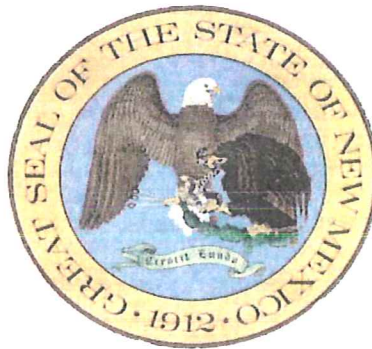


New Mexico

State Investment Council



Investment Holdings Report

June 30, 2009

FY 2009

Investment Holdings Report
June 30, 2009
FY 2009

Index

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State Investment Council
Managed Net Assets
June 30, 2009

	Securities	Cash & Accrued Income	Other Assets & Liabilities	Net Assets	% of Total
Equities					
Domestic Equities:					
Large Cap Pools					
Large Cap Active Pool	2,830,849,264	248,990,555	(151,915,930)	2,927,923,890	24.80%
Large Cap Active ETF Pool	27,583,982	902,528	(3,637)	28,482,874	0.24%
Large Cap Indexed Pool	822,764,737	22,745,318	(30,261,633)	815,248,422	6.91%
Large Cap Indexed ETF Pool	16,145,748	437,247	(2,866)	16,580,129	0.14%
Total Large Cap Equities	3,697,343,731	273,075,648	(182,184,066)	3,788,235,315	32.09%
Small/Mid Cap Pool					
Mid/Small Cap Pool	1,447,194,477	42,933,740	649,105	1,490,777,322	12.63%
Mid/Small Cap ETF Pool	6,813,646	198,368	(1,256)	7,010,758	0.06%
Total Small/Mid Cap Equities	1,454,008,123	43,132,108	647,849	1,497,788,080	12.69%
University Equities	6,540,646			6,540,646	0.06%
Total Domestic Equities	5,157,892,500	316,207,756	(181,536,217)	5,292,564,041	44.83%
International Pools					
Non-US Developed Markets	553,109,202	12,906,425	(15,980,901)	550,034,726	4.66%
Non-US Emerging Markets	450,953,090	13,511,478	(4,875,664)	459,588,904	3.89%
Total International Equities	1,004,062,292	26,417,903	(20,856,565)	1,009,623,630	8.55%
Total Equities	6,161,954,792	342,625,659	(202,392,782)	6,302,187,671	53.39%
Fixed Income & Cash					
Core Bonds Pool	1,499,323,669	171,463,543	(131,985,172)	1,538,802,040	13.03%
Other Securities and Cash		361,206,068	162,785,336	523,991,404	4.44%
Credit & Structured Finance	161,274,466	61,622,462	(43,954)	222,852,973	1.89%
Total Fixed Income & Cash	1,660,598,135	594,292,073	30,756,210	2,285,646,417	19.36%
Real Estate	464,418,208			464,418,208	3.93%
Absolute Return	1,229,669,314	243,339,230	(845,825)	1,472,162,717	12.47%
Private Equity	1,279,017,899			1,279,017,899	10.83%
Stock Distributions/Private Equity	1,725,209			1,725,209	0.01%
Total Managed Net Assets	10,797,383,557	1,180,256,962	(172,482,397)	11,805,158,121	100.00%

