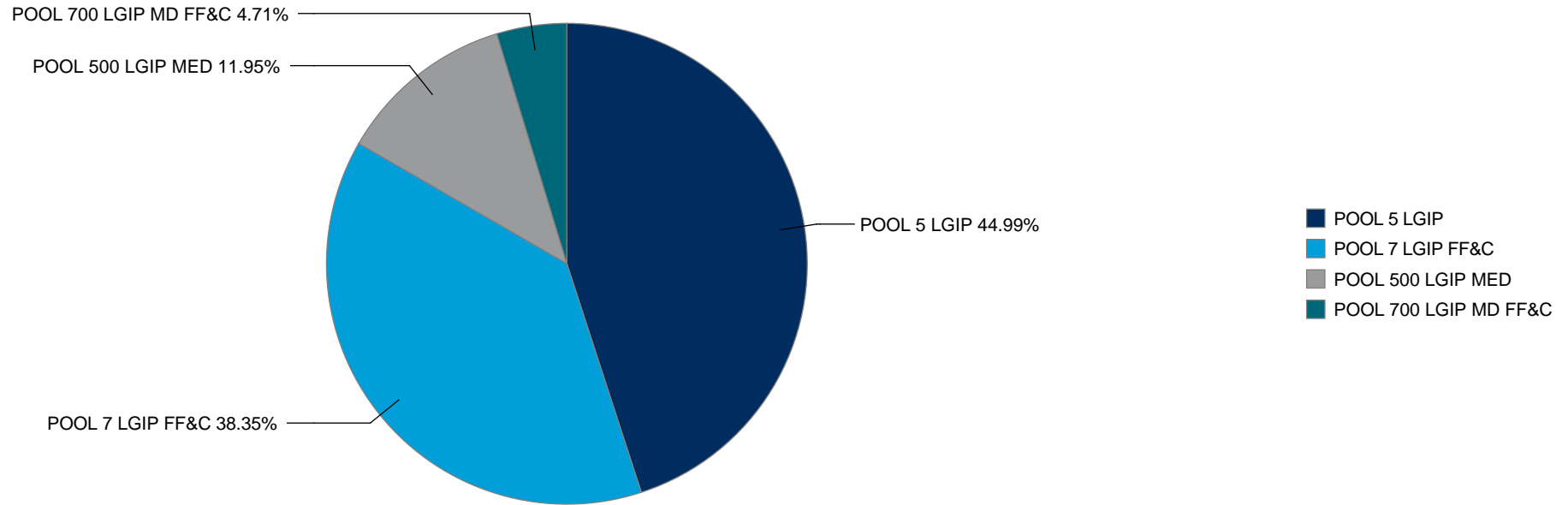
NET EARNINGS

FUND	DESCRIPTION	Current Month 08/31/22	Prior Month 07/31/22	Prior Year 08/31/21	Net Asset Value Per Share
500	LGIP - MED TERM POOL	\$1,024,920	\$871,816	\$443,711	1.004146
700	LGIP - FF&C MED TERM POOL	236,630	190,549	84,328	0.987428
TOTAL LGIP MEDIUM TERM POOLS		\$1,261,550	\$1,062,365	\$528,039	

YIELDS

<u>MONTHLY</u>		Current Month 08/31/22	Prior Month 07/31/22	Prior Year 8/31/21
500	LGIP - MED TERM (NET) 20% S&P LGIP Index / 80% Bloomberg Barclays 1-3 year US Agg	1.87% 3.14%	1.59% 2.90%	0.85% 0.28%
700	LGIP - FF&C MED TERM (NET) 20% Trailing 3-mo T-bill / 80% Barclay 1-3 year UST	1.10% 3.03%	0.88% 2.76%	0.29% 0.20%
<u>FISCAL YEAR TO DATE</u>				
500	LGIP - MED TERM (NET) 20% S&P LGIP Index / 80% Bloomberg Barclays 1-3 year US Agg	1.73% 3.02%	1.59% 2.90%	0.87% 0.28%
700	LGIP - FF&C MED TERM (NET) 20% Trailing 3-mo T-bill / 80% Bloomberg Barclays 1-3 year UST	0.99% 2.90%	0.88% 2.76%	0.28% 0.19%

Manager Allocation



	Market Value	% of Portfolio
POOL 5 LGIP	2,421,227,678	45.0
POOL 7 LGIP FF&C	2,064,040,647	38.3
POOL 500 LGIP MED	643,421,667	12.0
POOL 700 LGIP MD FF&C	253,550,884	4.7
TOTAL LGIP	5,382,240,876	100.0

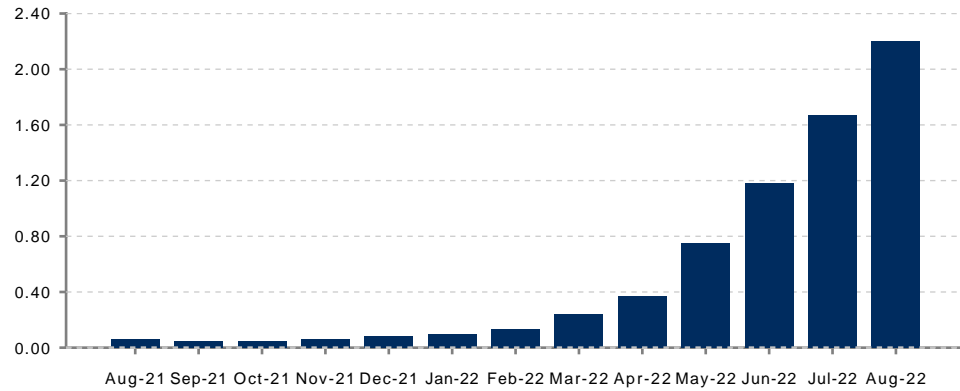
OFFICE OF THE ARIZONA STATE TREASURER

August 31, 2022

POOL 5 LGIP



Net Yield

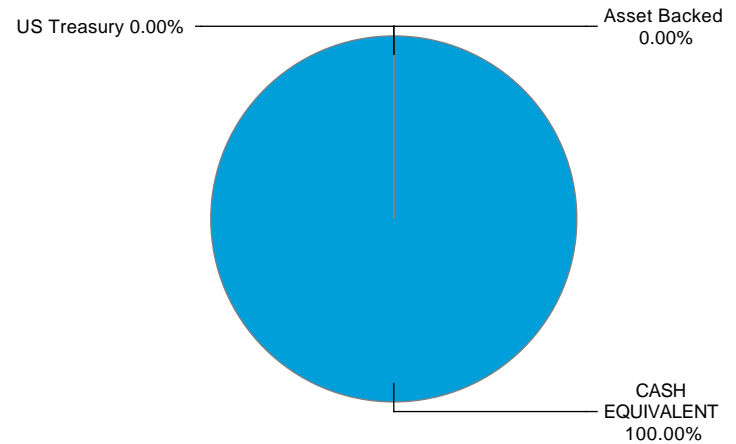


Current Mth Prior Mth 1 Year Ago

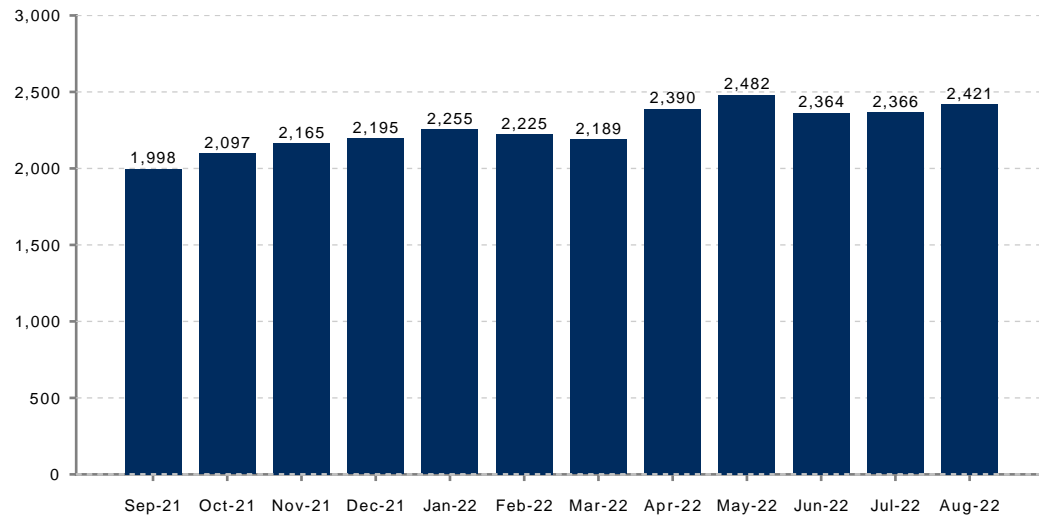
POOL 5 LGIP	2.20	1.67	0.06
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Asset Allocation

	Ending Market Value
POOL 5 LGIP	2,421,227,678



Net Asset Values over Time (\$MM)

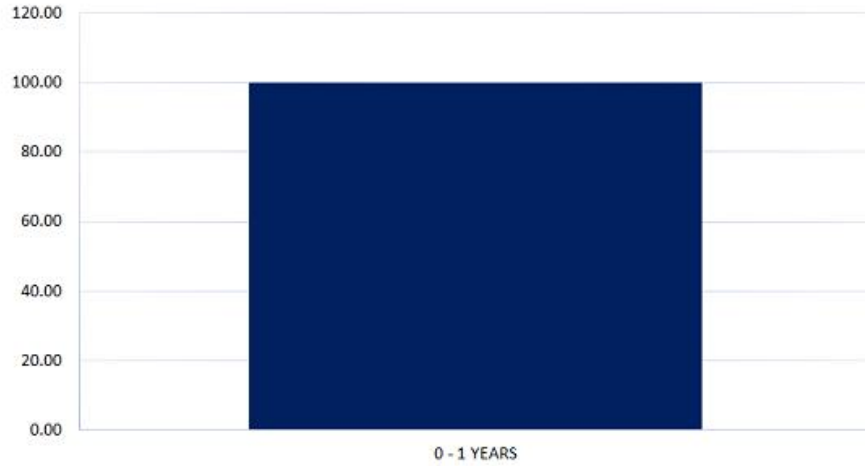


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 5 LGIP		
BANK OF AMERICA REPO	150,009,292	6.20
TD SECURITIES	100,006,111	4.13
BMO TRIPARTY MTGE	68,427,655	2.83
NATIONAL SECS CLEARING	34,942,882	1.44
ROCHE HOLDING INC	29,952,083	1.24
CROWN POINT CAP CO.	25,033,750	1.03
BEDFORD ROW FDG CORP	25,020,549	1.03
CEDAR SPRING CPTL CO	25,000,000	1.03
SUMITOMO TR & BKNG C	24,998,958	1.03
HERSHEY FOODS CORP	24,998,389	1.03



Duration Distribution



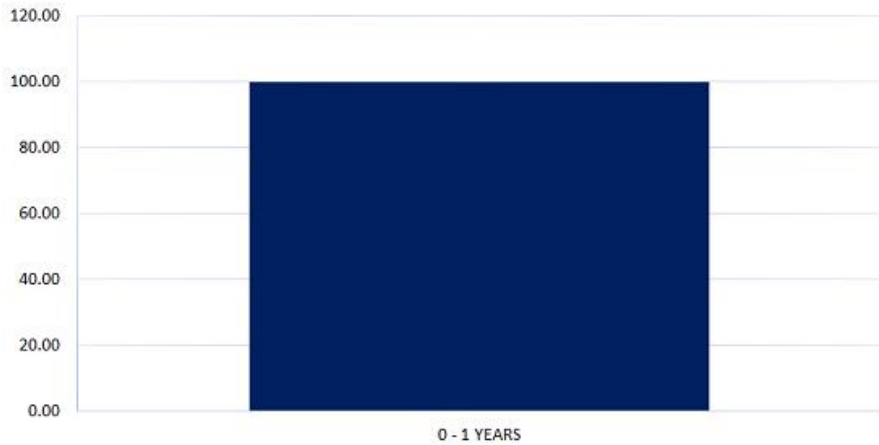
Portfolio Level Characteristics

	POOL 5 LGIP
Effective Maturity	0.12
Coupon	2.17
Effective Duration	0.13
Quality Rating (Moody's)	AAA

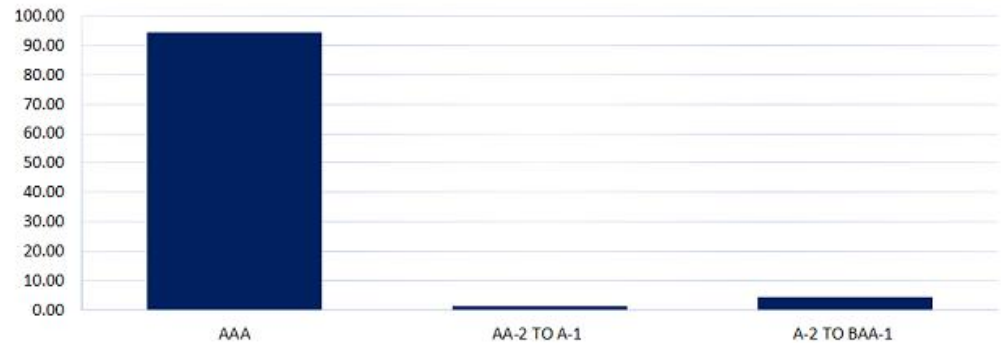
Coupon Distribution



Expected Maturity Distribution

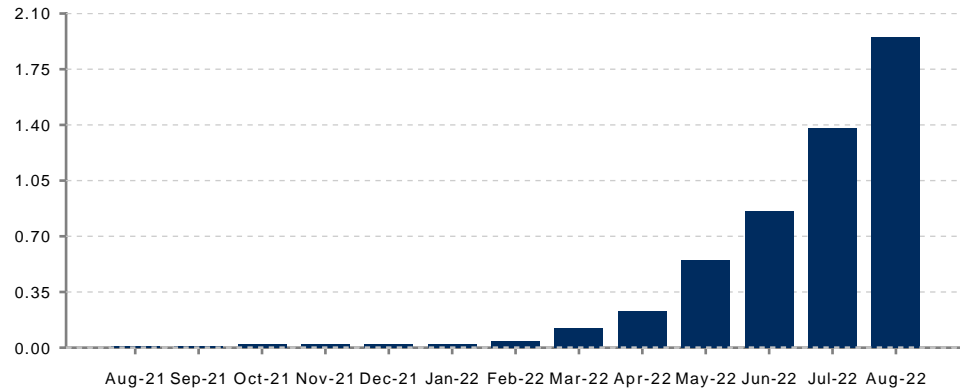


Rating Distribution





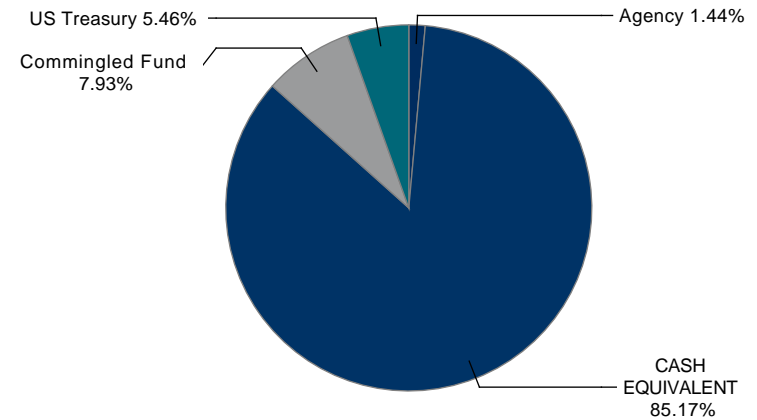
Net Yield



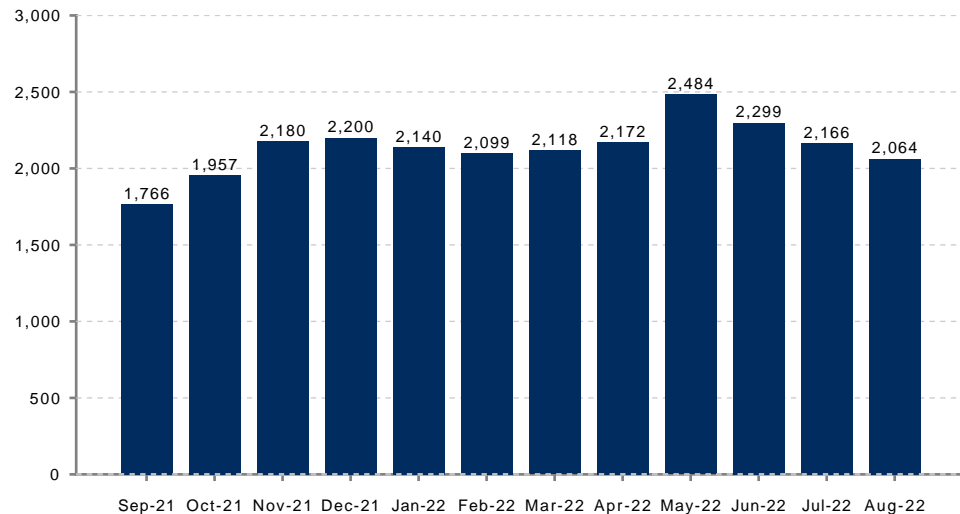
	Current Mth	Prior Mth	1 Year Ago
POOL 7 LGIP FF&C	1.95	1.38	0.01

