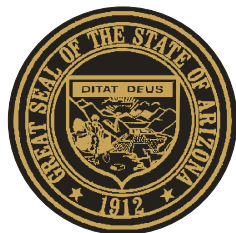


**OFFICE OF THE
ARIZONA STATE TREASURER**



Kimberly Yee

TREASURER



DECEMBER 2021

Presented To:

Arizona State Board of Investment

January 27, 2022

STATE BOARD OF INVESTMENT

A G E N D A

January 27, 2022

1. Call to Order; Opening Remarks The Honorable Kimberly Yee, Chair
2. Approval of Minutes of December 28, 2021, BOI Meeting
3. AZ 529 Monthly Report
 - A. Monthly Program and Marketing Review..... Jeffrey Ong, AZ 529 Administrator
..... Shaandiin Parrish, AZ 529 Marketing Coordinator
 - B. Update on 529 Advisor Program Manager RFPMark Swenson, Deputy Treasurer
4. Investment Outlook and Summary Review of Treasurer’s Monthly Reports
 - A. State Agency Earnings Distributions Dennis Stevenson, CIO
State Agency Operating Average Invested Balances
State Agency Investments and Performance Reports
 - B. LGIP Yield Analysis Jake Richardson, Portfolio Manager
LGIP Pools Investments and Performance Reports
 - C. Endowment Earnings Distributions Tim White, Director of Endowments
Land Sales Monthly Proceeds Endowment Funds
Endowment Investments and Performance Reports
5. Approval of December 2021 Report
6. Adoption of FY2023 Endowment Distributions.... Michael Leslein, Accounting Manager
7. Treasurer’s ReportThe Honorable Kimberly Yee, Chair
8. Market Outlook..... Harry Papp, Board Member
9. Call to the Public
10. Notice of Next Meeting
11. Adjournment

REPORT OF THE STATE TREASURER

FOR

January 27, 2022

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**Minutes of
BOARD OF INVESTMENT MEETING
December 28, 2021**

The regular meeting of the State Board of Investment was held on December 28, 2021, via WebEx. Treasurer Kimberly Yee called the meeting to order at 1:30 p.m.

Members Present:

The Honorable Kimberly Yee, Chair, State Treasurer
Harry A. Papp, CFA & Managing Partner, L. Roy Papp & Associate
Beth Ford, Pima County Treasurer

Designee Present:

James McGuffin, Assistant Director, for Daniel Evans, Director of Arizona
Department of Insurance and Financial Institutions
Nicole Sornsin, Counsel, for Andy Tobin, Director of Administration

Others Present:

Mark Swenson, Deputy Treasurer, Arizona State Treasurer's Office
Tim White, Director of Endowments, Arizona State Treasurer's Office
Eric Stivers, Financial Analyst, Arizona State Treasurer's Office
Jackie Harding, Deputy Treasurer, Arizona State Treasurer's Office
Michael Leslein, Investment Accounting Manager, Arizona State Treasurer's Office
Fareed Bailey, Deputy Assistant Director, Arizona State Treasurer's Office
Nick Barnhiser, IT Director, Arizona State Treasurer's Office
Ken Price, Director of Human Resources, Arizona State Treasurer's Office
Shaandiin Parrish, AZ529 Marketing Coordinator
Tiffany Spudich, Chief Client Officer and Partner, Capital Cities, LLC

1. Call to Order

Treasurer Yee called the December 28, 2021, BOI meeting to order at 1:30 p.m.

Treasurer's Comments

Treasurer Yee welcomed the Board members and staff to the meeting, thanking everyone for meeting on WebEx.

2. Approval of Minutes

Mr. Papp moved that the November 30, 2021, meeting minutes be approved as distributed. Seconded by Mr. McGuffin. Motion carried unanimously.

3. 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 November 2021. 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 November 2021. See memo.

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

Director of Endowments, Tim White, highlighted the results for the Endowment performances for the month of November 2021. See memo.

4. Approval of November 2021 Report

Treasurer Ford moved the approval of the November 2021, Monthly Report. Seconded by Mr. McGuffin. The motion carried unanimously.

5. AZ529 Arizona's Educational Savings Plan

A. Monthly Program and Marketing Review

AZ529 Program Administrator, Fareed Bailey, reported that the Plan Assets Under Management were up 15.5% Year Over Year to about \$2.01 billion. Total AZ529 Accounts in November were up 7.1% Year Over Year to 96,675. See Memo.

AZ529 Marketing Coordinator, Shaandiin Parrish reported that in November the AZ529 social media accounts received 517,000 impressions, 2,260 clicks on ads and a 0.44% Click thru Rate (CTR). The most interested audience in September were Spanish speaking grandparents and for November parents' interests were on the rise. The television and radio campaign housed under the Arizona Broadcasters' Association Public Education Program aired a little more than 1,000 times on television and 2,500 over the radio. State Treasurer Kimberly Yee continues to be the spokesperson for both television and radio. See Memo.

B. Approval of Fidelity Stable Value Bond Fund

Deputy Treasurer Mark Swenson presented to the Board the Stable Value Fund product proposed by Fidelity Investments to replace the money market fund offering in the AZ529 plan. The proposal is also recommended by IRMC and Capital Cities. Pending Board approval, Fidelity is expected to launch the product in the second quarter of 2022.

Mr. Papp moved that the Board approve the Stable Value Fund product proposed by Fidelity Investments to replace the money market fund currently offered in the AZ529 plan. Seconded by Mr. McGuffin. Motion passed unanimously.

Deputy Treasurer Mark Swenson also announced that Deputy Assistant Director, Fareed Bailey, would be leaving the Treasurer's Office for another position. He thanked Mr.

Bailey for the excellent services he provided to the Treasurer's Office and the people of Arizona.

6. **Treasurer's Report**

Treasurer Kimberly Yee thanked the AZ529 staff for another good month and their dedication to serving the taxpayers and 529 participants. After 14 months of operation the 529 accounts have increased by 13,790 and assets are up 23.6% in that same timeframe to \$2.01 billion.

The Permanent Land Endowment Trust Fund ended November at \$7.7 million. In early November we reached an all-time high of \$7.99 billion and it continues to post double-digit returns on the 10 year returns at 10.26%.

The LGIP continues to increase its deposits and reached \$5.3 billion, a 21% increase year over year. Earnings for the fiscal year have now gone above \$3 million and will increase once the Federal Reserve increases interest rates in 2022.

The Financial Literacy Task Force held their quarterly meeting in December to discuss potential uses of the \$5,000 to enhance Treasury's financial literacy initiatives and potential outreach to Arizona communities.

After strong opposition by 21 State Treasurers and others, the controversial nomination of Saule Omarova to the US. Comptroller of the Currency was withdrawn. Opposition was due to her radical positions on the banking industry.

Treasurer Yee joined Utah Treasurer Marlo Oaks and officials from 21 other states to oppose a U.S. Department of Labor rule that puts retirement savings at risk. She also joined half a dozen other states to ask Unilever to reverse their decision of its subsidiary Ben & Jerry's to boycott Israel. As required by law the Treasurer also sent a letter to the CEOs of Bloomberg and BlackRock asking them to drop Unilever from the holdings in Bloomberg US Aggregate Bond Index and the iShares Core US Aggregate Bond ETF, which is held in the Arizona Endowment Trust Fund.

Other notes: 1). The Arizona Commerce Authority reported that as of November the state had recovered 101% of the non-farm labor jobs lost during the pandemic; 2) The US Census Bureau showed Arizona with the third highest population gain in the country in 2021 with 98,330 people, trailing only Texas and Florida in this category. Arizona also ranked fourth in percentage growth rates with a 1.4% gain following mountain states of Idaho, Utah, and Montana. It shows that people are moving to states that are both business and tax friendly and respectful of the freedom of their residents.

7. **Market Outlook**

Mr. Papp provided the Board with a brief Market Outlook noting that while the economy is strong, inflation is the buzzword. Though we were told it would only be temporary it will be a problem for the voters and will affect the 2022 elections. Bad policies are affecting

inflation and it can be seen in the grocery stores where cost of food and home goods are higher. This is the highest inflation in four years, and clearly something is going on. Also contributing to this phenomenon are the errors over the last 20 years. However, the economy is still strong enough to sustain interest rate increases. The State Treasurer's Office Management has an enormous responsibility to manage the State's finances through these times and what looks like more market volatility ahead. Mr. Papp thanked the Treasurer and her staff for the fantastic job they are doing for the State of Arizona.

9. Call to the Public

There was no public comment.

10. Notice of Next Meeting

Treasurer Yee announced that the next board meeting will be held on Thursday, January 27, 2022, at 1:30 p.m. via WebEx.

11. Adjournment

With no further business to discuss, Mr. McGuffin moved that the meeting be adjourned. Seconded by Treasurer Ford. The motion carried unanimously. Meeting adjourned at 2:13 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 | December 2021

Overall Performance – Where We Are Now |

➤ State Agency Pools:

- Total assets: \$12,755,938,532
- December earnings distributed: \$3,491,326 (-21.60% YoY)
- General Fund earnings distributed: \$1,490,628 (-15.53% YoY)

Outlook |

The Federal Reserve governors have announced that they will taper buying of treasury and mortgage debt to stimulate an overheating economy in the first quarter of 2022. They simultaneously indicated their expectations to raise interest rates at least three times in the coming year. We have kept duration short in anticipation of these events and will only add duration as the Federal reserve lets interest rates rise and the debt markets adjust pricing in anticipation of further rate increases. Inflation is considerably above the 2% stated goal and some estimates expect it to be above 8% annualized in real terms with unemployment rates approaching historical lows and labor shortages reported in many industries.

The U.S. and Arizona economies show good overall improvements. Arizona general fund revenue, the majority of which is sales and income taxes, was up 23.7% versus December of last year. The hotel/motel tax revenue was up an impressive 79.6% vs same month last year. This shows continuing improvement in one of the segments of the economy hit hardest by the pandemic. The Consumer Price Index came in at +7 % YoY due in large part to increases in food, energy and rent expenses. The Producer Price Index came in at 9.7 % YoY. Inflation is here and is not transitory.

Tensions in Eastern Europe the Ukraine and Russia continue. Events there can have a dramatic effect on our economy.

Strategy: Monthly Commentary |

Our strategy remains consistent as we await the upcoming Federal Reserve moves in the debt markets. We have kept the duration of the pools low to decrease the risk of losing value and yield. Due to the flat yield curve this strategy has not cost us comparative yield and we were still able to surpass most of our benchmarks. Although I have been saying this for many months, the strategy is now close to changing. With the Federal Reserve ceasing to be a competitor for the same bonds we buy, interest revenue will increase in the next year with higher rates. We will selectively begin to add duration in the second quarter of this year and possibly sooner as the markets begin to price in expected Federal Reserve interest rate increases. I expect high grade corporate bonds to increase in both rates and in issuance so they can avoid higher interest expense in the coming years.

Alternative Scenarios |

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

- Russia invades Eastern Europe, Ukraine, or the Baltic nations
- More COVID variants emerge, and the health care system is overwhelmed
- OPEC or war causes oil to exceed \$100 a barrel
- Inflation exceeds 8%
- China becomes more militaristic toward Taiwan and ASEAN nations
- The Federal Reserve moves to a greater extent than the market is anticipating

State Agency Investment Pool Balances |

	December 31, 2021	December 31, 2020	YoY Change
Pool 2 FF&C	\$1,425,577,945	\$1,199,295,394	+\$226,282,551
Pool 3 Internal	\$6,485,386,416	\$5,426,835,822	+\$1,058,550,594
Pool 3 External	\$112,796,516	\$112,853,478	-\$56,962
Pool 4 Gov.	\$1,086,575,233	\$1,028,914,337	+\$57,660,896
Pool 10 Internal	\$484,664,908	\$430,697,177	+\$53,967,731
Pool 10 External	\$580,889,031	\$636,848,006	-\$55,958,975
Pool 12 CAWCD	\$611,346,520	\$488,218,186	+\$123,128,334
Pool 15 Operating	\$1,721,827,235	\$0	+\$1,721,827,235
Pool 16 ECDHB	\$246,874,728	\$314,687,490	-\$67,812,762
TOTAL STATE AGENCY	\$12,755,938,532	\$9,638,349,892	+\$3,117,588,640

Local Government Investment Pools (LGIP) Summary

Overall Performance – Where We Are Now |

➤ Local Government Investment Pools:

- Total assets: \$5,382,487,168
- Total December earnings: \$668,865; -11.22% vs. Dec 2020
- Total fiscal year-to-date yields:
 - Pool 5: 0.06%; -9bps vs. Dec 2020
 - Pool 7: 0.01%; -6bps vs. Dec 2020
 - Pool 500: 0.80%; -46bps vs. Dec 2020
 - Pool 700: 0.26%; -30bps vs. Dec 2020

Strategy: Short-term Pools 5 & 7 |

The market expectations for the next interest rate hike is now at the March FOMC meeting. We have started to see the short-term securities price in this rate hike as well as an additional 2 to 3 more hikes sometime this year. The 1-, 3- and 6-month on-the-run treasury bills are currently trading at 0.033%, 0.18% and 0.345%, respectively (at the time of this writing). This will be beneficial to Pools 5 and 7 after navigating two years of low interest rates. Pool 5 and 7 will maintain current levels of liquidity. We will also continue to target the WAM for both pools at 50- to 60- days.

Strategy: Intermediate Pools 500 & 700 |

The Federal Reserve is expected to stop buying bonds in March along with the possible interest rate increase at that FOMC Meeting. We will now be looking to see how and when they expect to reduce assets from their balance sheet in the upcoming meetings. Since the beginning of October, we have seen an increase of approximately 72- and 75- bps in the 2- and 3-year treasury notes, respectively. While we have been short duration, we could see our strategy change in the coming months as we get more information from the Federal Reserve. Pool 500 and 700 will continue their short duration strategies, focusing on securities maturing in two years or less while taking advantage of some opportunities to extend out.

LGIP Investment Pool Balances |

	December 31, 2021	December 31, 2020	YoY Change
Pool 5 LGIP	\$2,194,807,195	\$2,048,089,243	+\$146,717,952
Pool 7 LGIP FF&C	\$2,200,152,052	\$1,728,146,621	+\$472,005,431
Pool 500 LGIP Med.	\$672,292,000	\$459,818,713	+\$212,473,287
Pool 700 LGIP Med FF&C	\$315,235,921	\$273,371,964	+\$41,863,957
TOTAL LGIP	\$5,382,487,168	\$4,509,426,541	+\$873,060,627

Endowment Summary

Overall Performance – Where Are We Now | PLETF Up \$957.7 Million YoY

➤ Highlights:

- PLETF December total return: +2.74%
- PLETF lead aggregate benchmark in December +3bps and realized gains of \$39.42MM
- PLETF 10-year annualized total return: 10.48%
- 1-Year Equity Returns: Pool 201 +28.43%; Pool 203 +24.36%; Pool 204 +26.90%
- AETF December total return +2.74%
- AETF inception-to-date total return: +15.03%
- AETF outperformed benchmark by +14bps since inception with unrealized gains of \$4.69MM
- Prop 123 fiscal year record high distributions at \$33.32MM per month; up +\$1.26MM YoY

Big Picture:

- PLETF fair market value: \$7,906,387,768
- Fair Market Value up +\$179.77MM MoM; up +\$957.71MM YoY net of distributions
- FYTD2022 distributions increased to \$199.9MM; up \$7.53MM vs FY2021; Projected \$399.8MM in FY22
- PLETF 12-Month return +15.68%
- Annualized 10-Year total return through December is 10.48% versus November at 10.26%; +22bps MoM
- Unrealized Gains: \$5.2BN; up \$927.3MM or +21.64% YoY
- Dec Realized Gains: \$39.42MM; -\$11.97MM vs Dec 2020
- Dec TRR PLETF +2.74% vs benchmark +2.71%
- Pool 205 Fixed Income outperforming FTSE Broad Investment Grade Index by +60bps over 12-months
- 2020 January, February, March, April (2), July (2), Sept, Nov, Dec (2), 2021 Jan, May, Sept PLETF & AETF Rebalances Complete

Equity Strategy: Rebalance to Risk Targets | 14 Rebalances/23 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 year began with global risk markets falling due to the Coronavirus shortly after we executed our first rebalancing of \$480MM (total) in February when we sold U.S. Large Cap stocks very-near the all-time highs in the S&P 500, and subsequently bought into fixed income. By February 27, 2020, we initiated another rebalancing going the other direction –selling bonds and buying stocks. Equities had dropped precipitously, and our fixed income portfolio rallied in the most massive flight to safe havens of my career. The entire U.S. Treasury curve yielded under 1% with 10's touching 0.31% and 30's hitting 0.69% intraday on May 9, 2020, creating a fantastic opportunity to sell rich bonds and buy decidedly cheaper stocks with our \$352MM (total) rebalancing. On May 25, 2020, we hit triggers again, initiating a \$517MM (total) rebalancing, selling \$258.7MM in fixed income, and buying equities. Rebalances were executed in five equal tranches at various tactical entry points. Equities rallied sharply upon Federal Reserve interventional policies, triggering a fourth rebalancing (\$310MM total) selling equities in July 2020. The equity rally continued with a fifth rebalancing (\$348MM total) in July, a sixth rebalancing (\$375MM) in November 2020, a seventh of \$437MM in December 2020, an eighth of \$402MM in May 2021 and a ninth of \$400MM in September 2021. 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 \$155K with total return inception-to-date at 15.03%.

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 will pay record distributions of \$432.8MM - up from \$399.8MM, beginning in July 2022. We have taken the opportunity resulting from equity rebalancings to reduce fixed income duration in Pool 205 and bolster necessary liquidity in Pool 123 to continue to make these increased monthly distributions in a timely manner for our K-12 education and other beneficiaries. Accordingly, we 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. Again, this month we put cash to work in money market cash equivalents, with US agency and corporate floating rate notes in the financial sector, adding short duration securities in light of inflationary outlooks and the anticipated rise in market interest rates. We continued to hold bond ETF's (AGG) with the AETF fixed income allocation. Month-end duration on pool 205 was at 3.24 years (-0.03 MoM), outperforming (+60bps 1YR vs benchmark) with higher rates from 12-months ago. Note the forward-looking Bloomberg Bond Yield Forecast compiled by averaging 56 wall street economist's forecasts:

Rate	Mkt Yld	Q1 22	Q2 22	Q3 22	Q4 22	Q1 23	Q2 23	Q3 23	Q4 23	Q1 24	Q2 24
United States											
US 30-Year	2.12	2.21	2.35	2.44	2.53	2.59	2.66	2.71	2.77	2.98	3.06
US 10-Year	1.77	1.84	1.97	2.06	2.15	2.21	2.30	2.36	2.44	2.59	2.67
US 5-Year	1.54	1.55	1.65	1.73	1.82	1.91	2.00	2.07	2.13	2.23	2.32
US 2-Year	1.01	0.98	1.13	1.29	1.43	1.56	1.68	1.79	1.88	1.99	2.09
US 3-Month Libor	0.27	0.39	0.62	0.80	1.01	1.17	1.38	1.60	1.71	1.79	1.89
Fed Funds Rate - Upper Bound	0.25	0.45	0.70	0.90	1.10	1.30	1.50	1.65	1.85	1.95	2.10
Fed Funds Rate - Lower Bound	0.00	0.19	0.43	0.66	0.86	1.06	1.25	1.42	1.59	1.68	1.84
2 Year - 10 Year Spread	0.76	0.86	0.84	0.77	0.72	0.65	0.61	0.57	0.55	0.60	0.58

*Table presented as-of 1/25/2022.

Endowment Monthly Land Sale Proceeds |

- +\$1.25MM in December
- -\$235K vs November
- -\$27.88MM YoY

Endowment Prop 123 Distributions |

- \$33.3MM total/\$31.0MM for K-12 successfully distributed on time from Pool 123 in December
- FYTD K-12 distribution \$186.0MM; up \$7.0MM YoY
- Pool 123 post-rebalancing increased laddered liquidity to 12+ months given changing market conditions

Pool Performance |

Equity/Fixed Income Pools:

- Pool 201 Large Cap Equity trailed the S&P 500 by -6bps MoM at +4.42%
- Pool 203 Mid Cap Equity trailed the S&P 400 by -10bps MoM at +4.98%
- Pool 204 Small Cap Equity trailed the S&P 600 by -3bps MoM at +4.50%
- Pool 205 lead the FTSE BIG Index by +21bps MoM at -0.09%
- Pool 123 returned +0.01% for December, leading the LGIP benchmark by +1bp

**EARNINGS DISTRIBUTION - INVESTMENT POOLS
DECEMBER 2021**

Recipient	DECEMBER 2021	Earnings Distributed		Change from Previous Year	Fiscal YTD Investment Management Fees Received
		Fiscal YTD 21/22	Fiscal YTD 20/21		
General Fund (1)	\$1,490,628	\$8,615,284	\$11,473,879	-24.9%	
2 State Agencies - Full Faith & Credit (2)	215,322	1,172,792	3,029,467	-61.3%	\$340,424
3 State Agencies - Diversified (2) (3)	448,532	2,731,417	3,441,645	-20.6%	2,035,366
4 State Agencies - Gov (2)	257,457	1,570,892	3,114,345	-49.6%	303,028
5 LGIP (2)	142,530	622,490	1,396,667	-55.4%	573,737
7 LGIP Gov (2)	31,384	135,230	574,998	-76.5%	515,557
9A Public School Credit Enhancement (4)	0	0	0	0.0%	28,587
10 State Agencies Med/Tax-exempt non-AMT	241,101	1,429,468	3,141,906	-54.5%	295,142
12 CAWCD Medium-Term	484,535	2,886,203	3,687,065	-21.7%	148,433
16 ECDH Medium-Term	353,751	2,183,233	2,820,618	-22.6%	82,176
Subtotal	3,665,239	21,347,008	32,680,590	-34.7%	4,322,450
NAV POOL					
500 LGIP - Med Term	424,237	2,558,959	2,728,556	-6.2%	168,762
700 LGIP - FF&C Med Term (2)	56,512	430,455	547,546	-21.4%	90,593
Total	\$4,145,989	\$24,336,423	\$35,956,692	-32.3%	\$4,581,806

DECEMBER 2020 TOTALS

\$5,234,934

\$3,588,727

- (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 December 31, 2021
 (in millions)

<u>Month</u>	<u>Fiscal Year</u> <u>2019/2020</u>	<u>Fiscal Year</u> <u>2020/2021</u>	<u>Fiscal Year</u> <u>2021/2022</u>
JULY	\$2,483	\$3,805	\$7,377
AUGUST	1,840	3,661	5,881
SEPTEMBER	1,980	3,834	6,017
OCTOBER	2,246	4,303	6,300
NOVEMBER	2,259	4,382	6,537
DECEMBER	2,463	4,642	7,054
JANUARY	2,864	4,903	
FEBRUARY	2,730	5,135	
MARCH	2,198	5,003	
APRIL	3,204	5,299	
MAY	4,236	6,161	
JUNE	4,360	9,167	
Y-T-D Average	\$2,212	\$4,105	\$6,528
Full Year Average	\$2,739	\$5,025	

**STATE AGENCY POOLS
 PORTFOLIO EARNINGS ANALYSIS
 DECEMBER 2021**

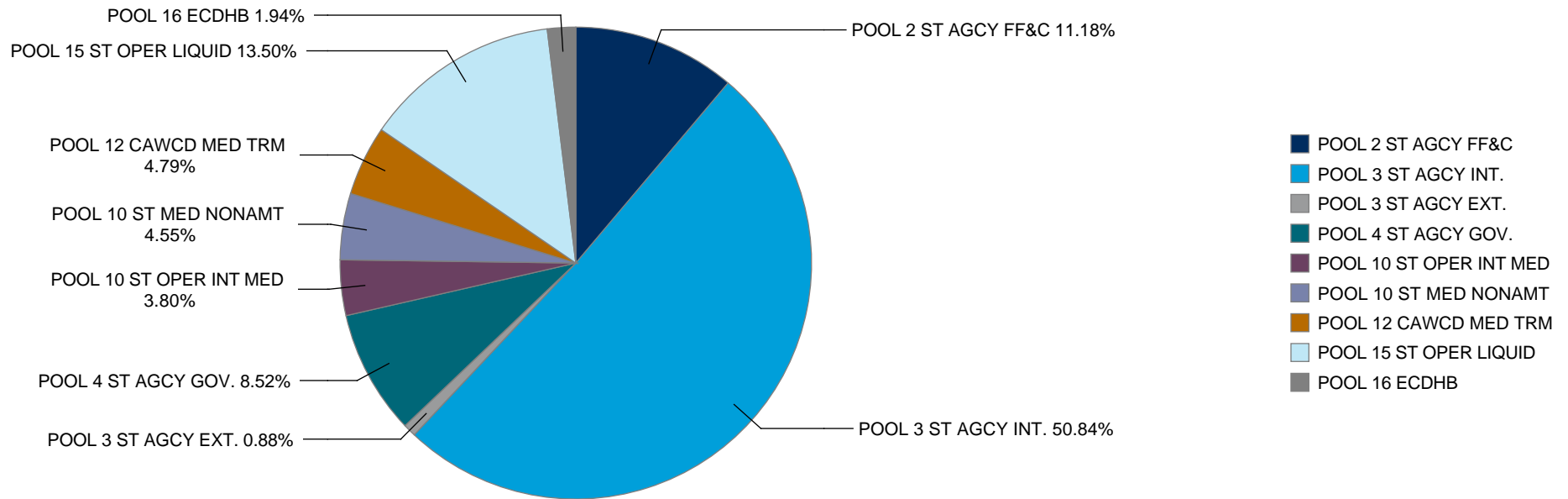
FUND	DESCRIPTION	Current Month 12/31/21	Prior Month 11/30/21	Prior Year 12/31/20	Net Asset Value Per Share
2	STATE AGENCIES - FULL FAITH & CREDIT	\$233,039	\$188,565	\$419,237	0.999852
3	STATE AGENCIES - DIVERSIFIED				
	INTERNAL MANAGERS	1,641,895	1,525,586	1,880,830	0.997920
	EXTERNAL MANAGERS	90,851	76,909	113,959	0.999062
	FUND 3 TOTAL	1,732,746	1,602,495	1,994,789	0.997981
4	STATE AGENCIES - GOV	315,439	282,831	518,748	0.999142
9A	PUBLIC SCHOOL CREDIT ENHANCEMENT	18,741	15,484	40,710	0.999852
10	STATE AGENCIES MED-TERM/TAX-EX NON-AMT				
	INTERNAL MANAGERS	249,190	218,075	302,695	1.001019
	EXTERNAL MANAGERS	18,366	30,817	143,719	1.000386
	FUND 10 TOTAL	267,556	248,892	446,414	1.000674
12	CAWCD MEDIUM-TERM	484,535	486,102	569,553	0.996566
15	STATE AGENCIES OPERATING LIQUIDITY	71,318	52,045	2,991	1.000000
16	ECDH MEDIUM-TERM	353,751	337,818	453,740	1.005109
	TOTAL STATE AGENCIES	\$3,477,125	\$3,214,233	\$4,446,182	

STATE AGENCY POOLS
 PORTFOLIO YIELD ANALYSIS
 DECEMBER 2021

FUND	DESCRIPTION	Current Month 12/31/21	Prior Month 11/30/21	Prior Year 12/31/20
2	STATE AGENCIES - FULL FAITH & CREDIT 50% Trailing 3-mo T-bill / 50% Bloomberg Barclays 1-3 year UST	0.21% 0.36%	0.18% 0.29%	0.46% 0.11%
3	STATE AGENCIES - DIVERSIFIED INTERNAL MANAGERS EXTERNAL MANAGERS COMBINED 50% 1 month T-bill / 50% Bloomberg Barclays 1-3 year US Agg	0.32% 0.95% 0.33% 0.50%	0.32% 0.83% 0.33% 0.35%	0.44% 1.20% 0.46% 0.19%
4	STATE AGENCIES - GOV 50% Trailing 3-mo T-bill / 50% Bloomberg Barclays 1-3 year US Gov	0.34% 0.36%	0.30% 0.29%	0.61% 0.11%
9A	PUBLIC SCHOOL CREDIT ENHANCEMENT	0.21%	0.18%	0.46%
10	STATE AGENCIES MED-TERM/TAX-EXEMPT NON-AMT INTERNAL MANAGERS EXTERNAL MANAGERS COMBINED 50% Trailing 3-mo T-bill / 50% Bloomberg Barclays 1-3 year US Agg	0.61% 0.04% 0.30% 0.42%	0.55% 0.06% 0.28% 0.34%	0.83% 0.27% 0.49% 0.19%
12	CAWCD MEDIUM-TERM 25% S&P LGIP Index / 75% Bloomer Barclays 1-3 year US Agg	0.97% 0.62%	1.05% 0.50%	1.40% 0.25%
15	STATE AGENCIES OPERATING LIQUIDITY Trailing 3-mo T-bill	0.05% 0.04%	0.04% 0.04%	0.02% 0.08%
16	ECDH MEDIUM-TERM 25% S&P LGIP Index / 75% Bloomer Barclays 1-3 year US Agg	1.70% 0.62%	1.66% 0.50%	1.74% 0.25%



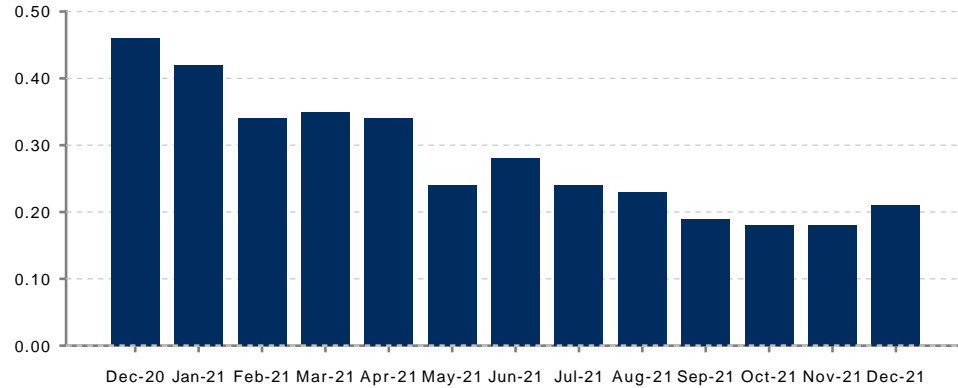
Manager Allocation



	Market Value	% of Portfolio
POOL 2 ST AGCY FF&C	1,425,577,945	11.18
POOL 3 ST AGCY INT.	6,485,386,416	50.84
POOL 3 ST AGCY EXT.	112,796,516	0.88
POOL 4 ST AGCY GOV.	1,086,575,233	8.52
POOL 10 ST OPER INT MED	484,664,908	3.80
POOL 10 ST MED NONAMT	580,889,031	4.55
POOL 12 CAWCD MED TRM	611,346,520	4.79
POOL 15 ST OPER LIQUID	1,721,827,235	13.50
POOL 16 ECDHB	246,874,728	1.94
TOTAL STATE AGENCY	12,755,938,532	100.00