Land Grant Permanent Fund

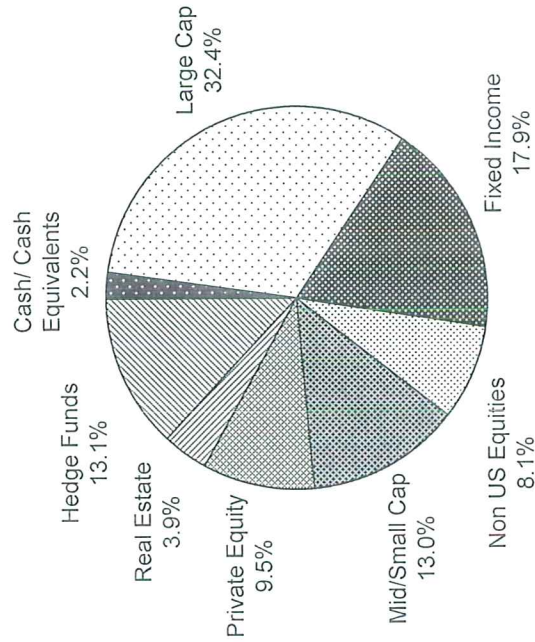
June 30, 2009

	Market Value		% of Net Assets	Long-Term Target
Cash / Cash Equivalents / Accruals	171,709,632		2.16%	0.00%
Equities:				
Large Cap Active Pool	1,987,304,351			
Large Cap Active ETF Pool	2,432,876	1,989,737,227	25.08%	
Large Cap Index Pool	578,173,691			
Large Cap Index ETF Pool	1,801,327	579,975,018	7.31%	32.39%
Small/Mid Cap Active Pool	1,027,361,823			
Small/Mid Cap Active ETF Pool	1,462,037	1,028,823,860	12.97%	12.97%
Total US Equities		3,598,536,105	45.36%	51.00%
Non-US Developed Markets Pool	341,312,509		4.30%	7.00%
Non-US Emerging Markets Pool	298,406,967		3.76%	3.00%
Total Non-US Equities		639,719,476	8.06%	10.00%
Total Equities		4,238,255,581	53.42%	61.00%
Core Bonds	1,266,357,471		15.97%	10.00%
Credit & Structured Finance	155,259,797		1.96%	5.00%
Total Fixed Income		1,421,617,268	17.93%	15.00%
Economically Targeted Invest.		9,531	0.00%	
Real Estate		307,133,128	3.87%	3.00%
Private Equity:				
Private Equity National	753,656,692		9.50%	6.00%
Private Equity New Mexico	-		-	
Stock Distributions/Private Equity	983,527		0.01%	
Total Private Equity		754,640,219	9.51%	6.00%
Absolute Return		1,038,289,576	13.09%	15.00%
Total Fund Net Assets		7,931,654,935	100%	100%