Asset Allocation

	Ending Market Value
POOL 7 LGIP FF&C	2,064,040,647



Net Asset Values over Time (\$MM)

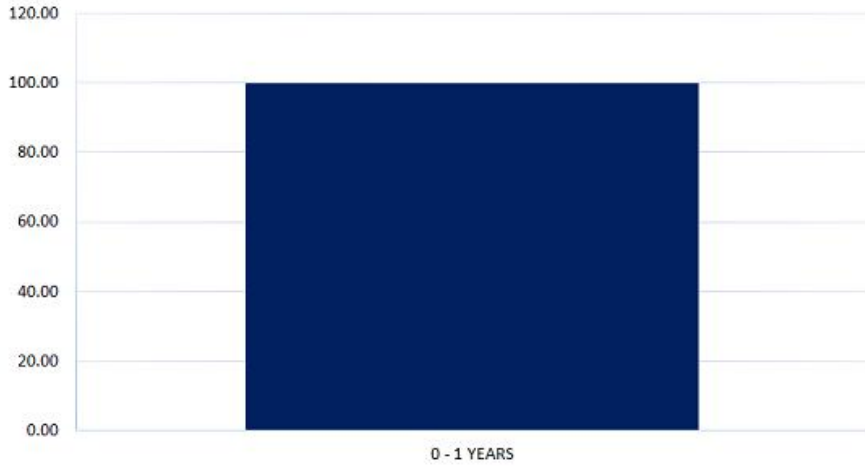


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 7 LGIP FF&C		
CREDIT AGRICOLE REPO	250,015,417	12.11
BMO TRIPARTY MTGE	150,282,500	7.28
CANTOR FITZGERALD REPO	100,235,278	4.86
JPMORGAN US TREASURY PLUS MONE	100,209,259	4.86
AMHERST PIERPONT	100,140,625	4.85
CANTOR FITZGERALD REPO	95,099,644	4.61
SUNTRUST BKS INC DTC CP GENERIC CUSIP	95,036,100	4.60
SUNTRUST BKS INC DTC CP GENERIC CUSIP	83,497,533	4.05
WESTERN ALLIANCE CDARS	72,352,316	3.51
GOLDMAN SACHS FINANCIAL SQUARE	65,355,189	3.17



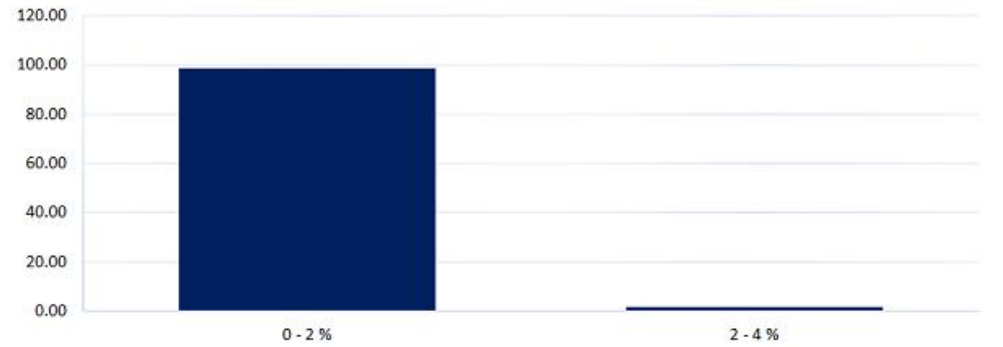
Duration Distribution



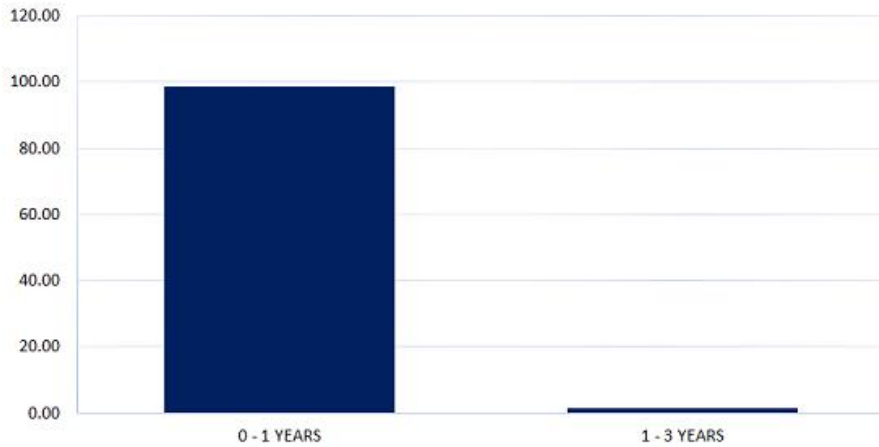
Portfolio Level Characteristics

	POOL 7 LGIP FF&C
Effective Maturity	0.10
Coupon	0.64
Effective Duration	0.10
Quality Rating (Moody's)	AAA

Coupon Distribution



Expected Maturity Distribution



Rating Distribution



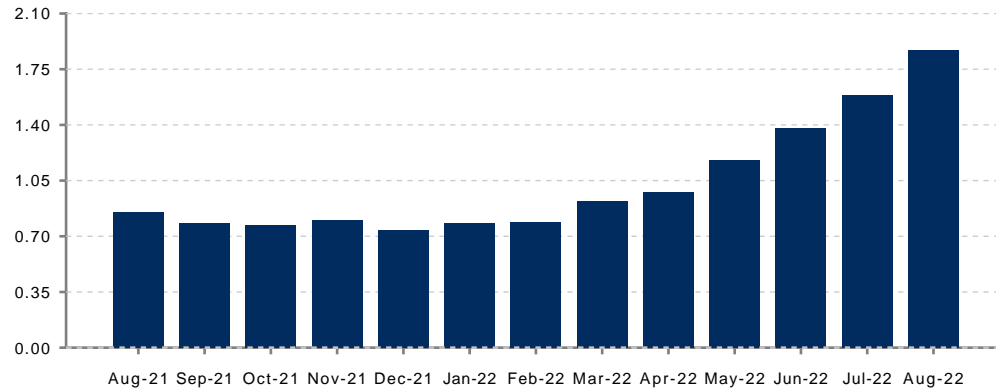
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POOL 500 LGIP MED



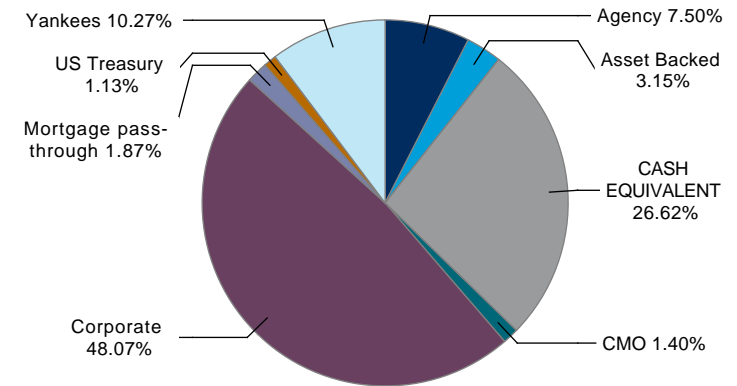
Net Yield



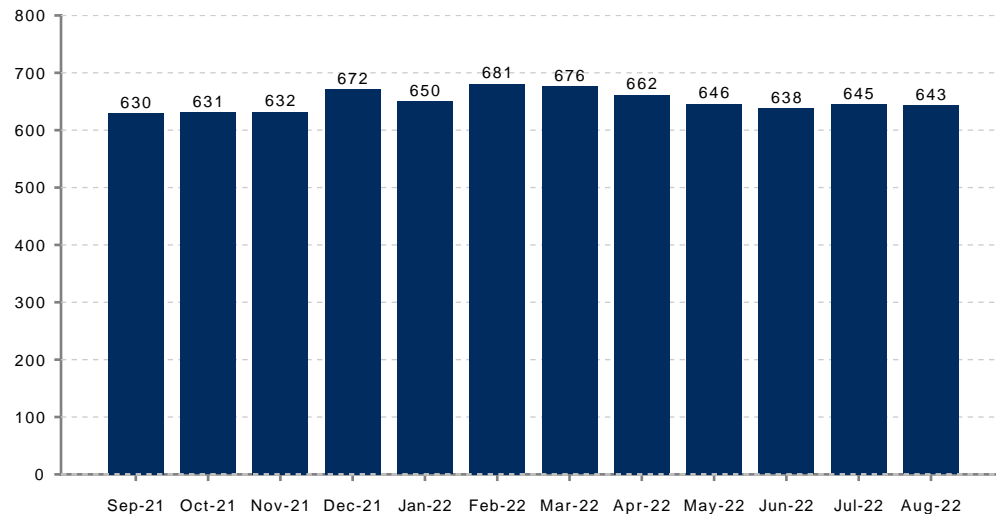
	Current Mth	Prior Mth	1 Year Ago
POOL 500 LGIP MED	1.87	1.59	0.85

Asset Allocation

	Ending Market Value
POOL 500 LGIP MED	643,421,667



Net Asset Values over Time (\$MM)

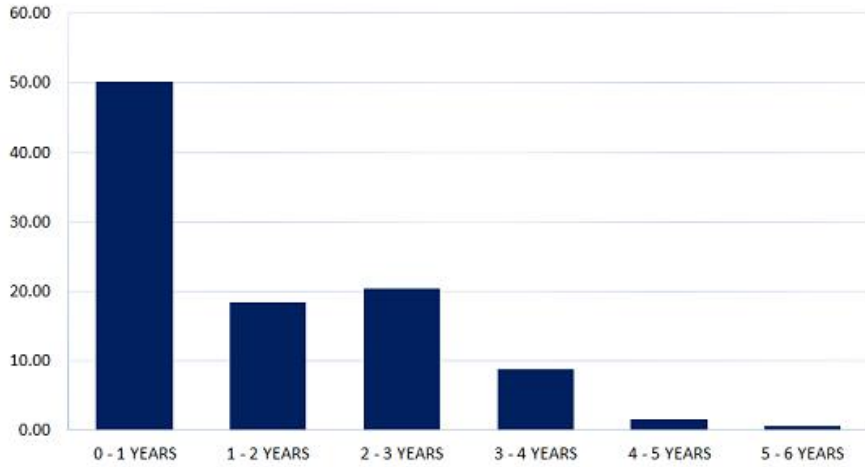


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 500 LGIP MED		
NATL RURAL UTIL COOP	5,491,979	0.85
AMERICAN HONDA FINANCE	5,024,114	0.78
US BANK NA CINCINNATI	5,023,705	0.78
ROYAL BANK OF CANADA	5,019,082	0.78
ROYAL BANK OF CANADA	5,017,058	0.78
BANK OF MONTREAL-	5,014,308	0.78
ROYAL BANK OF CANADA	5,004,891	0.78
CEDAR SPRING CPTL CO	5,000,000	0.78
ROYAL BK OF CANADA	4,999,200	0.78
CITIGROUP GLOBAL MKTS INC S	4,999,194	0.78



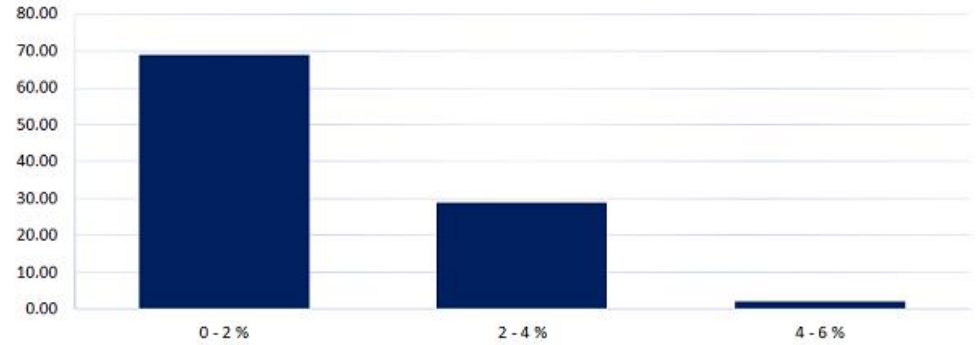
Duration Distribution



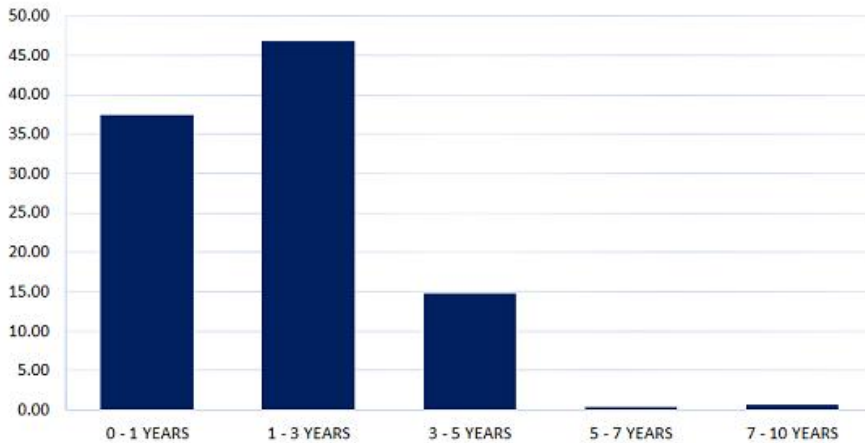
Portfolio Level Characteristics

	POOL 500 LGIP MED
Effective Maturity	1.66
Coupon	1.93
Effective Duration	1.33
Quality Rating (Moody's)	AA-3