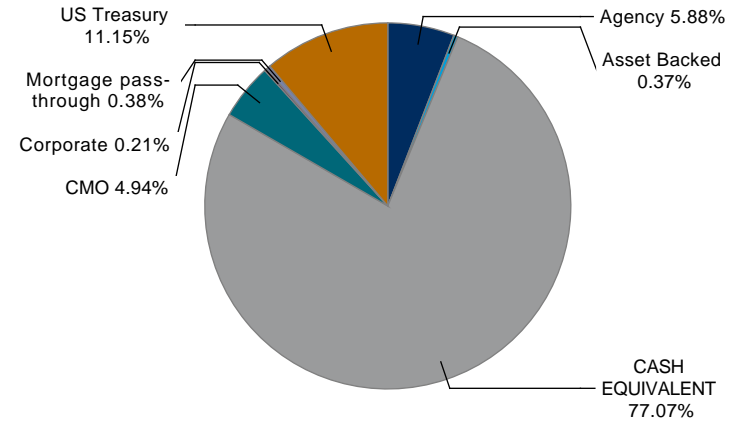
Net Yield



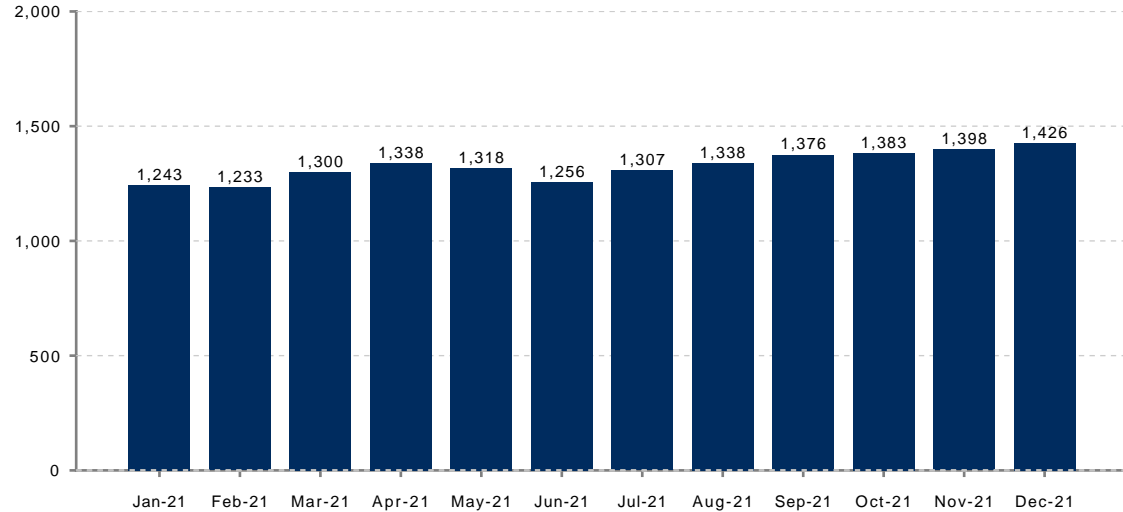
	Current Mth	Prior Mth	1 Year Ago
POOL 2 ST AGCY FF&C	0.21	0.18	0.46

Asset Allocation

	Ending Market Value
POOL 2 ST AGCY FF&C	1,425,577,945



Net Asset Values over Time (\$MM)

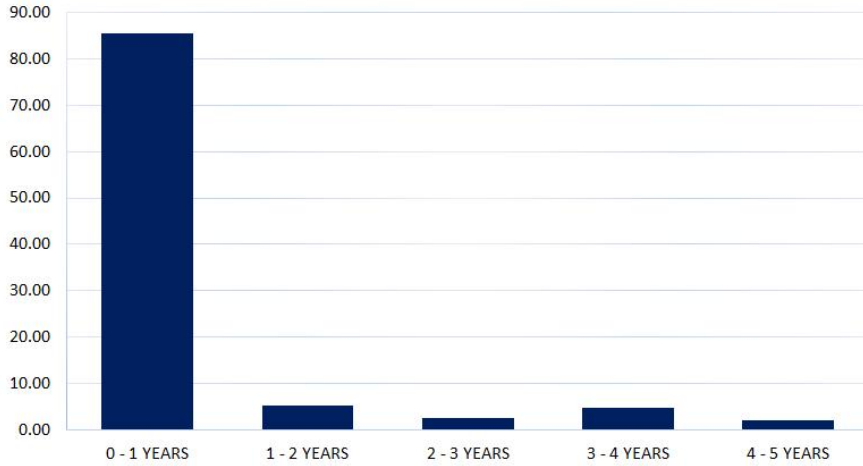


Top 10 Holdings

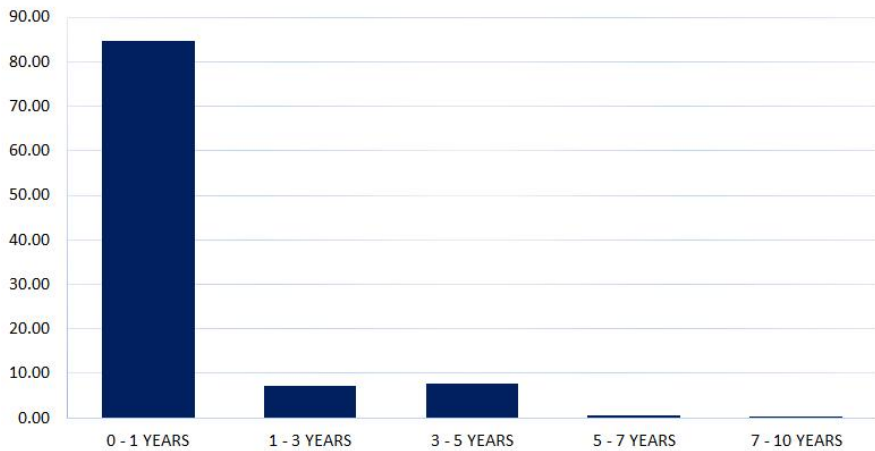
Security Name	Ending Market Value	% of Portfolio
POOL 2 ST AGCY FF&C		
DAIWA CAPITAL MARKETS	250,000,556	17.54
TREASURY BILL	149,879,897	10.51
TREASURY BILL	109,978,750	7.71
MITSUBISHI UFJ REPO	97,221,340	6.82
TREASURY BILL	79,935,371	5.61
TREASURY BILL	64,955,118	4.56
RBC CAPITAL MARKETS R	50,000,056	3.51
TREASURY BILL	44,905,211	3.15
TREASURY BILL	39,999,832	2.81
TREASURY BILL	39,992,847	2.81



Duration Distribution



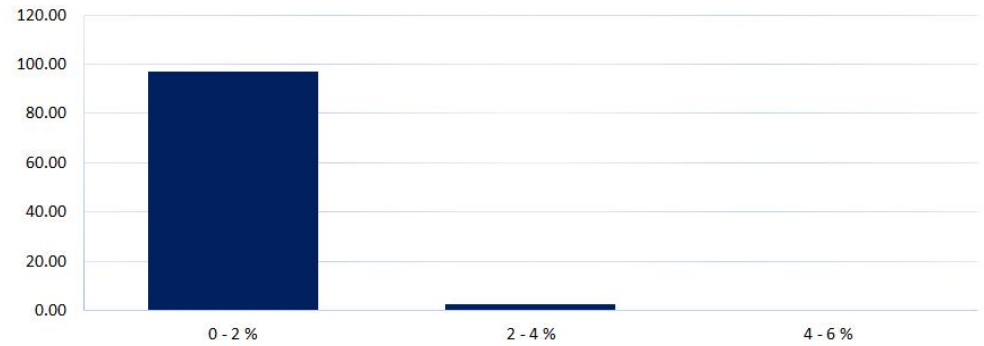
Expected Maturity Distribution



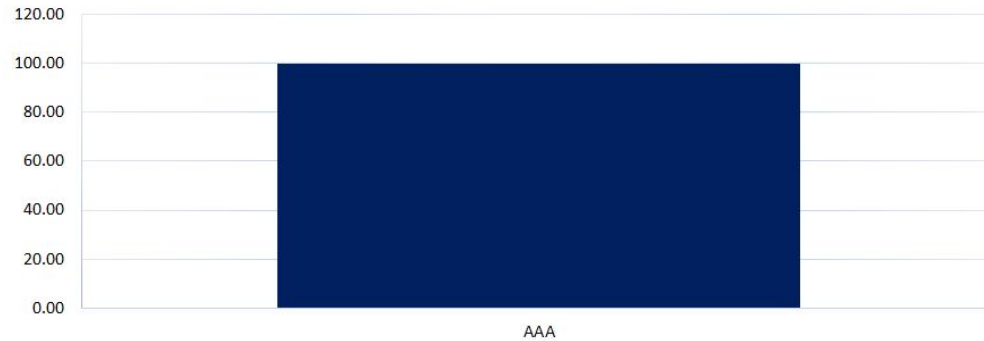
Portfolio Level Characteristics

	POOL 2 ST AGCY FF&C
Effective Maturity	0.74
Coupon	0.32
Effective Duration	0.68
Quality Rating (Moody's)	AAA

Coupon Distribution



Rating Distribution



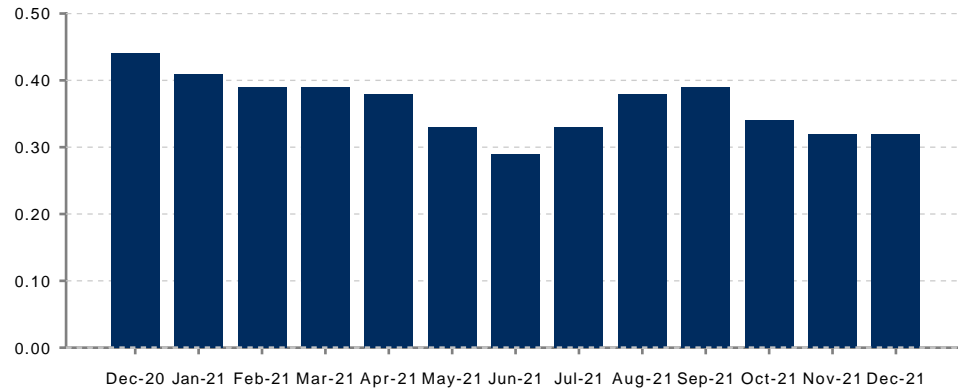
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2021

POOL 3 ST AGCY INT.



Net Yield

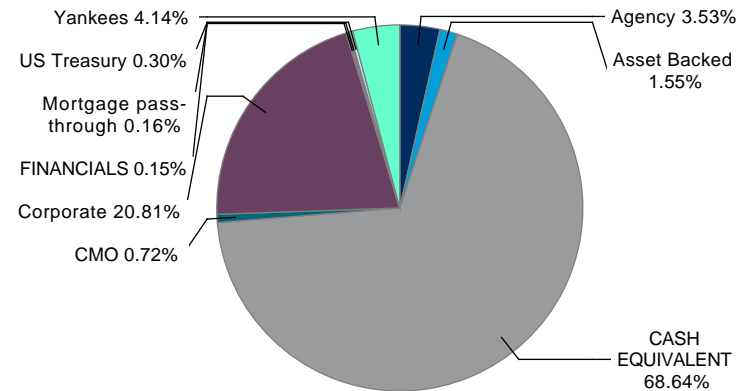


Current Mth **Prior Mth** **1 Year Ago**

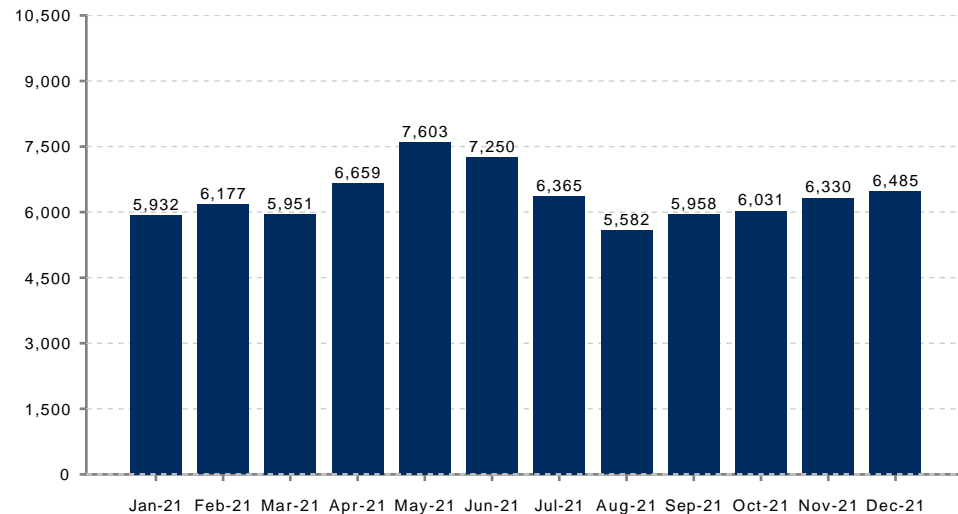
POOL 3 ST AGCY INT.	0.32	0.32	0.44
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Asset Allocation

	Ending Market Value
POOL 3 ST AGCY INT.	6,485,386,416



Net Asset Values over Time (\$MM)

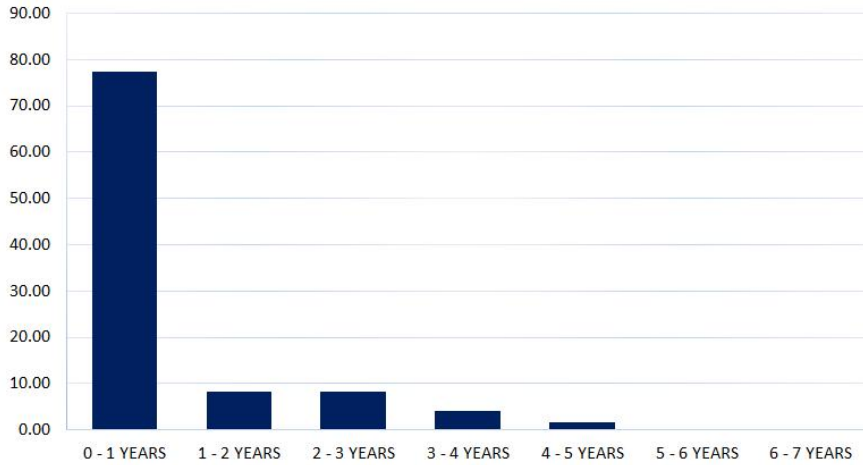


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY INT.		
CANTOR FITZGERALD REPO	550,000,611	8.48
MITSUBISHI UFJ REPO	536,886,798	8.28
AMHERST PIERPONT	400,000,667	6.17
SOUTH STREET REPO	230,455,807	3.55
SOUTH STREET REPO	175,000,097	2.70
JPMORGAN US GOVERNMENT MONEY M	150,069,654	2.31
GOLDMAN SACHS FINANCIAL SQUARE	150,014,205	2.31
MSILF GOVERNMENT PORTFOLIO	100,006,223	1.54
BMO TRIPARTY MTGE	100,000,111	1.54
SUNTRUST BKS INC DTC CP GENERIC CUSIP	65,000,181	1.00



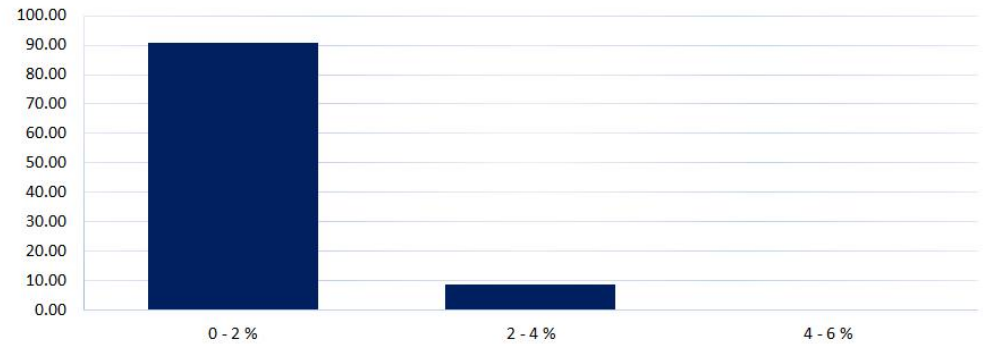
Duration Distribution



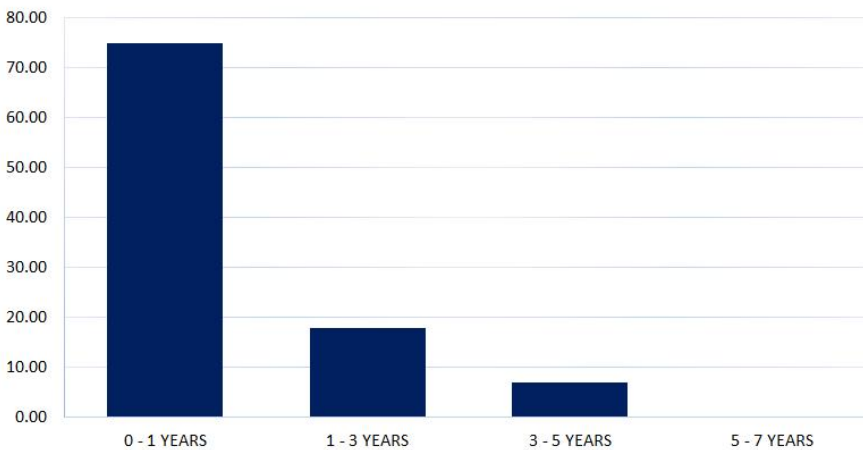
Portfolio Level Characteristics

	POOL 3 ST AGCY INT.
Effective Maturity	0.74
Coupon	0.75
Effective Duration	0.68
Quality Rating (Moody's)	AA-2

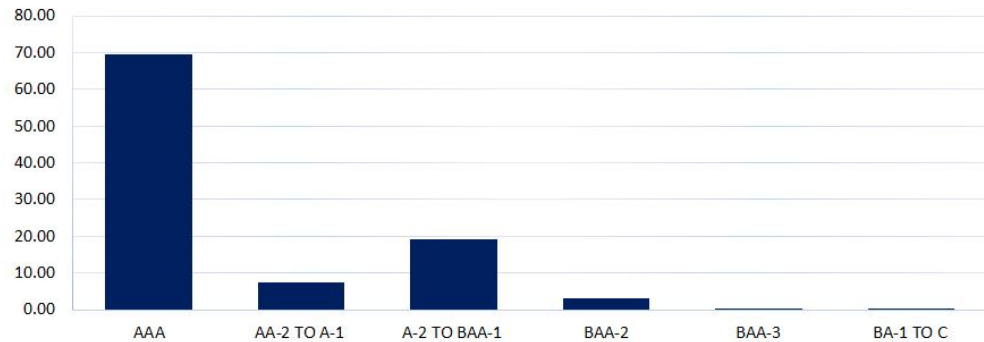
Coupon Distribution



Expected Maturity Distribution

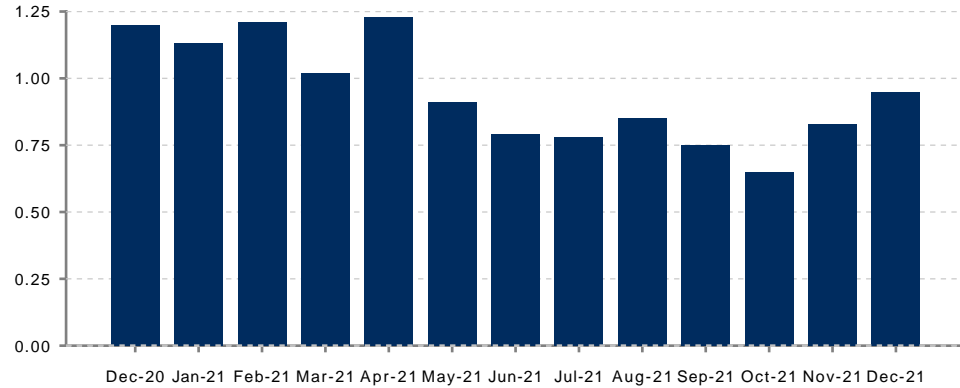


Rating Distribution





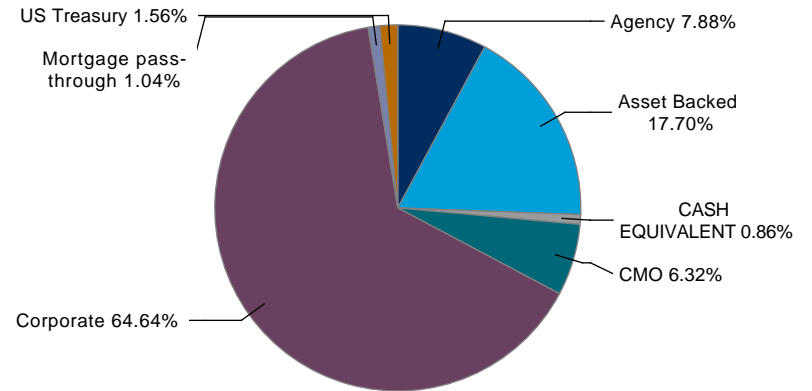
Net Yield



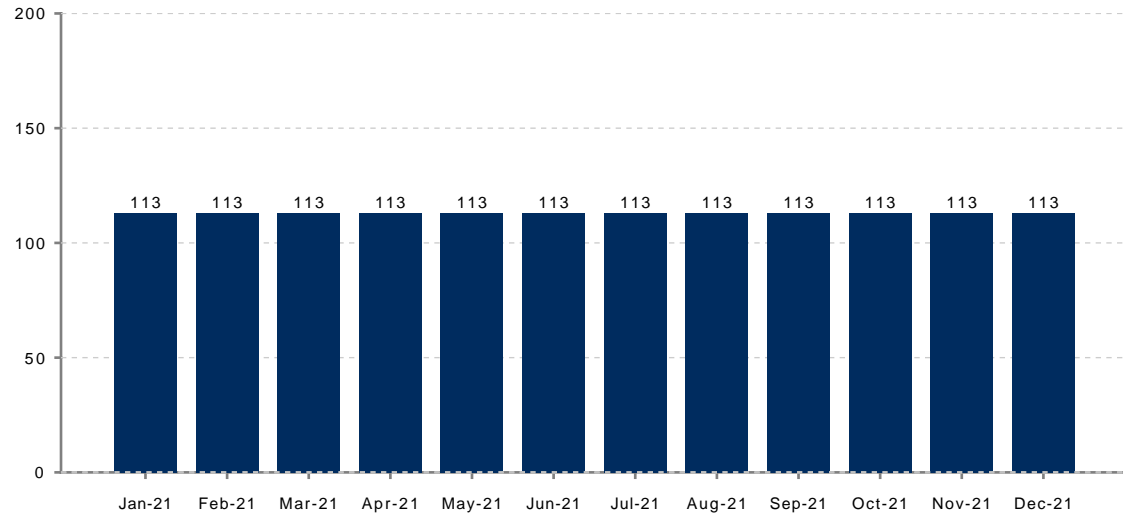
	Current Mth	Prior Mth	1 Year Ago
POOL 3 ST AGCY EXT.	0.95	0.83	1.20

Asset Allocation

	Ending Market Value
POOL 3 ST AGCY EXT.	112,796,516



Net Asset Values over Time (\$MM)

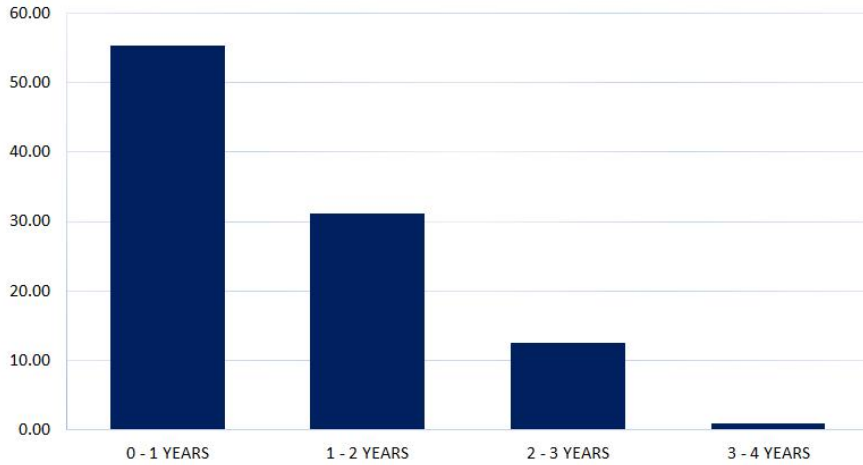


Top 10 Holdings

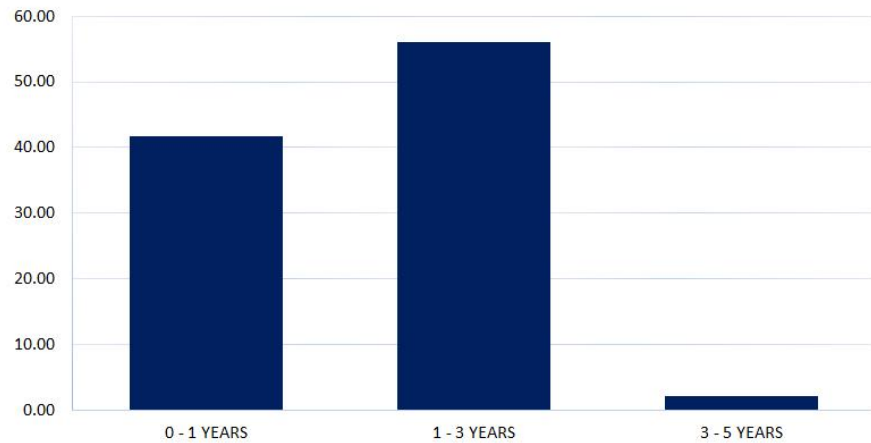
Security Name	Ending Market Value	% of Portfolio
POOL 3 ST AGCY EXT.		
FHLMC MULTIFAMILY STRUCTURED P	1,897,622	1.68
MANUF + TRADERS TRUST CO	1,805,339	1.60
INTEL CORP	1,502,148	1.33
FHLMC MULTIFAMILY STRUCTURED P	1,398,245	1.24
APPLE INC	1,351,895	1.20
PUBLIC STORAGE	1,230,649	1.09
WELLS FARGO + COMPANY	1,160,555	1.03
CINTAS CORPORATION NO. 2	1,112,561	0.99
NISSAN AUTO RECEIVABLES OWNER	1,088,534	0.97
STRYKER CORP	1,052,492	0.93



Duration Distribution



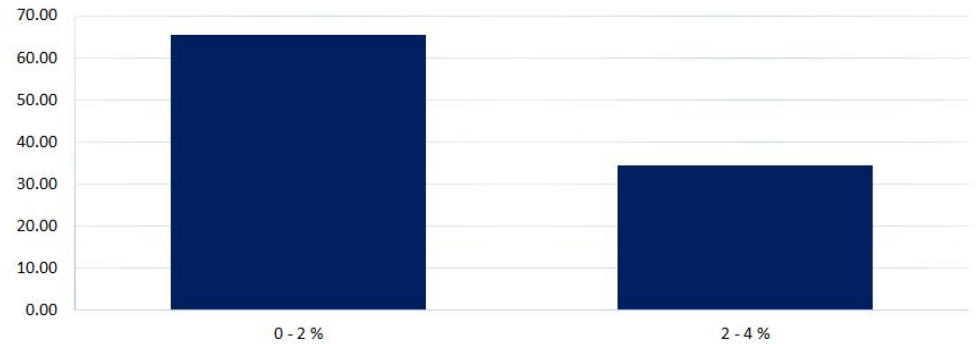
Expected Maturity Distribution



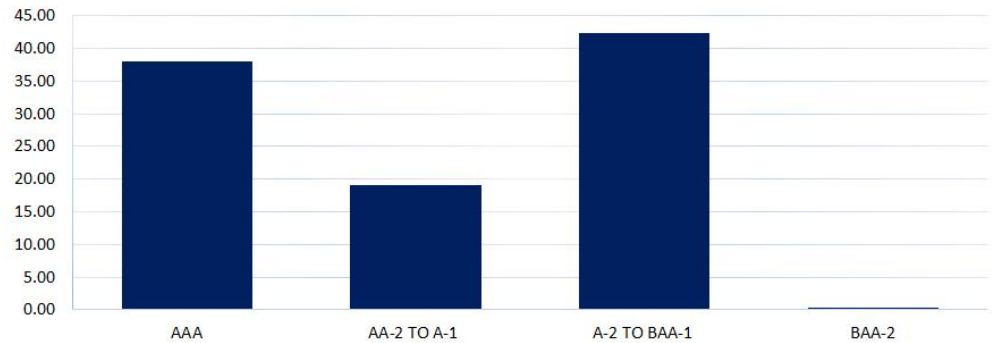
Portfolio Level Characteristics

	POOL 3 ST AGCY EXT.
Effective Maturity	1.24
Coupon	1.41
Effective Duration	0.99
Quality Rating (Moody's)	AA-3

Coupon Distribution



Rating Distribution



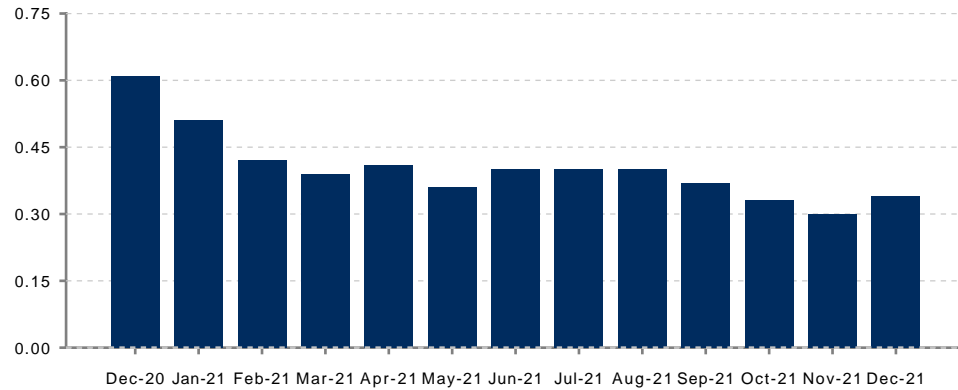
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2021

POOL 4 ST AGCY GOV.