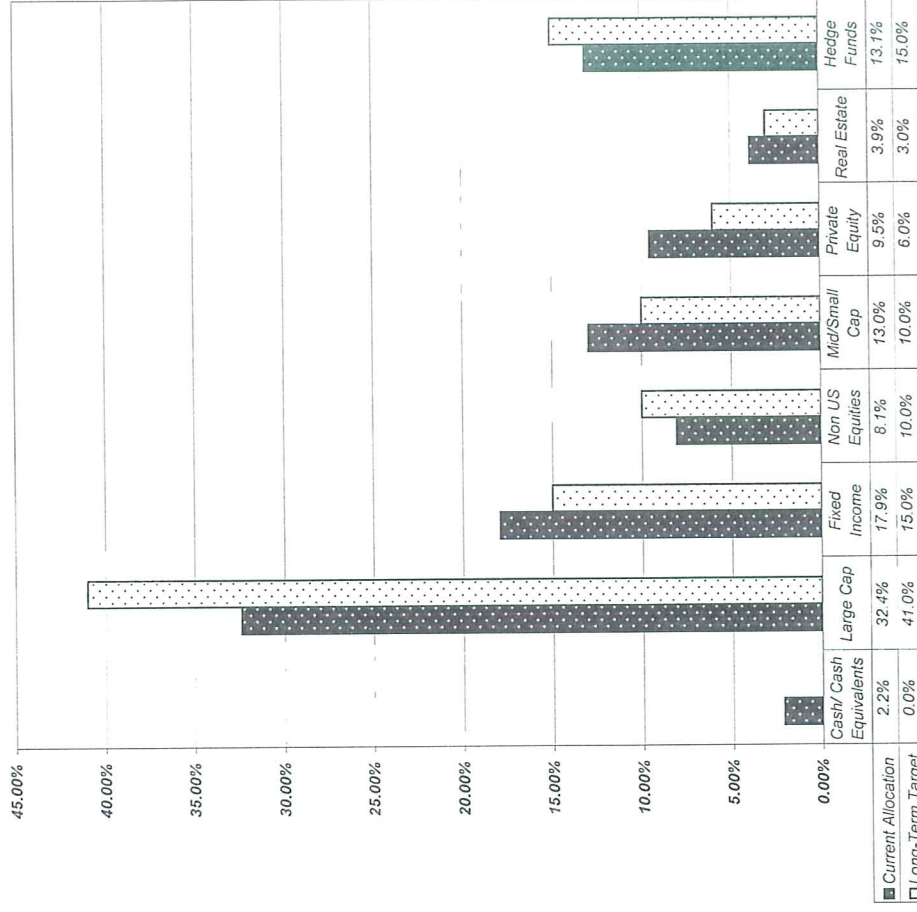
Land Grant Permanent Fund

June 30, 2009

Current Allocation



Current Allocation Compared to Long-Term Target



Severance Tax Permanent Fund

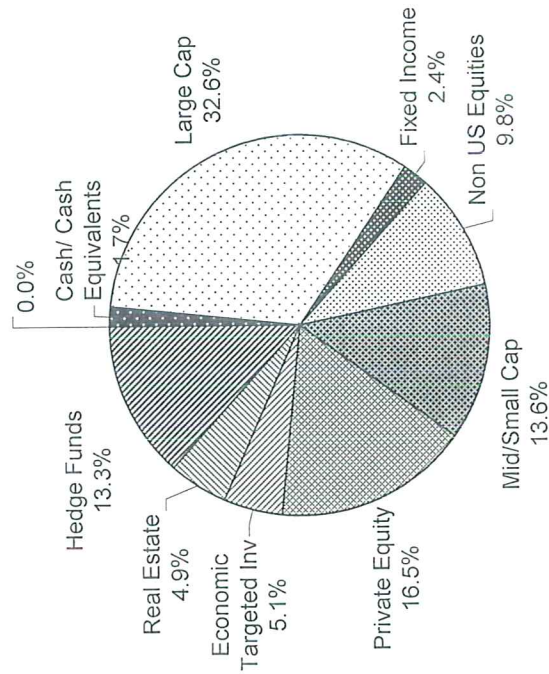
June 30, 2009

	Market Value	% of Net Assets	Long-Term Target
Cash / Cash Equivalents / Accruals	55,297,512	1.74%	0.00%
Equities:			
Large Cap Active Pool	848,949,685	26.69%	
Large Cap Index Pool	182,446,683	5.74%	32.63%
Small/Mid Cap Active Pool	431,559,262		13.57%
University Equities	6,540,646	0.20%	9.00%
Total US Equities	1,469,496,276	46.20%	48.00%
Non-US Developed Markets Pool	165,952,055	5.22%	7.00%
Non-US Emerging Markets Pool	144,623,965	4.55%	3.00%
Total Non-US Equities	310,576,020	9.77%	10.00%
Total Equities	1,780,072,296	55.97%	58.00%
Core Bonds	9,636,465	0.30%	6.00%
Credit & Structured Finance	67,591,697	2.13%	5.00%
Total Fixed Income	77,228,162	2.43%	11.00%
Economically Targeted Invest.	162,775,805	5.12%	1.00%
Real Estate	157,285,080	4.95%	3.00%
Private Equity:			
Private Equity National	362,669,819	11.40%	6.00%
Private Equity New Mexico	162,691,389	5.11%	6.00%
Stock Distributions/Private Equity	741,681	0.02%	
Total Private Equity	526,102,889	16.53%	12.00%
Absolute Return	421,917,451	13.27%	15.00%
Total Fund Net Assets	3,180,679,195	100.0%	100.0%