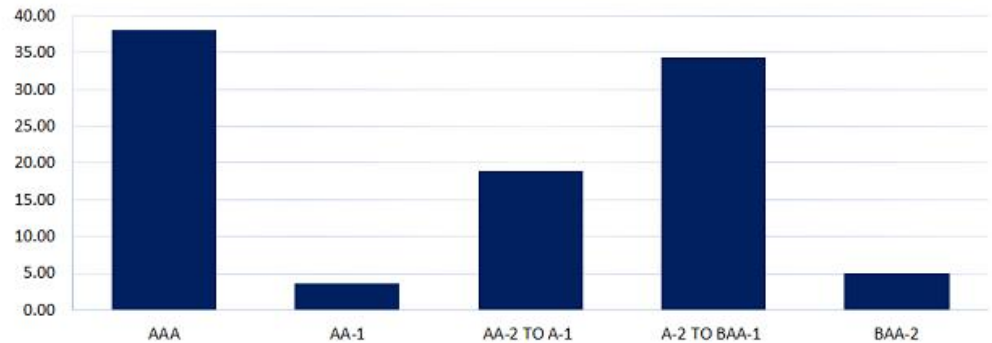
Coupon Distribution



Expected Maturity Distribution

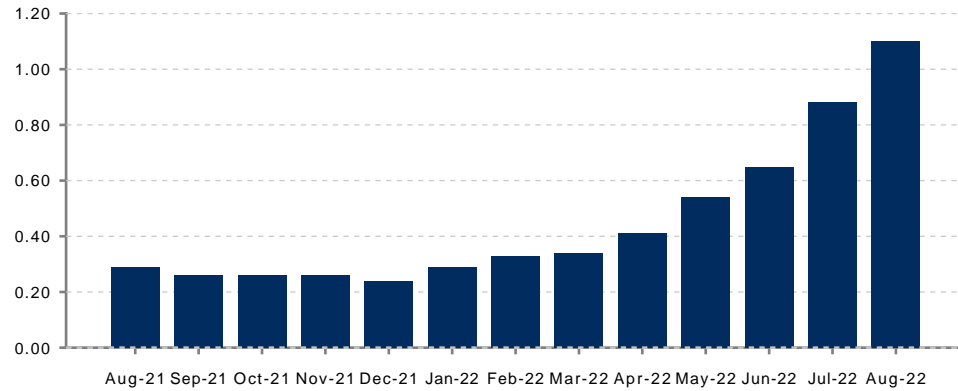


Rating Distribution





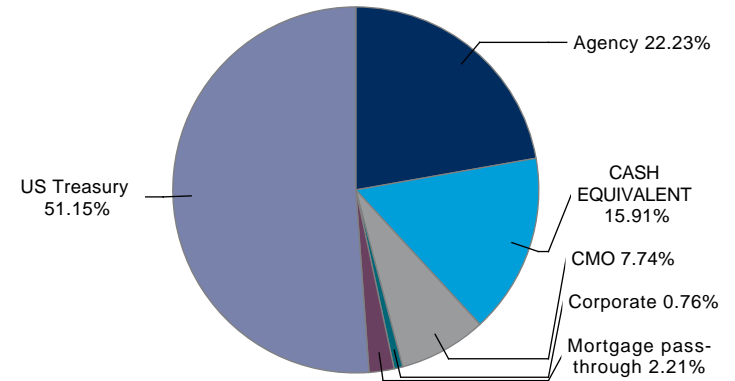
Net Yield



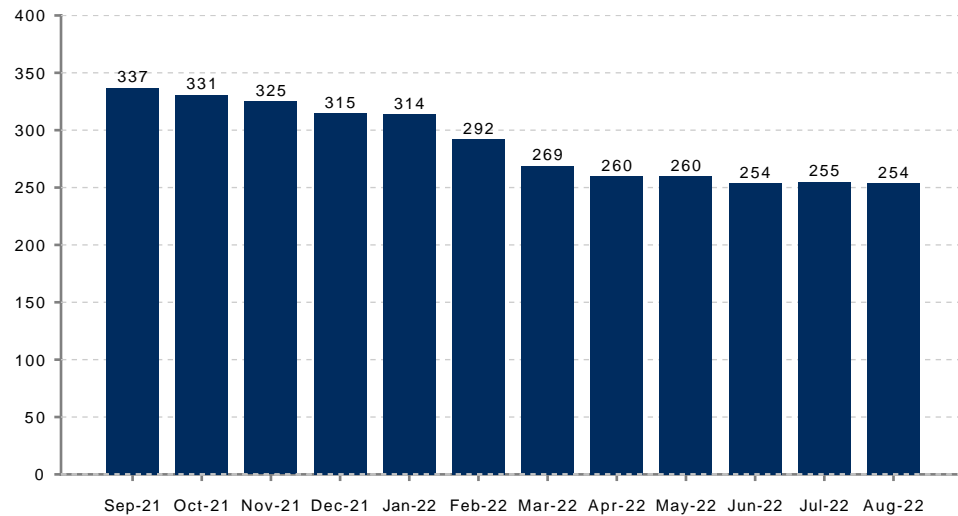
	Current Mth	Prior Mth	1 Year Ago
POOL 700 LGIP MD FF&C	1.10	0.88	0.29

Asset Allocation

	Ending Market Value
POOL 700 LGIP MD FF&C	253,550,884



Net Asset Values over Time (\$MM)

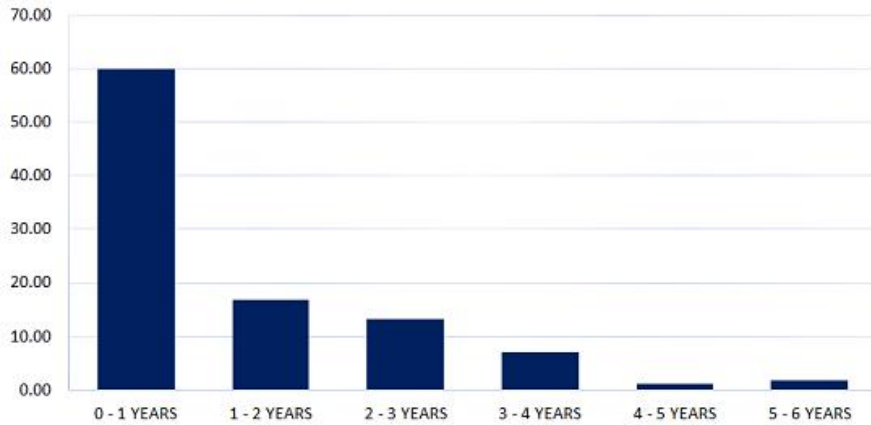


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 700 LGIP MD FF&C		
SUNTRUST BKS INC DTC CP GENERIC CUSIP	16,508,800	6.51
US TREASURY N/B	11,887,775	4.69
US TREASURY N/B	9,937,146	3.92
CANTOR FITZGERALD REPO	5,005,244	1.97
SUNTRUST BKS INC DTC CP GENERIC CUSIP	5,001,900	1.97
TREASURY BILL	4,999,929	1.97
US TREASURY N/B	4,994,131	1.97
INT DEVELOPMENT FIN CORP	4,986,544	1.97
US TREASURY N/B	4,938,434	1.95
US TREASURY N/B	4,924,236	1.94



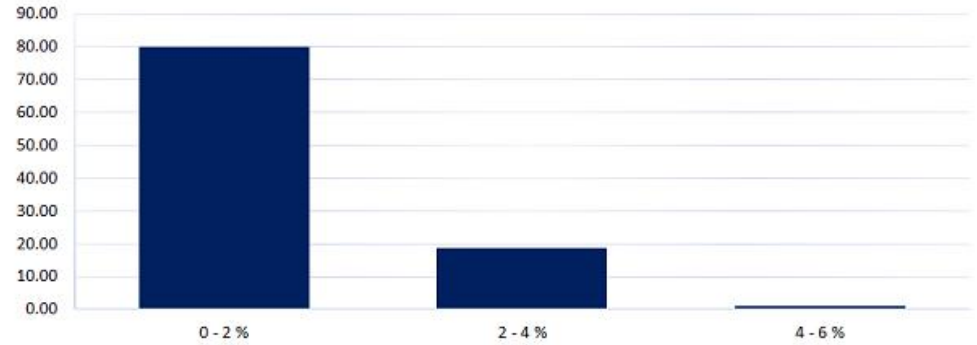
Duration Distribution



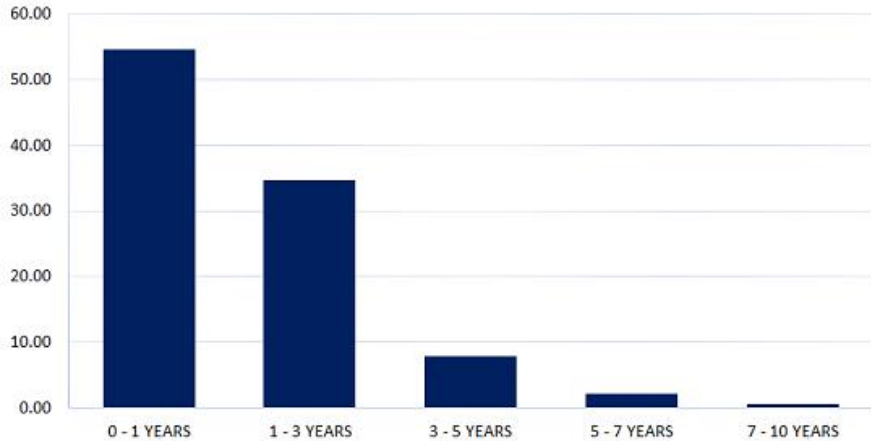
Portfolio Level Characteristics

	POOL 700 LGIP MD FF&C
Effective Maturity	1.33
Coupon	0.93
Effective Duration	1.29
Quality Rating (Moody's)	AAA

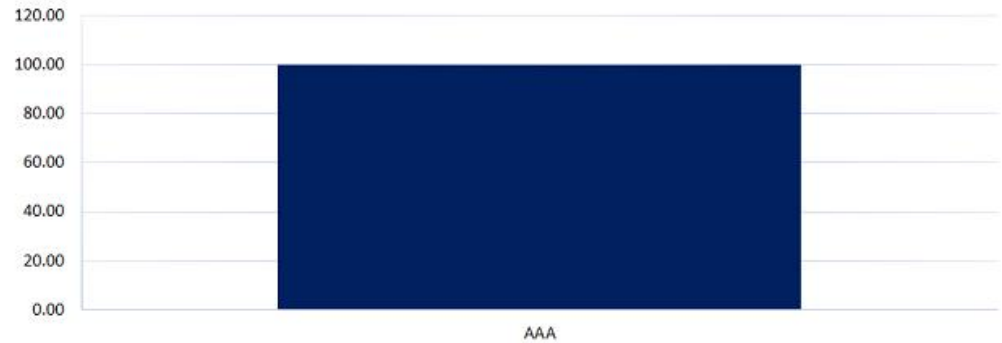
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



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

Distributed in Current Month

Recipient	AUGUST 2022	Fiscal YTD 22/23	Fiscal YTD 21/22	Fiscal YTD Change
101 A & M Colleges	\$78,874	\$157,748	\$150,885	\$6,863
102 State Hospital	64,988	129,975	115,558	14,417
103 Leg., Exec., & Jud.	66,232	132,465	126,175	6,290
104 Military Institute	4,494	8,989	8,511	478
105 Miners Hospital	197,693	395,387	367,947	27,440
107 Normal School ASU/NAU	38,010	76,021	70,144	5,877
108 Penitentiaries	128,768	257,536	243,706	13,830
109 Permanent Common School	33,537,213	67,074,425	62,000,541	5,073,884
110 School for Deaf & Blind	48,526	97,051	90,420	6,631
111 School of Mines	90,376	180,751	172,452	8,299
112 State Charitable-Pioneers Home	494,453	988,906	887,988	100,919
112 State Charitable-Corrections	247,227	494,453	443,994	50,459
112 State Charitable-Youth Treatment	247,227	494,453	443,994	50,459
113 University Fund	190,133	380,266	339,839	40,427
114 U of A Land - 1881	629,397	1,258,794	1,176,653	82,140
Total	\$36,063,611	\$72,127,222	\$66,638,808	\$5,488,414

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

Month	2017	2018	2019	2020	2021	2022	2023
January	\$2,960,815	\$809,822	\$30,671,107	\$34,028,510	\$77,327,332	\$65,776,496	
February	1,103,303	744,295	875,823	2,362,463	17,814,405	107,134,375	
March	3,045,043	8,296,029	997,479	13,103,761	3,772,571	5,230,088	
April	78,134,289	22,707,772	12,816,140	6,837,496	4,099,129	95,870,019	
May	27,642,672	16,234,823	590,432	3,656,783	88,763,368	109,978,359	
June	2,451,110	6,799,100	3,654,938	3,379,021	2,001,347	105,071,646	
July	13,838,188	27,835,379	4,356,585	19,069,989	37,347,276	14,023,708	
August	5,746,802	6,932,754	10,038,331	6,378,777	12,016,036	707,901	
September	19,937,751	8,293,343	1,201,114	3,851,950	13,865,289		
October	480,710	24,823,636	5,075,858	72,432,497	1,724,181		
November	9,500,048	42,245,892	9,161,341	3,119,856	1,487,524		
December	3,869,818	2,283,305	15,116,940	29,134,954	1,252,026		
Calendar Year	168,710,549	168,006,150	94,556,089	197,356,057	261,470,483	503,792,591	-
Fiscal Year (July 1st to June 30th)	163,553,318	108,965,158	162,020,229	108,318,203	327,766,175	556,753,315	14,731,609

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

<u>Endowment Fund</u>	August 2022 <u>NET GAIN(LOSS)</u>	August 2021 <u>NET GAIN(LOSS)</u>
----- Fixed Income Pool	(\$370,093)	(\$668,757)
500 Large-Cap Fund	-	705,238
400 Mid-Cap Fund	1,517,474.81	101,736
600 Small-Cap Fund	1,941,710.10	4,899,696
Totals	\$3,089,092	\$5,037,913

<u>Endowment Fund</u>	2022/2023 <u>FISCAL YEAR TO DATE</u> <u>GAINS(LOSSES)</u>	2021/2022 <u>FISCAL YEAR TO DATE</u> <u>GAINS(LOSSES)</u>
Fixed Income Pool	(\$675,740)	(\$1,451,014)
500 Large-Cap Fund	-	2,021,469
400 Mid-Cap Fund	5,023,266.04	(50,203)
600 Small-Cap Fund	7,969,129.10	5,355,115
Totals	\$12,316,655	\$5,875,367

**PERM LAND ENDOWMENT TRUST FUND FIXED-INCOME POOLS
PURCHASES & SALES
AUGUST 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	CEDAR SPRING	4.00	08/09/2023	NA	10,000,000	9,595,556	4.17%	P-1
205	CHARIOT	2.49	10/20/2022	NA	10,000,000	9,951,583	2.50%	P-1
205	DISNEY	3.05	12/09/2022	NA	15,000,000	14,836,063	3.08%	P-1
205	DUKE ENERGY	2.63	09/08/2022	NA	15,000,000	14,960,550	2.64%	P-2
205	FHLMC	1.75	10/25/2026	NA	5,609,471	5,581,424	2.63%	Aaa
205	GTA	3.41	01/24/2023	NA	17,700,000	17,408,275	3.47%	P-1
205	HARLEY-DAVIDSON	3.35	10/27/2022	NA	10,000,000	9,928,347	3.37%	P-3
205	LEXINGTON PARKER	2.38	09/09/2022	NA	10,000,000	9,981,489	2.38%	P-1
205	McCORMICK	2.50	09/13/2022	NA	10,000,000	9,991,667	2.50%	P-2
205	OLD LINE	3.35	01/24/2023	NA	15,000,000	14,797,604	3.40%	P-1
205	SBA POOL	3.00	03/25/2047	NA	9,869,340	10,140,746	3.46%	Aaa
205	SHERWIN WILLIAMS	4.25	08/08/2025	NA	7,000,000	6,999,230	4.25%	P-2
205	SPDR LONG TERM TREASURY			NA	20,000	664,240	0.00%	
205	VICTORY	2.82	11/01/2022	NA	15,000,000	14,894,250	2.84%	P-1
205	VICTORY	2.85	11/03/2022	NA	10,000,000	9,933,500	2.87%	P-1
123	CHARIOT	2.49	10/20/2022	NA	15,000,000	14,927,375	2.50%	P-1
123	CROWN POINT	2.57	09/22/2022	NA	10,000,000	9,969,303	2.58%	P-1
123	DISNEY	3.05	12/09/2022	NA	10,000,000	9,890,708	3.08%	P-1
123	DUKE ENERGY	2.63	09/08/2022	NA	15,000,000	14,960,550	2.64%	P-2
123	GTA	3.41	01/24/2023	NA	10,000,000	9,835,183	3.47%	P-1
123	HARLEY-DAVIDSON	3.35	10/27/2022	NA	15,000,000	14,892,521	3.37%	P-3
123	LEXINGTON PARKER	2.91	11/02/2022	NA	7,350,000	7,301,282	2.93%	P-1
123	LEXINGTON PARKER	2.38	09/09/2022	NA	10,000,000	9,981,489	2.38%	P-1
123	McCORMICK	2.50	09/13/2022	NA	15,000,000	14,987,500	2.50%	P-2
123	OLD LINE	3.35	01/24/2023	NA	15,000,000	14,797,604	3.40%	P-1
123	VICTORY	2.82	11/01/2022	NA	10,000,000	9,929,500	2.84%	P-1
123	VICTORY	2.85	11/03/2022	NA	10,000,000	9,933,500	2.87%	P-1
TOTAL ENDOWMENT FUNDS PURCHASES					<u>\$302,548,811</u>	<u>\$301,071,038</u>		

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>
TOTAL ENDOWMENT FUNDS SALES						
			<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	

(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
AUGUST 2022**

I. Equity Fund Purchases

	<u>SHARES</u>	<u>PURCHASE COST</u>	<u>COMMISSIONS</u>
400 Mid-Cap Fund	26,934	\$1,699,957	\$202
500 Large-Cap Fund	12,371	117,188	93
600 Small-Cap Fund	183,075	4,626,178	1,373
TOTAL EQUITY PURCHASES	<u>222,380</u>	<u>\$6,443,322</u>	<u>\$1,668</u>

II. Equity Funds Sales

	<u>SHARES</u>	<u>SALES AMOUNT</u>	<u>COMMISSIONS</u>
400 Mid-Cap Fund	41,155	\$962,429	\$309
500 Large-Cap Fund	-	-	-
600 Small-Cap Fund	24,499	2,769,697	184
TOTAL EQUITY SALES	<u>65,654</u>	<u>\$3,732,125</u>	<u>\$492</u>