Net Yield

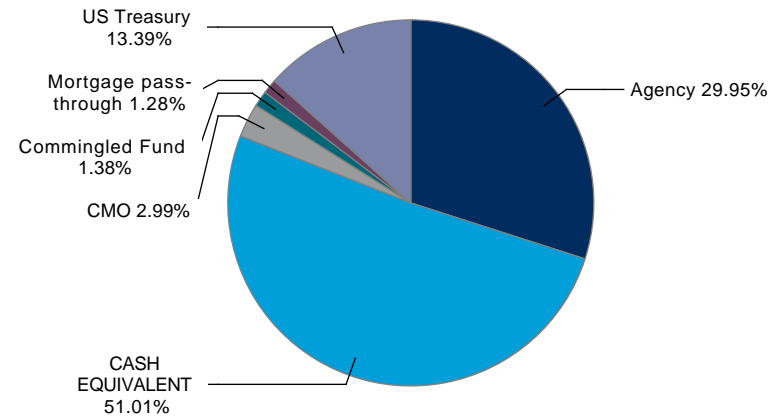


Current Mth **Prior Mth** **1 Year Ago**

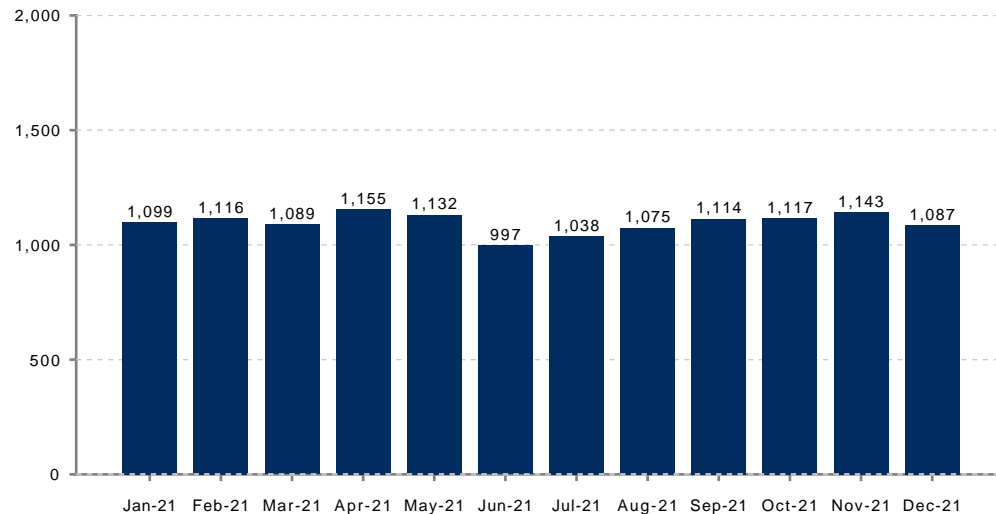
POOL 4 ST AGCY GOV.	0.34	0.30	0.61
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Asset Allocation

	Ending Market Value
POOL 4 ST AGCY GOV.	1,086,575,233



Net Asset Values over Time (\$MM)

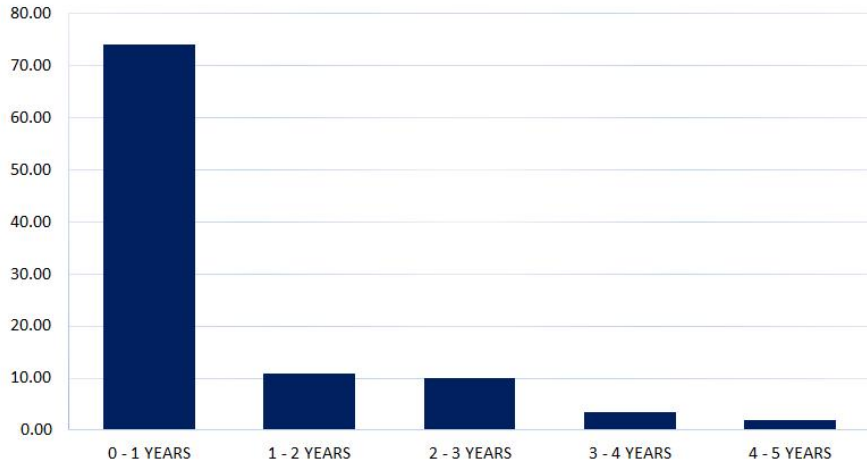


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 4 ST AGCY GOV.		
SOUTH STREET REPO	364,404,648	33.54
US TREASURY N/B	40,672,871	3.74
FEDERAL FARM CREDIT BANK	39,917,380	3.67
TREASURY BILL	34,965,646	3.22
US TREASURY N/B	34,781,371	3.20
AMHERST PIERPONT	30,006,500	2.76
CANTOR FITZGERALD REPO	30,003,833	2.76
TREASURY BILL	25,000,000	2.30
TREASURY BILL	24,998,718	2.30
US TREASURY N/B	20,266,065	1.87



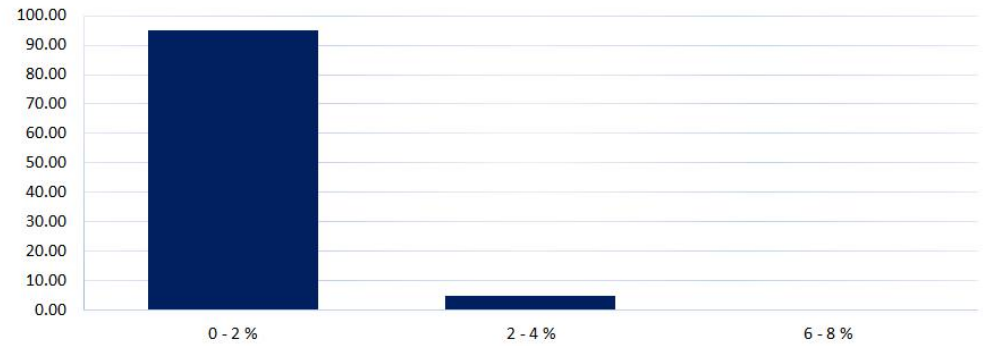
Duration Distribution



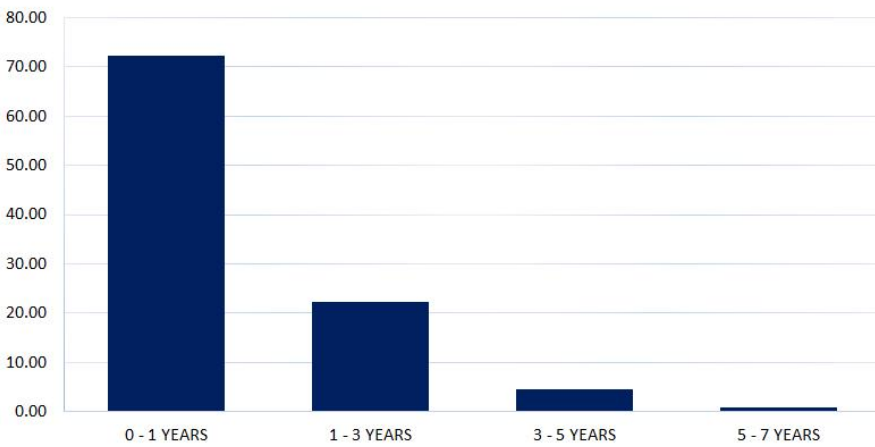
Portfolio Level Characteristics

	POOL 4 ST AGCY GOV.
Effective Maturity	0.82
Coupon	0.80
Effective Duration	0.75
Quality Rating (Moody's)	AAA

Coupon Distribution



Expected Maturity Distribution



Rating Distribution



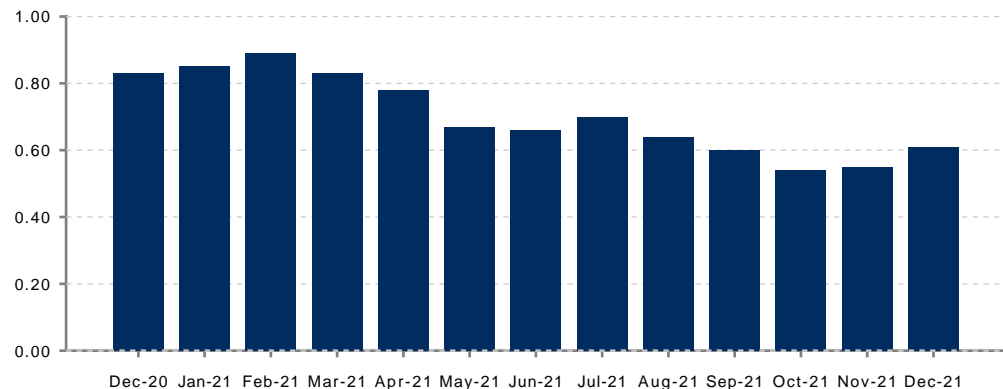
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2021

POOL 10 ST OPER INT MED



Net Yield



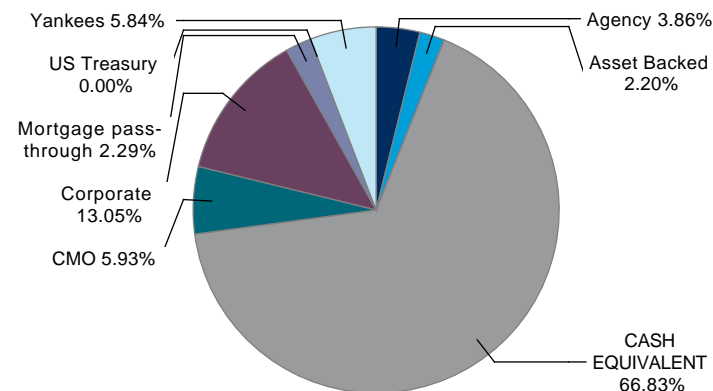
Current Mth Prior Mth 1 Year Ago

ST OF AZ POOL 10 ST OPER INT MED

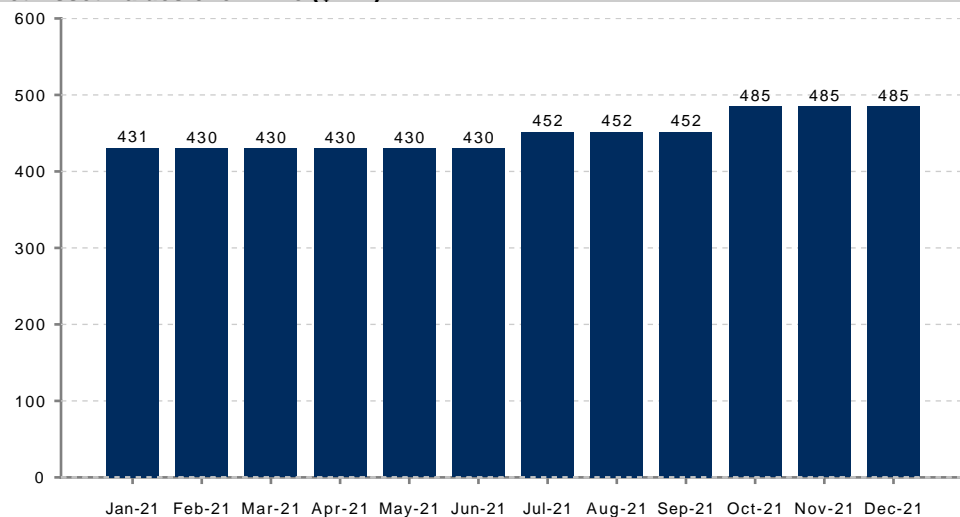
0.61 0.55 0.83

Asset Allocation

	Ending Market Value
POOL 10 ST OPER INT MED	484,664,908



Net Asset Values over Time (\$MM)

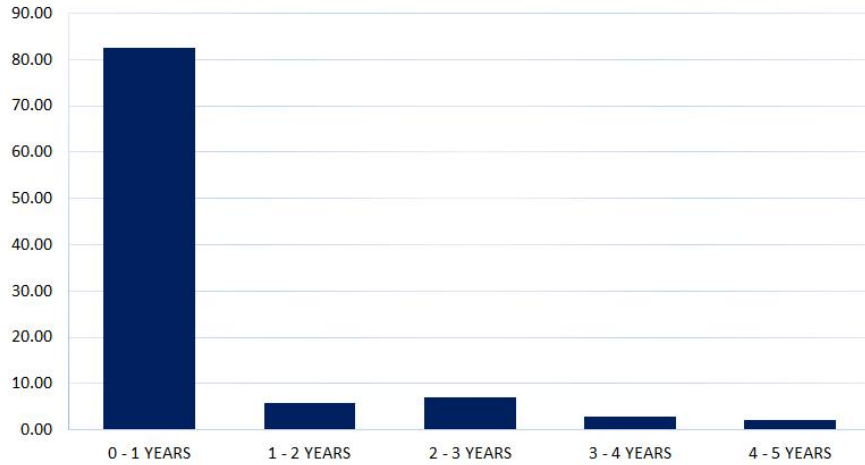


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 10 ST OPER INT MED		
SOUTH STREET REPO	118,641,131	24.48
TREASURY BILL	24,993,948	5.16
BANK OF NOVA SCOTIA	10,157,712	2.10
DISCOVER CARD EXECUTION NOTE T	10,019,392	2.07
AMHERST PIERPONT	10,002,167	2.06
CANTOR FITZGERALD REPO	10,001,278	2.06
DUKE ENERGY CORP	9,998,650	2.06
COCA-COLA COMPANY	9,992,208	2.06
FREDDIE MAC	9,979,238	2.06
WALMART INC	8,340,590	1.72



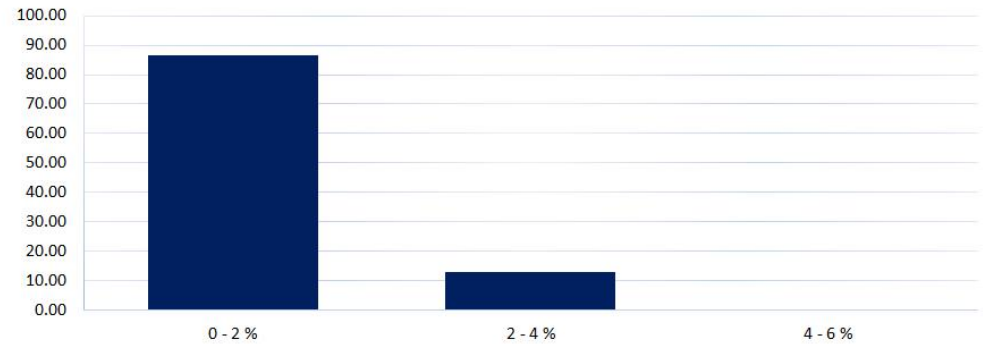
Duration Distribution



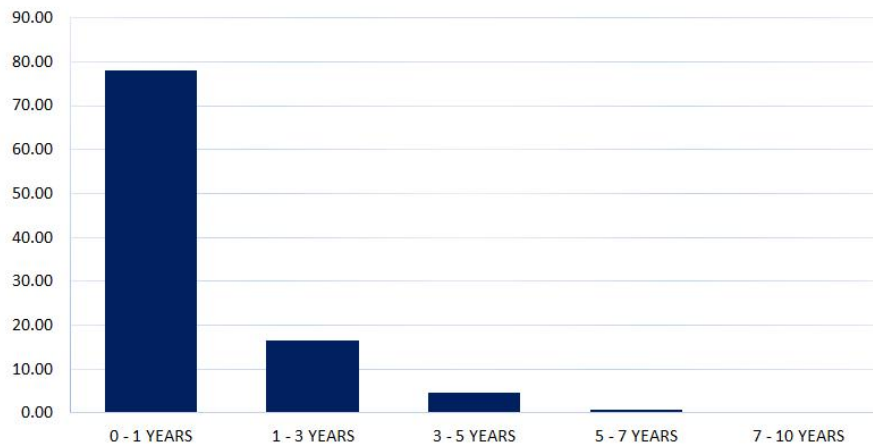
Portfolio Level Characteristics

	POOL 10 ST OPER INT MED
Effective Maturity	0.72
Coupon	0.91
Effective Duration	0.62
Quality Rating (Moody's)	AA-1

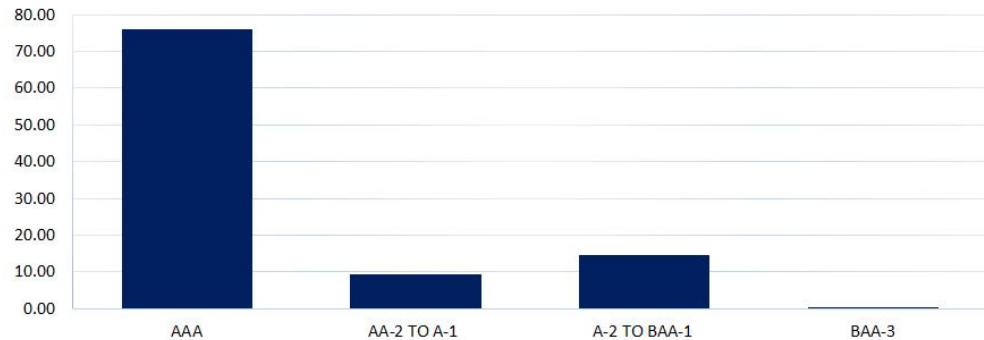
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



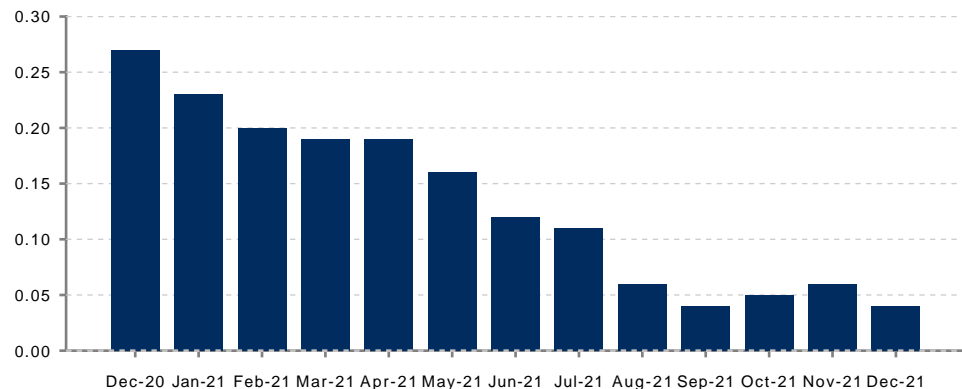
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2021

POOL 10 ST MED NONAMT



Net Yield

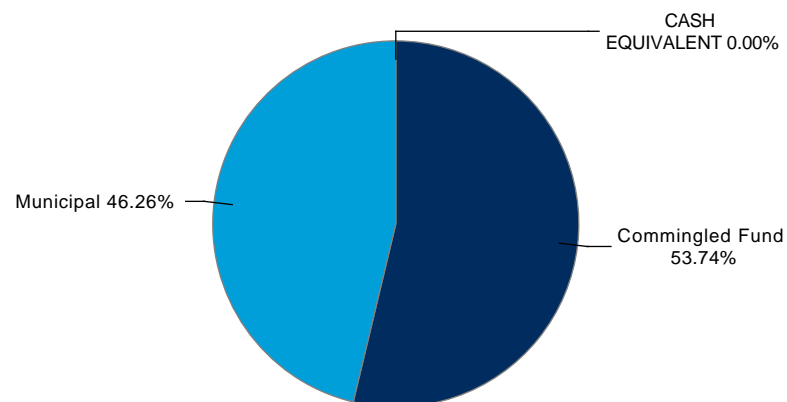


Current Mth **Prior Mth** **1 Year Ago**

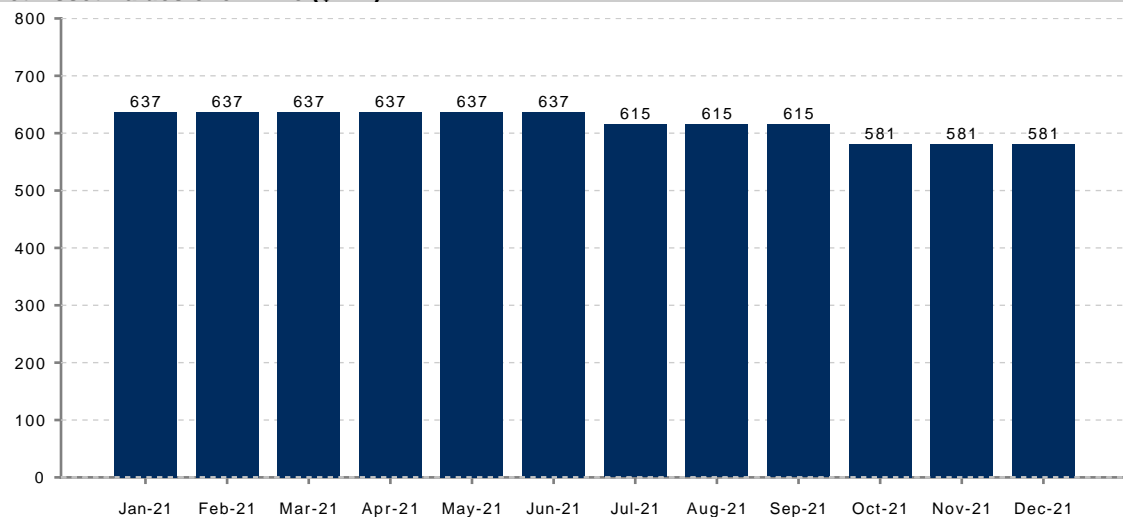
POOL 10 ST MED NONAMT	0.04	0.06	0.27
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Asset Allocation

	Ending Market Value
POOL 10 ST MED NONAMT	580,889,031



Net Asset Values over Time (\$MM)

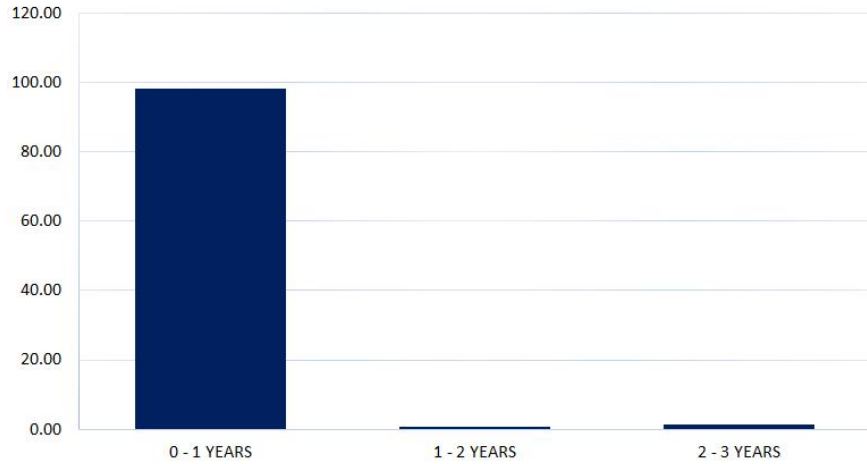


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 10 ST MED NONAMT		
BLACKROCK LIQUIDITY FU	312,164,941	53.74
PORT TACOMA WA REVEN	25,251,528	4.35
MIAMI DADE CNTY FL SPL	21,801,392	3.75
SAINT PAUL MN HSG RED	20,186,217	3.48
INDIANA ST FIN AUTH HOS	20,001,299	3.44
LOUDOUN CNTY VA INDL	19,826,271	3.41
CHARLESTON CNTY SC S	18,426,532	3.17
AUSTIN TX WTR WSTWT	17,305,910	2.98
MARYLAND ST HLTH HGR	15,000,958	2.58
CLARK CNTY NV ARPT RE	11,722,450	2.02



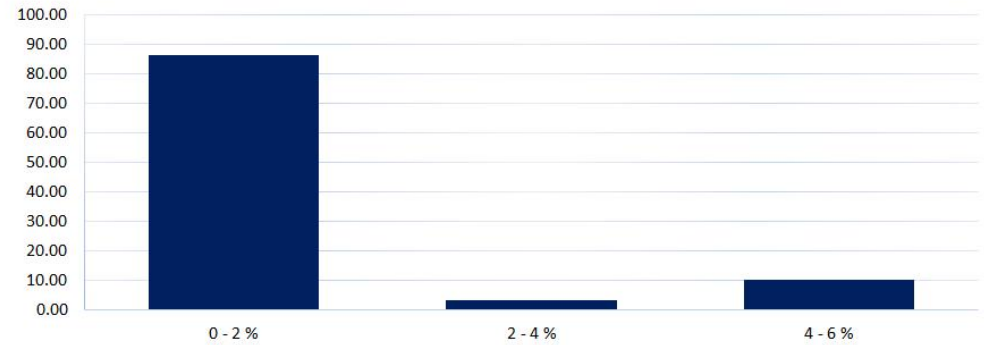
Duration Distribution



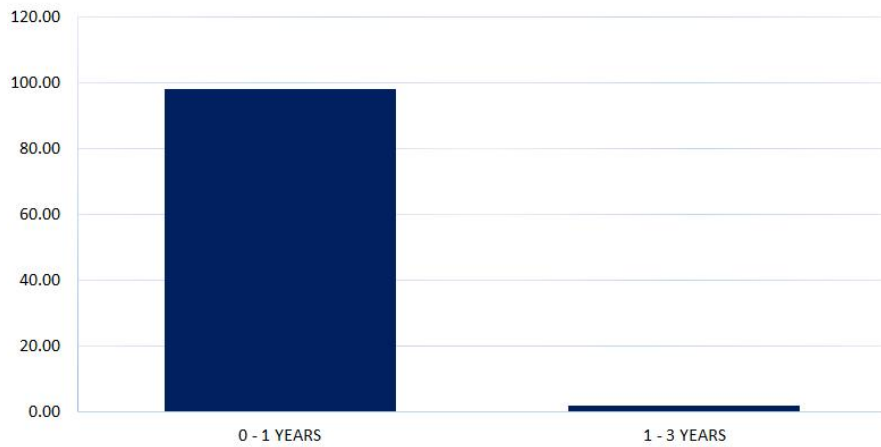
Portfolio Level Characteristics

	POOL 10 ST MED NONAMT
Effective Maturity	0.12
Coupon	0.85
Effective Duration	0.12
Quality Rating (Moody's)	AAA

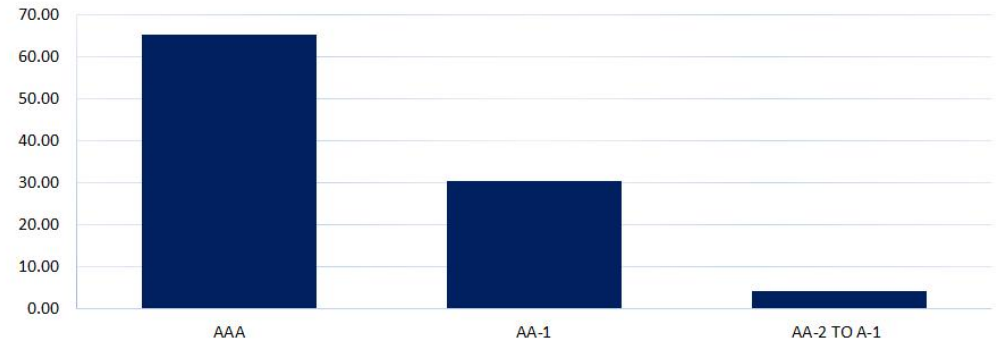
Coupon Distribution



Expected Maturity Distribution

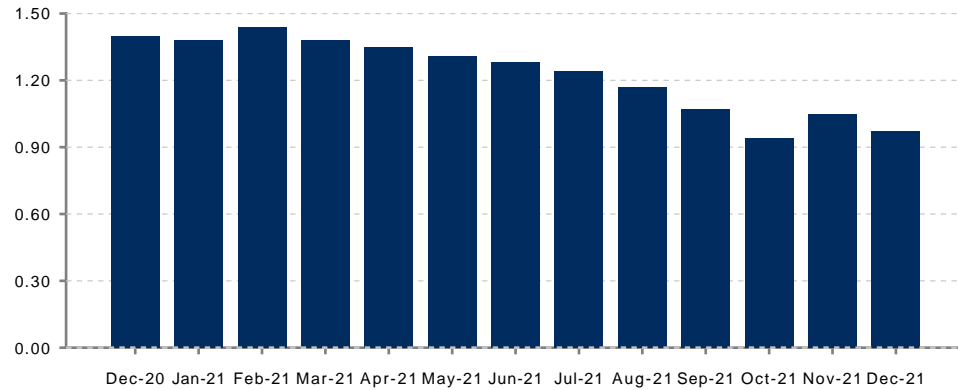


Rating Distribution





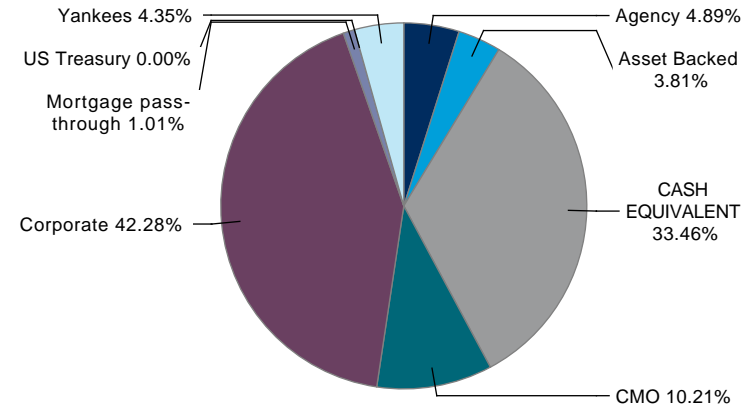
Net Yield



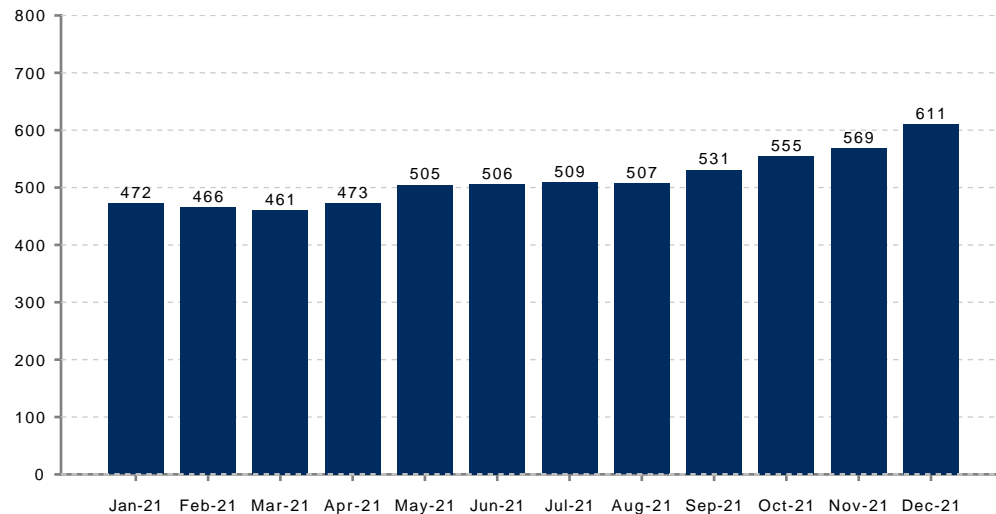
	Current Mth	Prior Mth	1 Year Ago
POOL 12 CAWCD MED TRM	0.97	1.05	1.40

Asset Allocation

	Ending Market Value
POOL 12 CAWCD MED TRM	611,346,520



Net Asset Values over Time (\$MM)

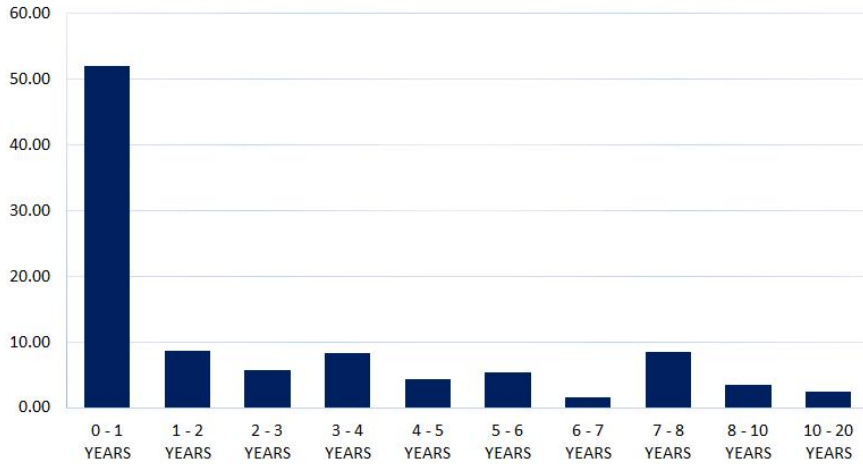


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 12 CAWCD MED TRM		
SOUTH STREET REPO	93,000,207	15.21
CANTOR FITZGERALD REPO	10,005,083	1.64
SUNTRUST BKS INC DTC CP GENERIC CUSIP	10,004,500	1.64
CANTOR FITZGERALD REPO	10,001,611	1.64
CONCORD MIN CPTL CO	9,999,111	1.64
BEDFORD ROW FDG CORP	9,994,617	1.63
NVIDIA CORP	9,926,731	1.62
PHILLIPS 66	9,633,715	1.58
ALPHABET INC	7,288,079	1.19
FEDERAL FARM CREDIT BANK	7,082,763	1.16