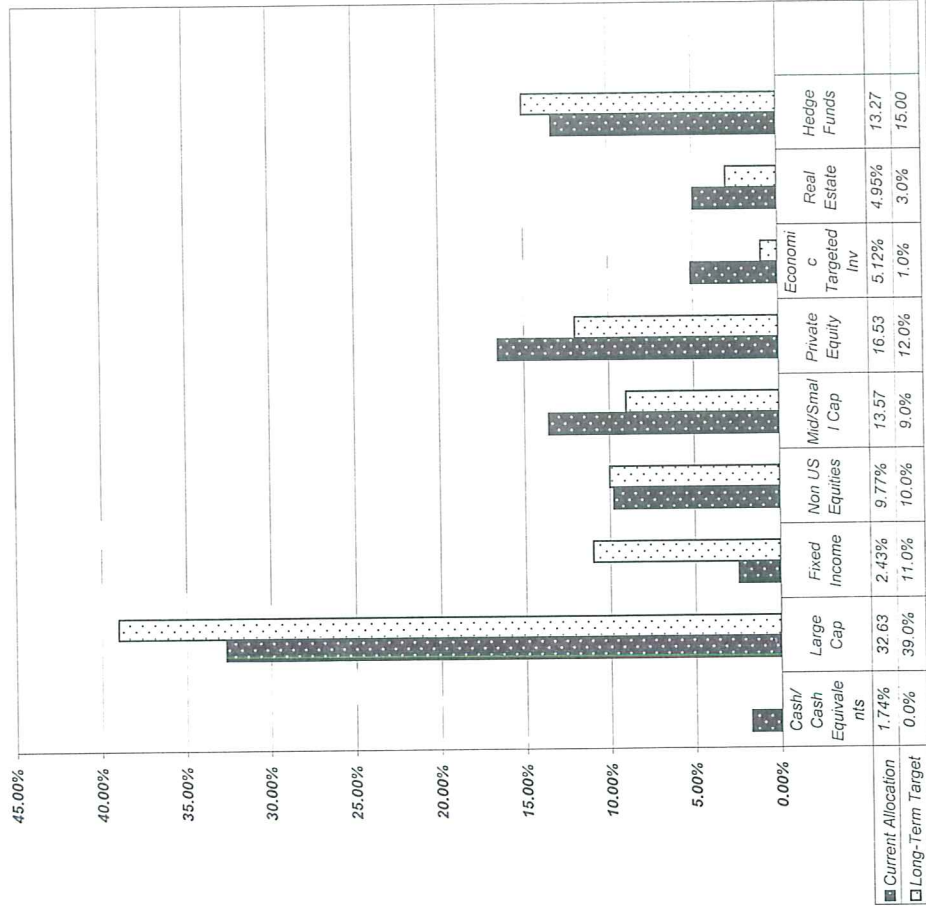
Severance Tax Permanent Fund

June 30, 2009

Current Allocation



Current Allocation Compared to Long-Term Target



Tobacco Settlement Permanent Fund

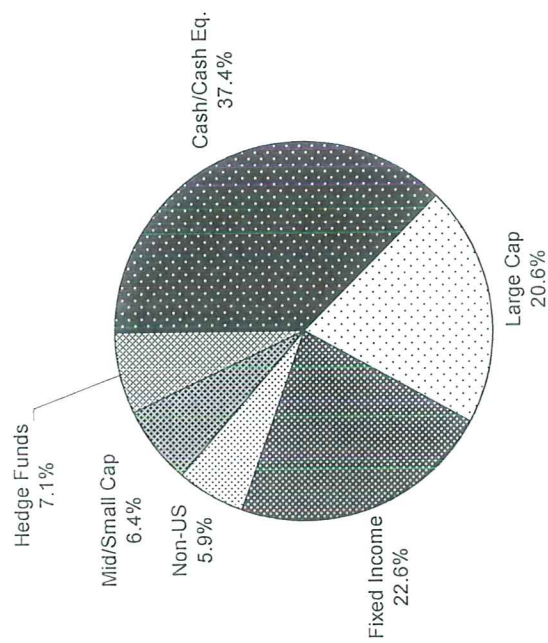
June 30, 2009

	Market Value	% of Net Assets	Long-Term Target
Cash / Cash Equivalents / Accruals	45,235,112	37.40%	
Equities:			
Large Cap Active Pool	21,053,135	17.41%	
Large Cap Index Pool	3,838,815	3.17%	20.58%
Small/Mid Cap Active Pool	7,771,424	6.43%	6.43%
Total US Equities	32,663,374	27.01%	57.00%
Non-US Developed Markets Pool	4,727,634	3.91%	7.0%
Non-US Emerging Markets Pool	2,468,768	2.04%	3.0%
Total Non-US Equities	7,196,402	5.95%	10.00%
Total Equities	39,859,776	32.96% *	67.00%
Core Bonds	27,304,505	22.57%	23.0%
Absolute Return	8,552,543	7.07%	10.00%
Total Fund Net Assets, excl. cash	75,716,824	100.00%	100.00%
Total Fund Net Assets	120,951,936		