PERMANENT LAND ENDOWMENT TRUST FUND
INVESTMENTS OUTSTANDING
AUGUST 31, 2022
(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>	\$308	\$2,165	\$8,270	\$6,105	
<i>Shares in Fixed Income Pools</i>	3,055	2,187	5,498	3,311	
Total	<u>3,363</u>	<u>4,353</u>	<u>13,768</u>	<u>9,415</u>	3.163
102 State Hospital					
<i>Shares in Equity Pools</i>	305	3,618	8,196	4,578	
<i>Shares in Fixed Income Pools</i>	3,165	3,125	5,695	2,570	
Total	<u>3,470</u>	<u>6,743</u>	<u>13,891</u>	<u>7,148</u>	2.060
103 Leg., Exec, & Jud					
<i>Shares in Equity Pools</i>		1,899	6,749	4,850	
<i>Shares in Fixed Income Pools</i>	2,718	1,948	4,890	2,942	
Total	<u>2,718</u>	<u>3,847</u>	<u>11,640</u>	<u>7,792</u>	3.025
104 Military Institute					
<i>Shares in Equity Pools</i>	17	130	448	317	
<i>Shares in Fixed Income Pools</i>	186	131	334	203	
Total	<u>202</u>	<u>261</u>	<u>781</u>	<u>520</u>	2.992
105 Miners Hospital					
<i>Shares in Equity Pools</i>	831	7,912	22,321	14,409	
<i>Shares in Fixed Income Pools</i>	8,320	7,507	14,972	7,465	
Total	<u>9,151</u>	<u>15,418</u>	<u>37,292</u>	<u>21,874</u>	2.419
107 Normal School ASU/NAU					
<i>Shares in Equity Pools</i>	163	1,586	4,385	2,799	
<i>Shares in Fixed Income Pools</i>	1,685	1,445	3,032	1,587	
Total	<u>1,848</u>	<u>3,031</u>	<u>7,417</u>	<u>4,386</u>	2.447
108 Penitentiaries					
<i>Shares in Equity Pools</i>	505	4,314	13,566	9,252	
<i>Shares in Fixed Income Pools</i>	5,165	4,272	9,294	5,022	
Total	<u>5,670</u>	<u>8,586</u>	<u>22,860</u>	<u>14,274</u>	2.662

PERMANENT LAND ENDOWMENT TRUST FUND
INVESTMENTS OUTSTANDING
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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>	151,041	1,431,086	4,057,637	2,626,551	
<i>Shares in Fixed Income Pools</i>	1,513,689	1,344,557	2,723,739	1,379,182	
Total	<u>1,664,730</u>	<u>2,775,642</u>	<u>6,781,375</u>	<u>4,005,733</u>	2.443
110 School for Deaf & Blind					
<i>Shares in Equity Pools</i>	186	1,615	4,992	3,377	
<i>Shares in Fixed Income Pools</i>	2,128	1,710	3,829	2,118	
Total	<u>2,314</u>	<u>3,326</u>	<u>8,821</u>	<u>5,496</u>	2.653
111 School of Mines					
<i>Shares in Equity Pools</i>	347	2,601	9,309	6,708	
<i>Shares in Fixed Income Pools</i>	3,565	2,647	6,415	3,768	
Total	<u>3,912</u>	<u>5,248</u>	<u>15,724</u>	<u>10,476</u>	2.996
112 State Charitable					
<i>Shares in Equity Pools</i>	4,638	48,269	124,607	76,338	
<i>Shares in Fixed Income Pools</i>	45,295	42,181	81,505	39,324	
Total	<u>49,934</u>	<u>90,450</u>	<u>206,112</u>	<u>115,662</u>	2.279
113 University Fund					
<i>Shares in Equity Pools</i>	939	12,186	25,225	13,039	
<i>Shares in Fixed Income Pools</i>	9,704	9,844	17,461	7,617	
Total	<u>10,643</u>	<u>22,030</u>	<u>42,686</u>	<u>20,656</u>	1.938
114 U Of A Land - 1881					
<i>Shares in Equity Pools</i>	2,456	24,085	65,981	41,896	
<i>Shares in Fixed Income Pools</i>	25,282	21,914	45,493	23,578	
Total	<u>\$27,738</u>	<u>\$45,999</u>	<u>\$111,474</u>	<u>\$65,474</u>	2.423
TOTALS - ALL FUNDS					
<i>Shares in Equity Pools</i>	161,736	1,541,466	4,351,686	2,810,219	
<i>Shares in Fixed Income Pools</i>	1,623,957	1,443,469	2,922,155	1,478,687	
Grand Total	<u>\$1,785,693</u>	<u>\$2,984,935</u>	<u>\$7,273,841</u>	<u>\$4,288,906</u>	
PRIOR YEAR:					
AUGUST 2021 BALANCES	\$1,757,679	\$2,731,481	\$7,823,430	\$5,091,948	

**PERMANENT LAND ENDOWMENT TRUST FUND
INVESTMENTS OUTSTANDING
AUGUST 31, 2022**

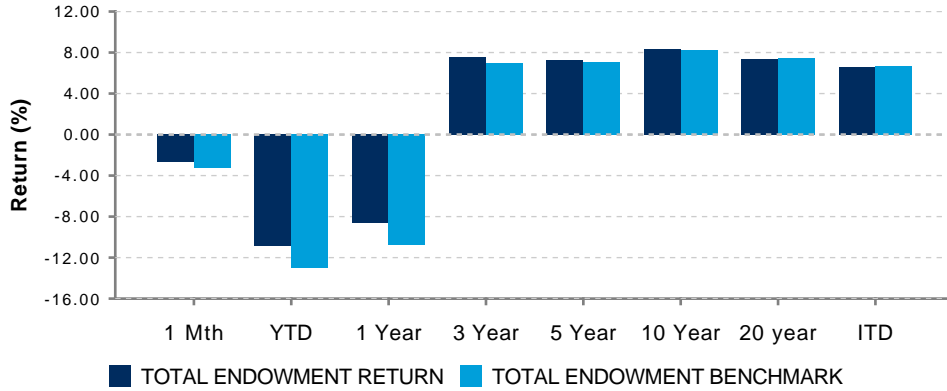
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ASSET ALLOCATION PERCENTAGE

	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	AUGUST 2021 MARKET VALUE
<i>Equity Pools</i>	9.06%	51.64%	59.83%	62.44%
<i>Fixed Income Pools</i>	90.94%	48.36%	40.17%	37.56%
Total	100.00%	100.00%	100.00%	100.00%



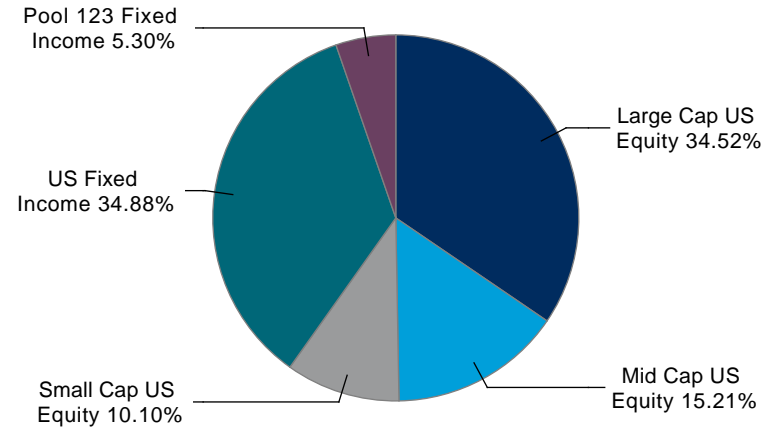
Performance



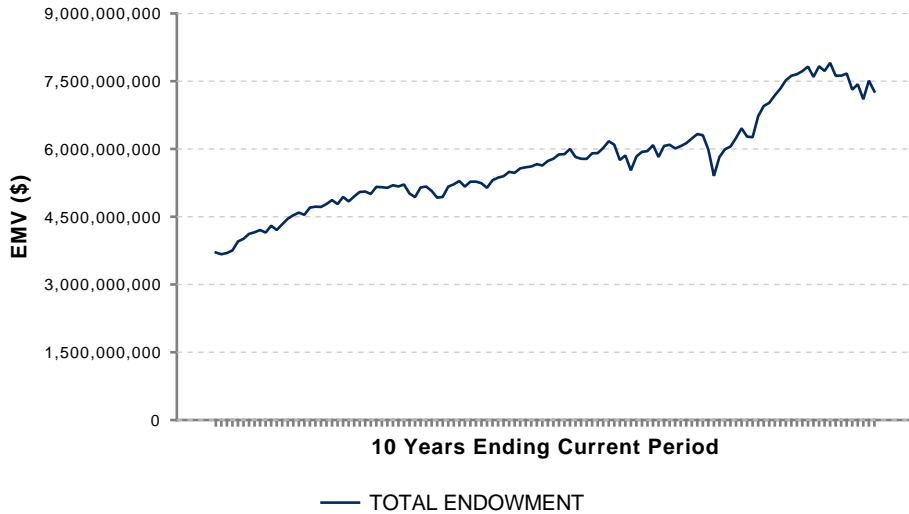
	1 Mth	YTD	1 Year	3 Year	5 Year	10 Year	20 Year	ITD	Incept Date
TOTAL ENDOWMENT RETURN	-2.71	-10.88	-8.60	7.59	7.30	8.31	7.33	6.58	07/99
TOTAL ENDOWMENT BENCHMARK	-3.26	-13.04	-10.78	6.94	7.05	8.29	7.42	6.67	07/99
	0.55	2.16	2.18	0.65	0.24	0.01	-0.09	-0.10	

Asset Allocation

	Ending Market Value
TOTAL ENDOWMENT RETURN	7,273,841,138

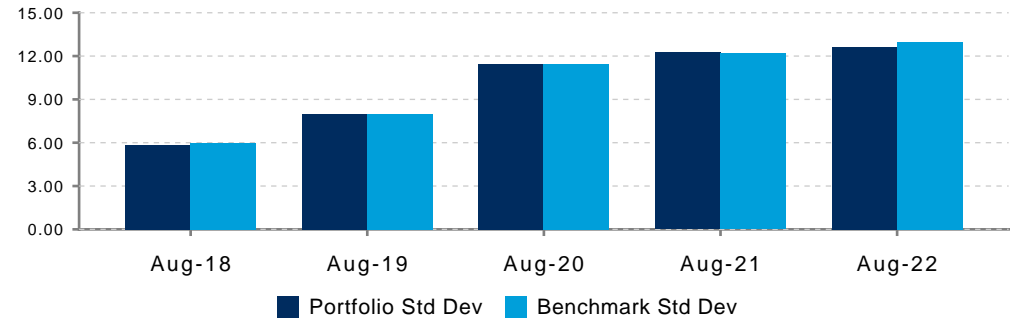


Ending Market Value



3 Year Risk Statistics

	Return	Portfolio Std Dev	Benchmark Std Dev	Sharpe Ratio	Beta	Tracking Error	Information Ratio
TOTAL ENDOWMENT RETURN	7.59	12.61	12.97	0.56	0.97	0.83	0.78



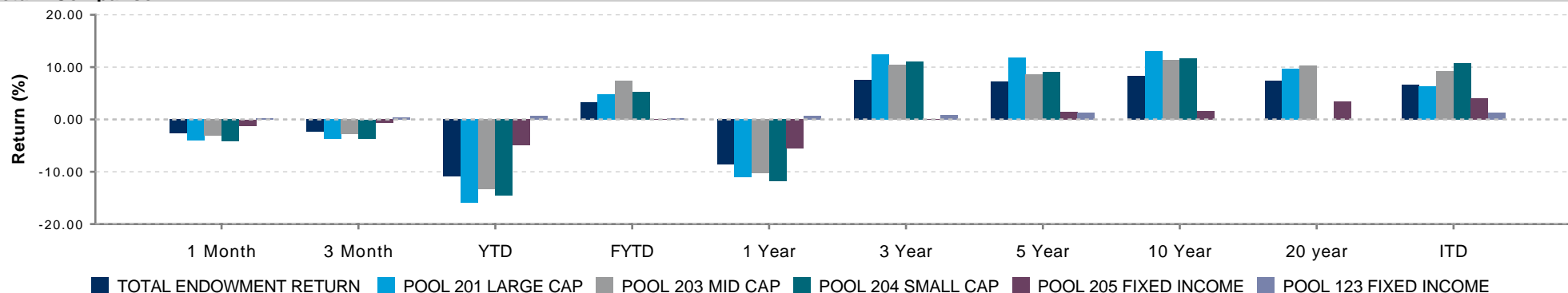
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Total Returns Net Mgr



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	7,273,841,138	100.00	-2.71	-2.35	-10.88	3.24	-8.60	7.59	7.30	8.31	7.33	6.58	Jul-01-99
TOTAL ENDOWMENT BENCHMARK			-3.26	-2.87	-13.04	3.04	-10.78	6.94	7.05	8.29	7.42	6.67	Jul-01-99
ST OF AZ POOL 201 LARGE CAP	2,510,905,507	34.52	-4.03	-3.76	-15.89	4.80	-11.01	12.42	11.82	13.05	9.68	6.26	Jul-01-99
S&P 500 INDEX (DAILY)			-4.08	-3.88	-16.14	4.77	-11.23	12.39	11.82	13.08	9.74	6.67	Jul-01-99
			0.55	0.52	2.16	0.20	2.18	0.65	0.24	0.01	-0.09	-0.10	
ST OF AZ POOL 203 MID CAP	1,106,420,962	15.21	-3.08	-2.78	-13.37	7.37	-10.30	10.42	8.67	11.33	10.29	9.22	Aug-01-01
S&P 400 MIDCAP INDEX (DAILY)			-3.10	-2.92	-13.58	7.41	-10.37	10.58	8.71	11.32	10.47	9.23	Aug-01-01
			0.02	0.14	0.21	-0.04	0.07	-0.17	-0.04	0.01	-0.18	-0.01	
ST OF AZ POOL 204 SMALL CAP	734,359,393	10.10	-4.22	-3.64	-14.59	5.23	-11.83	11.00	9.03	11.73		10.80	Mar-01-11
S&P SM 600 TR			-4.39	-3.80	-14.74	5.19	-12.12	10.40	8.65	11.50		10.61	Mar-01-11
			0.17	0.16	0.14	0.04	0.29	0.60	0.38	0.23		0.19	
POOL 205 FIXED INCOME	2,536,911,603	34.88	-1.21	-0.65	-4.94	0.09	-5.59	-0.02	1.42	1.58	3.37	4.09	Jul-01-99
FTSE BIG (DAILY)			-2.71	-2.01	-10.95	-0.45	-11.76	-2.02	0.53	1.35	3.46	4.15	Jul-01-99
			1.50	1.36	6.01	0.53	6.17	2.00	0.89	0.23	-0.09	-0.06	
POOL 123 FIXED INCOME	385,243,673	5.30	0.17	0.39	0.65	0.30	0.66	0.79	1.32			1.23	Jun-01-16
ASTO-POOL 5 BENCHMARK			0.18	0.42	0.55	0.32	0.58	0.64	1.18			1.07	Jun-01-16
			-0.01	-0.03	0.09	-0.02	0.09	0.15	0.14			0.15	

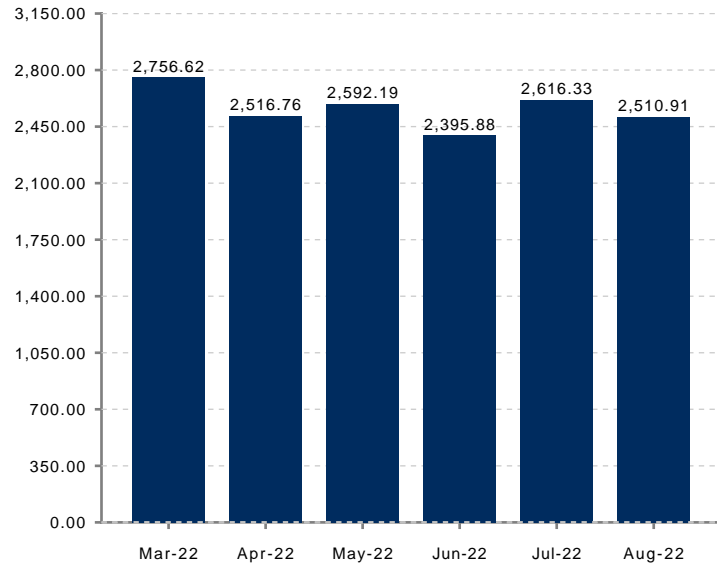
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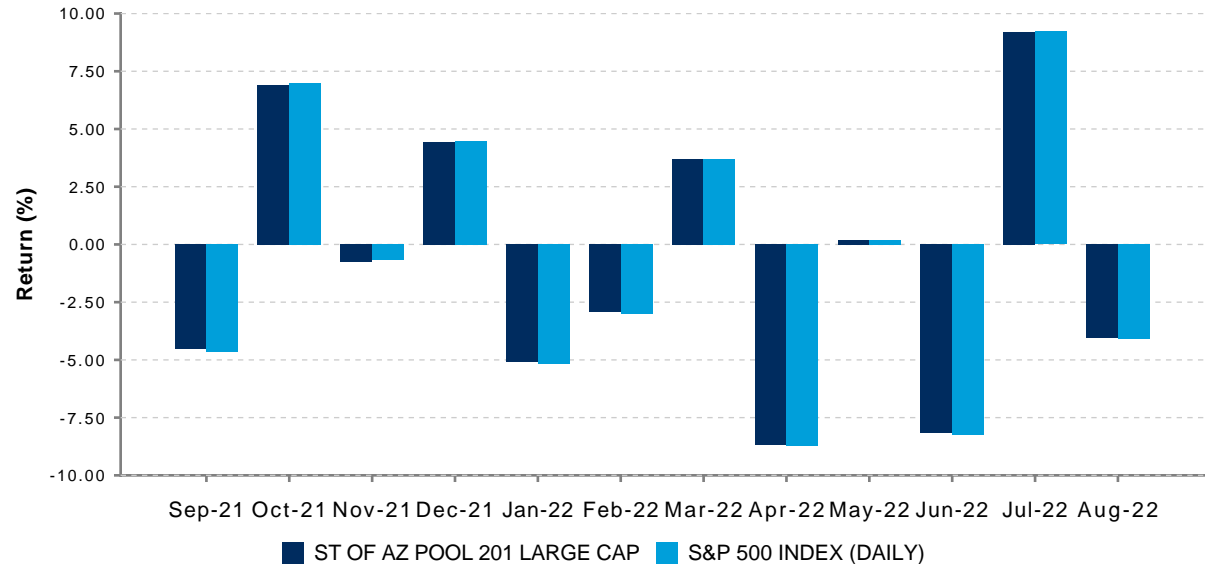
ST OF AZ POOL 201 LARGE CAP