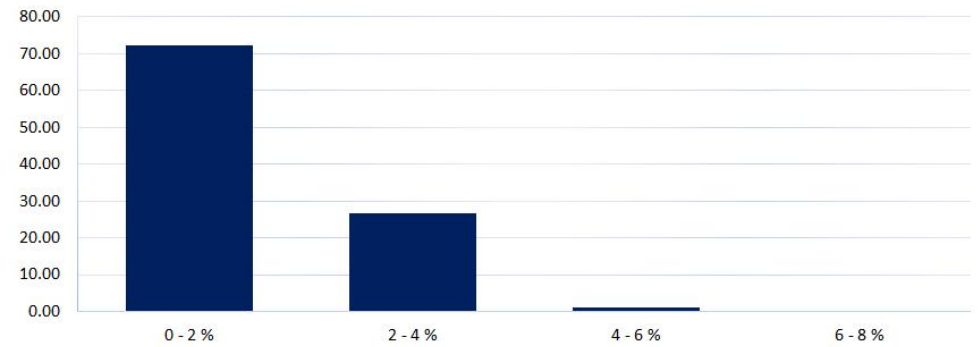
Duration Distribution



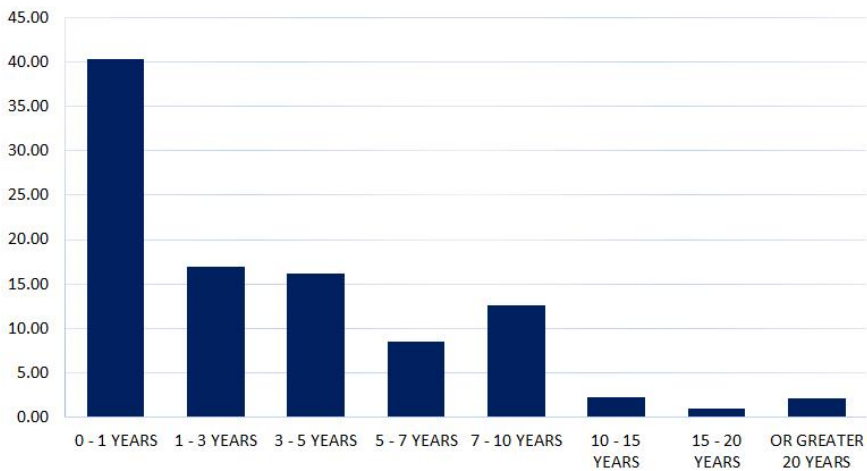
Portfolio Level Characteristics

	POOL 12 CAWCD MED TRM
Effective Maturity	3.77
Coupon	1.49
Effective Duration	2.61
Quality Rating (Moody's)	AA-3

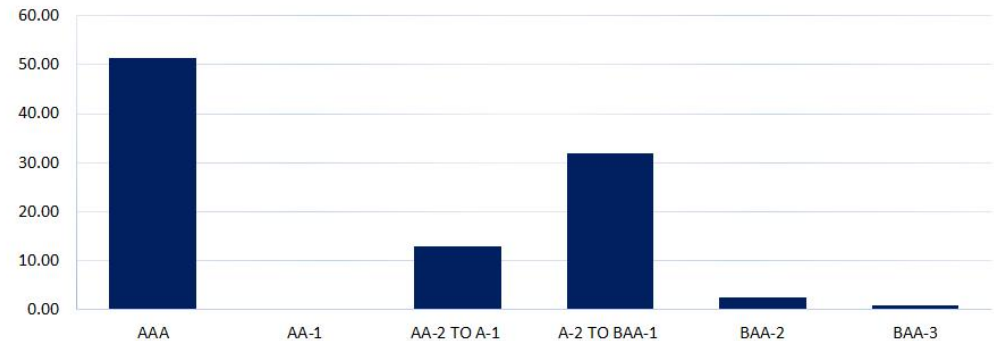
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



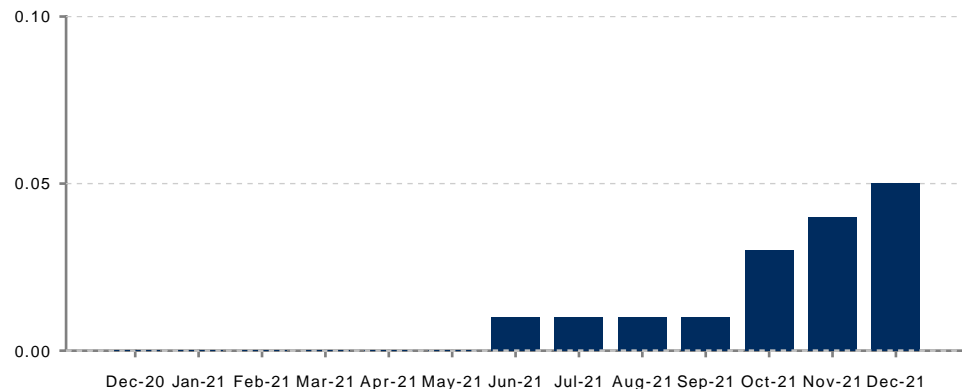
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2021

POOL 15 ST OPER LIQUID



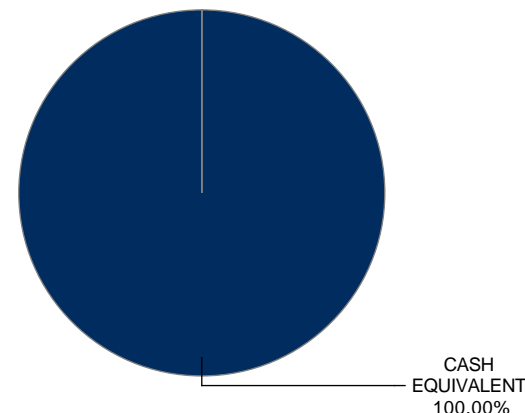
Net Yield



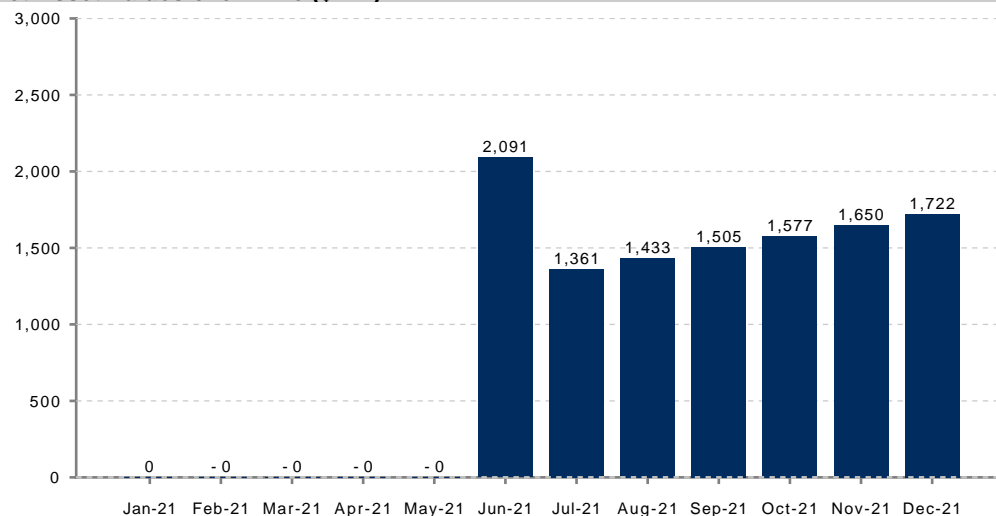
	Current Mth	Prior Mth	1 Year Ago
ST of AZ POOL 15 ST OPER LIQUIDITY	0.05	0.04	0.00

Asset Allocation

	Ending Market Value
POOL 15 ST OPER LIQUID	1,721,827,235



Net Asset Values over Time (\$MM)

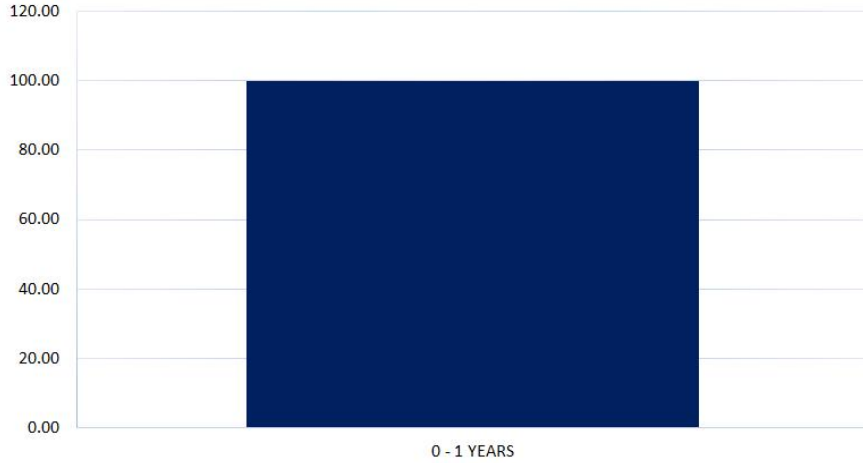


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 15 ST OPER LIQUID		
CANTOR FITZGERALD REPO	300,000,333	17.42
MSILF GOVERNMENT PORTFOLIO	145,008,655	8.42
SOUTH STREET REPO	120,500,268	7.00
GOLDMAN SACHS FINANCIAL SQUARE	100,014,526	5.81
JPMORGAN US GOVERNMENT MONEY M	50,014,430	2.90
SUNTRUST BKS INC DTC CP GENERIC CUSIP	50,000,139	2.90
AMHERST PIERPONT	30,006,500	1.74
CANTOR FITZGERALD REPO	30,003,833	1.74
DUKE ENERGY CORP	29,999,233	1.74
SUMITOMO MITSUI BKG CORP	25,026,750	1.45



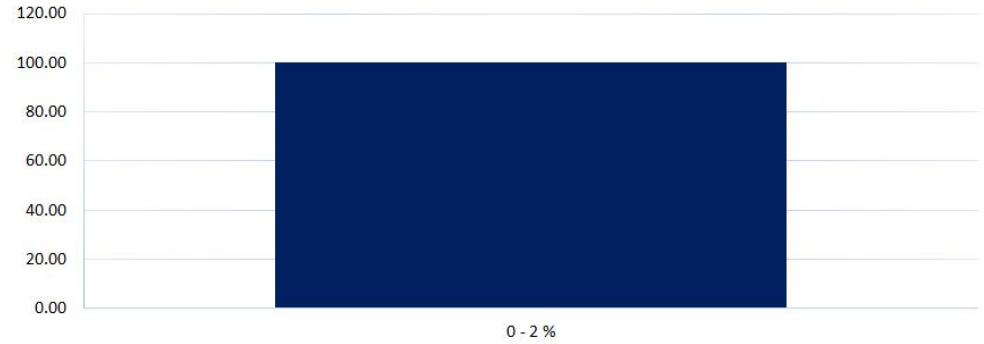
Duration Distribution



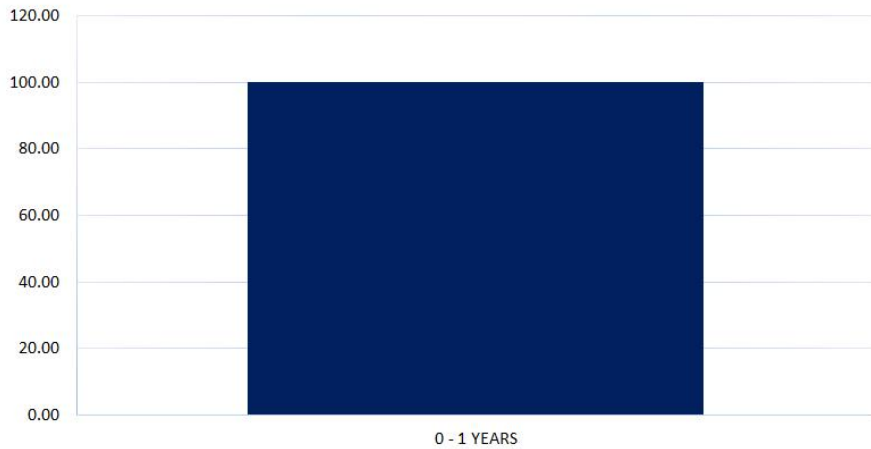
Portfolio Level Characteristics

	POOL 15 ST OPER LIQUID
Effective Maturity	0.14
Coupon	0.16
Effective Duration	0.14
Quality Rating (Moody's)	AAA

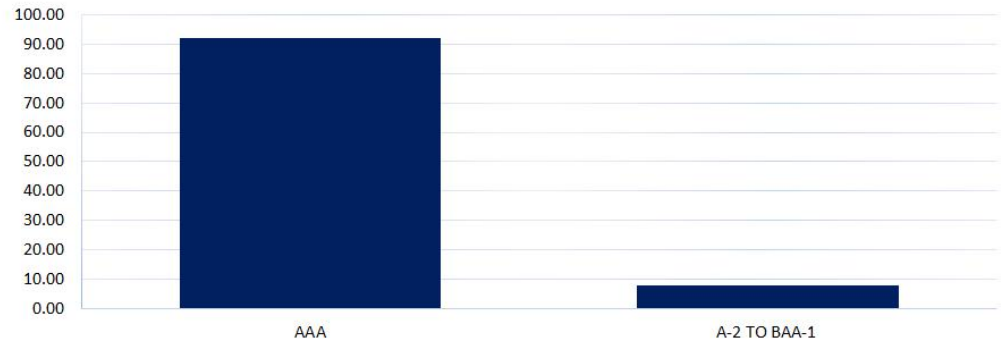
Coupon Distribution



Expected Maturity Distribution

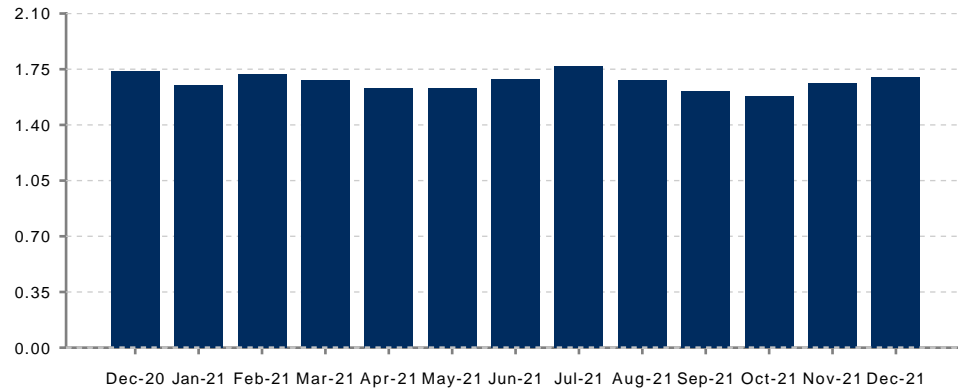


Rating Distribution





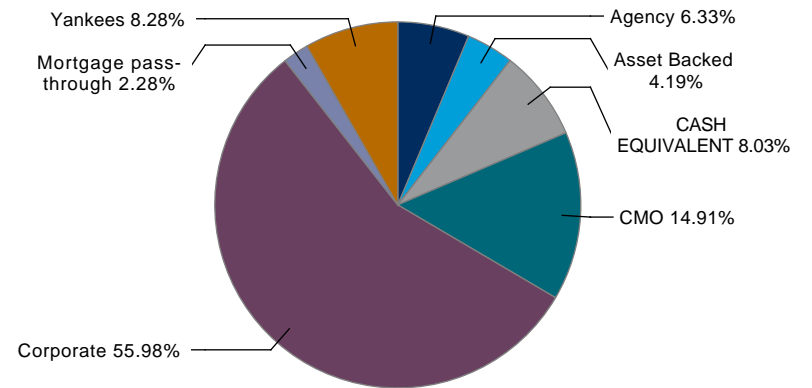
Net Yield



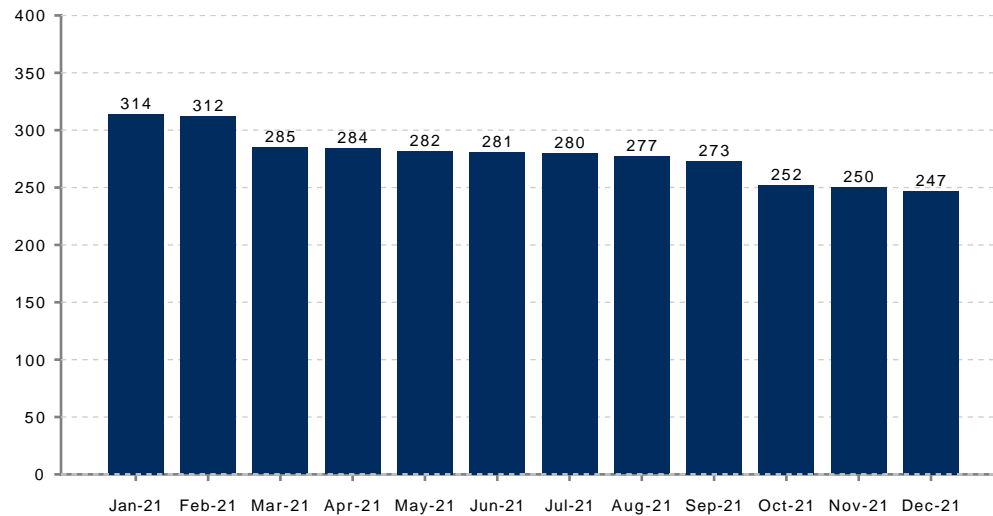
	Current Mth	Prior Mth	1 Year Ago
POOL 16 ECDHB	1.70	1.66	1.74

Asset Allocation

	Ending Market Value
POOL 16 ECDHB	246,874,728



Net Asset Values over Time (\$MM)

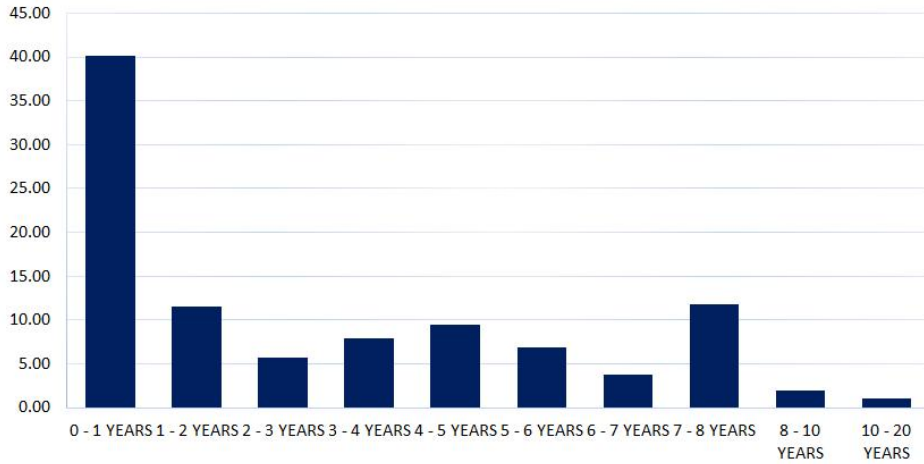


Top 10 Holdings

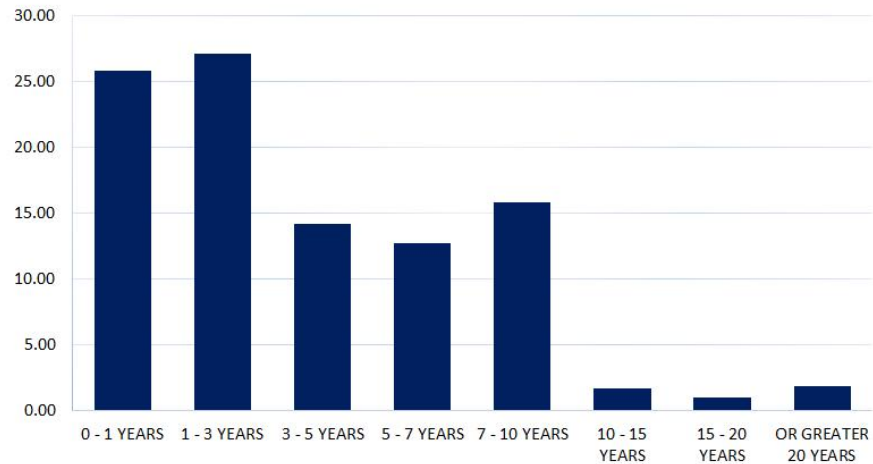
Security Name	Ending Market Value	% of Portfolio
POOL 16 ECDHB		
SOUTH STREET REPO	10,000,022	4.05
ANHEUSER BUSCH INBEV WOR	5,491,779	2.22
BERKSHIRE HATHAWAY ENERG	5,453,338	2.21
BRISTOL MYERS SQUIBB CO	5,294,706	2.14
BANK OF NY MELLON CORP	5,208,994	2.11
NEXTERA ENERGY CAPITAL	5,152,943	2.09
BOEING CO	5,152,407	2.09
KEYCORP	5,104,426	2.07
FREDDIE MAC	5,090,279	2.06
BANK OF NOVA SCOTIA	5,078,856	2.06



Duration Distribution



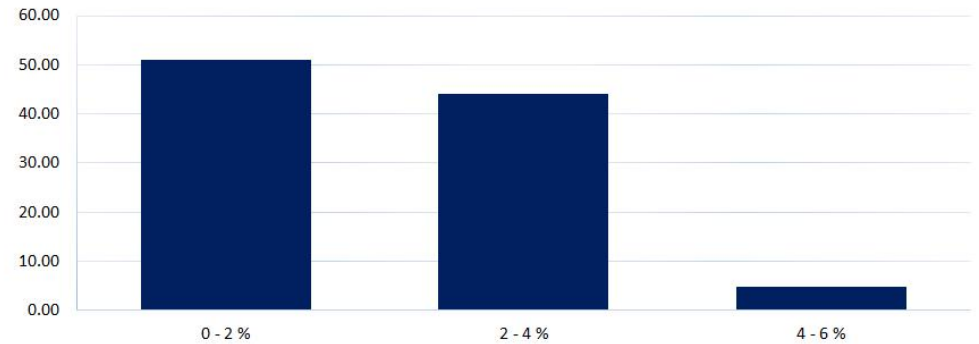
Expected Maturity Distribution



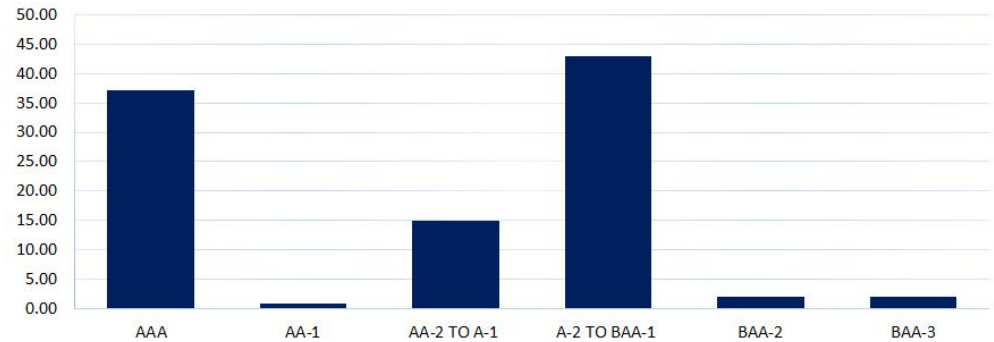
Portfolio Level Characteristics

	POOL 16 ECDHB
Effective Maturity	4.04
Coupon	2.02
Effective Duration	3.24
Quality Rating (Moody's)	AA-3

Coupon Distribution



Rating Distribution



**LGIP & LGIP- GOV
 PORTFOLIO YIELD ANALYSIS
 DECEMBER 2021**

NET EARNINGS

FUND	DESCRIPTION	Current Month 12/31/21	Prior Month 11/30/21	Prior Year 12/31/20	Net Asset Value Per Share
5	LGIP	\$148,385	\$116,027	\$191,453	1.000000
7	LGIP - GOV (1)	31,384	26,564	69,285	1.000000
	TOTAL LGIP & LGIP-GOV	\$179,769	\$142,591	\$260,739	

YIELDS

<u>MONTHLY</u>		Current Month 12/31/21	Prior Month 11/30/21	Prior Year 12/31/20
5	LGIP (NET)	0.08%	0.06%	0.11%
	S&P LGIP Index	0.04%	0.03%	0.08%
7	LGIP - GOV (NET) (1)	0.02%	0.02%	0.05%
	Trailing 3-mo T-bill	0.04%	0.04%	0.08%
<u>FISCAL YEAR TO DATE</u>				
5	LGIP (NET)	0.06%	0.06%	0.15%
	S&P LGIP Index	0.03%	0.03%	0.16%
7	LGIP - GOV (NET) (1)	0.01%	0.01%	0.07%
	Trailing 3-mo T-bill	0.04%	0.04%	0.10%

(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
 DECEMBER 2021**

NET EARNINGS

FUND	DESCRIPTION	Current Month 12/31/21	Prior Month 11/30/21	Prior Year 12/31/20	Net Asset Value Per Share
500	LGIP - MED TERM POOL	\$424,237	\$413,933	\$448,491	1.034884
700	LGIP - FF&C MED TERM POOL	64,859	68,486	79,523	1.009553
TOTAL LGIP MEDIUM TERM POOLS		\$489,096	\$482,420	\$528,014	

YIELDS

MONTHLY

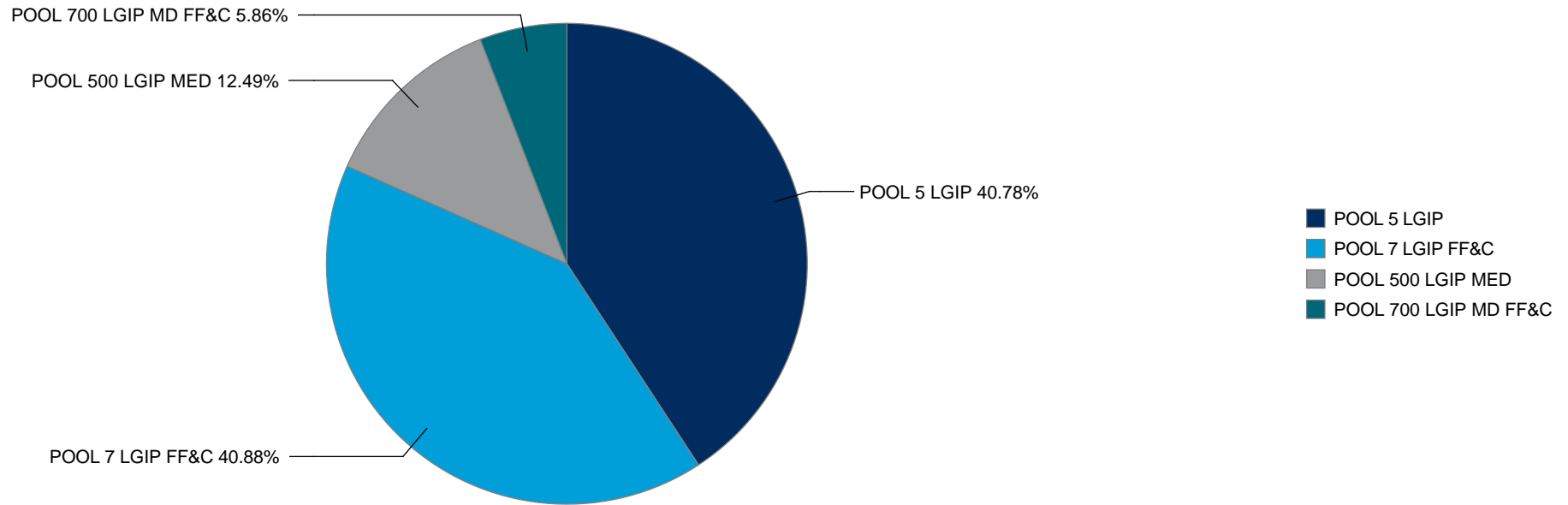
	Current Month 12/31/21	Prior Month 11/30/21	Prior Year 12/31/20
500 LGIP - MED TERM (NET) 20% S&P LGIP Index / 80% Bloomberg Barclays 1-3 year US Agg	0.74%	0.80%	1.15%
	0.66%	0.53%	0.26%
700 LGIP - FF&C MED TERM (NET) 20% Trailing 3-mo T-bill / 80% Barclay 1-3 year UST	0.24%	0.26%	0.34%
	0.56%	0.44%	0.13%

FISCAL YEAR TO DATE

500 LGIP - MED TERM (NET) 20% S&P LGIP Index / 80% Bloomberg Barclays 1-3 year US Agg	0.80%	0.82%	1.26%
	0.41%	0.36%	0.31%
700 LGIP - FF&C MED TERM (NET) 20% Trailing 3-mo T-bill / 80% Bloomberg Barclays 1-3 year UST	0.26%	0.27%	0.56%
	0.32%	0.27%	0.15%

LGIP

Manager Allocation



	Market Value	% of Portfolio
POOL 5 LGIP	2,194,807,195	40.8
POOL 7 LGIP FF&C	2,200,152,052	40.9
POOL 500 LGIP MED	672,292,000	12.5
POOL 700 LGIP MD FF&C	315,235,921	5.9
TOTAL LGIP	5,382,487,168	100.0

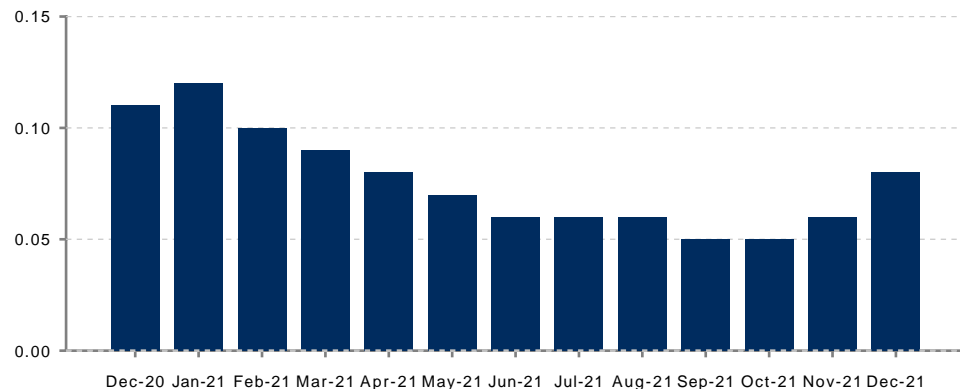
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2021