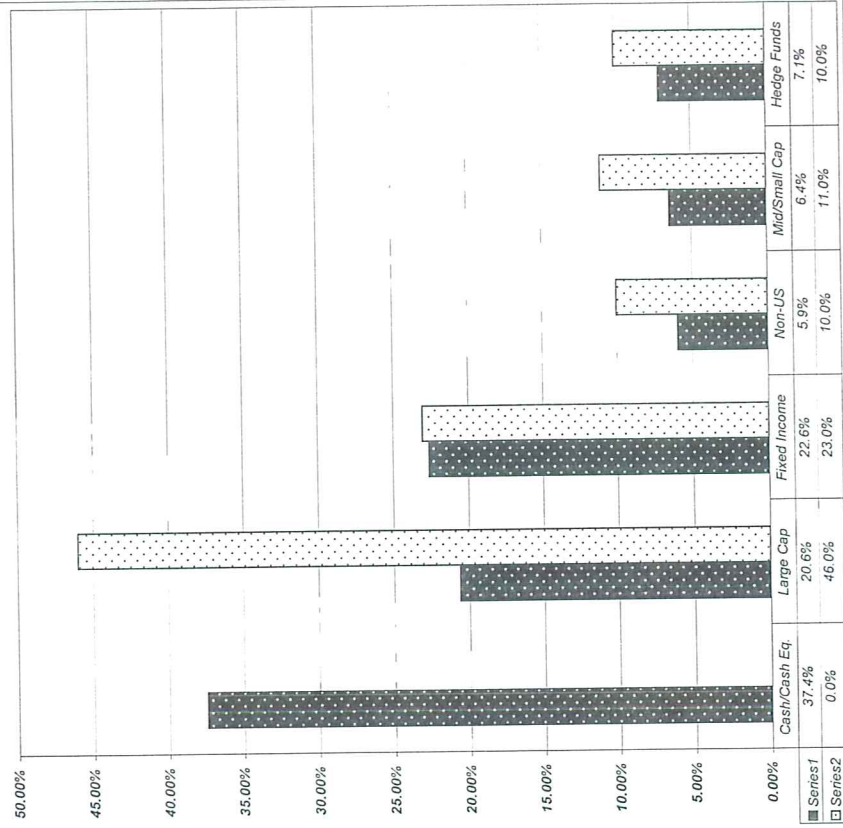
Tobacco Settlement Permanent Fund

June 30, 2009

Current Allocation



Current Allocation Compared to Long-Term Target



Water Permanent Fund

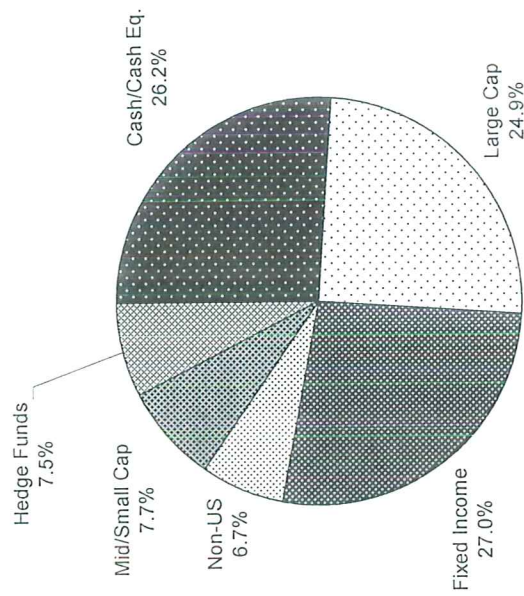
June 30, 2009

	Market Value	% of Net Assets		Long-Term Target
Cash / Cash Equivalents / Accruals	11,896,242	26.24%		23.73%
Equities:				
Large Cap Active Pool	11,303,479	24.93%	24.93%	46.0%
Small/Mid Cap Active Pool	<u>3,481,527</u>	7.68%	7.68%	11.00%
Total US Equities	14,785,006	32.61%		57.00%
Non-US Developed Markets Pool	1,929,213	4.25%		7.0%
Non-US Emerging Markets Pool	<u>1,103,922</u>	2.43%		3.0%
Total Non-US Equities	<u>3,033,135</u>	6.69%		10.00%
Total Equities	17,818,141	39.30%		67.00%
Core Bonds	12,221,649	26.96%		23.0%