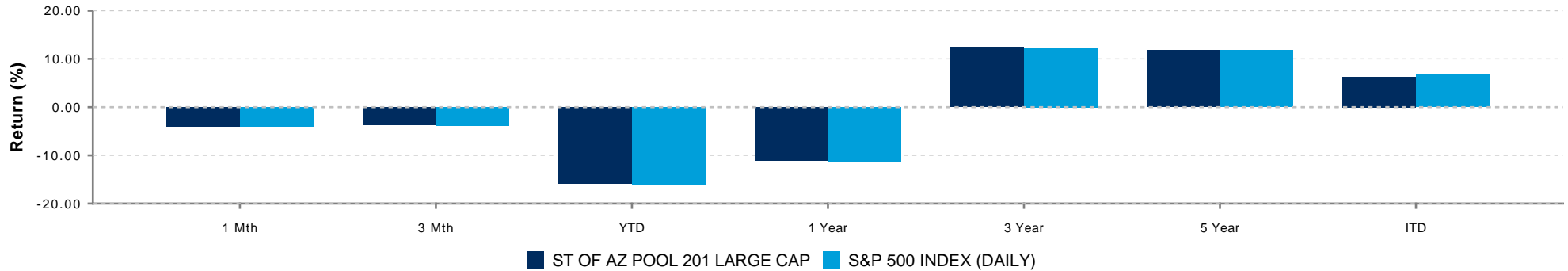
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return

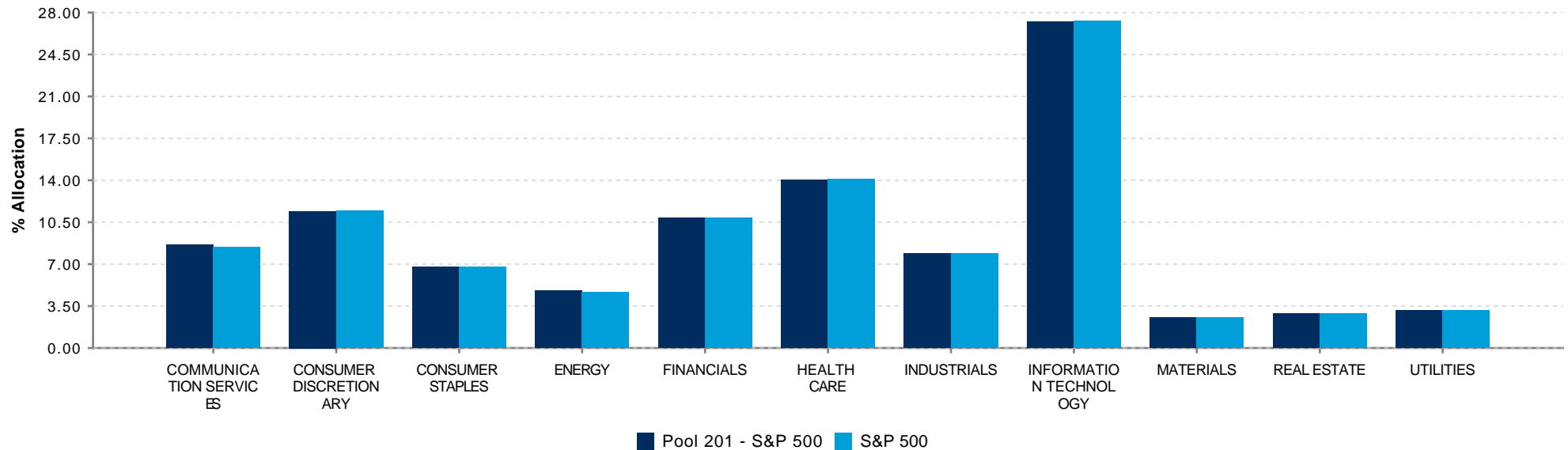


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Aug 31 2020	Aug 31 2021	Aug 31 2022
ST OF AZ POOL 201 LARGE CAP	-4.03	-3.76	-15.89	-11.01	12.42	11.82	6.26	21.95	30.93	-11.01
S&P 500 INDEX (DAILY)	-4.08	-3.88	-16.14	-11.23	12.39	11.82	6.67	21.94	31.17	-11.23
	0.05	0.12	0.25	0.22	0.03	-0.00	-0.41	0.01	-0.24	0.22

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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	8.59	8.42	0.17
CONSUMER DISCRETIONARY	11.42	11.43	-0.01
CONSUMER STAPLES	6.74	6.77	-0.03
ENERGY	4.77	4.67	0.10
FINANCIALS	10.83	10.86	-0.03
HEALTH CARE	14.05	14.07	-0.03
INDUSTRIALS	7.87	7.92	-0.05
INFORMATION TECHNOLOGY	27.24	27.32	-0.09
MATERIALS	2.53	2.54	-0.01
REAL ESTATE	2.85	2.86	-0.01
UTILITIES	3.13	3.13	-0.01

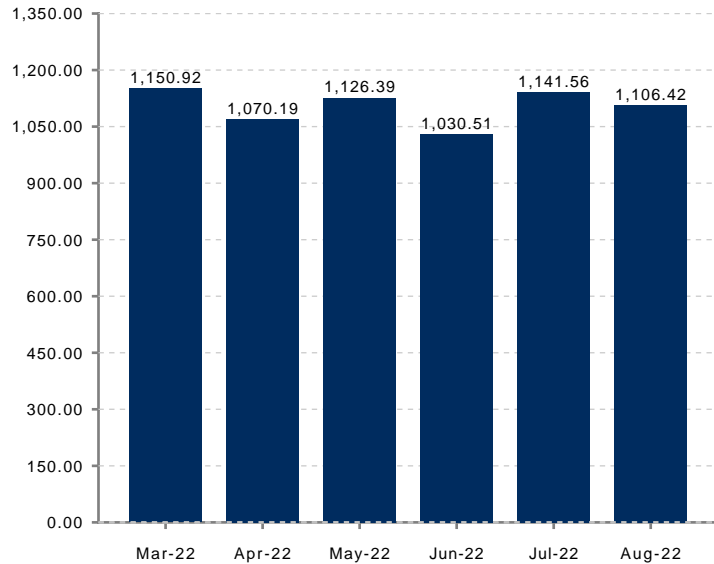
OFFICE OF THE ARIZONA STATE TREASURER

August 31, 2022

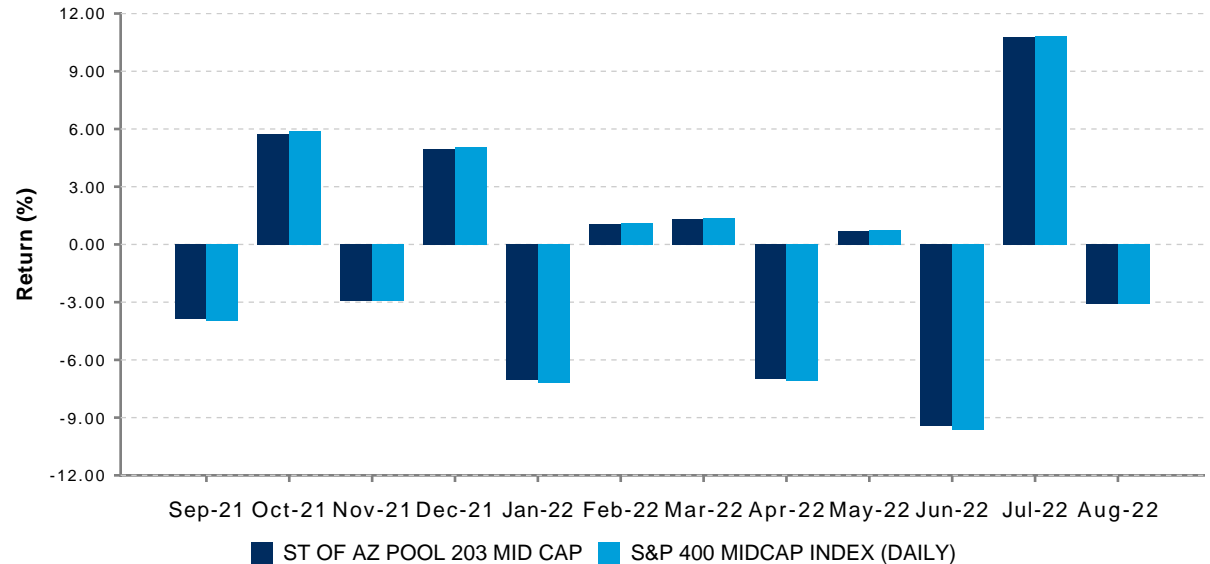
ST OF AZ POOL 203 MID CAP



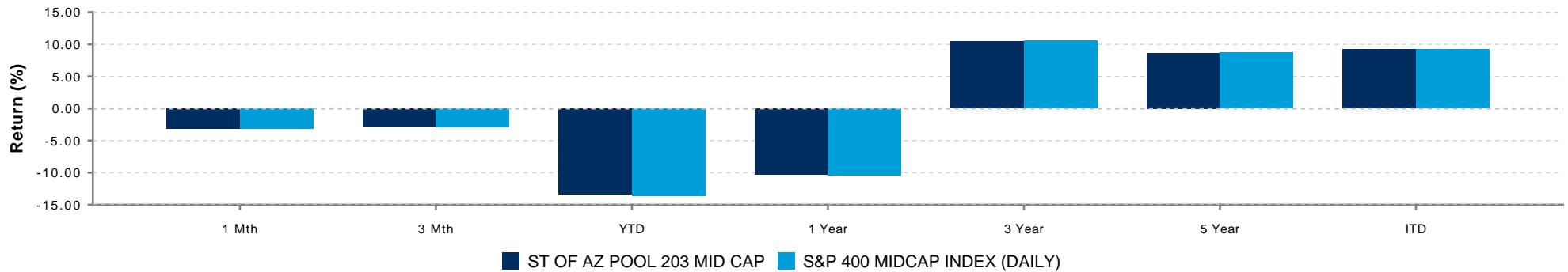
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return

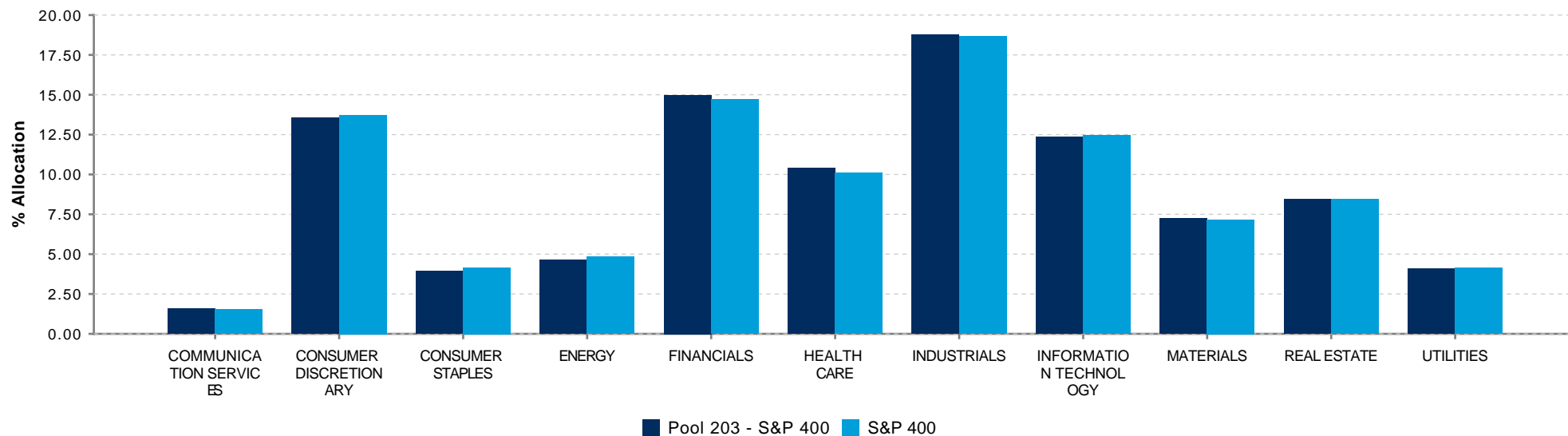


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Aug 31 2020	Aug 31 2021	Aug 31 2022
ST OF AZ POOL 203 MID CAP	-3.08	-2.78	-13.37	-10.30	10.42	8.67	9.22	3.97	44.35	-10.30
S&P 400 MIDCAP INDEX (DAILY)	-3.10	-2.92	-13.58	-10.37	10.58	8.71	9.23	4.22	44.77	-10.37
	0.02	0.14	0.21	0.07	-0.17	-0.04	-0.01	-0.25	-0.41	0.07

OFFICE OF THE ARIZONA STATE TREASURER

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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	1.58	1.55	0.03
CONSUMER DISCRETIONARY	13.57	13.73	-0.16
CONSUMER STAPLES	3.94	4.16	-0.22
ENERGY	4.65	4.85	-0.21
FINANCIALS	14.98	14.72	0.26
HEALTH CARE	10.38	10.11	0.27
INDUSTRIALS	18.75	18.65	0.09
INFORMATION TECHNOLOGY	12.36	12.47	-0.11
MATERIALS	7.26	7.17	0.10
REAL ESTATE	8.43	8.46	-0.03
UTILITIES	4.10	4.13	-0.02

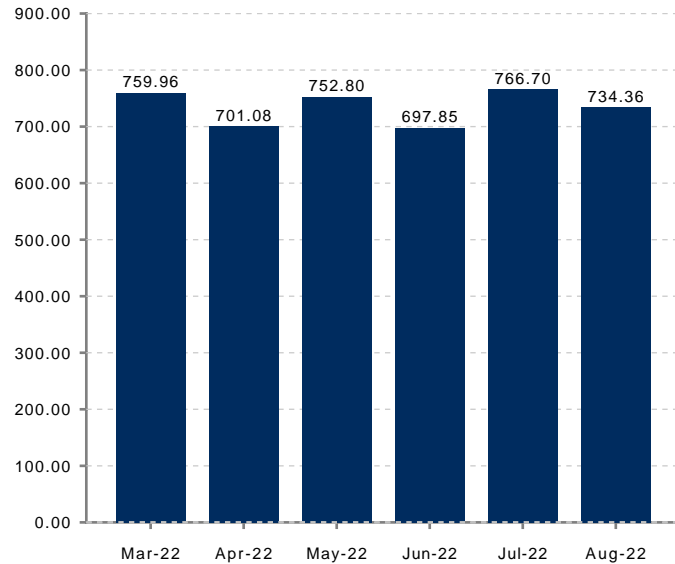
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August 31, 2022