POOL 5 LGIP



Net Yield



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

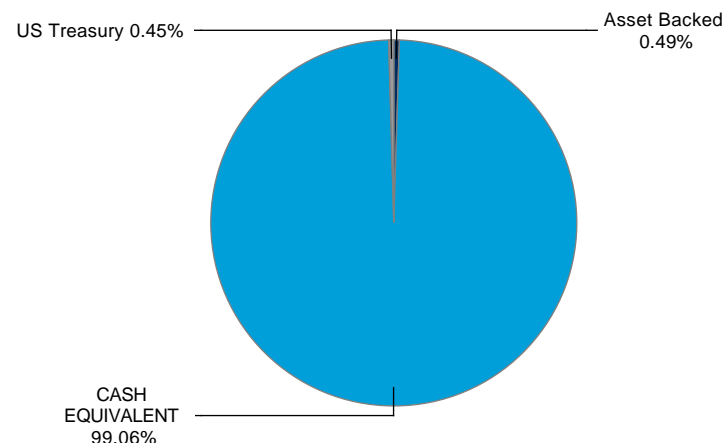
POOL 5 LGIP	0.08	0.06	0.11
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Asset Allocation

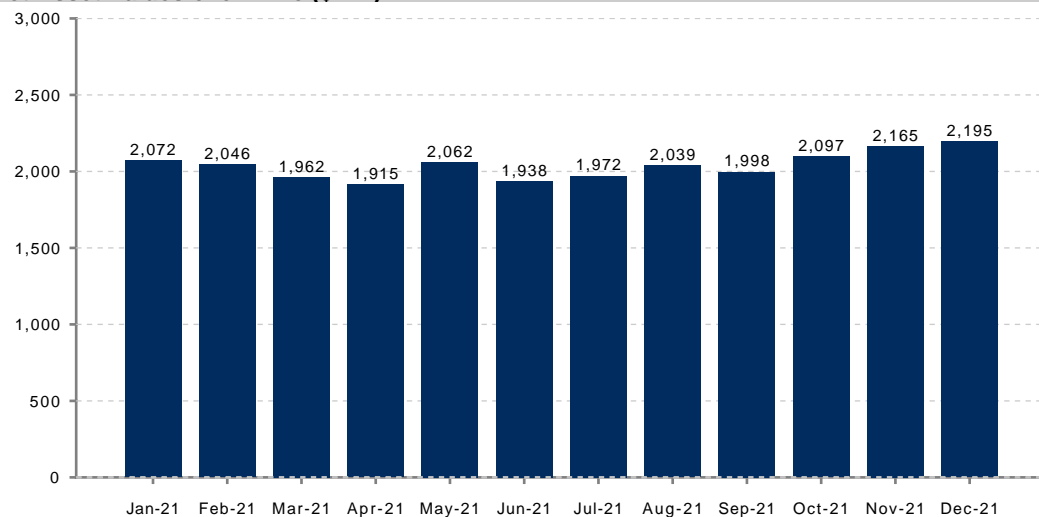
POOL 5 LGIP

Ending Market Value

2,194,807,195



Net Asset Values over Time (\$MM)

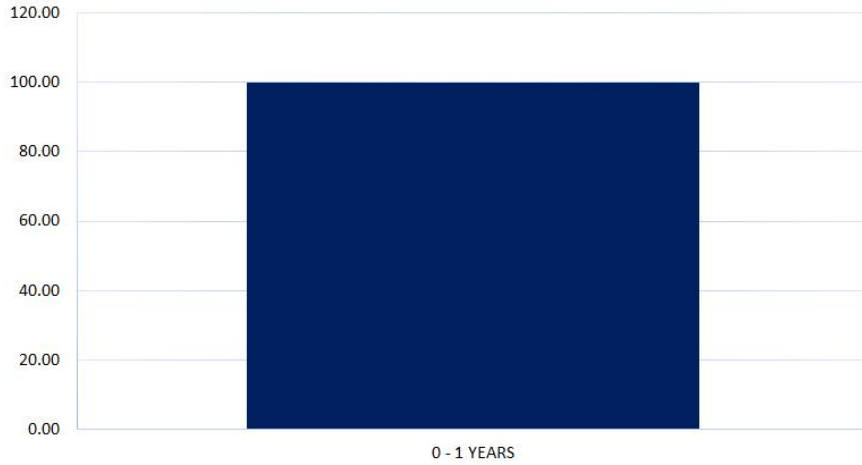


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 5 LGIP		
TD SECURITIES	150,000,250	6.83
BANK OF AMERICA REPO	97,899,199	4.46
SUMITOMO MITSUI TRUST NY	25,002,556	1.14
ANGLESEA FDG PLC & ANG	24,999,729	1.14
TOYOTA MOTOR CREDIT	24,999,708	1.14
BANK OF MONTREAL-	24,999,625	1.14
JOHN DEERE CAPITAL C	24,999,389	1.14
NATIONAL SECS CLEARING	24,998,875	1.14
PROCTOR GAMBLE AND CO	24,998,750	1.14
INSTITUTIONAL SECURED	24,998,125	1.14



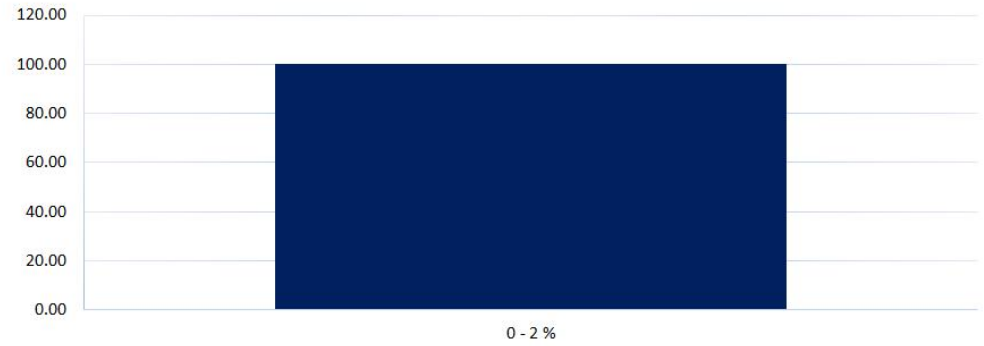
Duration Distribution



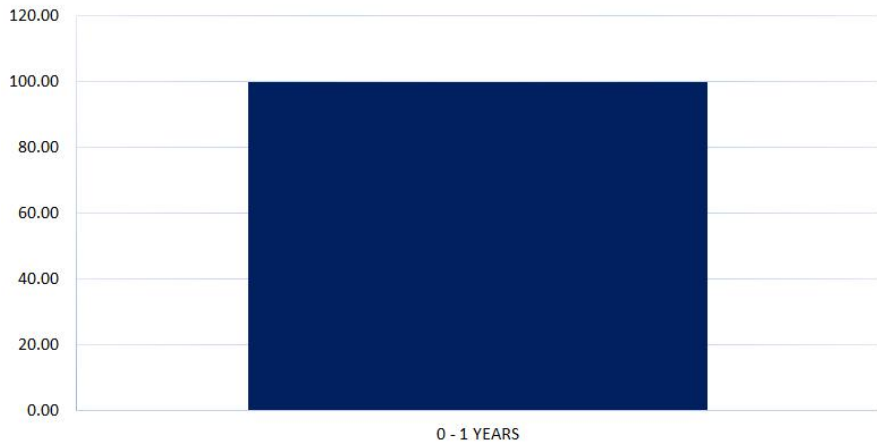
Portfolio Level Characteristics

	POOL 5 LGIP
Effective Maturity	0.15
Coupon	0.14
Effective Duration	0.16
Quality Rating (Moody's)	AAA

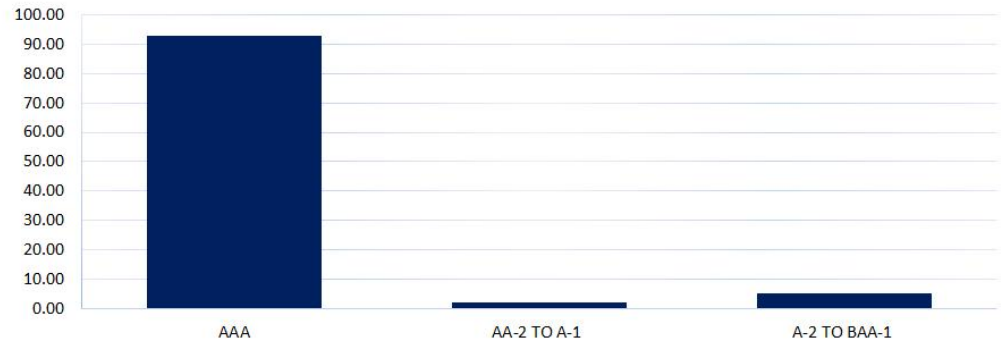
Coupon Distribution



Expected Maturity Distribution



Rating Distribution



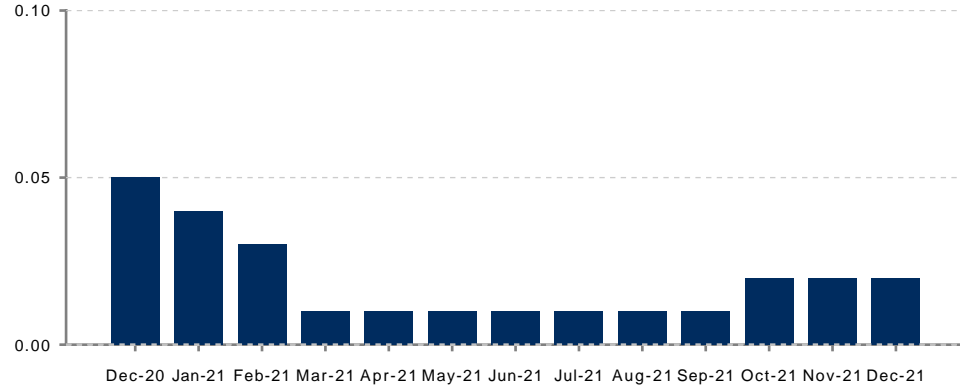
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2021

POOL 7 LGIP FF&C



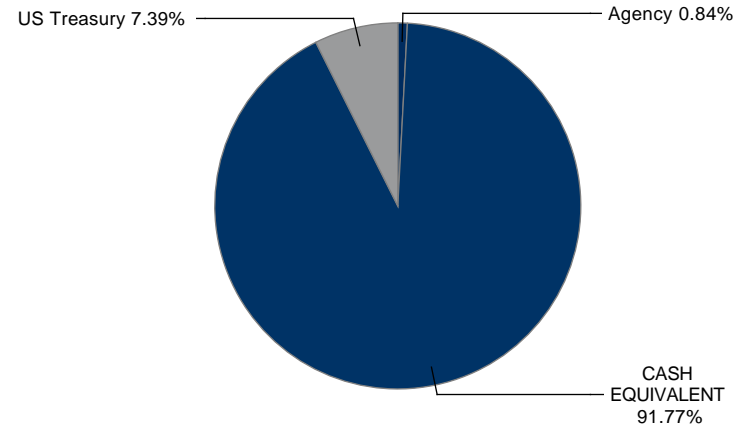
Net Yield



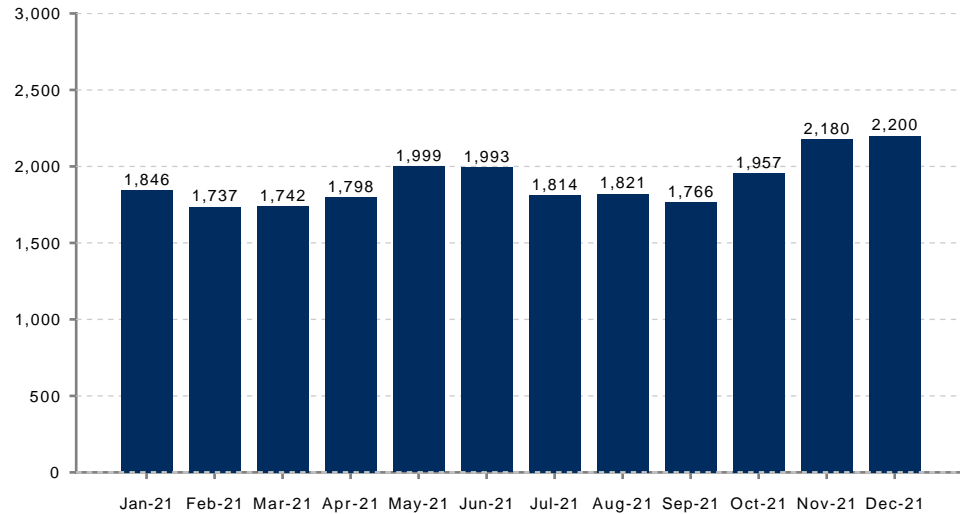
	Current Mth	Prior Mth	1 Year Ago
POOL 7 LGIP FF&C	0.02	0.02	0.05

Asset Allocation

	Ending Market Value
POOL 7 LGIP FF&C	2,200,152,052



Net Asset Values over Time (\$MM)

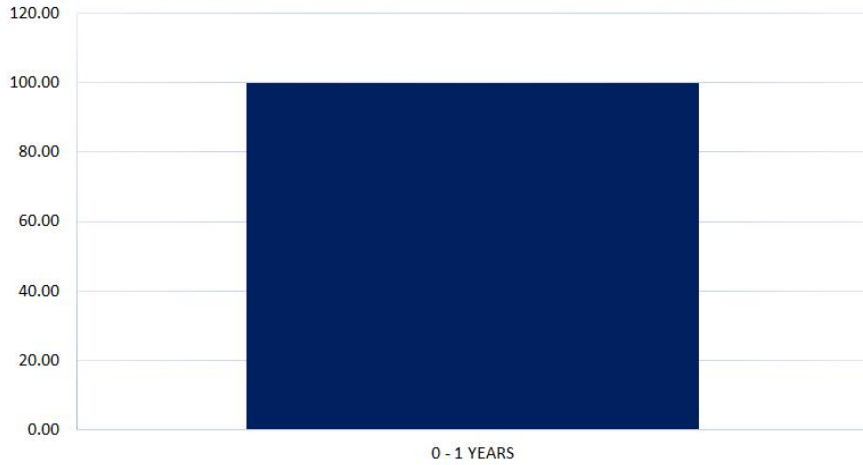


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 7 LGIP FF&C		
SUNTRUST BKS INC DTC CP GENERIC CUSIP	329,997,304	15.00
CREDIT AGRICOLE REPO	250,000,417	11.36
SUNTRUST BKS INC DTC CP GENERIC CUSIP	225,000,625	10.23
TREASURY BILL	100,000,025	4.55
TREASURY BILL	90,000,643	4.09
TREASURY BILL	89,989,884	4.09
TREASURY BILL	79,987,066	3.64
TREASURY BILL	69,997,933	3.18
TREASURY BILL	69,992,750	3.18
TREASURY BILL	69,992,103	3.18



Duration Distribution



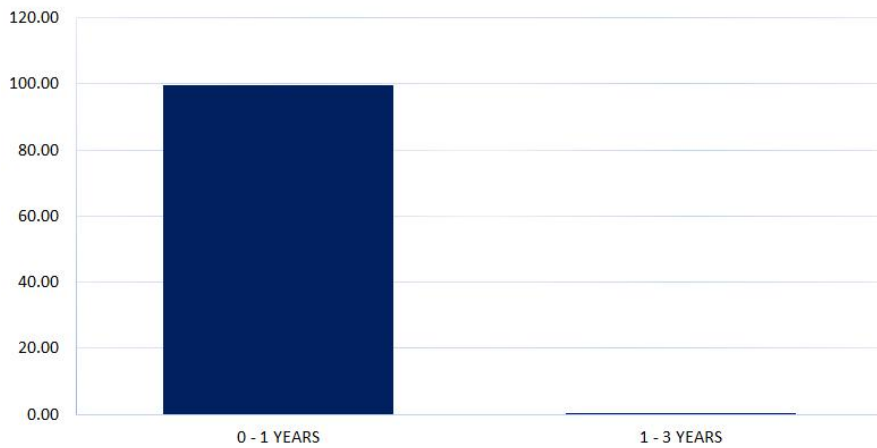
Portfolio Level Characteristics

	POOL 7 LGIP FF&C
Effective Maturity	0.16
Coupon	0.08
Effective Duration	0.19
Quality Rating (Moody's)	AAA

Coupon Distribution



Expected Maturity Distribution



Rating Distribution



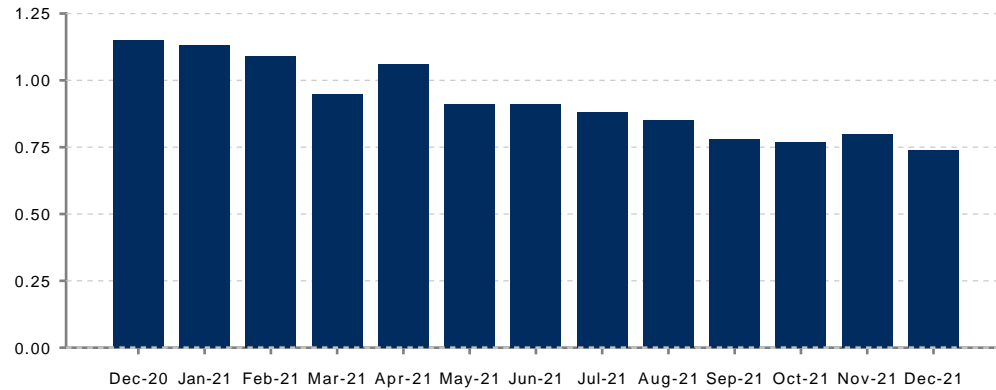
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2021

POOL 500 LGIP MED



Net Yield

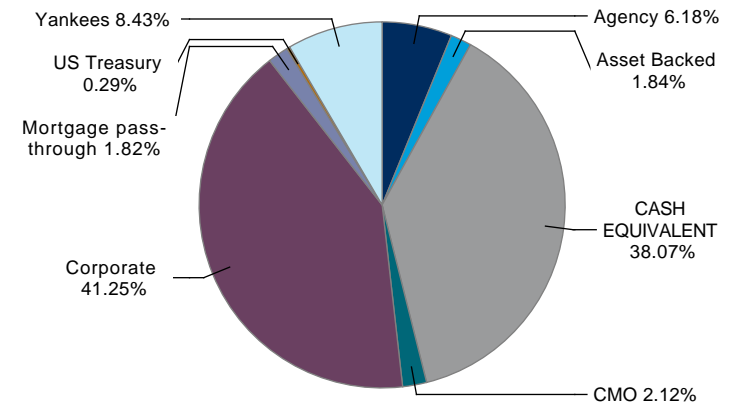


Current Mth Prior Mth 1 Year Ago

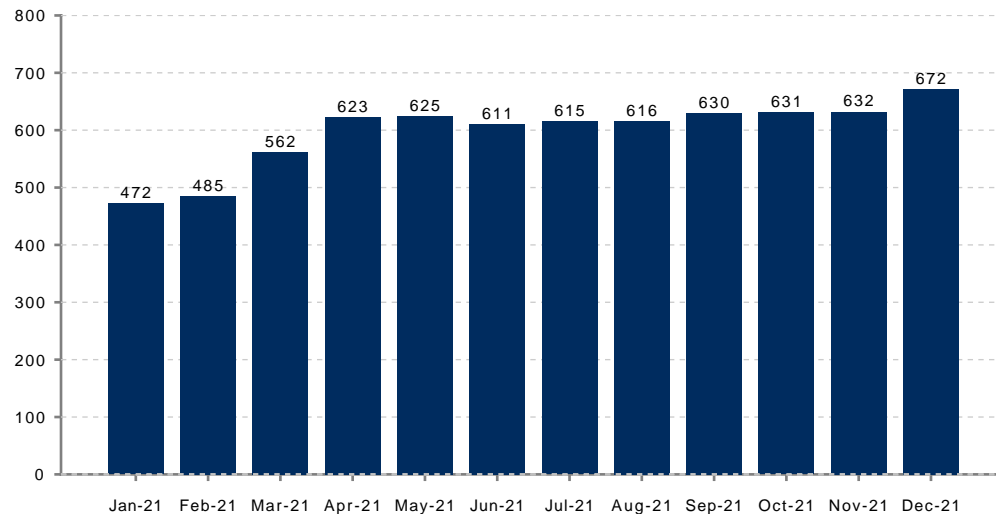
POOL 500 LGIP MED 0.74 0.80 1.15

Asset Allocation

	Ending Market Value
POOL 500 LGIP MED	672,292,000



Net Asset Values over Time (\$MM)

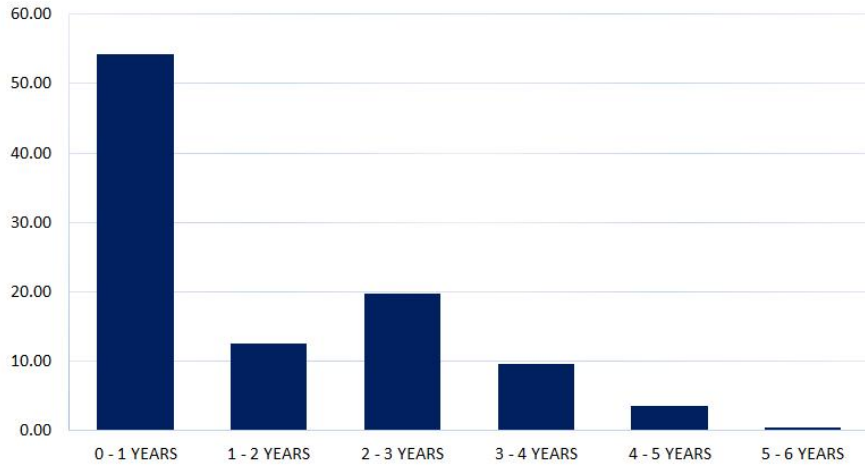


Top 10 Holdings

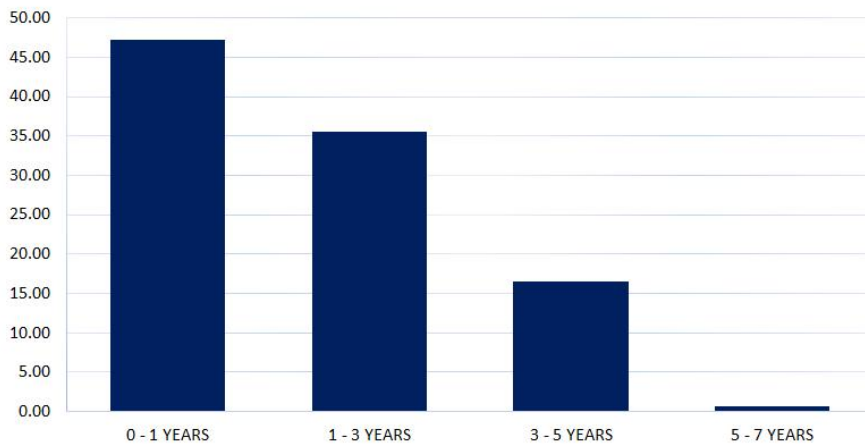
Security Name	Ending Market Value	% of Portfolio
POOL 500 LGIP MED		
SOUTH STREET REPO	13,000,029	1.93
CANTOR FITZGERALD REPO	10,005,083	1.49
CANTOR FITZGERALD REPO	10,001,611	1.49
APPLE INC	7,012,320	1.04
LEXINGTN PKR CAP CO LL	5,998,900	0.89
US BANCORP	5,216,247	0.78
AMERICAN EXPRESS CO	5,215,131	0.78
EXXON MOBIL CORPORATION	5,171,022	0.77
TRUIST BANK	5,158,883	0.77
NEW YORK LIFE GLOBAL FDG	5,147,666	0.77



Duration Distribution



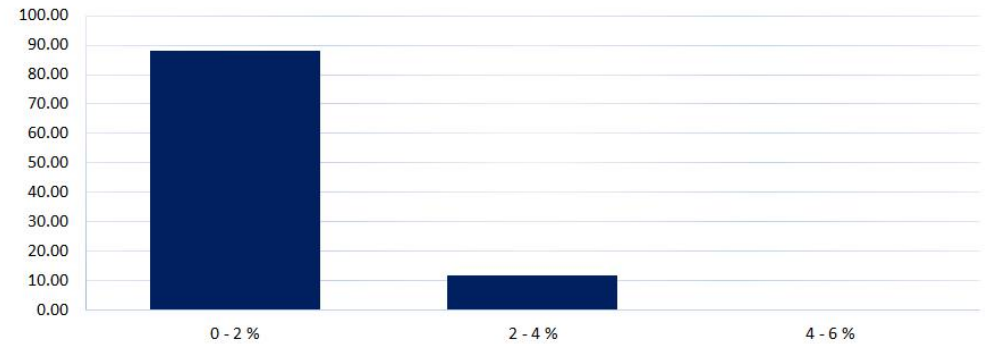
Expected Maturity Distribution



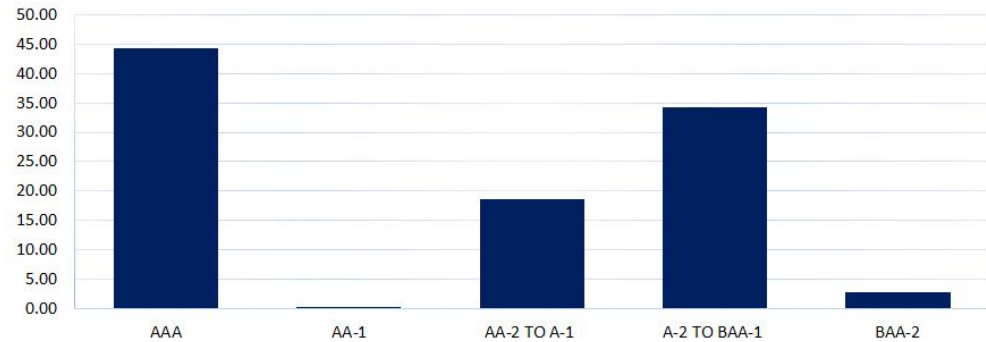
Portfolio Level Characteristics

	POOL 500 LGIP MED
Effective Maturity	1.53
Coupon	0.92
Effective Duration	1.32
Quality Rating (Moody's)	AA-3

Coupon Distribution

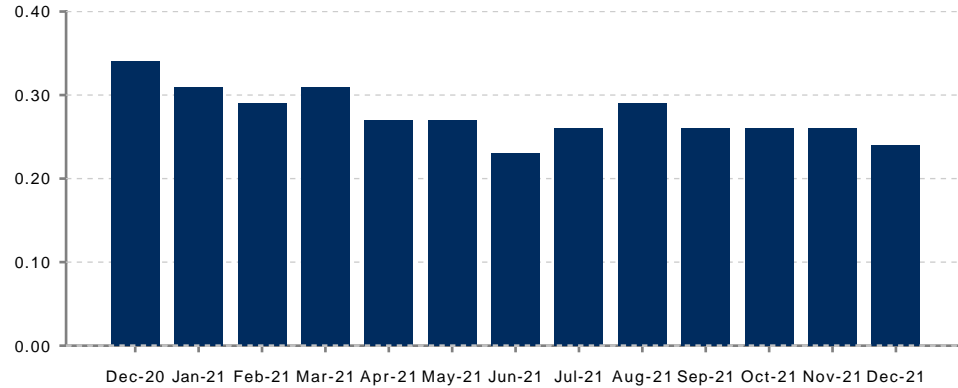


Rating Distribution





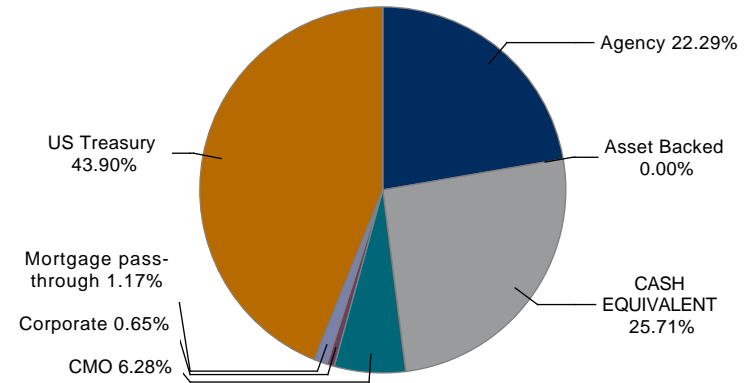
Net Yield



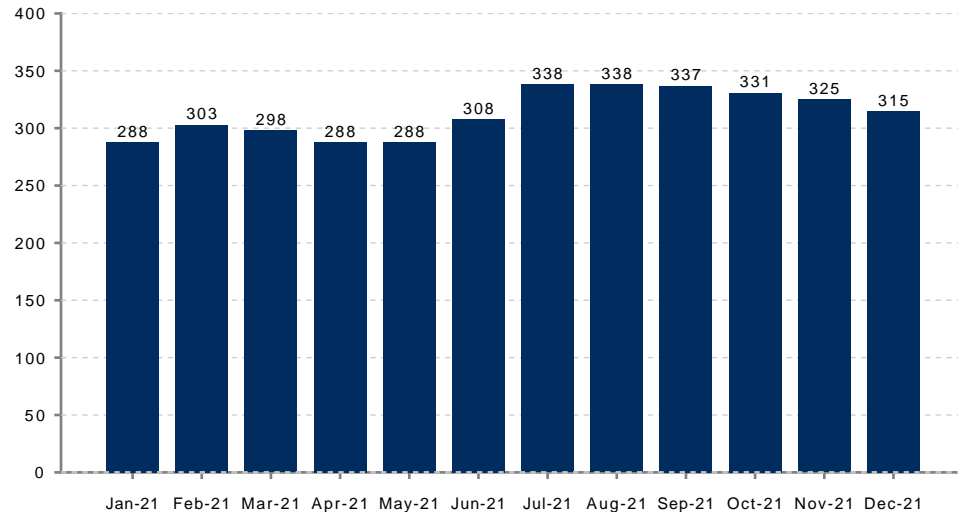
	Current Mth	Prior Mth	1 Year Ago
POOL 700 LGIP MD FF&C	0.24	0.26	0.34

Asset Allocation

	Ending Market Value
POOL 700 LGIP MD FF&C	315,235,921



Net Asset Values over Time (\$MM)