Absolute Return	<u>3,404,276</u>	7.51%		10.00%
Total Fund Net Assets, excl. cash	<u>33,444,066</u>	100.01%		100.00%
Total Fund Net Assets	<u><u>45,340,308</u></u>			

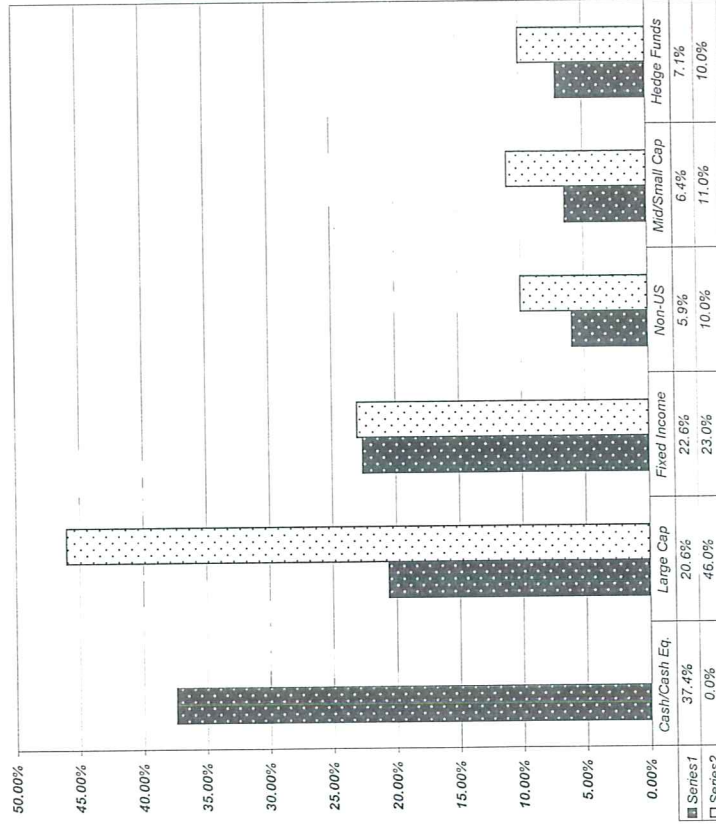
Water Fund

June 30, 2009

Current Allocation



Current Allocation Compared to Long-Term Target



Unemployment Trust Fund

June 30, 2009

	Market Value	% of Net Assets
Cash / Cash Equivalents / Accruals	77,067,572	100.00%
Equities:		
Large Cap Active Pool		
Large Cap Index Pool		
Small/Mid Cap Active Pool		
Total US Equities	-	
Non-US Developed Markets Pool		
Non-US Emerging Markets Pool		
Total Non-US Equities		
Total Equities	-	
Core Bonds		
Total Fixed Income	-	
Absolute Return		
Total Fund Net Assets, excl. cash	-	
Total Fund Net Assets	<u>\$ 77,067,572</u>	100.00%

