



OFFICE OF THE  
**Arizona State Treasurer**



**EILEEN I. KLEIN**  
TREASURER

**FOR IMMEDIATE RELEASE**  
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**FINANCIAL PERFORMANCE AND OUTLOOK FOR ARIZONA OUTLINED AT BOARD OF INVESTMENT MEETING**

PHOENIX – At today’s Board of Investment (BOI) meeting, Arizona Treasurer Eileen I. Klein announced strong year-to-date performance from Treasury investments and offered an outlook into the next phase of Arizona’s investment strategy. The next BOI meeting is set for Tuesday, July 31, 2018 at 1:30pm at the Treasury Office and is open to the public.

The Board of Investment serves as trustees of the Permanent Land Endowment Trust Fund (The Endowment) and meets monthly to review all Treasury investments activities.

The Director of Endowments reported a total market value for The Endowment at May 31, 2018 of \$5.9 Billion; a 5.5% increase year over year on this date. Earnings distributions to public schools fiscal YTD through eleven months were \$271.3 Million; a 9.8% increase over last year’s distributions. This report illustrates the continued success of The Endowment’s investment strategy. Over the past ten years through June 30, 2017, The Endowment has achieved a 6.56% average annual return. That performance exceeds many national endowments including the nation’s largest, Harvard University, which averaged a 4.4% yearly return over the same period.

The Treasury Chief Investment Officer reported a total market value for State Agency and Local Government Pools at May 31, 2018 of \$9.9 Billion; a 2.9% increase over last year’s value on this date. Earnings distributions fiscal YTD from the Pools was \$93.1 Million; a 74.9% increase over last year’s distributions. Earning distributions from the General Fund were \$24.2 Million; a 39.1% increase over last year.

“Our safety-first approach with the State Agency and Local Government Pools achieved quality results in growing value for our stakeholders,” said Treasurer Klein. “The Endowment performance continues to shine and outperform other similar benchmarks,” she added.

Treasurer Klein also reported that if interest rates continue to rise, the Treasury investment team will look for longer durations on a mix of fixed-income products to lock in higher yields.

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**About the Arizona Office of the State Treasurer**

Founded at statehood, the State Treasurer is a constitutional office responsible for the banking and financial management duties for state agencies, local governments, public schools, and other entities as required by state law. The Treasury has approximately \$15 Billion under management and stewards the financial activity of Arizona's \$35 Billion state budget.