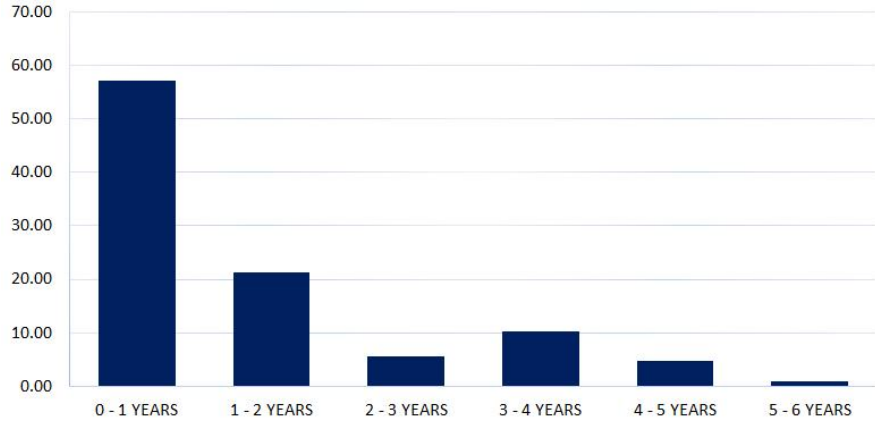


Top 10 Holdings

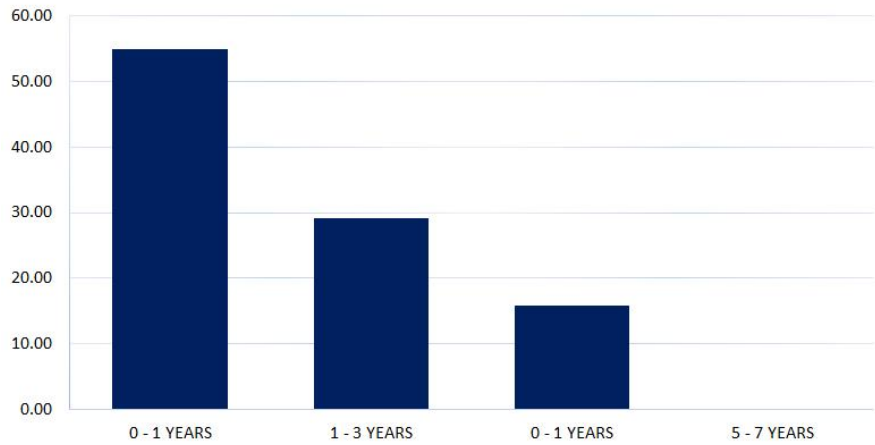
Security Name	Ending Market Value	% of Portfolio
POOL 700 LGIP MD FF&C		
SUNTRUST BKS INC DTC CP GENERIC CUSIP	20,003,668	6.35
US TREASURY N/B	11,973,323	3.80
WAM AZ 4	10,012,825	3.18
SUNTRUST BKS INC DTC CP GENERIC CUSIP	10,000,028	3.17
US TREASURY N/B	9,980,786	3.17
US TREASURY N/B	6,996,957	2.22
INT DEVELOPMENT FIN CORP	6,492,839	2.06
US TREASURY N/B	5,040,625	1.60
WESTERN ALLIANCE BANCORP PP	5,011,531	1.59
US TREASURY FRN	5,005,072	1.59



Duration Distribution



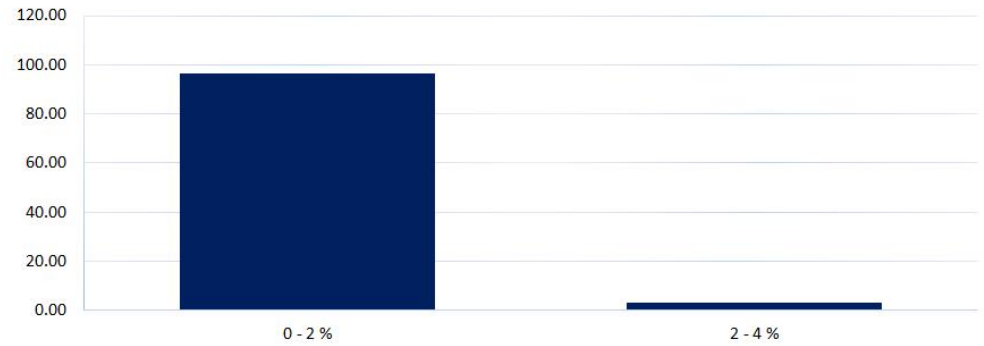
Expected Maturity Distribution



Portfolio Level Characteristics

	POOL 700 LGIP MD FF&C
Effective Maturity	1.28
Coupon	0.38
Effective Duration	1.46
Quality Rating (Moody's)	AAA

Coupon Distribution



Rating Distribution



**EARNINGS DISTRIBUTED
PERMANENT LAND ENDOWMENT TRUST FUND
DECEMBER 2021**

Distributed in Current Month

Recipient	DECEMBER 2021	Fiscal YTD 21/22	Fiscal YTD 20/21	Fiscal YTD Change
101 A & M Colleges	\$75,442	\$452,654	\$447,830	\$4,825
102 State Hospital	57,779	346,675	328,478	18,197
103 Leg., Exec., & Jud.	63,087	378,524	372,918	5,606
104 Military Institute	4,256	25,533	24,995	538
105 Miners Hospital	183,974	1,103,841	1,063,380	40,462
107 Normal School ASU/NAU	35,072	210,432	200,081	10,351
108 Penitentiaries	121,853	731,119	710,323	20,796
109 Permanent Common School	31,000,271	186,001,624	179,001,657	6,999,967
110 School for Deaf & Blind	45,210	271,261	260,258	11,003
111 School of Mines	86,226	517,357	510,418	6,939
112 State Charitable-Pioneers Home	443,994	2,663,963	2,553,139	110,824
112 State Charitable-Corrections	221,997	1,331,982	1,276,570	55,412
112 State Charitable-Youth Treatment	221,997	1,331,982	1,276,570	55,412
113 University Fund	169,919	1,019,517	957,408	62,108
114 U of A Land - 1881	588,327	3,529,960	3,402,145	127,815
Total	\$33,319,404	\$199,916,423	\$192,386,169	\$7,530,254

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

Month	2016	2017	2018	2019	2020	2021	2022
January	\$5,108,687	\$2,960,815	\$809,822	\$30,671,107	\$34,028,510	\$77,327,332	
February	1,083,178	1,103,303	744,295	875,823	2,362,463	17,814,405	
March	1,106,860	3,045,043	8,296,029	997,479	13,103,761	3,772,571	
April	28,981,969	78,134,289	22,707,772	12,816,140	6,837,496	4,099,129	
May	20,147,116	27,642,672	16,234,823	590,432	3,656,783	88,763,368	
June	31,844,678	2,451,110	6,799,100	3,654,938	3,379,021	2,001,347	
July	2,469,997	13,838,188	27,835,379	4,356,585	19,069,989	37,347,276	
August	13,094,287	5,746,802	6,932,754	10,038,331	6,378,777	12,016,036	
September	(12,580,728)	19,937,751	8,293,343	1,201,114	3,851,950	13,865,289	
October	10,614,885	480,710	24,823,636	5,075,858	72,432,497	1,724,181	
November	28,490,238	9,500,048	42,245,892	9,161,341	3,119,856	1,487,524	
December	6,127,407	3,869,818	2,283,305	15,116,940	29,134,954	1,252,026	
Calendar Year	136,488,573	168,710,549	168,006,150	94,556,089	197,356,057	261,470,483	-
Fiscal Year (July 1st to June 30th)	105,360,563	163,553,318	108,965,158	162,020,229	108,318,203	327,766,175	67,692,332

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

<u>Endowment Fund</u>	<u>December 2021 NET GAIN(LOSS)</u>	<u>December 2020 NET GAIN(LOSS)</u>
----- Fixed Income Pool	(\$485,750)	(\$946,487)
500 Large-Cap Fund	6,465,363	6,164,552
400 Mid-Cap Fund	23,011,426	27,326,134
600 Small-Cap Fund	10,427,661	18,843,382
Totals	\$39,418,700	\$51,387,580

<u>Endowment Fund</u>	<u>2021/2022 FISCAL YEAR TO DATE GAINS(LOSSES)</u>	<u>2020/2021 FISCAL YEAR TO DATE GAINS(LOSSES)</u>
Fixed Income Pool	(\$3,415,466)	(\$4,071,487)
500 Large-Cap Fund	187,436,419	105,348,499
400 Mid-Cap Fund	48,421,103	40,588,543
600 Small-Cap Fund	26,309,935	33,980,783
Totals	\$258,751,991	\$175,846,337

**PERM LAND ENDOWMENT TRUST FUND FIXED-INCOME POOLS
PURCHASES & SALES
DECEMBER 2021**

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	ANGLESEA	0.25	05/27/2022	NA	\$10,000,000	\$9,987,708	0.25%	P-1	
205	ANGLESEA	0.28	06/27/2022	NA	10,000,000	9,986,544	0.28%	P-1	
205	AT&T	0.44	06/16/2022	NA	15,000,000	14,964,983	0.44%	P-2	
205	GNMA	2.50	07/20/2069	2.50	10,014,255	10,244,270	1.51%	Aaa	
205	GNMA	2.25	07/20/2069	2.55	5,166,363	5,265,654	1.44%	Aaa	
205	GNMA	2.20	11/20/2069	2.33	13,252,538	13,492,740	1.36%	Aaa	
205	GNMA	1.25	07/20/2067	2.40	8,641,661	8,663,940	1.12%	Aaa	
205	HALKIN	0.30	06/03/2022	NA	10,000,000	9,984,750	0.30%	P-1	
205	HALKIN	0.37	06/29/2022	NA	15,000,000	14,972,096	0.37%	P-1	
205	ISHARES TIPS BOND ETF			NA	10,000	1,287,003			
205	JPMORGAN CHASE	0.55	12/10/2025	NA	10,000,000	10,014,700	0.55%	A-2	
205	MOUNTCLIFF	0.46	09/13/2022	NA	15,000,000	14,950,358	0.46%	P-1	
205	NASDAQ	0.65	12/21/2022	NA	10,000,000	9,978,900	0.65%	P-3	
205	SHEFFIELD	0.20	03/07/2022	NA	15,000,000	14,992,417	0.20%	P-1	
123	ANGLESEA	0.25	05/27/2022	NA	15,000,000	14,981,563	0.25%	P-1	
123	ANGLESEA	0.28	06/27/2022	NA	15,000,000	14,979,817	0.28%	P-1	
123	AT&T	0.44	06/16/2022	NA	5,000,000	4,988,328	0.44%	P-2	
123	CONCORD	0.08	01/21/2022	NA	5,000,000	4,999,000	0.08%	P-1	
123	HALKIN	0.30	06/03/2022	NA	15,000,000	14,977,125	0.30%	P-1	
123	HALKIN	0.37	06/29/2022	NA	15,000,000	14,972,096	0.37%	P-1	
123	MOUNTCLIFF	0.46	09/13/2022	NA	15,000,000	14,950,358	0.46%	P-1	
123	OLD LINE	0.33	09/12/2022	NA	6,100,000	6,085,685	0.33%	P-1	
123	SHEFFIELD	0.20	03/07/2022	NA	15,000,000	14,992,417	0.20%	P-1	
TOTAL ENDOWMENT FUNDS PURCHASES					<u>\$253,184,817</u>	<u>\$254,712,453</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
 DECEMBER 2021**

I. Equity Fund Purchases

	<u>SHARES</u>	<u>PURCHASE COST</u>	<u>COMMISSIONS</u>
400 Mid-Cap Fund	922,267	\$39,305,812	\$6,917
500 Large-Cap Fund	66,608	12,821,339	500
600 Small-Cap Fund	1,167,932	26,573,605	8,761
TOTAL EQUITY PURCHASES	<u>2,156,807</u>	<u>\$78,700,756</u>	<u>\$16,179</u>

II. Equity Funds Sales

	<u>SHARES</u>	<u>SALES AMOUNT</u>	<u>COMMISSIONS</u>
400 Mid-Cap Fund	387,130	\$35,971,675	\$2,904
500 Large-Cap Fund	156,276	10,923,860	1,172
600 Small-Cap Fund	382,417	14,679,340	2,868
TOTAL EQUITY SALES	<u>925,823</u>	<u>\$61,574,876</u>	<u>\$6,944</u>

PERMANENT LAND ENDOWMENT TRUST FUND
INVESTMENTS OUTSTANDING
DECEMBER 31, 2021
(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>	\$318	\$2,240	\$9,951	\$7,710	
<i>Shares in Fixed Income Pools</i>	3,161	2,263	6,035	3,772	
Total	3,479	4,503	15,985	11,482	3.550
102 State Hospital					
<i>Shares in Equity Pools</i>	310	3,621	9,679	6,057	
<i>Shares in Fixed Income Pools</i>	3,212	3,143	6,132	2,989	
Total	3,521	6,764	15,810	9,046	2.337
103 Leg., Exec., & Jud					
<i>Shares in Equity Pools</i>	261	1,971	8,150	6,179	
<i>Shares in Fixed Income Pools</i>	2,813	2,016	5,370	3,354	
Total	3,074	3,987	13,520	9,533	3.391
104 Military Institute					
<i>Shares in Equity Pools</i>	17	136	544	408	
<i>Shares in Fixed Income Pools</i>	193	136	368	233	
Total	210	272	912	640	3.351
105 Miners Hospital					
<i>Shares in Equity Pools</i>	842	7,716	26,307	18,591	
<i>Shares in Fixed Income Pools</i>	8,427	7,448	16,090	8,642	
Total	9,270	15,164	42,397	27,233	2.796
107 Normal School ASU/NAU					
<i>Shares in Equity Pools</i>	159	1,387	4,971	3,584	
<i>Shares in Fixed Income Pools</i>	1,643	1,322	3,136	1,814	
Total	1,802	2,709	8,107	5,398	2.992
108 Penitentiaries					
<i>Shares in Equity Pools</i>	526	4,490	16,420	11,930	
<i>Shares in Fixed Income Pools</i>	5,369	4,441	10,251	5,810	
Total	5,895	8,931	26,670	17,739	2.986

PERMANENT LAND ENDOWMENT TRUST FUND
INVESTMENTS OUTSTANDING
DECEMBER 31, 2021
(In Thousands)

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NAME OF FUND	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	UNREALIZED GAINS (LOSSES)	Mkt Value/ Book Value
109 Permanent Common School					
<i>Shares in Equity Pools</i>	145,586	1,251,100	4,548,374	3,297,275	
<i>Shares in Fixed Income Pools</i>	1,461,193	1,229,253	2,789,744	1,560,491	
Total	1,606,778	2,480,353	7,338,119	4,857,766	2.958
110 School for Deaf & Blind					
<i>Shares in Equity Pools</i>	190	1,607	5,948	4,341	
<i>Shares in Fixed Income Pools</i>	2,172	1,720	4,147	2,427	
Total	2,363	3,327	10,095	6,768	3.034
111 School of Mines					
<i>Shares in Equity Pools</i>	361	2,710	11,278	8,568	
<i>Shares in Fixed Income Pools</i>	3,709	2,754	7,081	4,327	
Total	4,070	5,463	18,359	12,895	3.360
112 State Charitable					
<i>Shares in Equity Pools</i>	4,750	49,043	148,387	99,344	
<i>Shares in Fixed Income Pools</i>	46,393	43,002	88,574	45,572	
Total	51,142	92,044	236,961	144,916	2.574
113 University Fund					
<i>Shares in Equity Pools</i>	969	12,578	30,279	17,701	
<i>Shares in Fixed Income Pools</i>	10,003	10,148	19,099	8,951	
Total	10,972	22,726	49,377	26,652	2.173
114 U Of A Land - 1881					
<i>Shares in Equity Pools</i>	2,557	25,076	79,891	54,814	
<i>Shares in Fixed Income Pools</i>	26,285	22,783	50,183	27,400	
Total	\$28,842	\$47,860	\$130,074	\$82,214	2.718
TOTALS - ALL FUNDS					
<i>Shares in Equity Pools</i>	156,846	1,363,675	4,900,178	3,536,502	
<i>Shares in Fixed Income Pools</i>	1,574,572	1,330,429	3,006,210	1,675,781	
Grand Total	\$1,731,418	\$2,694,104	\$7,906,388	\$5,212,283	
PRIOR YEAR:					
DECEMBER 2020 BALANCES	\$1,761,596	\$2,663,739	\$6,948,675	\$4,284,936	

**PERMANENT LAND ENDOWMENT TRUST FUND
INVESTMENTS OUTSTANDING
DECEMBER 31, 2021**

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ASSET ALLOCATION PERCENTAGE

	SHARES OUTSTANDING	BOOK VALUE	MARKET VALUE	DECEMBER 2020 MARKET VALUE
<i>Equity Pools</i>	9.06%	50.62%	61.98%	61.31%
<i>Fixed Income Pools</i>	90.94%	49.38%	38.02%	38.69%
Total	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>	<u>100.00%</u>

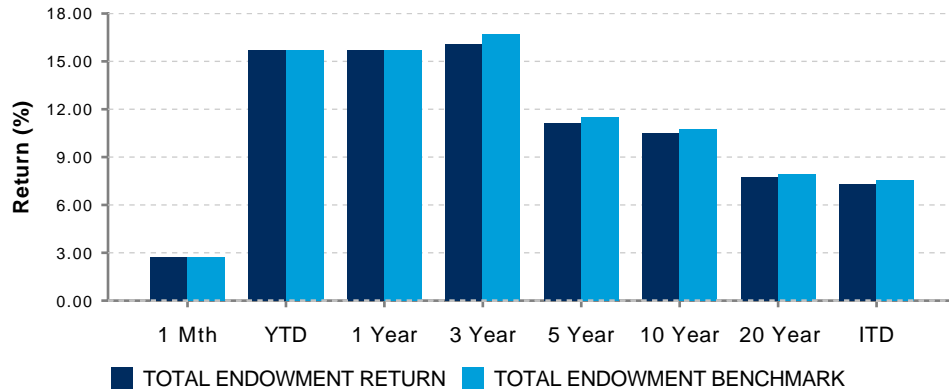
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December 31, 2021

Total Endowment Summary



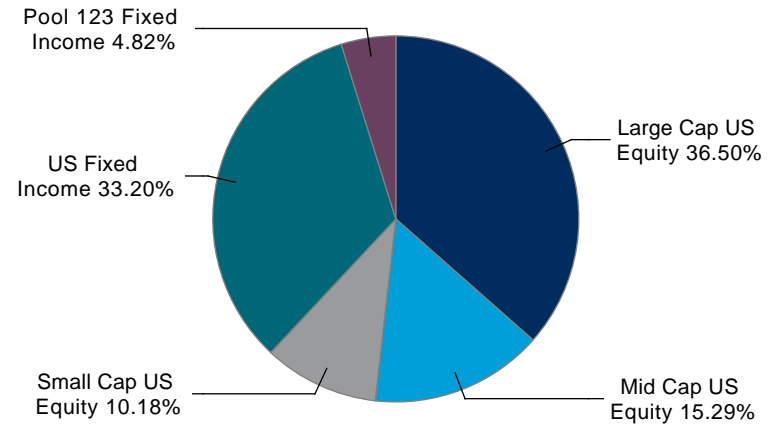
Performance



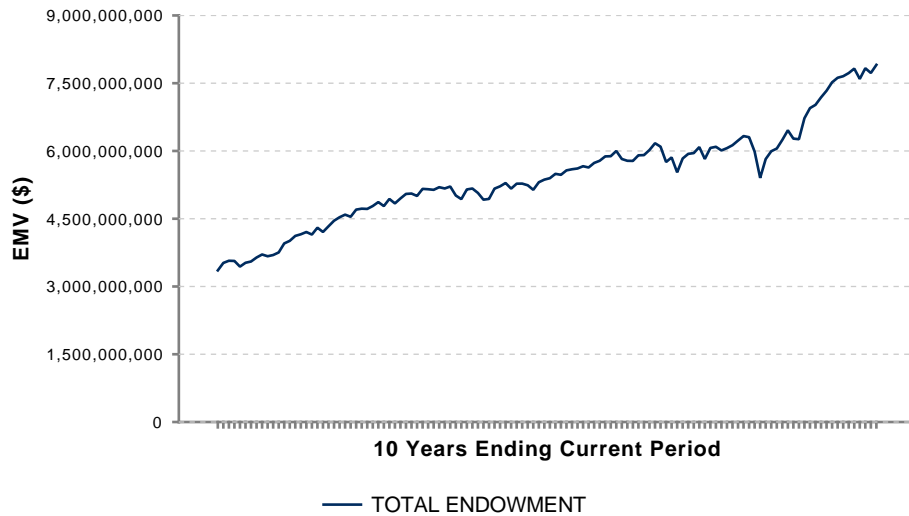
	1 Mth	YTD	1 Year	3 Year	5 Year	10 Year	20 Year	ITD	Incept Date
TOTAL ENDOWMENT RETURN	2.74	15.68	15.68	16.07	11.13	10.48	7.74	7.33	07/99
TOTAL ENDOWMENT BENCHMARK	2.71	15.72	15.72	16.71	11.49	10.75	7.95	7.54	07/99
Excess	0.03	-0.04	-0.04	-0.64	-0.36	-0.27	-0.21	-0.22	

Asset Allocation

	Ending Market Value
TOTAL ENDOWMENT RETURN	7,906,387,768

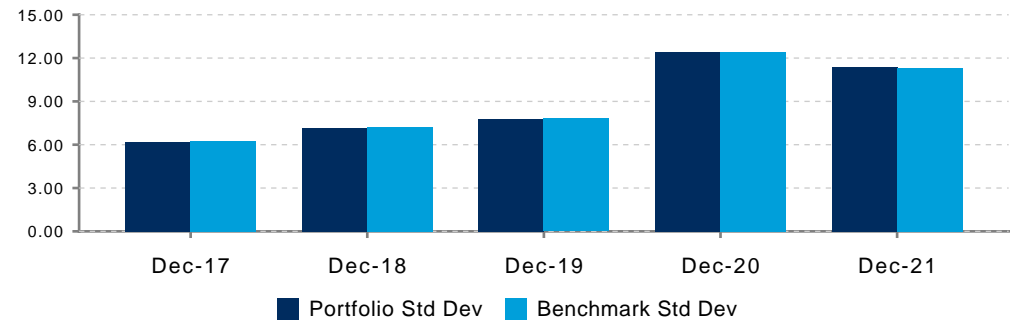


Ending Market Value



3 Year Risk Statistics

	Return	Portfolio Std Dev	Benchmark Std Dev	Sharpe Ratio	Beta	Tracking Error	Information Ratio
TOTAL ENDOWMENT RETURN	16.07	11.36	11.32	1.33	1.00	0.51	-1.27



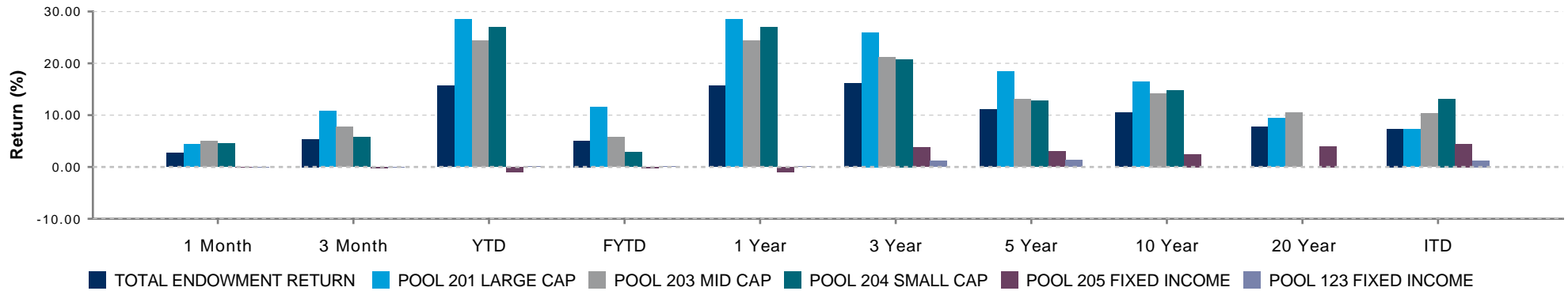
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December 31, 2021

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	7,906,387,768	100.00	2.74	5.37	15.68	5.05	15.68	16.07	11.13	10.48	7.74	7.33	Jul-01-99
TOTAL ENDOWMENT BENCHMARK			2.71	5.64	15.72	5.30	15.72	16.71	11.49	10.75	7.95	7.54	Jul-01-99
Excess			0.03	-0.27	-0.04	-0.26	-0.04	-0.64	-0.36	-0.27	-0.21	-0.22	
ST OF AZ POOL 201 LARGE CAP	2,885,851,433	36.50	4.42	10.82	28.43	11.52	28.43	25.98	18.40	16.48	9.45	7.27	Jul-01-99
S&P 500 INDEX (DAILY)			4.48	11.03	28.71	11.67	28.71	26.07	18.47	16.55	9.52	7.71	Jul-01-99
Excess			-0.06	-0.21	-0.28	-0.15	-0.28	-0.09	-0.07	-0.07	-0.07	-0.44	
ST OF AZ POOL 203 MID CAP	1,209,165,302	15.29	4.98	7.71	24.36	5.79	24.36	21.10	13.06	14.20	10.47	10.31	Aug-01-01
S&P 400 MIDCAP INDEX (DAILY)			5.08	8.00	24.76	6.09	24.76	21.41	13.09	14.20	10.56	10.33	Aug-01-01
Excess			-0.10	-0.29	-0.40	-0.30	-0.40	-0.30	-0.03	-0.01	-0.09	-0.02	
ST OF AZ POOL 204 SMALL CAP	805,160,839	10.18	4.50	5.79	26.90	2.89	26.90	20.76	12.81	14.72		13.14	Mar-01-11
S&P SM 600 TR			4.53	5.64	26.82	2.64	26.82	20.11	12.42	14.50		12.95	Mar-01-11
Excess			-0.03	0.16	0.09	0.26	0.09	0.65	0.39	0.22		0.19	
POOL 205 FIXED INCOME	2,625,169,660	33.20	-0.09	-0.24	-1.00	-0.28	-1.00	3.81	3.02	2.45	3.99	4.45	Jul-01-99
FTSE BIG (DAILY)			-0.30	-0.02	-1.60	-0.00	-1.60	4.89	3.63	2.92	4.40	4.81	Jul-01-99
Excess			0.21	-0.22	0.60	-0.27	0.60	-1.08	-0.61	-0.48	-0.41	-0.36	
POOL 123 FIXED INCOME	381,040,534	4.82	0.01	0.01	0.14	0.05	0.14	1.15	1.33			1.26	Jun-01-16
ASTO-POOL 5 BENCHMARK			0.01	0.02	0.07	0.03	0.07	1.01	1.18			1.10	Jun-01-16
Excess			0.01	-0.01	0.06	0.02	0.06	0.15	0.15			0.15	

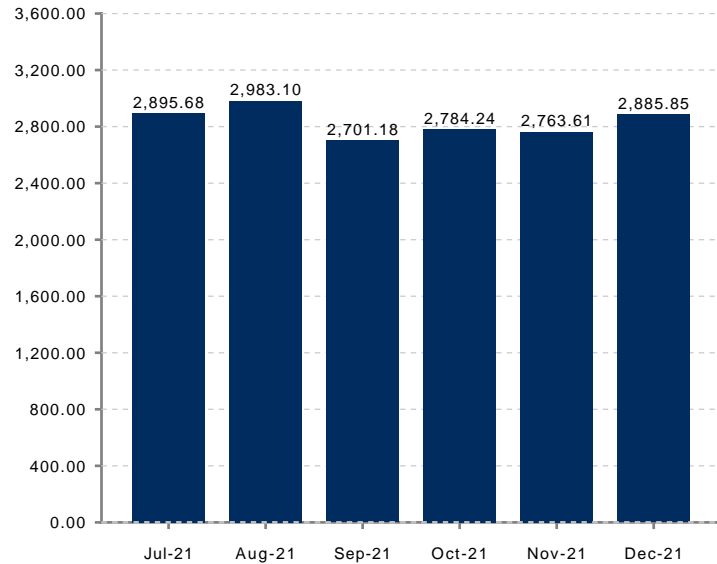
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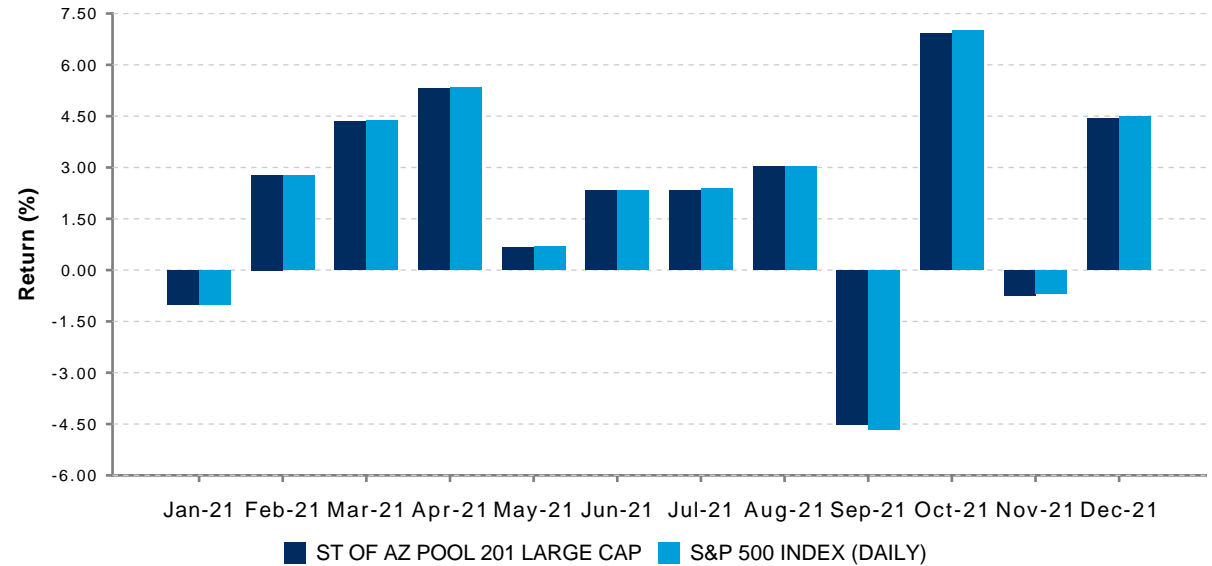
ST OF AZ POOL 201 LARGE CAP



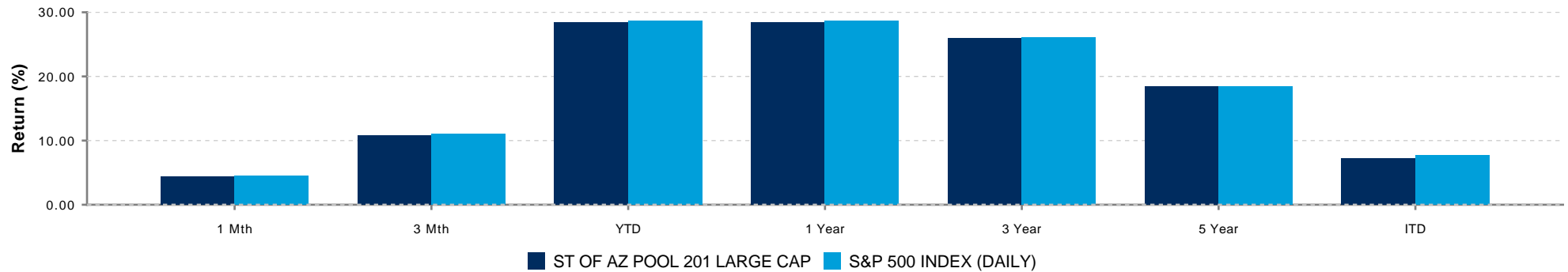
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return