Third Party
June 30, 2009

	Market Value	% of Net Assets
Cash / Cash Equivalents	0	0.00%
Equities:		
Large Cap Active Pool	59,313,107	13.20%
Large Cap Active ETF Pool	26,049,996	
Large Cap Index Pool	50,790,698	11.30%
Large Cap Index ETF Pool	5,548,725	
Small/Mid Cap Active ETF Pool	20,603,435	4.58%
Small/Mid Cap Active ETF Pool	14,778,797	
Total US Equities	177,084,758	29.08%
Non-US Developed Markets Pool	36,113,336	8.03%
Non-US Emerging Markets Pool	12,985,233	2.89%
Total Non-US Equities	49,098,569	10.92%
Total Equities	226,183,327	50.32%
Core Bonds	223,283,393	49.68%
High Yield Bonds	-	0.00%
Total Third Party Ownership	449,466,727	100.00%

Third Party Investors Allocation by Pool
June 30, 2009

	Large Cap Active Pool	Large Cap Index Pool	Core Bond Pool	Non-US Emerging Pool	Small/Mid Cap Pool	Non US Developed Markets Pool	Large Cap Active - ETF Pool	Large Cap Index - ETF Pool	Small/Mid Cap - ETF Pool	Total Investments
NMIMI Trust Scholarship	-	1,258,781	1,346,853	86,421	318,729	338,262	-	-	-	3,349,046
NMIMI Legislative Scholarship	-	1,645,332	2,068,720	125,550	414,679	441,866	-	-	-	4,696,147
NMIMI Patterson Account	-	979,180	1,229,425	67,220	248,148	263,170	-	-	-	2,787,143
Miners' Colfax Medical Center	-	-	-	-	-	-	-	-	-	-
NMIMI Employee Benefit Trust	-	-	328,072	-	-	58,795	261,101	300,324	61,319	1,009,611
NMIMI Plant/Debt/Allocated Fund	-	-	9,893,354	-	-	-	-	-	-	9,893,354
NMIMI Endowment Fund	-	-	8,256,737	-	-	-	7,543,544	-	-	15,800,281
NM Tech Research Fund	-	-	4,462,248	-	-	-	7,863,691	-	-	12,325,939
NMIMI LFC/VC M	224	1,086,293	1,363,233	74,226	275,544	292,013	-	-	-	3,091,533
NM School for the Visually Handicapped	-	-	7,567,190	-	-	-	-	-	-	7,567,190
NM Retiree Health Care Authority	25,428,516	24,010,899	52,613,843	5,760,368	5,703,696	22,957,428	-	-	-	136,474,750
NM Commissioner of Public Lands-O&G	2,549,993	-	5,703,548	-	-	-	2,229,174	-	-	10,482,715
NM Game and Fish Department	-	-	291,286	39,393	-	43,824	290,763	-	81,250	746,516
Eastern NM University	-	-	2,029,591	119,370	-	782,052	1,145,632	1,866,042	936,003	6,878,690
ISC-Improvement to the Rio Grande	411,867	-	538,276	-	-	-	-	-	-	950,143
ISC-Improvement Works Construction	6,292,260	-	5,633,740	-	-	-	-	-	-	11,926,000
City of Albuquerque--Open Space Mgmt	-	-	23,775,520	-	-	-	-	-	-	23,775,520
City of Albuquerque--Urban Enhancement	-	-	6,737,928	-	-	-	-	-	-	6,737,928
PRC-Patients' Comp Fund	-	-	19,294,228	510,099	-	-	3,910,582	1,561,026	1,632,460	27,697,506
LACCIPPERMANENT	3,557,497	3,440,216	2,846,077	1,047,826	2,560,629	1,790,481	-	-	-	15,242,726
LACCEMETERY	110,928	107,266	88,732	32,685	79,844	55,829	-	-	-	475,284
LACGENFUN	2,473,547	2,391,997	1,978,887	728,581	1,780,425	1,244,925	-	-	-	10,598,362
NM Finance Authority	-	-	14,154,749	-	-	-	2,427,654	-	-	16,582,403
NMIFA IFT Hou	-	-	5,538,641	-	-	-	-	-	-	5,538,641
NMPSIA - Benefits	-	-	6,137,594	1,402,136	-	823,194	-	6,411,094	1,567,397	16,341,415
NMPSIA - Risk	-	-	4,091,802	934,735	-	548,806	-	4,274,036	1,044,922	10,894,301
NMHU Endowment	-	-	694,092	83,546	-	128,771	368,743	352,844	200,912	1,828,908
Springer	-	-	23,690	24,687	-	22,381	9,112	13,431	24,462	117,763
CYFD Trust Fund Non-Expendable	116,393	-	805,592	8,328	-	32,993	-	-	-	963,306
CYFD Next Generation Fund	116,393	-	805,592	8,328	-	32,993	-	-	-	963,306
NMHED	14,929,106	14,271,931	32,984,153	1,931,734	6,468,035	4,095,816	-	-	-	74,680,775
City of Las Cruces	3,326,383	1,598,803	-	-	2,753,706	1,370,626	-	-	-	9,049,518
Total	59,313,107	50,790,698	223,283,393	12,985,233	20,603,435	36,113,336	26,049,996	14,778,797	5,548,725	449,466,727