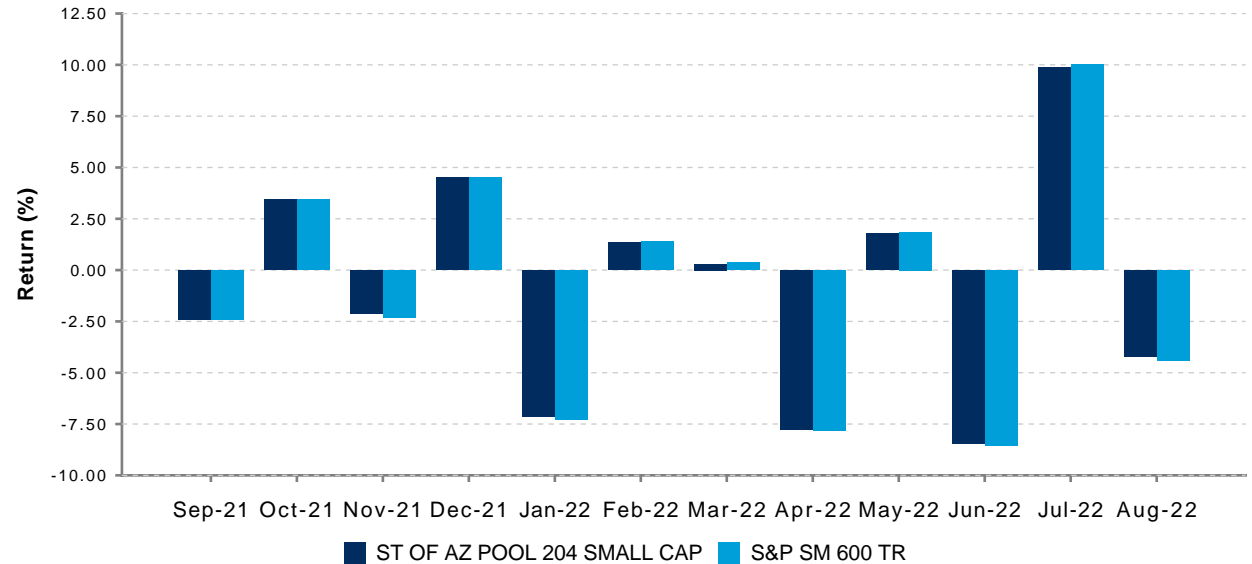
ST OF AZ POOL 204 SMALL CAP



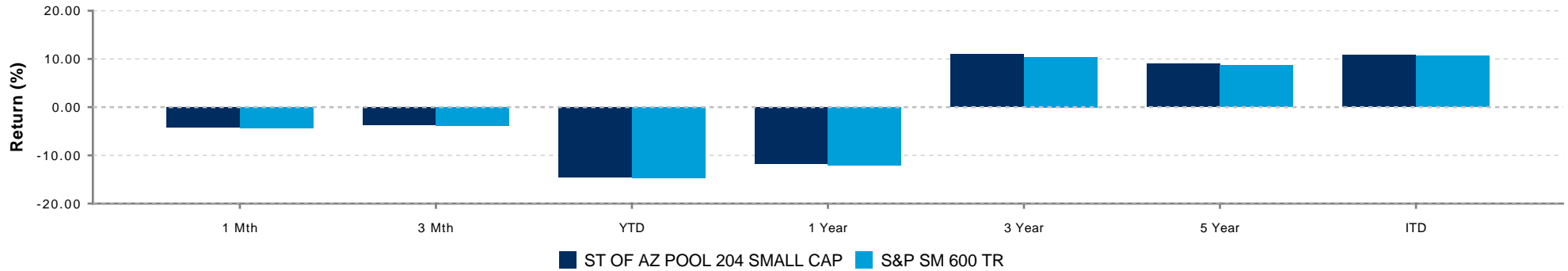
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return

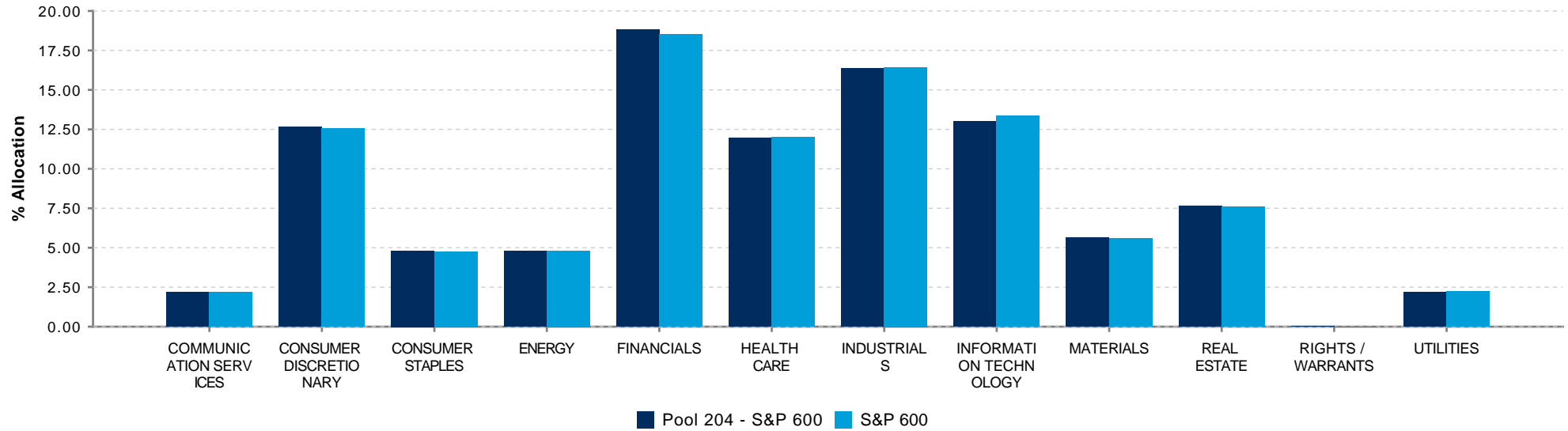


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Aug 31 2020	Aug 31 2021	Aug 31 2022
ST OF AZ POOL 204 SMALL CAP	-4.22	-3.64	-14.59	-11.83	11.00	9.03	10.80	0.98	53.59	-11.83
S&P SM 600 TR	-4.39	-3.80	-14.74	-12.12	10.40	8.65	10.61	-0.55	53.97	-12.12
	0.17	0.16	0.14	0.29	0.60	0.38	0.19	1.53	-0.38	0.29

OFFICE OF THE ARIZONA STATE TREASURER

August 31, 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	2.17	2.18	-0.01
CONSUMER DISCRETIONARY	12.66	12.55	0.12
CONSUMER STAPLES	4.81	4.76	0.06
ENERGY	4.79	4.81	-0.02
FINANCIALS	18.80	18.50	0.31
HEALTH CARE	11.95	12.02	-0.07
INDUSTRIALS	16.35	16.44	-0.09
INFORMATION TECHNOLOGY	12.99	13.37	-0.38
MATERIALS	5.63	5.57	0.06
REAL ESTATE	7.64	7.60	0.04
RIGHTS / WARRANTS	0.01	0.00	0.01
UTILITIES	2.20	2.21	-0.01

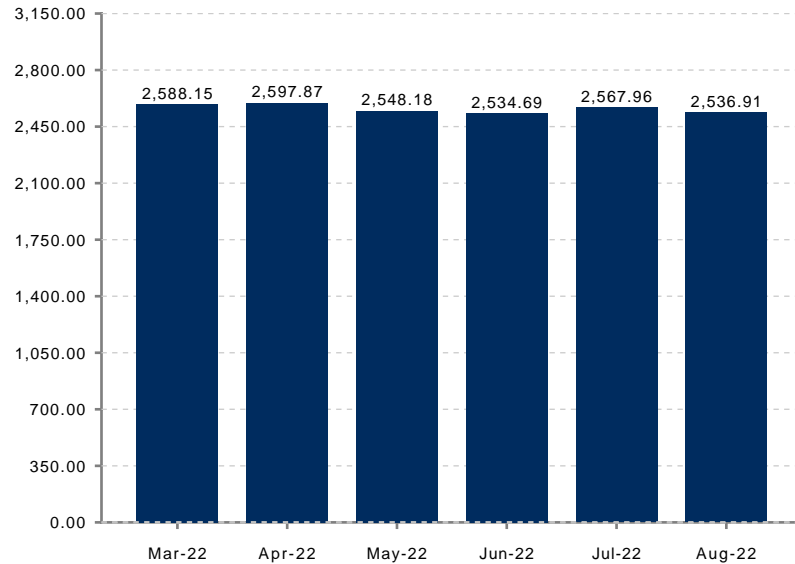
OFFICE OF THE ARIZONA STATE TREASURER

August 31, 2022

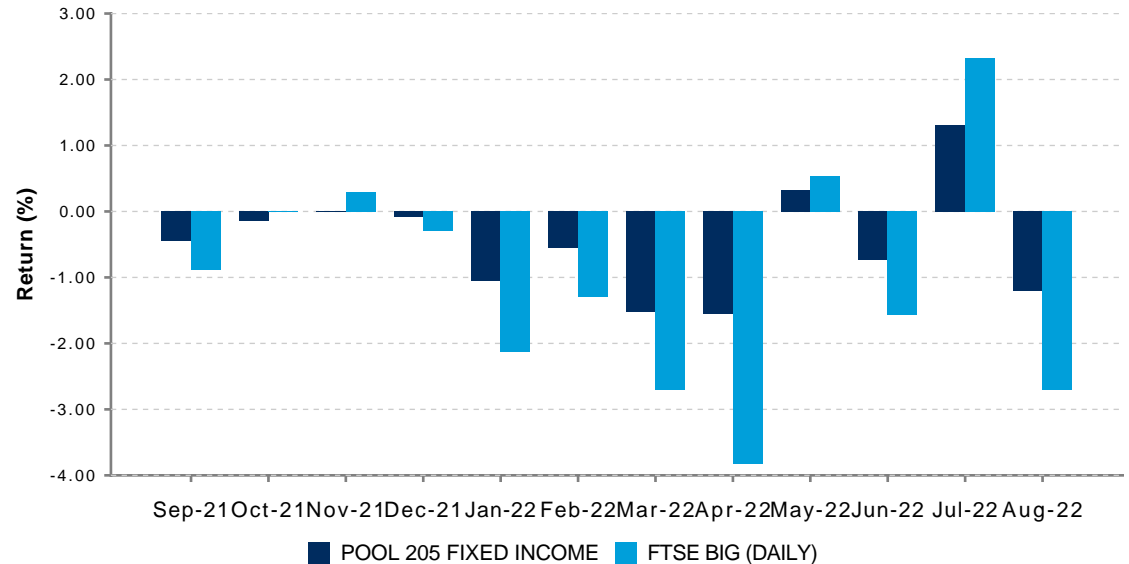
POOL 205 FIXED INCOME



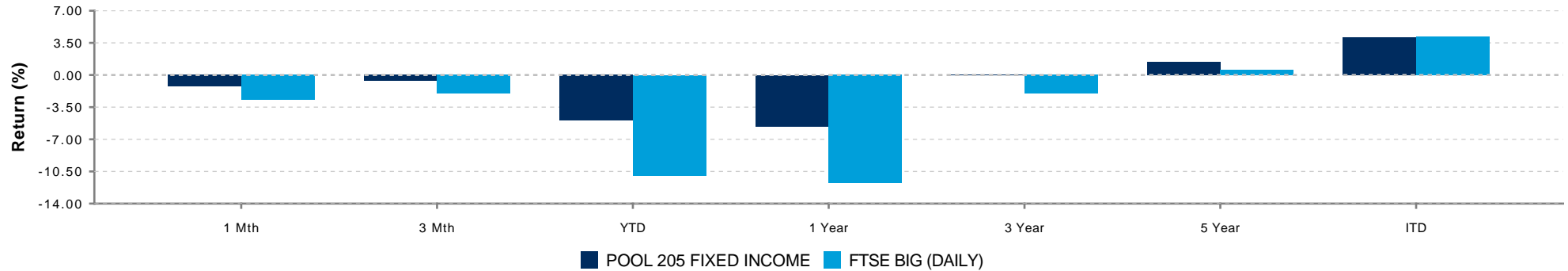
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Aug 31 2022	Aug 31 2021	Aug 31 2020
POOL 205 FIXED INCOME	-1.21	-0.65	-4.94	-5.59	-0.02	1.42	4.09	-5.59	0.27	5.56
FTSE BIG (DAILY)	-2.71	-2.01	-10.95	-11.76	-2.02	0.53	4.15	-11.76	0.04	6.55
	1.50	1.36	6.01	6.17	2.00	0.89	-0.06	6.17	0.23	-0.99

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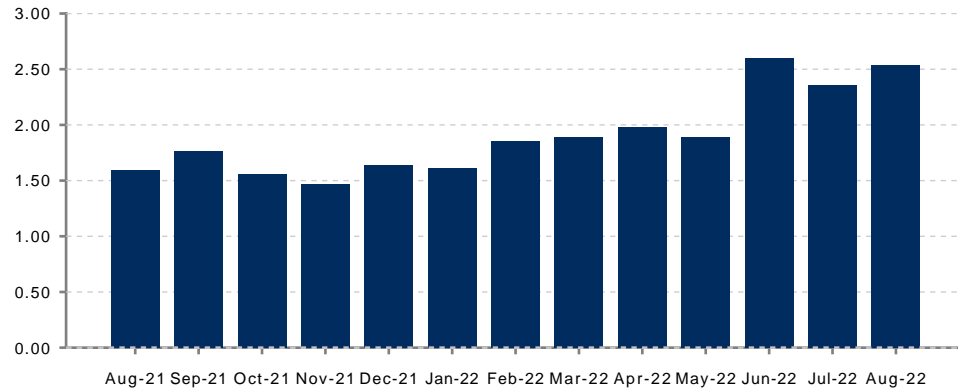
OFFICE OF THE ARIZONA STATE TREASURER

August 31, 2022

POOL 205 FIXED INCOME



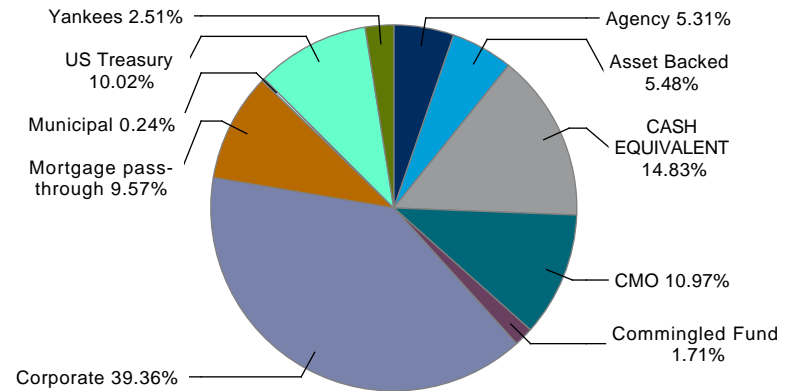
Net Yield



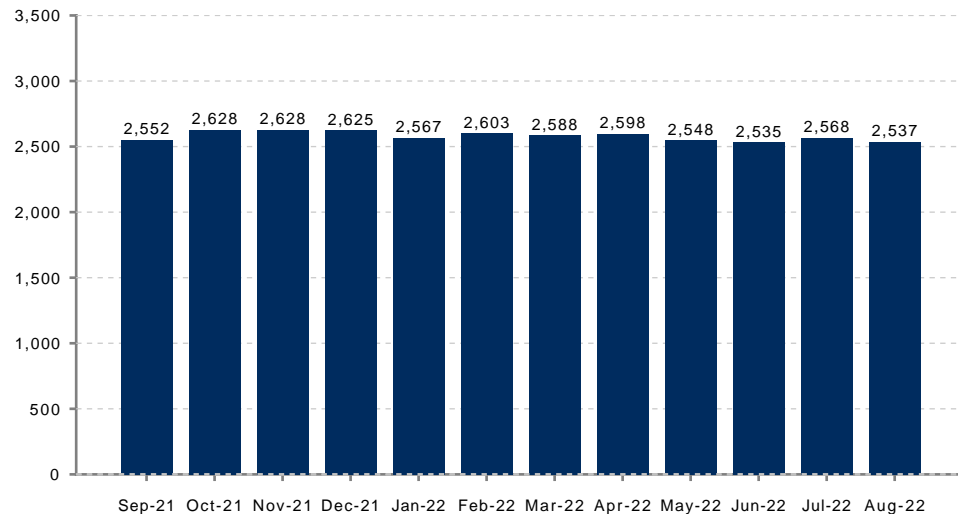
	Current Mth	Prior Mth	1 Year Ago
POOL 205 FIXED INCOME	2.54	2.36	1.59

Asset Allocation

	Ending Market Value
POOL 205 FIXED INCOME	2,536,911,603



Net Asset Values over Time (\$MM)