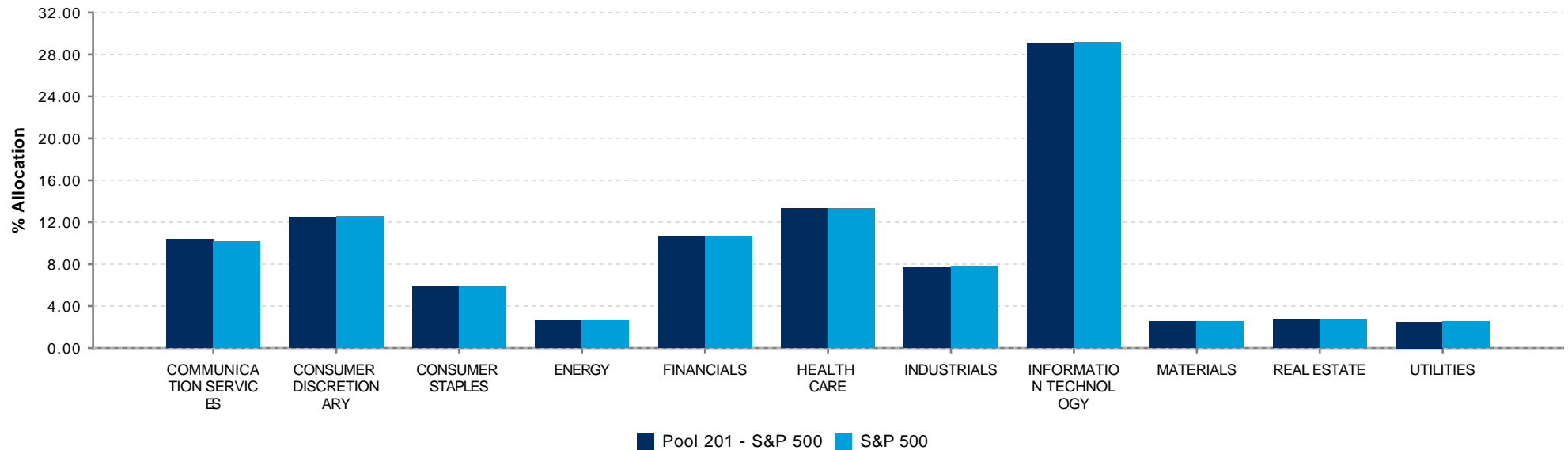


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Dec 31 2019	Dec 31 2020	Dec 31 2021
ST OF AZ POOL 201 LARGE CAP	4.42	10.82	28.43	28.43	25.98	18.40	7.27	31.47	18.41	28.43
S&P 500 INDEX (DAILY)	4.48	11.03	28.71	28.71	26.07	18.47	7.71	31.49	18.40	28.71
Excess	-0.06	-0.21	-0.28	-0.28	-0.09	-0.07	-0.44	-0.02	0.01	-0.28

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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	10.36	10.16	0.20
CONSUMER DISCRETIONARY	12.51	12.54	-0.03
CONSUMER STAPLES	5.86	5.88	-0.01
ENERGY	2.71	2.67	0.04
FINANCIALS	10.65	10.69	-0.04
HEALTH CARE	13.32	13.29	0.04
INDUSTRIALS	7.75	7.78	-0.03
INFORMATION TECHNOLOGY	29.03	29.17	-0.14
MATERIALS	2.55	2.56	-0.01
REAL ESTATE	2.76	2.77	-0.01
UTILITIES	2.49	2.50	-0.01

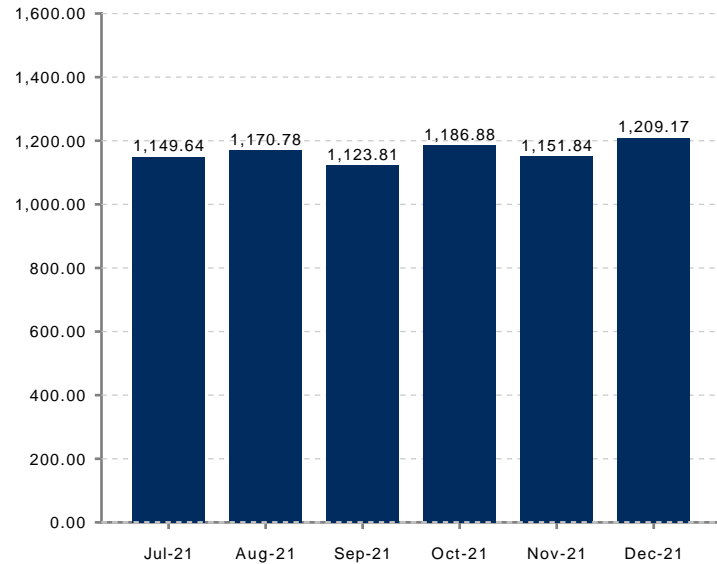
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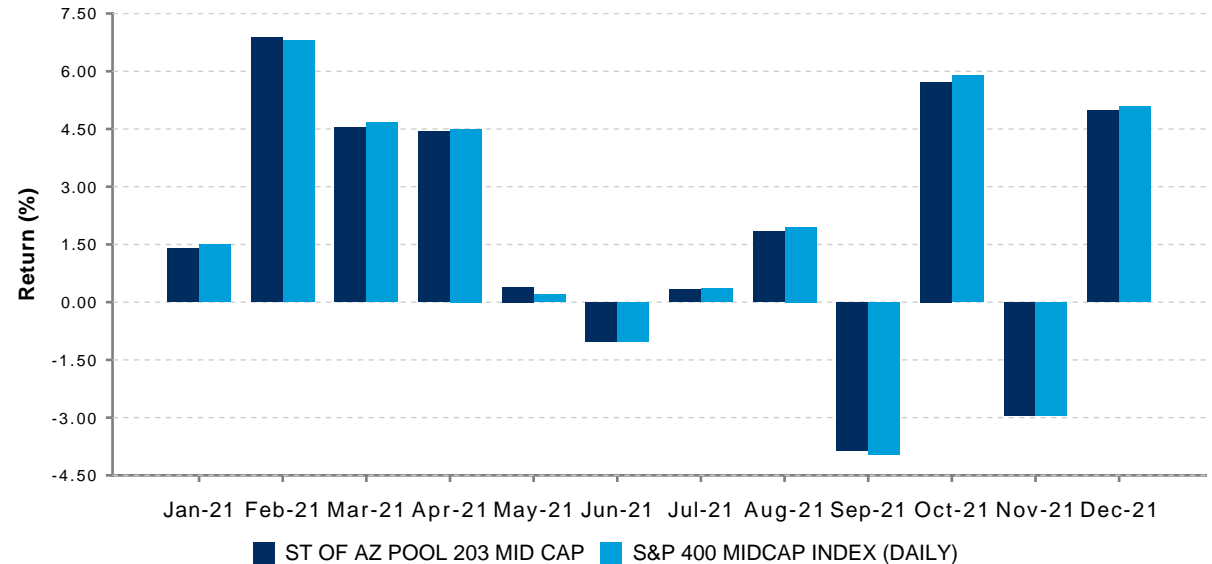
ST OF AZ POOL 203 MID CAP



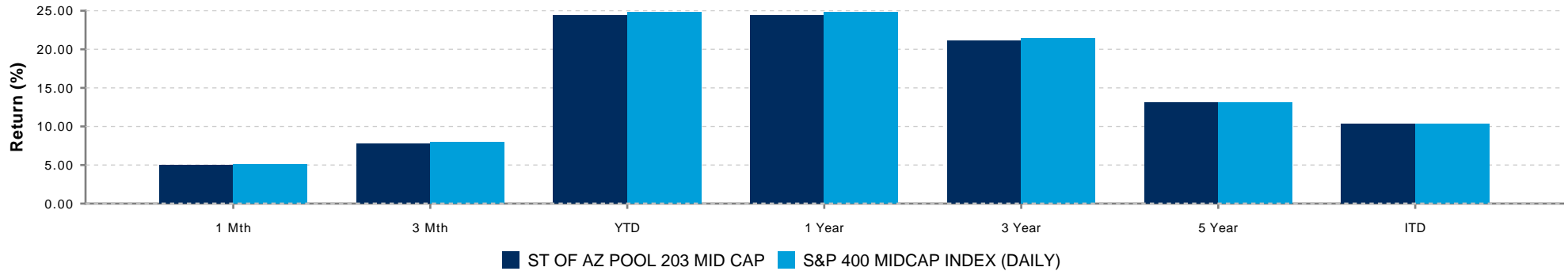
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return

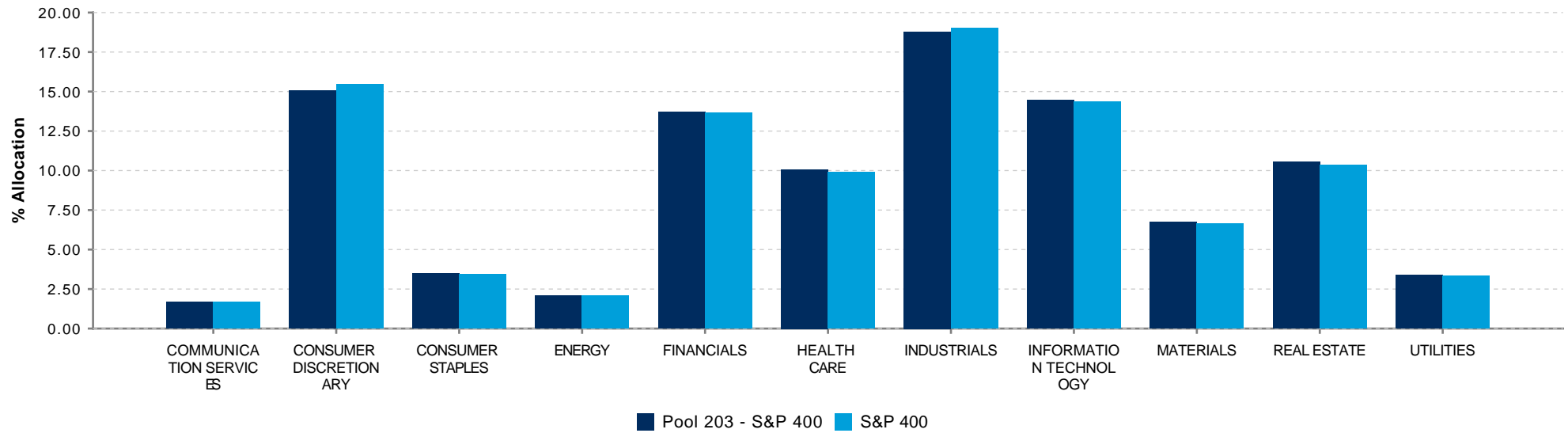


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Dec 31 2019	Dec 31 2020	Dec 31 2021
ST OF AZ POOL 203 MID CAP	4.98	7.71	24.36	24.36	21.10	13.06	10.31	26.14	13.23	24.36
S&P 400 MIDCAP INDEX (DAILY)	5.08	8.00	24.76	24.76	21.41	13.09	10.33	26.20	13.66	24.76
Excess	-0.10	-0.29	-0.40	-0.40	-0.30	-0.03	-0.02	-0.06	-0.43	-0.40

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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	1.70	1.69	0.01
CONSUMER DISCRETIONARY	15.05	15.48	-0.43
CONSUMER STAPLES	3.49	3.45	0.04
ENERGY	2.10	2.09	0.01
FINANCIALS	13.69	13.67	0.02
HEALTH CARE	10.07	9.90	0.17
INDUSTRIALS	18.79	19.02	-0.22
INFORMATION TECHNOLOGY	14.44	14.37	0.07
MATERIALS	6.73	6.62	0.11
REAL ESTATE	10.57	10.37	0.20
UTILITIES	3.38	3.35	0.02

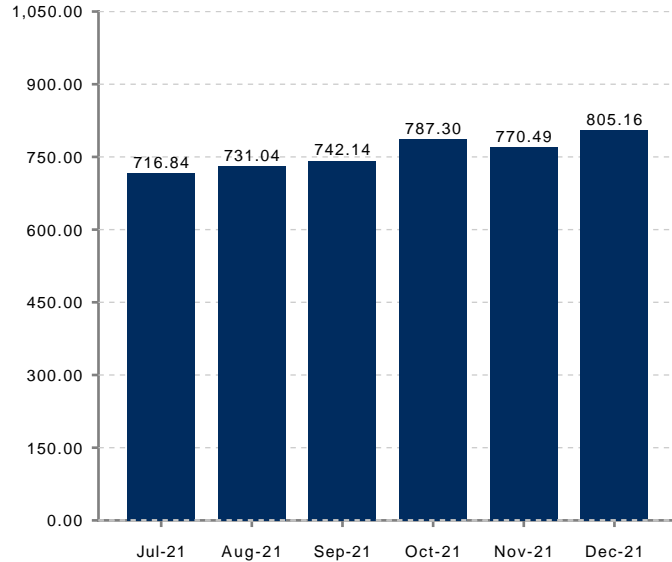
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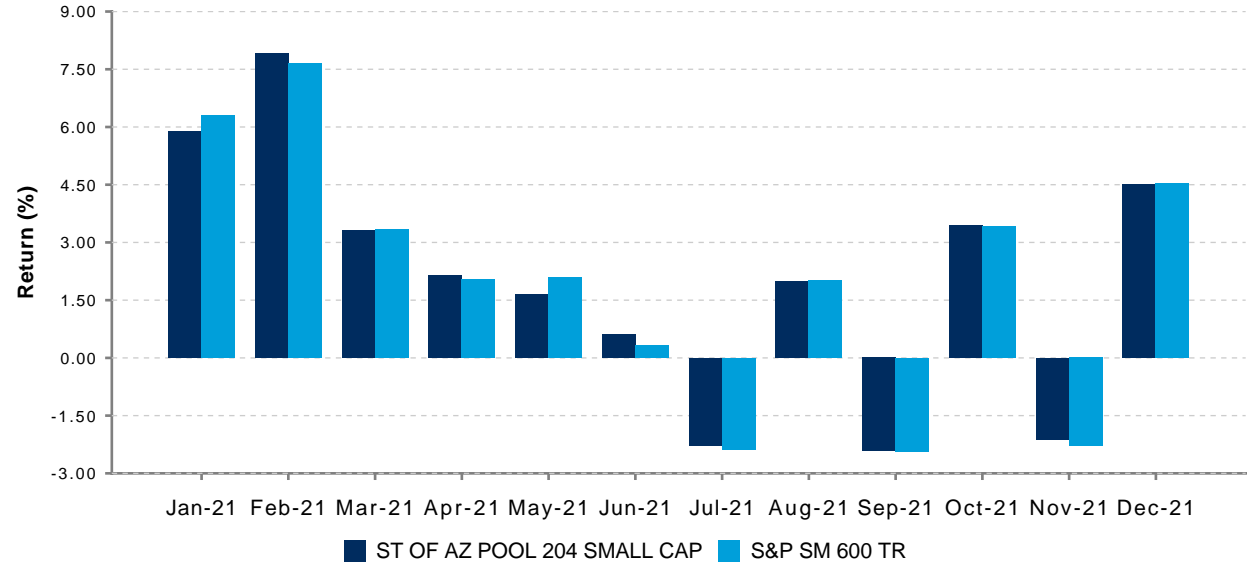
ST OF AZ POOL 204 SMALL CAP



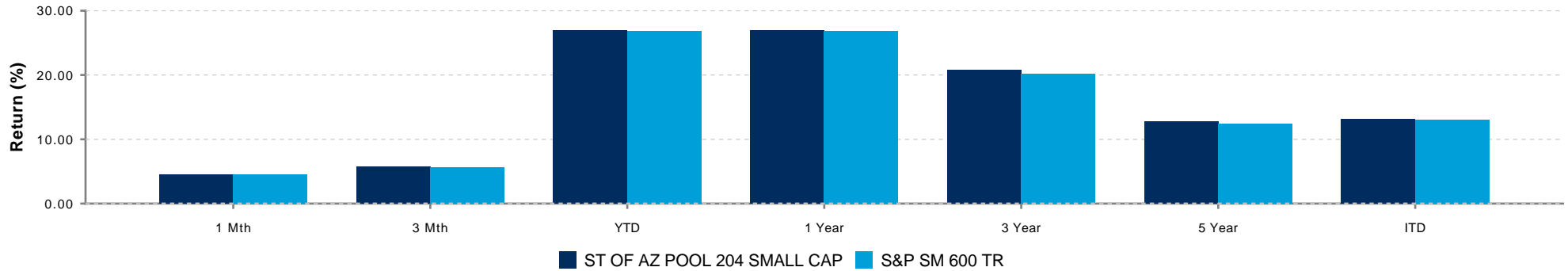
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return

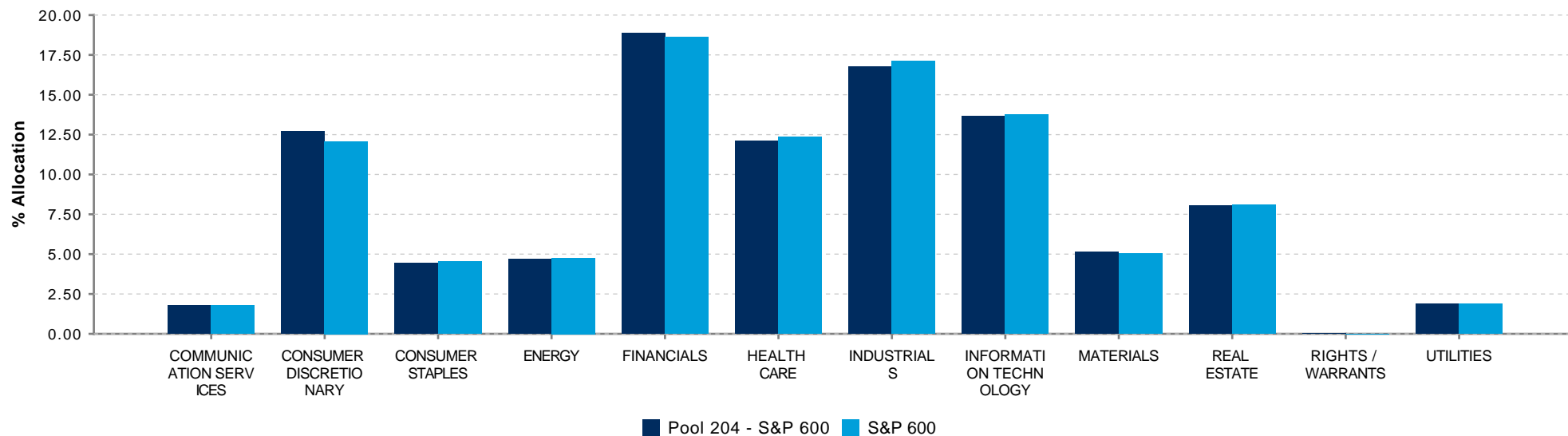


	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Dec 31 2019	Dec 31 2020	Dec 31 2021
ST OF AZ POOL 204 SMALL CAP	4.50	5.79	26.90	26.90	20.76	12.81	13.14	23.06	12.77	26.90
S&P SM 600 TR	4.53	5.64	26.82	26.82	20.11	12.42	12.95	22.78	11.29	26.82
Excess	-0.03	0.16	0.09	0.09	0.65	0.39	0.19	0.28	1.48	0.09

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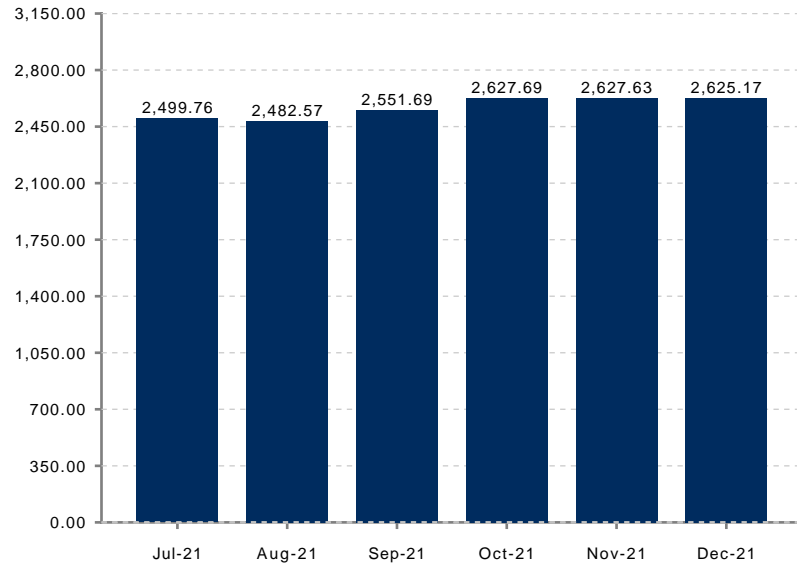
ST OF AZ POOL 204 SMALL CAP
Sector Allocation vs S&P SMALLCAP 600



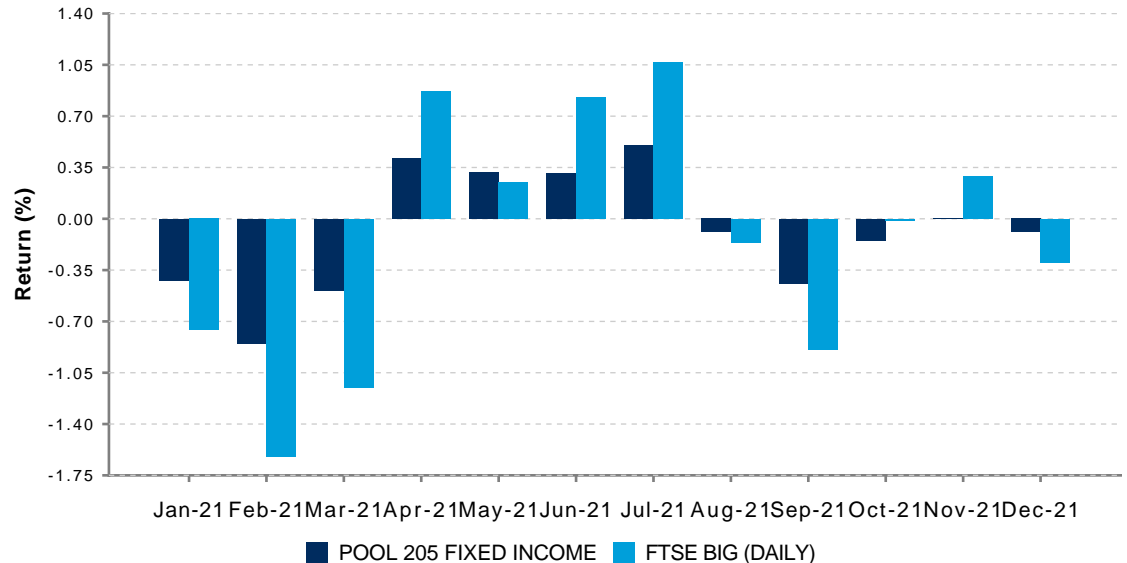
	Weight Fund	Weight Benchmark	Weight Relative
ST OF AZ POOL 204 SMALL CAP	100.00	100.00	0.00
COMMUNICATION SERVICES	1.76	1.79	-0.04
CONSUMER DISCRETIONARY	12.70	12.08	0.62
CONSUMER STAPLES	4.44	4.53	-0.08
ENERGY	4.67	4.76	-0.09
FINANCIALS	18.88	18.60	0.29
HEALTH CARE	12.10	12.35	-0.24
INDUSTRIALS	16.77	17.11	-0.34
INFORMATION TECHNOLOGY	13.66	13.76	-0.11
MATERIALS	5.12	5.05	0.07
REAL ESTATE	8.03	8.08	-0.05
RIGHTS / WARRANTS	0.01	0.00	0.01
UTILITIES	1.86	1.90	-0.04



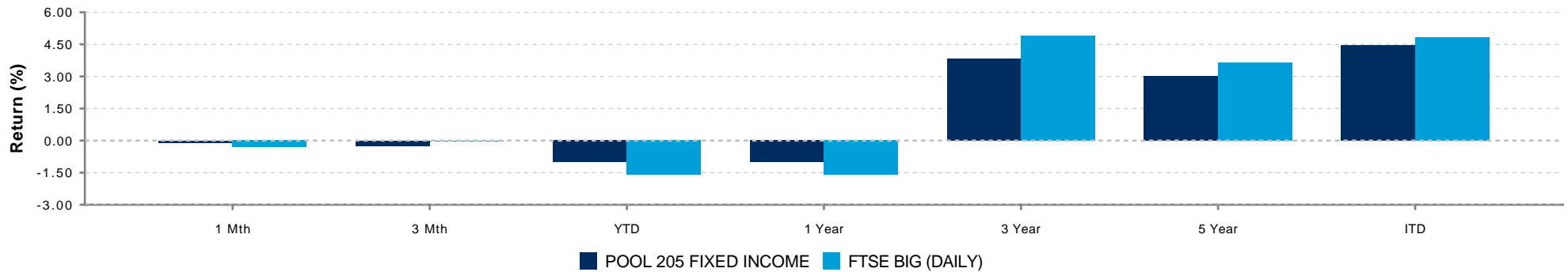
Net Asset Values over Time (\$MM)



Monthly Returns



Rates of Return



	1 Mth	3 Mth	YTD	1 Year	3 Year	5 Year	ITD	Dec 31 2021	Dec 31 2020	Dec 31 2019
POOL 205 FIXED INCOME	-0.09	-0.24	-1.00	-1.00	3.81	3.02	4.45	-1.00	6.22	6.39
FTSE BIG (DAILY)	-0.30	-0.02	-1.60	-1.60	4.89	3.63	4.81	-1.60	7.74	8.86
Excess	0.21	-0.22	0.60	0.60	-1.08	-0.61	-0.36	0.60	-1.52	-2.46

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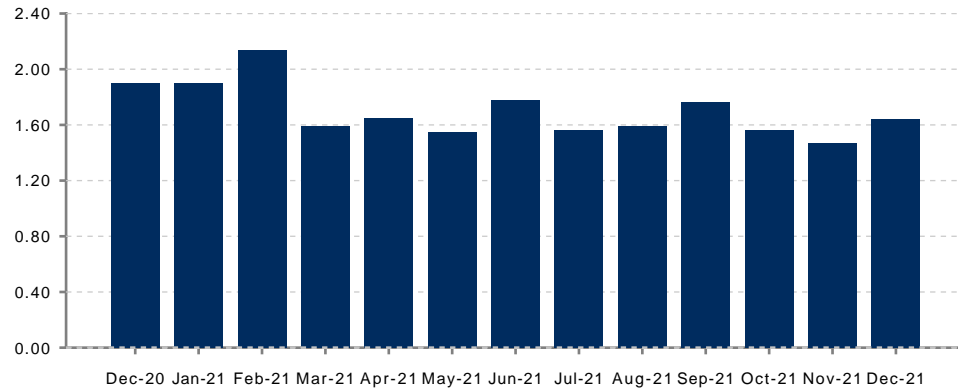
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2021

POOL 205 FIXED INCOME



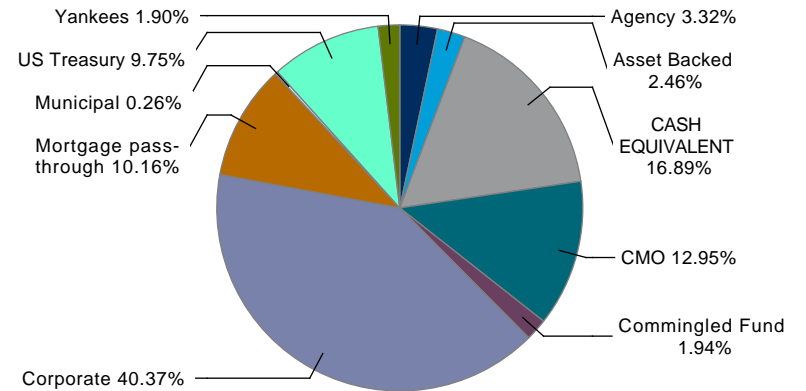
Net Yield



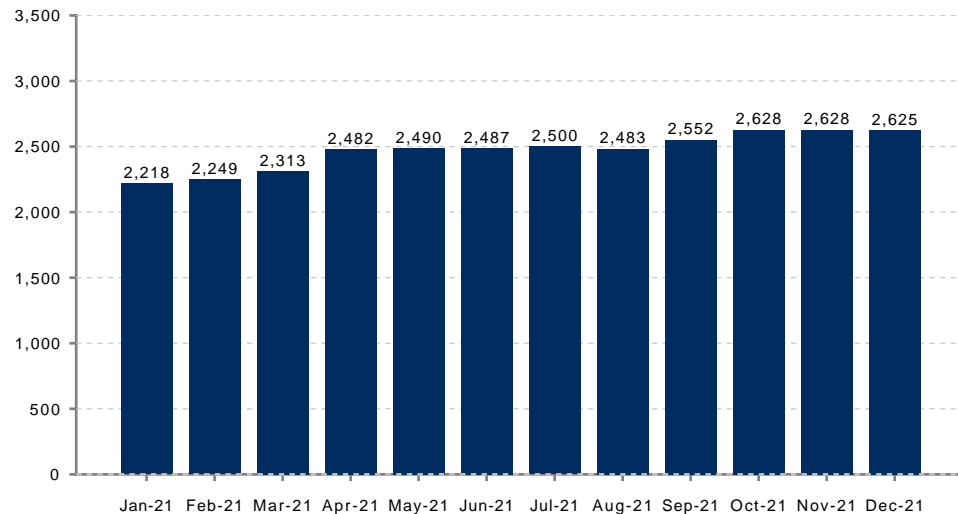
	Current Mth	Prior Mth	1 Year Ago
POOL 205 FIXED INCOME	1.64	1.47	1.90

Asset Allocation

	Ending Market Value
POOL 205 FIXED INCOME	2,625,169,660



Net Asset Values over Time (\$MM)

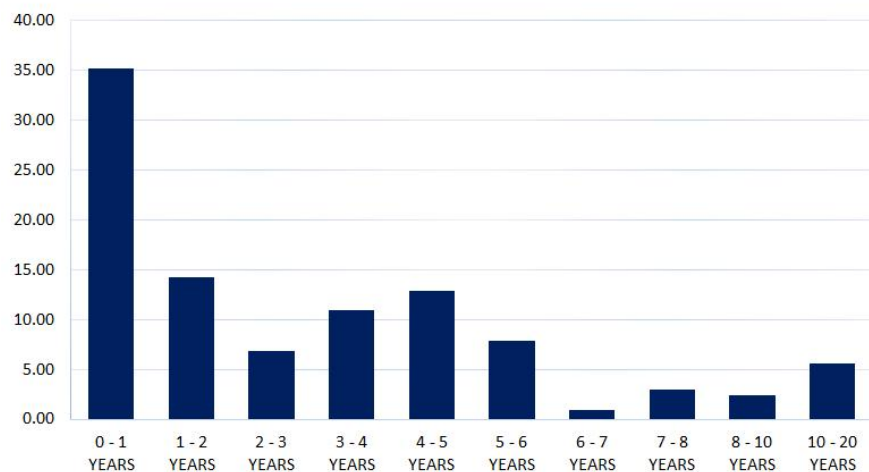


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
POOL 205 FIXED INCOME		
BLACKROCK PROV TEMP	77,287,941	2.94
ISHARES TIPS BOND ETF	36,592,282	1.39
NVIDIA CORP	34,755,283	1.32
BOEING CO	34,052,271	1.30
US TREASURY N/B	28,786,663	1.10
WASTE MANAGEMENT INC	25,931,828	0.99
US TREASURY N/B	25,449,762	0.97
US TREASURY N/B	22,033,934	0.84
MERCK + CO INC	20,656,843	0.79
PEPSICO INC	20,047,271	0.76