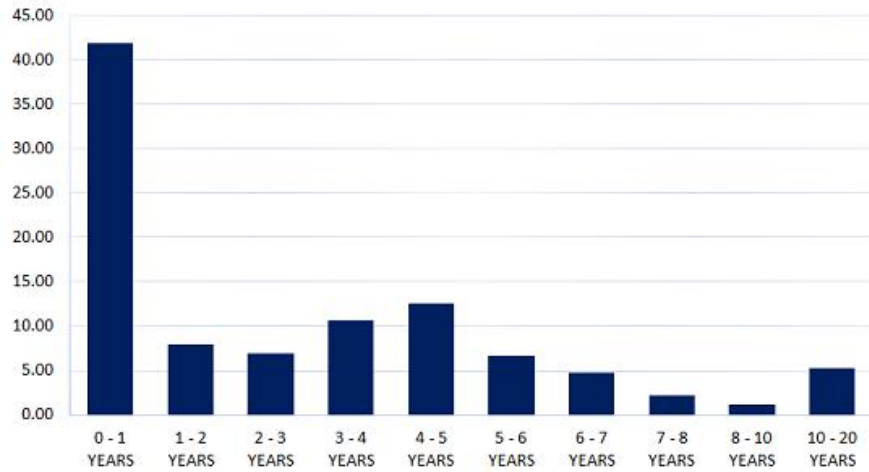


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 205 FIXED INCOME		
ILA FINANCIAL SQUARE GOVT	56,064,809	2.21
NVIDIA CORP	34,102,599	1.34
ISHARES TIPS BOND ETF	32,261,818	1.27
BOEING CO	30,458,124	1.20
WASTE MANAGEMENT INC	25,990,597	1.02
US TREASURY N/B	25,161,366	0.99
US TREASURY N/B	22,549,083	0.89
MERCK + CO INC	20,061,122	0.79
FORD CREDIT FLOORPLAN MASTER O	20,028,236	0.79
PARKER HANNIFIN CORP	19,981,099	0.79



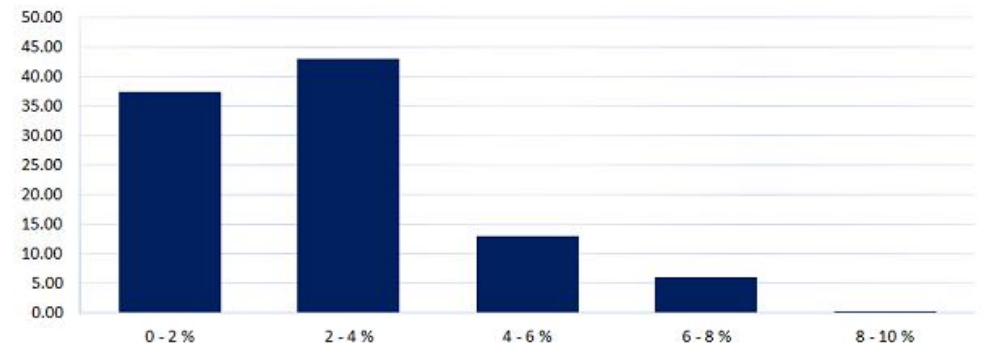
Duration Distribution



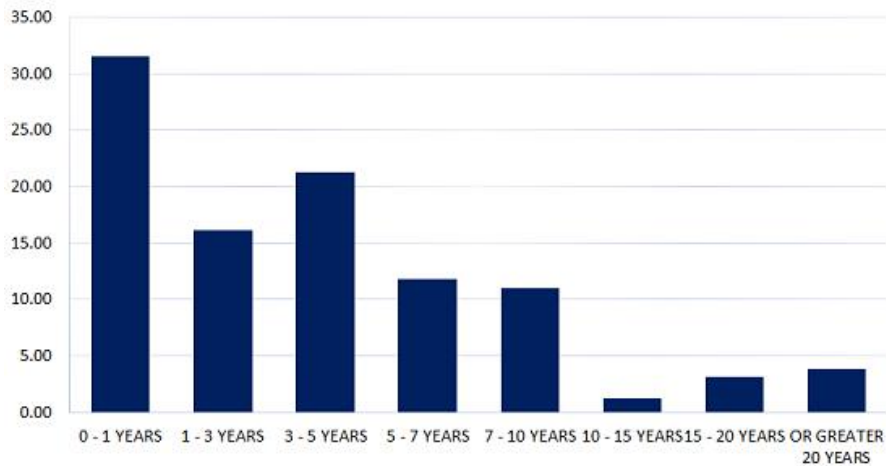
Portfolio Level Characteristics

	POOL 205 FIXED INCOME
Effective Maturity	4.91
Coupon	2.94
Effective Duration	3.19
Quality Rating (Moody's)	AA-2

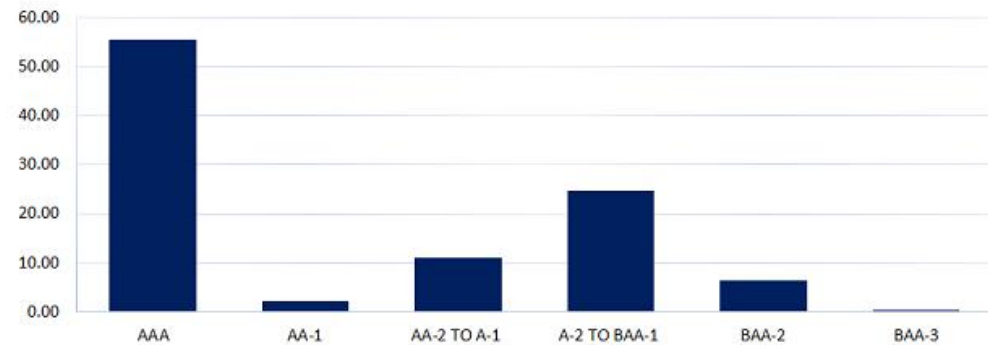
Coupon Distribution



Expected Maturity Distribution

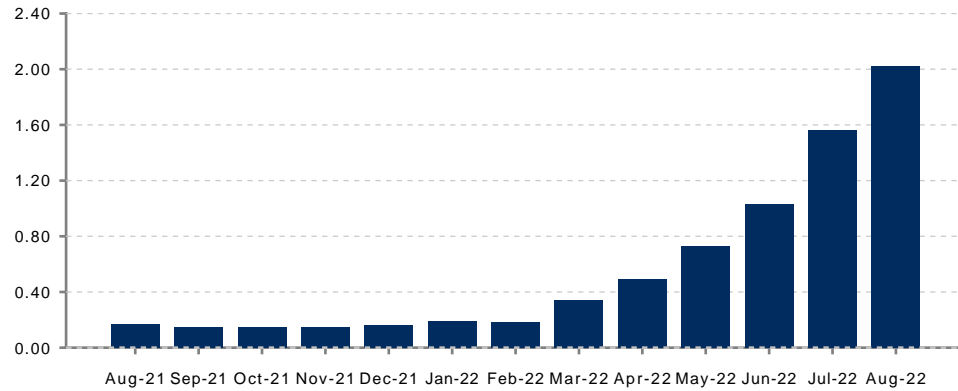


Rating Distribution





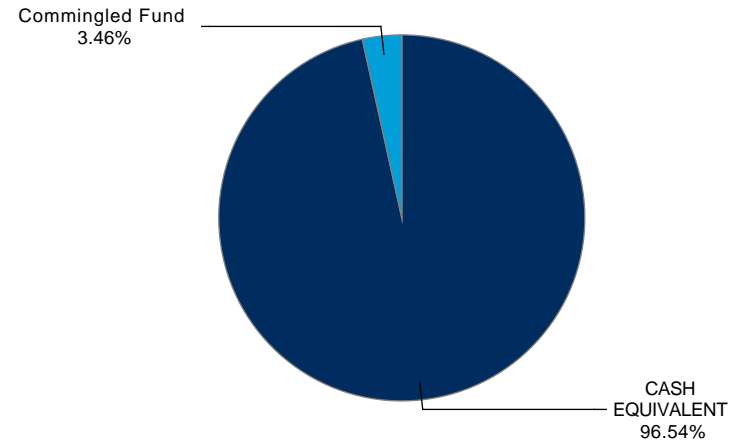
Net Yield



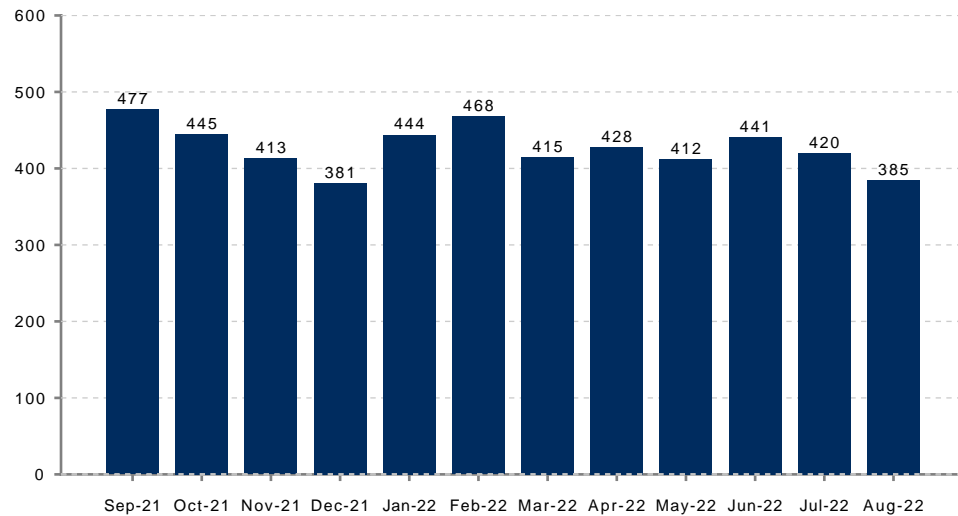
	Current Mth	Prior Mth	1 Year Ago
ST OF AZ POOL 123 ST FIXED INC	2.02	1.56	0.17

Asset Allocation

	Ending Market Value
ST OF AZ POOL 123 ST FIXED INC	385,243,673



Net Asset Values over Time (\$MM)

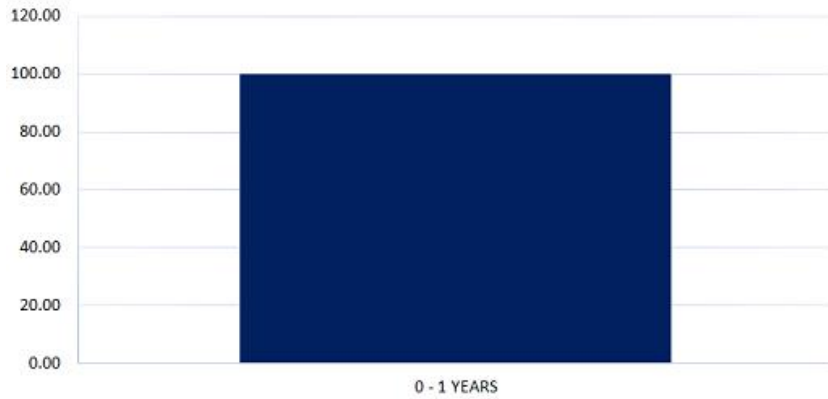


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
ST OF AZ POOL 123 ST FIXED INC		
AT&T INC	24,943,611	6.47
DISNEY (WALT) CO THE	14,998,658	3.89
DUKE ENERGY CORP	14,992,329	3.89
FAIRWAY FINANCE CORP	17,610,099	4.57
GOTHAM FDG CORP	14,972,583	3.89
HONEYWELL INTERNATN'	14,994,277	3.89
ILA FINANCIAL SQUARE GOVT	36,485,938	9.47
MCCORMICK & COMPANY	14,987,500	3.89
MOUNTCLIFF	14,997,700	3.89
VICTORY RECEIVABLES	19,968,056	5.18



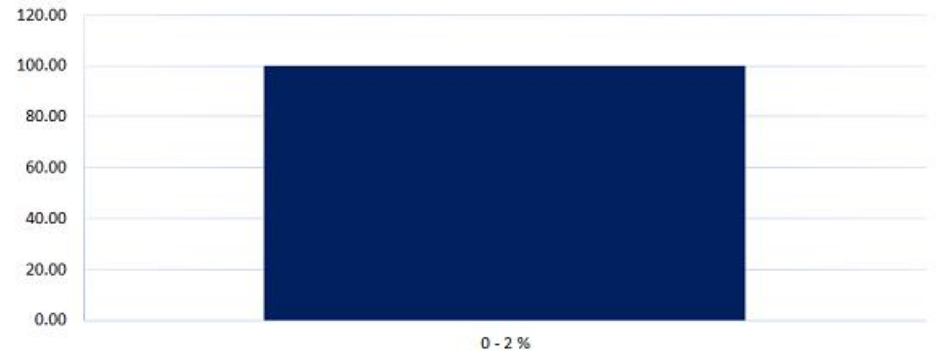
Duration Distribution



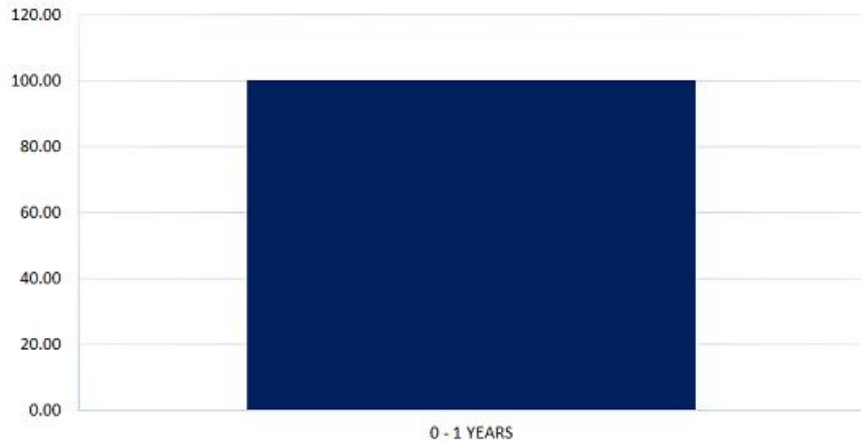
Portfolio Level Characteristics

	POOL 123 ST
Effective Maturity	0.14
Coupon	2.17
Effective Duration	0.14
Quality Rating (Moody's)	AA-1

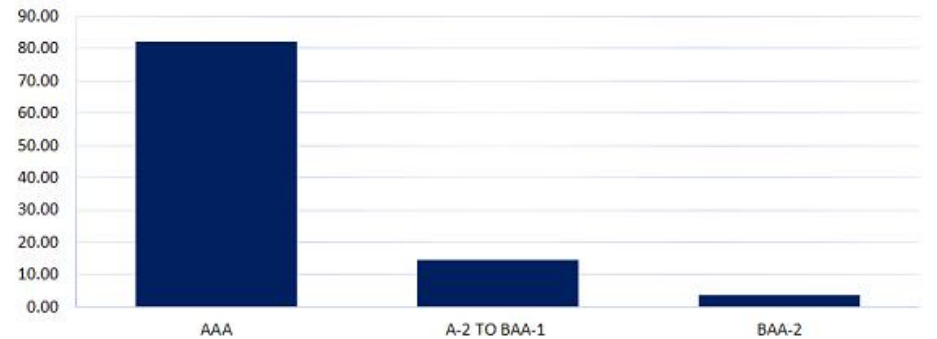
Coupon Distribution



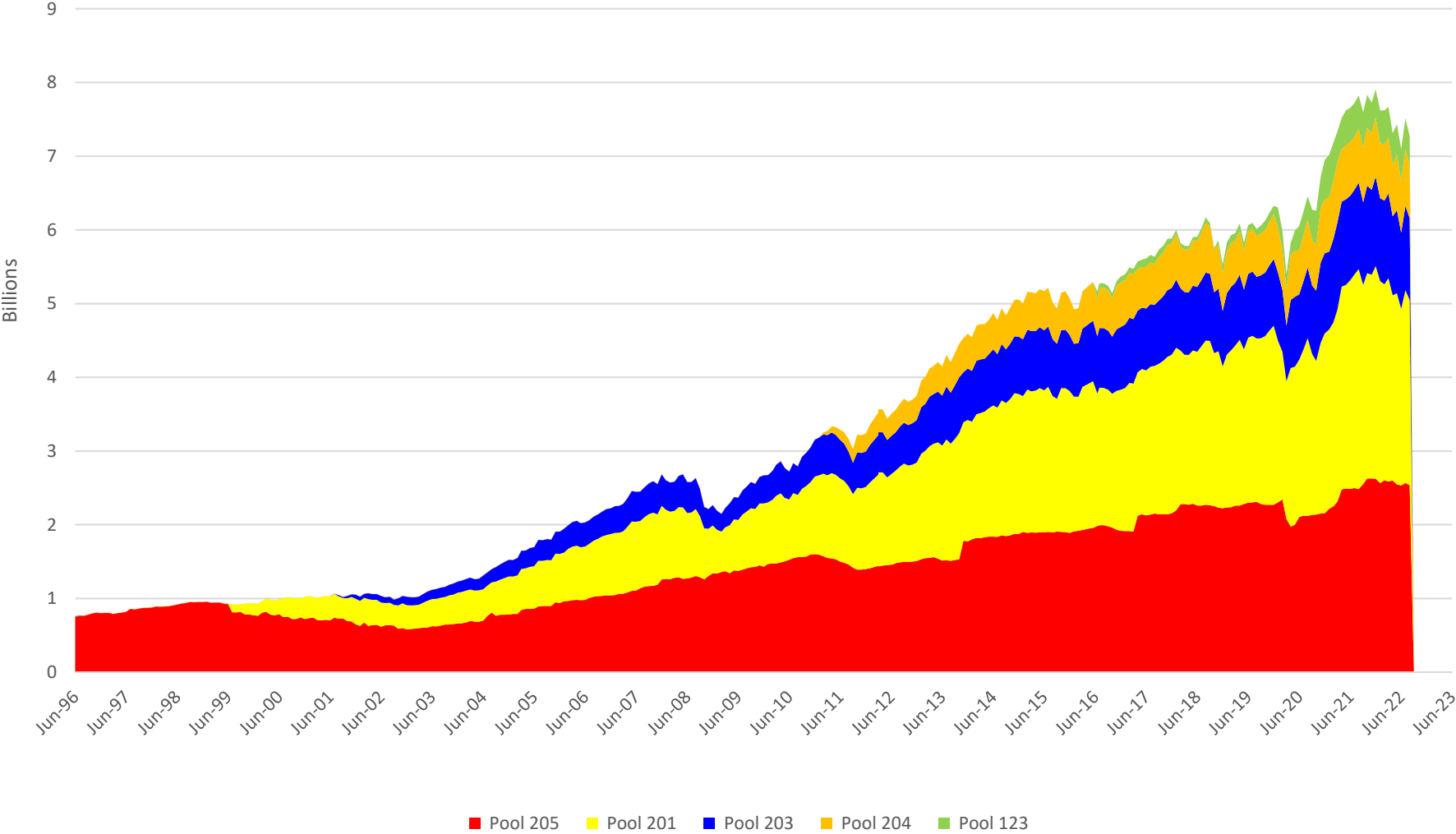
Expected Maturity Distribution



Rating Distribution



Permanent Land Endowment Trust Fund Market Value



ARIZONA ENDOWMENT TRUST FUND

NET REALIZED CAPITAL GAIN/(LOSS)

August 2022

August 2021

Current Month	\$0	\$0
Year-to-date	0	0

MONTHLY PROCEEDS

FY 22/23

July	\$2,890,699	
August	456,739	
September		
October		
November		
December		
January		
February		
March		
April		
May		
June		
TOTAL	\$3,347,439	

ASSET ALLOCATION

	<u>SHARES OUTSTANDING</u>	<u>BOOK VALUE</u>	<u>MARKET VALUE</u>	<u>UNREALIZED GAIN / (LOSS)</u>
<i>Fixed Income Pools</i>	1,667,373	\$21,301,586	\$20,757,155	(\$544,431)
<i>Equity Pools</i>	2,720,081	31,952,379	31,181,434	(\$770,945)
TOTAL	4,387,454	\$53,253,965	\$51,938,589	(\$1,315,376)

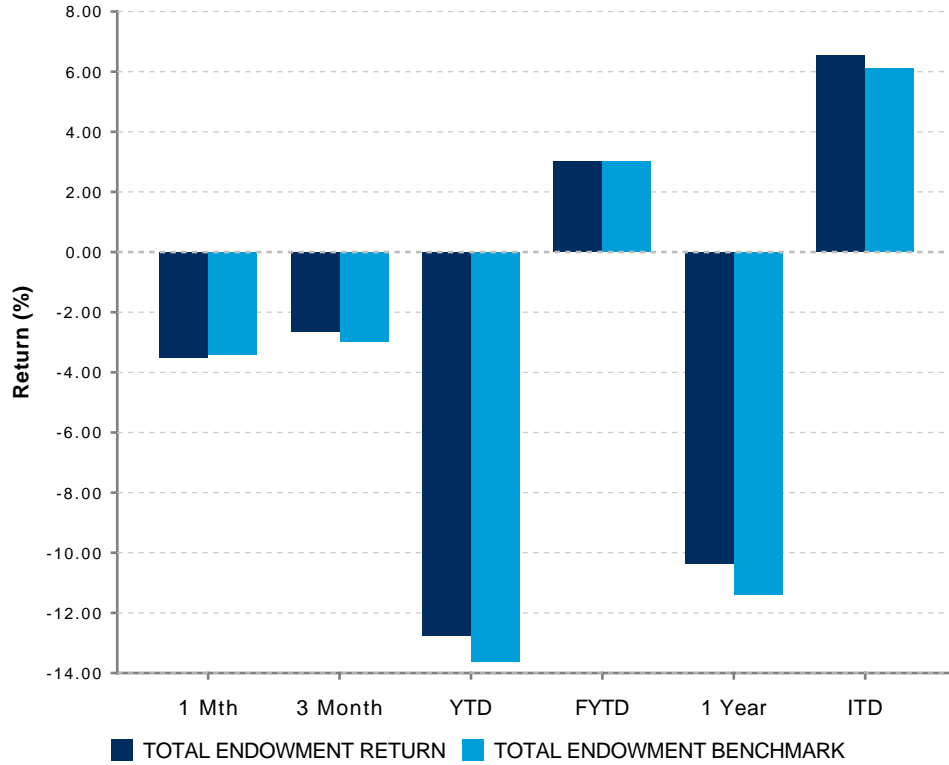
OFFICE OF THE ARIZONA STATE TREASURER

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Arizona Endowment Trust Fund Summary



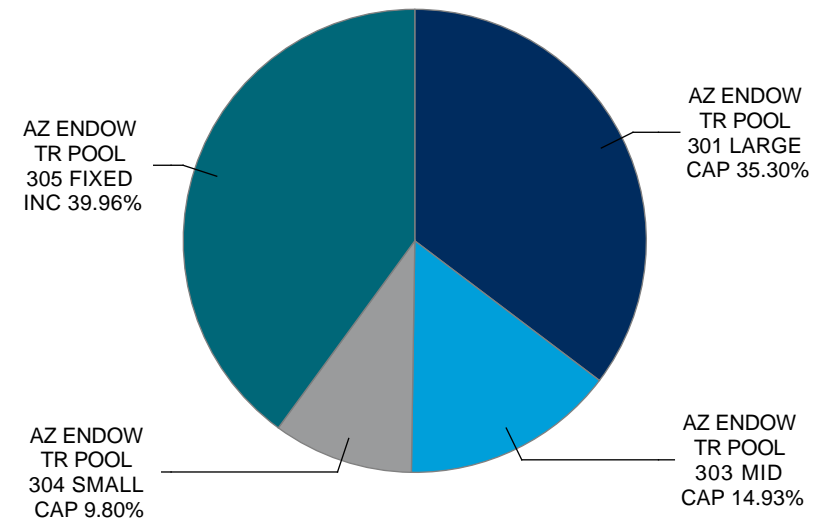
Performance



	1 Mth	3 Mth	YTD	FYTD	1 Year	ITD	Incept Date
TOTAL ENDOWMENT RETURN	-3.52	-2.64	-12.77	3.00	-10.35	6.54	09/19
TOTAL ENDOWMENT BENCHMARK	-3.42	-2.98	-13.62	3.02	-11.39	6.10	09/19
	-0.10	0.35	0.84	-0.03	1.03	0.44	

Asset Allocation

	Ending Market Value
TOTAL ENDOWMENT RETURN	51,938,589



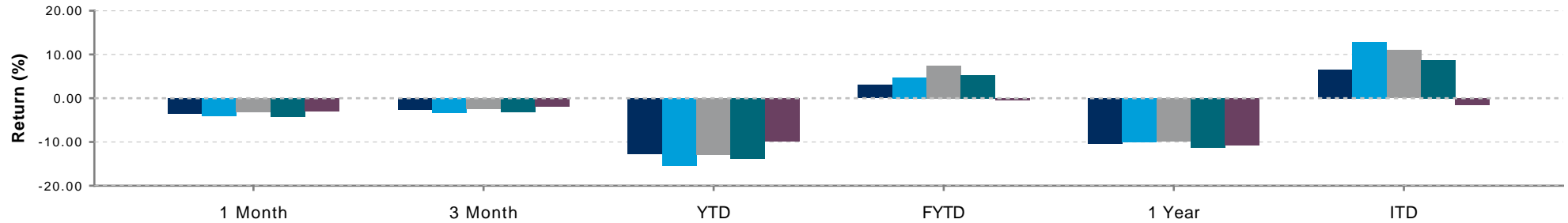
OFFICE OF THE ARIZONA STATE TREASURER

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Total Returns Net Mgr



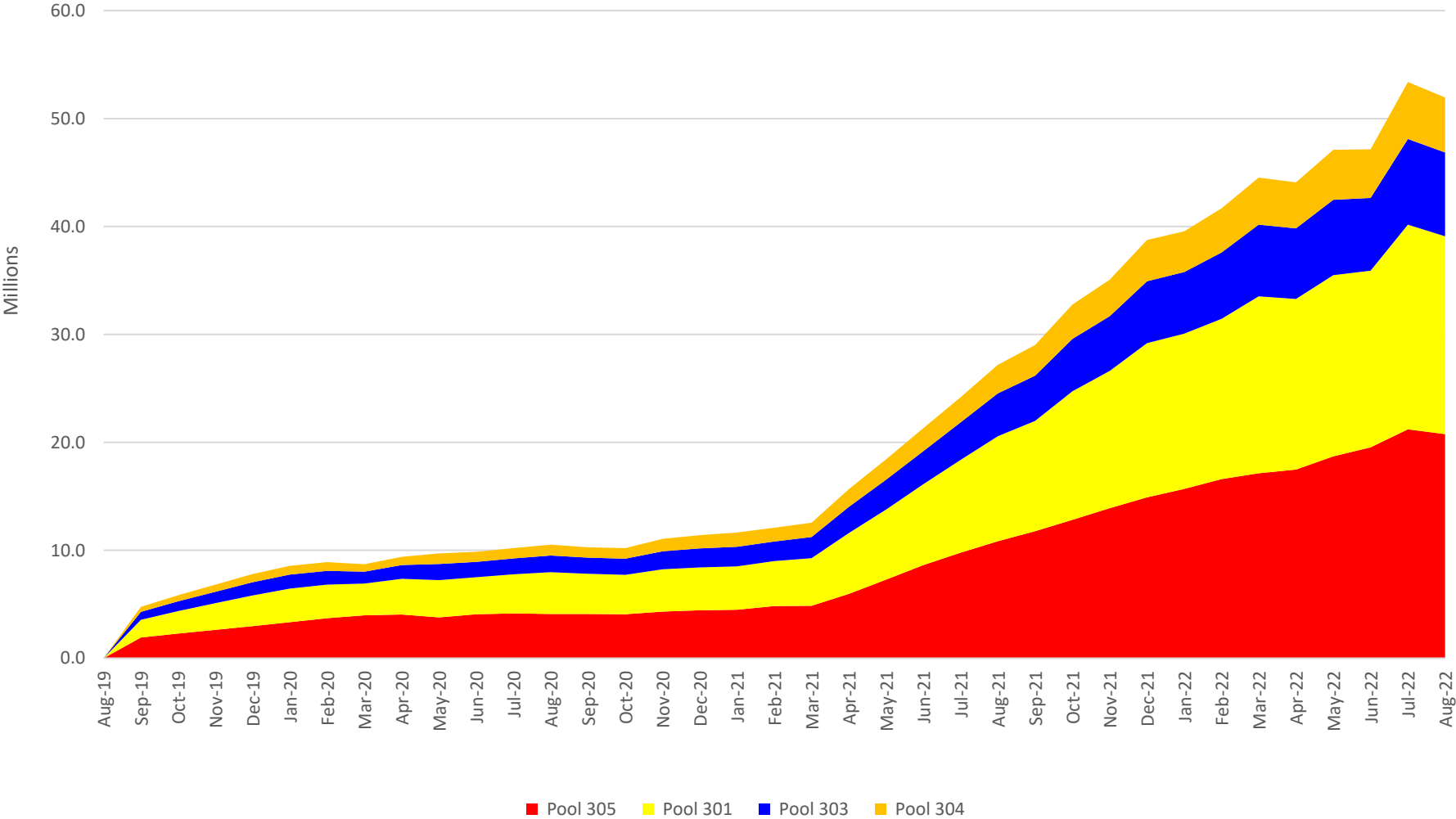
Return Comparison



■ 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	51,938,589	100.00	-3.52	-2.64	-12.77	3.00	-10.35	6.54	Sep-01-19
TOTAL ENDOWMENT BENCHMARK			-3.42	-2.98	-13.62	3.02	-11.39	6.10	Sep-01-19
			-0.10	0.35	0.84	-0.03	1.03	0.44	
AZ ENDOW TR POOL 301 LARGE CAP	18,333,782	35.30	-4.07	-3.40	-15.54	4.74	-10.07	12.88	Sep-01-19
S&P 500 INDEX (DAILY)			-4.08	-3.88	-16.14	4.77	-11.23	12.39	Sep-01-19
			0.01	0.48	0.60	-0.03	1.15	0.48	
AZ ENDOW TR POOL 303 MID CAP	7,755,530	14.93	-3.14	-2.41	-12.98	7.44	-9.77	10.99	Sep-01-19
S&P 400 MIDCAP INDEX (DAILY)			-3.10	-2.92	-13.58	7.41	-10.37	10.58	Sep-01-19
			-0.04	0.51	0.60	0.02	0.61	0.40	
AZ ENDOW TR POOL 304 SMALL CAP	5,092,122	9.80	-4.33	-3.19	-13.90	5.31	-11.27	8.74	Sep-01-19
S&P SM 600 TR			-4.39	-3.80	-14.74	5.19	-12.12	10.40	Sep-01-19
			0.06	0.61	0.84	0.13	0.85	-1.66	
AZ ENDOW TR POOL 305 FIXED INC	20,757,155	39.96	-2.97	-1.91	-9.82	-0.54	-10.67	-1.46	Sep-01-19
FTSE BIG (DAILY)			-2.71	-2.01	-10.95	-0.45	-11.76	-2.02	Sep-01-19
			-0.26	0.10	1.13	-0.09	1.08	0.56	

Arizona Endowment Trust Fund Market Value



Arizona's Education Savings Plan (AZ529) August 2022 Summary

Overall Performance – Where We Are Now |

➤ AZ529, Arizona's Education Savings Plan:

- Total assets: \$1,788,872,351 (-10.9% YoY)
 - Total Arizona resident assets: \$877,396,235 (49%)
 - Total non-resident assets: \$911,476,116 (51%)
- Total accounts: 99,190 (+4% YoY)
 - Total Arizona resident accounts: 54,610 (55.1%)
 - Total non-resident accounts: 44,580 (44.9%)

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

Fidelity remains the largest AZ529 provider, holding 63.3% of total assets and 64.4% of total accounts. Total Fidelity AZ529, Arizona's Education Savings Plan assets in August were down 4.1% YoY to \$1,131,692,283 with total accounts up 12% YoY to 63,926. Arizona residents held 72.9% of total assets and 80.4% of total accounts, with the rest held by non-residents.

Goldman Sachs 529 Plan | Advisor Sold

Goldman Sachs remains the second largest AZ529 provider, holding 34.8% of total assets and 33.5% of total accounts. Total Goldman Sachs 529 Plan assets in August were down 20.2% YoY to \$621,726,753, with total accounts down 7% YoY to 33,188. Arizona residents held 6.7% of total assets and 7% of total accounts, with the rest held by non-residents. Ascensus/Goldman Sachs assumed control of Ivy InvestEd accounts on June 13, 2022.

College Savings Bank Plan | Closed Plan

College Savings Bank (CSB) remains the smallest AZ529 provider, holding 2% of total assets and 2.1% of total accounts. Total CSB Plan assets in August were down 25% YoY to \$35,453,315 with total accounts down 20.4% YoY to 2,076. Arizona residents held 29.1% of total assets and 44.1% 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 |

	August 31, 2022	August 31, 2021	YoY Change
Fidelity AZ529, Arizona's Education Savings Plan	\$1,131,692,283	\$1,180,080,301	-4.1%
*Goldman Sachs 529 Plan	\$621,726,753	\$779,577,473	-20.2%
College Savings Plan	\$35,453,315	\$47,279,791	-25%
	\$1,788,872,351	\$2,006,937,565	-10.9%

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

AZ529 Plan Accounts |

	August 31, 2022	August 31, 2021	YoY Change
Fidelity AZ529, Arizona's Education Savings Plan	63,926	57,090	+12%
*Goldman Sachs 529 Plan	33,188	35,693	-7%
College Savings Plan	2,076	2,608	-20.4%
TOTAL AZ529 ACCOUNTS	99,190	95,391	+4%

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