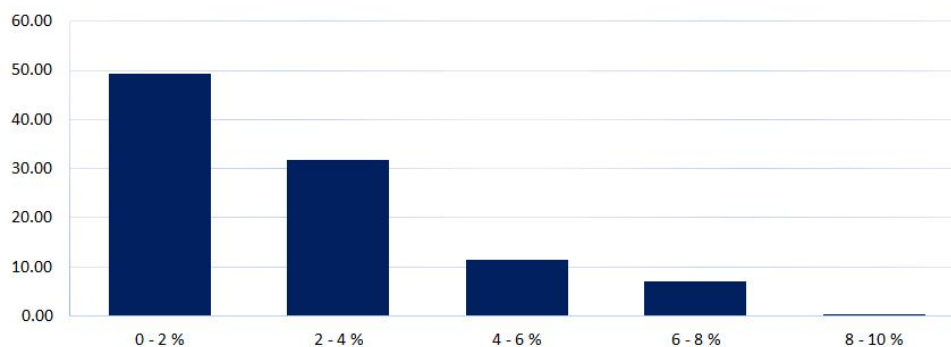
Duration Distribution



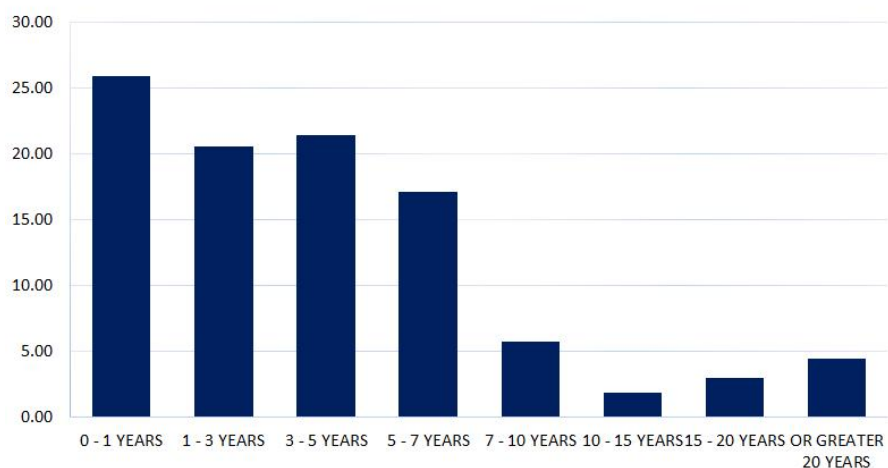
Portfolio Level Characteristics

	POOL 205 FIXED INCOME
Effective Maturity	4.91
Coupon	2.42
Effective Duration	3.24
Quality Rating (Moody's)	AA-2

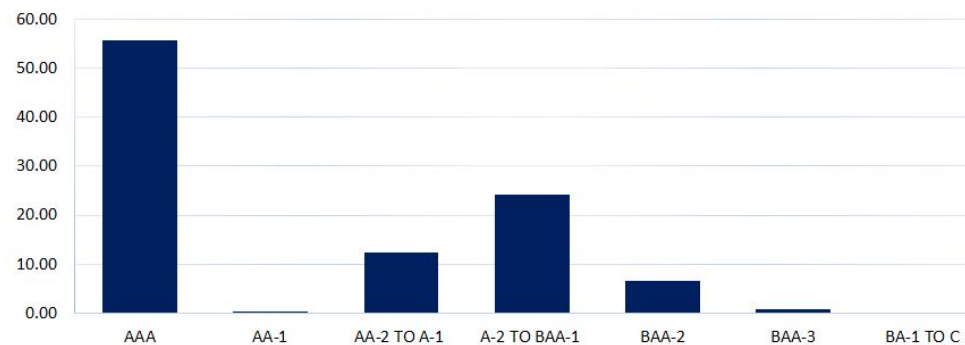
Coupon Distribution



Expected Maturity Distribution

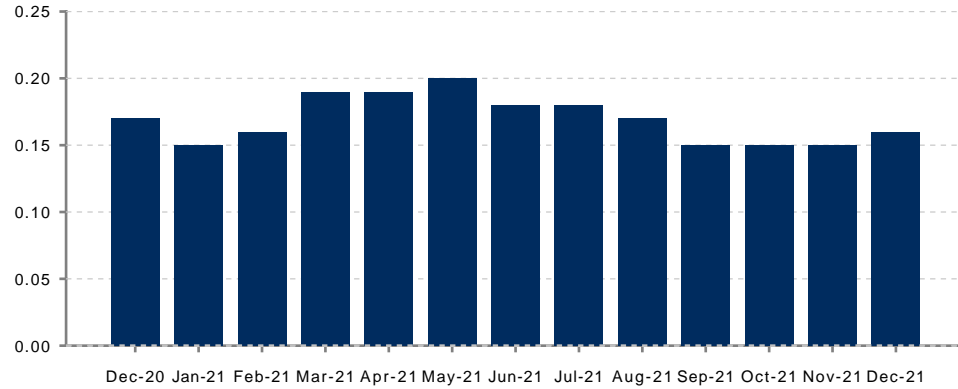


Rating Distribution





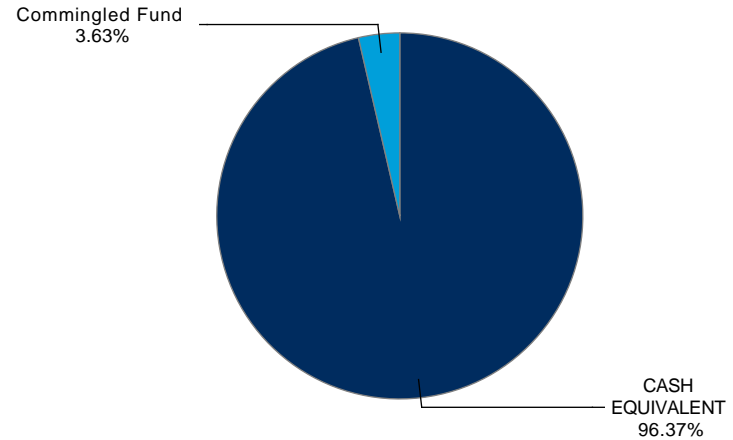
Net Yield



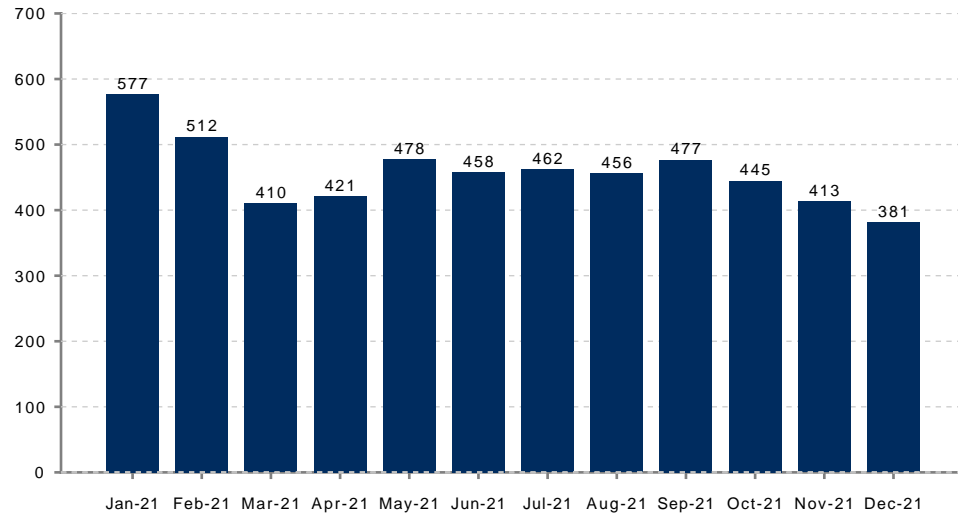
	Current Mth	Prior Mth	1 Year Ago
ST OF AZ POOL 123 ST FIXED INC	0.16	0.15	0.17

Asset Allocation

	Ending Market Value
ST OF AZ POOL 123 ST FIXED INC	381,040,534



Net Asset Values over Time (\$MM)

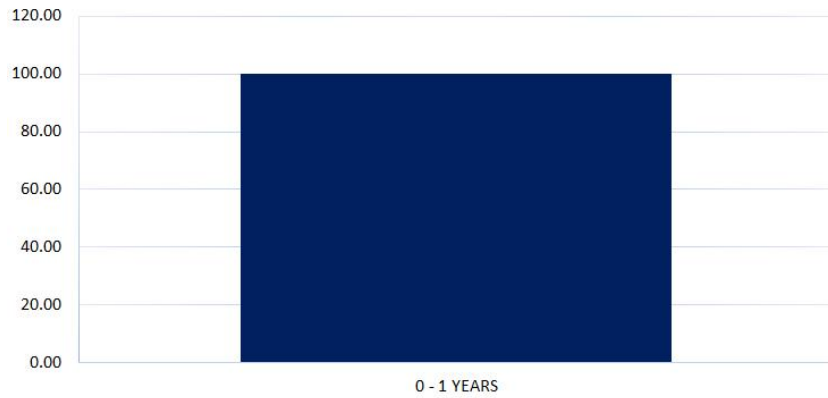


Top 10 Holdings

Security Name	Ending Market Value	% of Portfolio
ST OF AZ POOL 123 ST FIXED INC		
AT&T INC	14,998,417	3.94
BLACKROCK PROV TEMP	62,308,820	16.35
CONCORD MIN CPTL CO	19,997,250	5.25
HALKIN FINANCE LLC USC	14,980,875	3.93
HARLEY-DAVIDSON FND CP	14,992,133	3.93
LEXINGTN PKR CAP CO LL	14,996,933	3.94
LEXINGTN PKR CAP CO LL	19,996,150	5.25
SHEFFIELD RECEIVABLE	14,994,583	3.94
ANGLESEA FDG PLC & ANG	14,984,792	3.93
ANGLESEA FDG PLC & ANG	14,999,800	3.94



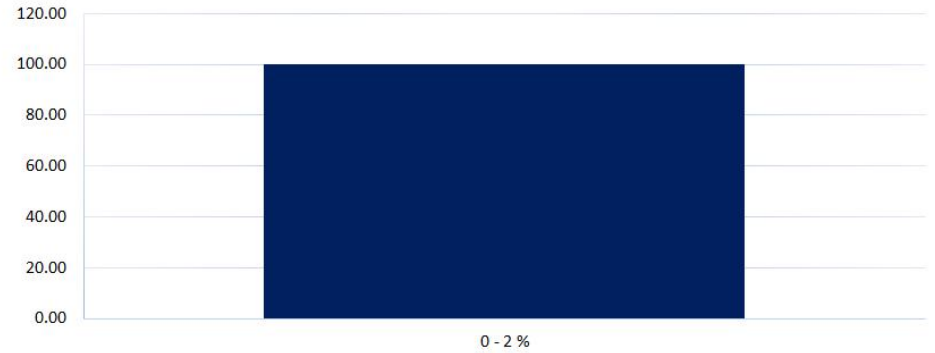
Duration Distribution



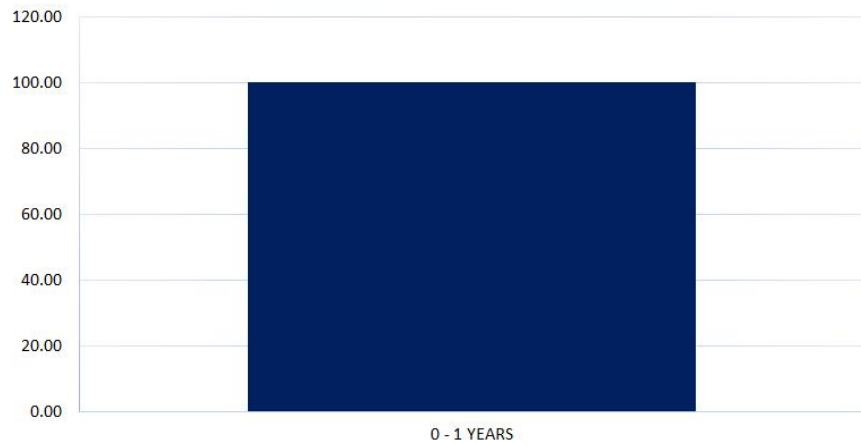
Portfolio Level Characteristics

	POOL 123 ST
Effective Maturity	0.29
Coupon	0.24
Effective Duration	0.29
Quality Rating (Moody's)	AA-1

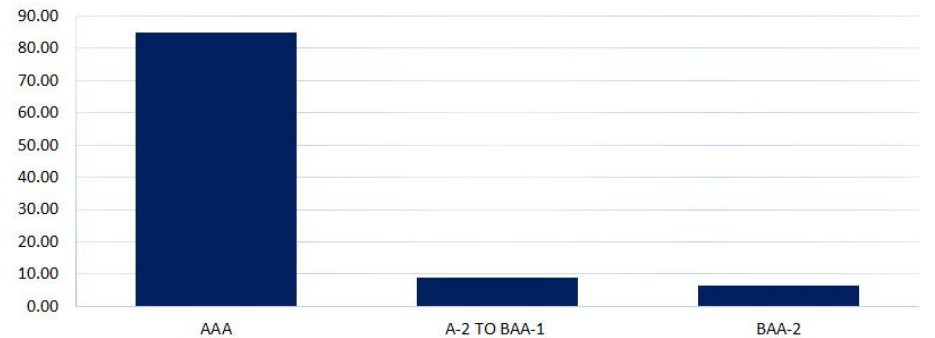
Coupon Distribution



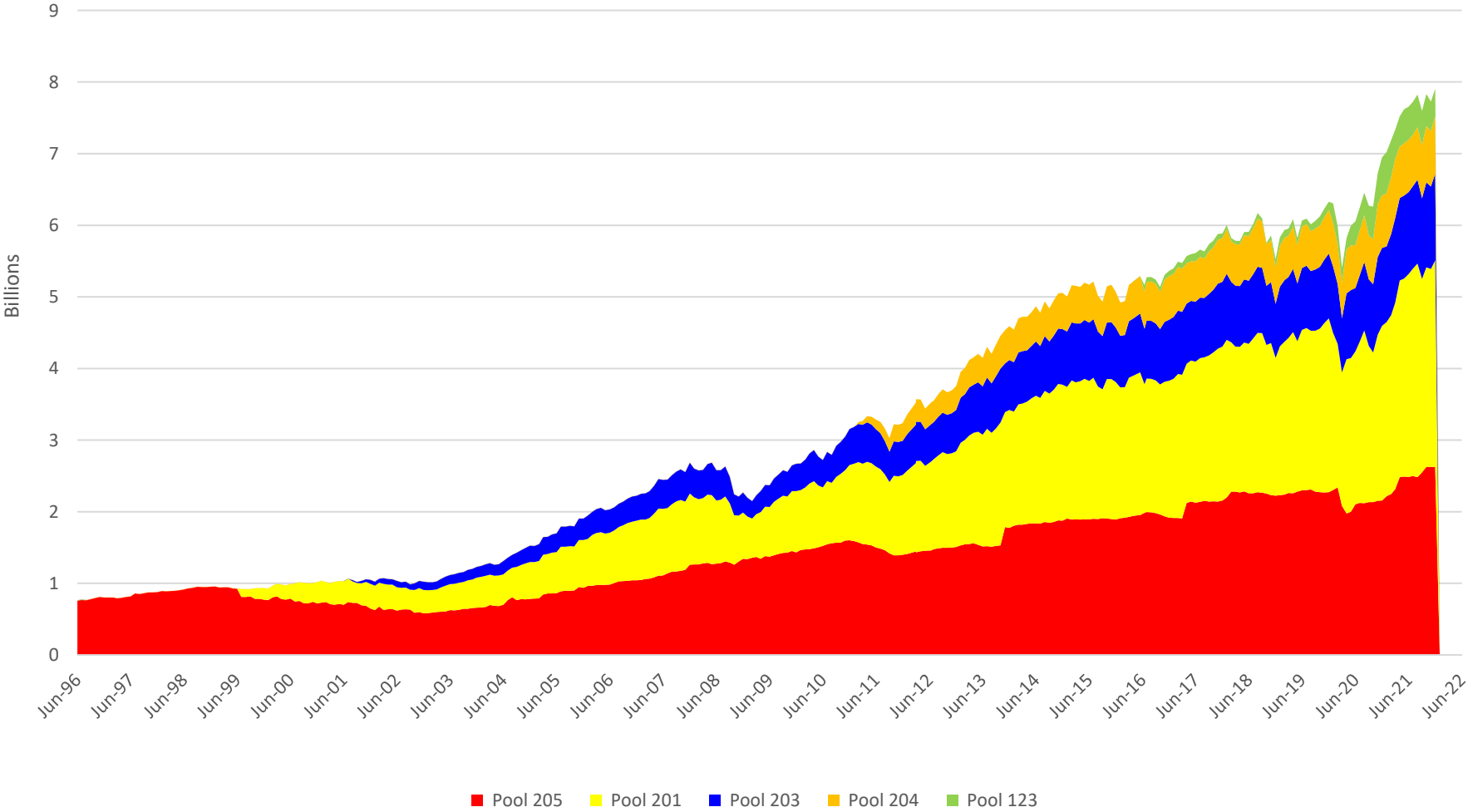
Expected Maturity Distribution



Rating Distribution



Permanent Land Endowment Trust Fund Market Value



ARIZONA ENDOWMENT TRUST FUND

NET REALIZED CAPITAL GAIN/(LOSS)

December 2021

December 2020

Current Month	\$0	\$0
Year-to-date	0	45,192

MONTHLY PROCEEDS

FY 21/22

July	\$2,649,610
August	2,634,412
September	2,640,561
October	2,623,388
November	2,609,246
December	2,609,082
January	
February	
March	
April	
May	
June	
TOTAL	<u><u>\$15,766,298</u></u>

ASSET ALLOCATION

	<u>SHARES OUTSTANDING</u>	<u>BOOK VALUE</u>	<u>MARKET VALUE</u>	<u>UNREALIZED GAIN / (LOSS)</u>
<i>Fixed Income Pools</i>	1,074,007	\$13,619,007	\$14,897,133	\$1,278,126
<i>Equity Pools</i>	1,758,393	20,428,510	23,835,621	3,407,111
TOTAL	<u><u>2,832,400</u></u>	<u><u>\$34,047,517</u></u>	<u><u>\$38,732,753</u></u>	<u><u>\$4,685,236</u></u>

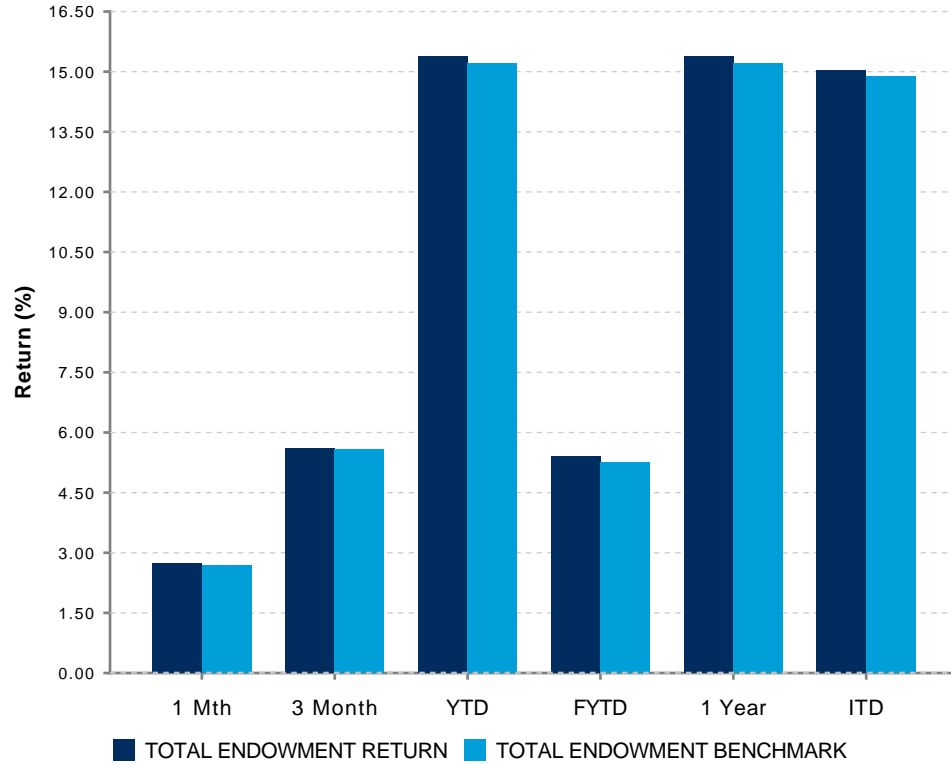
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2021

Arizona Endowment Trust Fund Summary



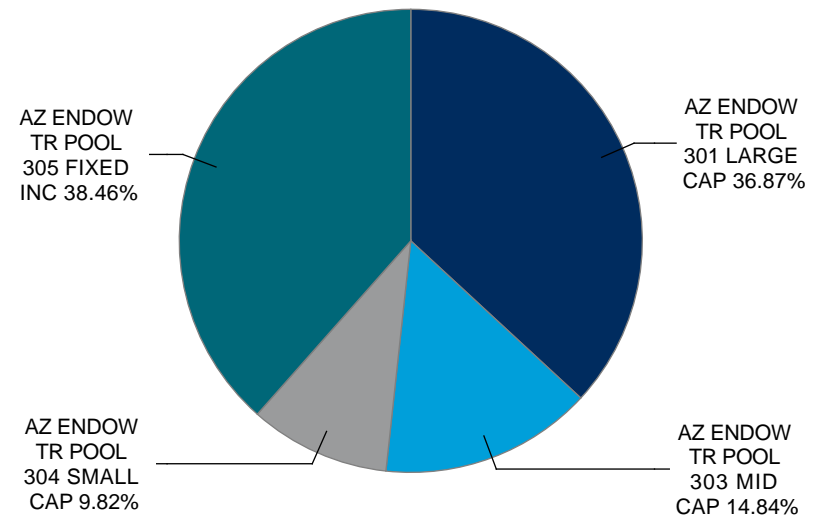
Performance



	1 Mth	3 Mth	YTD	FYTD	1 Year	ITD	Incept Date
TOTAL ENDOWMENT RETURN	2.74	5.59	15.39	5.40	15.39	15.03	09/19
TOTAL ENDOWMENT BENCHMARK	2.68	5.57	15.21	5.24	15.21	14.89	09/19
	0.06	0.02	0.17	0.16	0.17	0.14	

Asset Allocation

	Ending Market Value
TOTAL ENDOWMENT RETURN	38,732,753



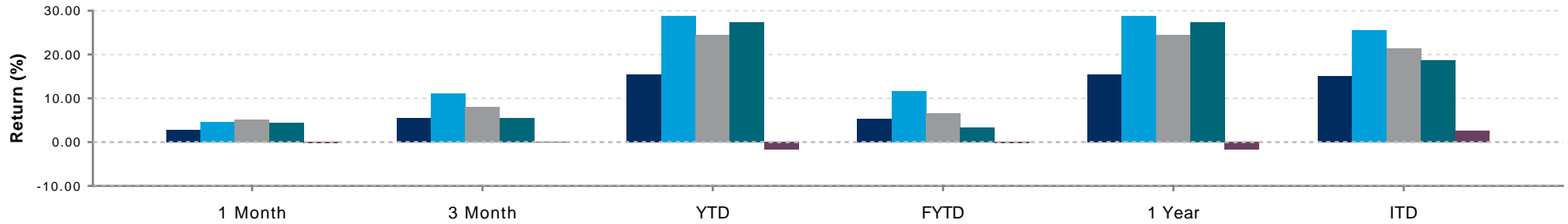
OFFICE OF THE ARIZONA STATE TREASURER

December 31, 2021

Total Returns Net Mgr



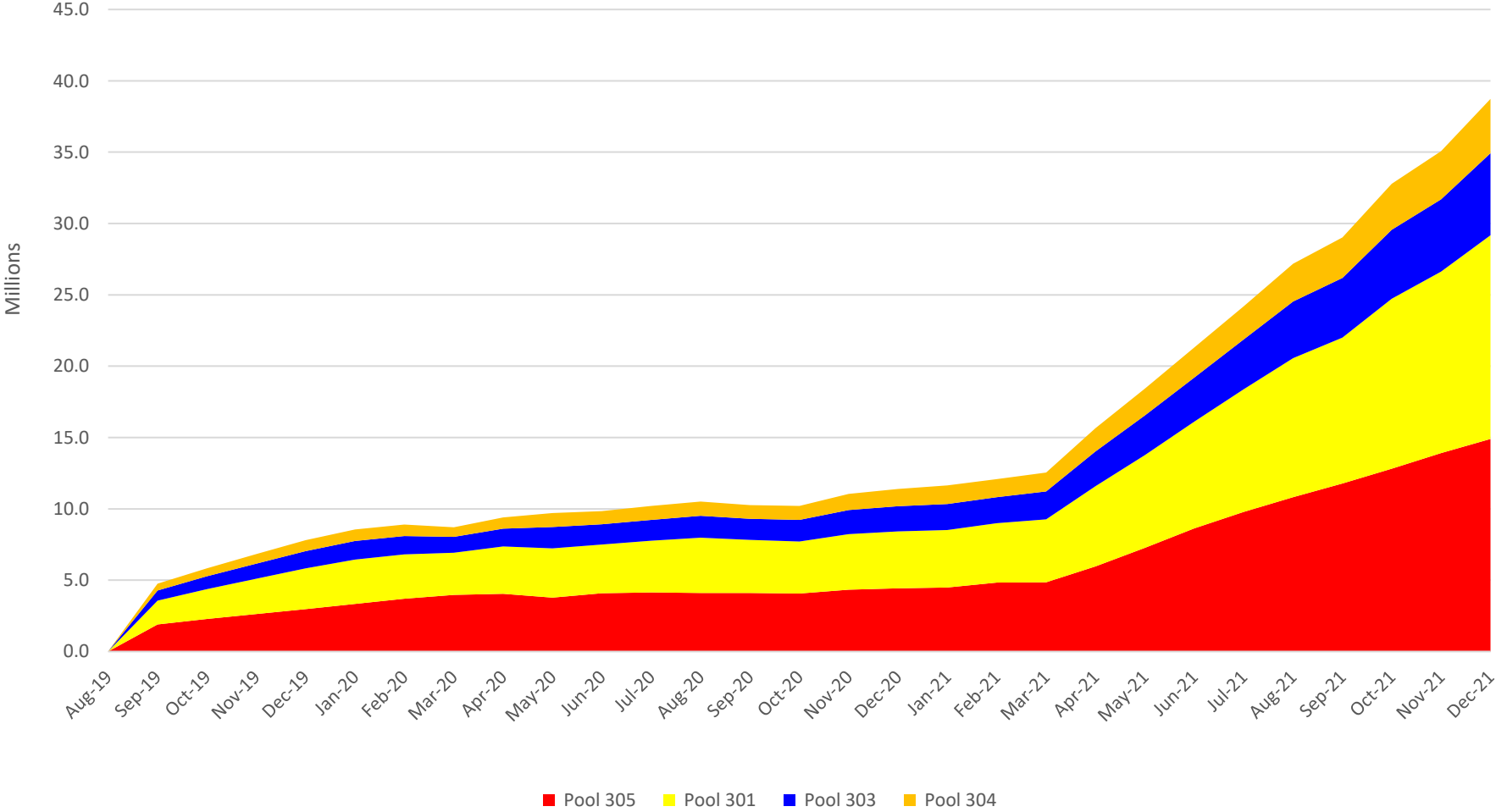
Return Comparison



■ 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	38,732,753	100.00	2.74	5.59	15.39	5.40	15.39	15.03	Sep-01-19
TOTAL ENDOWMENT BENCHMARK			2.68	5.57	15.21	5.24	15.21	14.89	Sep-01-19
AZ ENDOW TR POOL 301 LARGE CAP	14,281,098	36.87	4.66	11.16	28.80	11.74	28.80	25.62	Sep-01-19
S&P 500 INDEX (DAILY)			4.48	11.03	28.71	11.67	28.71	25.31	Sep-01-19
			0.17	0.13	0.09	0.06	0.09	0.31	
AZ ENDOW TR POOL 303 MID CAP	5,749,254	14.84	5.13	7.99	24.55	6.60	24.55	21.35	Sep-01-19
S&P 400 MIDCAP INDEX (DAILY)			5.08	8.00	24.76	6.09	24.76	21.15	Sep-01-19
			0.05	-0.00	-0.21	0.50	-0.21	0.21	
AZ ENDOW TR POOL 304 SMALL CAP	3,805,268	9.82	4.46	5.55	27.44	3.32	27.44	18.75	Sep-01-19
S&P SM 600 TR			4.53	5.64	26.82	2.64	26.82	21.59	Sep-01-19
			-0.07	-0.09	0.62	0.68	0.62	-2.84	
AZ ENDOW TR POOL 305 FIXED INC	14,897,133	38.46	-0.31	-0.07	-1.73	-0.19	-1.73	2.57	Sep-01-19
FTSE BIG (DAILY)			-0.30	-0.02	-1.60	-0.00	-1.60	2.37	Sep-01-19
			-0.01	-0.05	-0.14	-0.19	-0.14	0.19	

Arizona Endowment Trust Fund Market Value



Arizona's Education Savings Plan (AZ529) Summary

Overall Performance – Where We Are Now |

➤ AZ529, Arizona's Education Savings Plan:

- Total assets: \$2,060,869,109 (+14.7% YoY)
 - Total Arizona resident assets: \$964,095,938 (46.8%)
 - Total non-resident assets: \$1,096,773,171 (53.2%)
- Total accounts: 97,759 (+7.0% YoY)
 - Total Arizona resident accounts: 51,439 (52.6%)
 - Total non-resident accounts: 46,320 (47.4%)

Fidelity AZ529, Arizona's Education Savings Plan |

Fidelity remains the largest AZ529 provider, holding 60.4% of total assets and 61.5% of total accounts. Total Fidelity AZ529, Arizona's Education Savings Plan assets in December were up 22.7% YoY to \$1,243,838,701 with total accounts up 15.5% YoY to 60,094. Arizona residents held 72.5% of total assets and 79.8% of total accounts, with the rest held by non-residents.

Ivy InvestEd 529 Plan |

Ivy remains the second largest AZ529 provider, holding 37.5% of total assets and 36% of total accounts. Total Ivy InvestEd 529 Plan assets in December were up 5.5% YoY to \$771,945,588, with total accounts down 3.8% YoY to 35,156. Arizona residents held 6.5% of total assets and 6.7% of total accounts, with the rest held by non-residents.

College Savings Bank Plan |

College Savings Bank (CSB) remains the smallest AZ529 provider, holding 2.2% of total assets and 2.6% of total accounts. Total CSB Plan assets in December were down 11.9% YoY to \$45,084,820, with total accounts down 10.9% YoY to 2,509. Arizona residents held 28.2% of total assets and 44.4% of total accounts, with the rest held by non-residents.

AZ529 Plan Assets |

	December 31, 2021	December 31, 2020	YoY Change
Fidelity AZ529, Arizona's Education Savings Plan	\$1,243,838,701	\$1,013,448,480	+22.7%
Ivy InvestEd 529 Plan	\$771,945,588	\$731,689,486	+5.5%
College Savings Plan	\$45,084,820	\$51,198,830	-11.9%
TOTAL AZ529 ASSETS	\$2,060,869,109	\$1,796,336,796	+14.7%

AZ529 Plan Accounts |

	December 31, 2021	December 31, 2020	YoY Change
Fidelity AZ529, Arizona's Education Savings Plan	60,094	52,027	+15.5%
Ivy InvestEd 529 Plan	35,156	36,536	-3.8%
College Savings Plan	2,509	2,815	-10.9%
TOTAL AZ529 ACCOUNTS	97,759	91,378	+7%