Copy up to cell 28
Look at cell #29

Change in Net Asset Value

Fund Name	Market Value As of 05/31/2009	Contributions	Distributions	Interfund Transfers	Fees	Asset re-allocation	Securities Lend. Income	Income	Gains - Realized & Unrealized	Market Value 06/30/09
By Asset Class:										
Investment Pools Assets: *										
US Large Cap Active Pool	3,217,548,420	-	-	(165,724,706)	(588,500)	-	110,557	3,812,869	(127,234,750)	2,927,923,890
US Large Cap Index Pool	677,823,902	-	-	165,724,706	(42,300)	-	79,501	2,113,850	(30,451,237)	815,248,422
US Mid/Small Cap Pool	1,494,240,986	-	-	-	(293,600)	-	-	1,629,110	(4,799,174)	1,490,777,322
US Large Cap Active ETF Pool:	28,505,631	-	-	-	(1,050)	-	-	105,512	(127,219)	28,482,874
US Large Cap Index ETF Pool:	16,575,814	-	-	-	(750)	-	-	91,133	(86,068)	16,580,129
US Mid/Small Cap ETF Pool:	6,920,852	-	-	-	(390)	-	-	2,467	87,829	7,010,758
US Core Bonds Pool	1,659,140,736	-	(188,353)	(6,000,000)	(90,000)	-	87,292	6,474,991	(120,622,626)	1,538,802,040
Credit & Structured Finance	213,809,219	-	-	-	-	-	-	1,313,719	7,730,035	222,852,973
Non-US Developed Markets Pool	567,941,642	-	-	-	(142,400)	-	270,977	1,168,580	(19,204,074)	550,034,725
Non-US Emerging Markets Pool	464,461,631	-	-	-	(132,000)	-	12,075	1,271,646	(6,024,448)	459,588,904
Absolute Return Pool	1,439,380,440	-	-	-	-	-	-	78,081	32,704,195	1,472,162,716
Total Investment pools	9,786,349,274	-	(188,353)	(6,000,000)	(1,290,990)	-	560,402	18,061,958	(268,027,537)	9,529,464,754
Fund-Specific Assets:										
Land Grant Permanent Fund: **										
Cash and accruals	212,018,747	21,892,209	(43,460,083)	-	(372,663)	(18,415,188)	-	46,624	-	171,709,646
Economically Targeted Investments (ETI's)	10,742	-	-	-	-	(1,313)	-	102	-	9,531
Private Equity	742,297,286	-	-	-	-	11,359,027	-	896,594	(896,216)	753,656,691
Stock Distributions/Private Equity	853,654	-	-	-	-	149,194	-	-	(19,321)	983,527
Real Estate	318,440,661	-	-	-	-	6,908,281	-	100,836	(18,316,650)	307,133,128
Sovereign Tax Permanent Fund: **										
Cash and accruals	46,600,177	30,119,536	(15,941,040)	6,000,000	(159,713)	(11,336,384)	-	14,912	-	55,297,488
Economically Targeted Investments (ETI's)	160,462,265	-	-	-	-	2,274,921	-	51,893	(13,274)	162,775,805
Private Equity	519,383,142	-	-	-	-	5,980,607	-	435,441	(437,982)	525,361,208
Stock Distributions/Private Equity	704,678	-	-	-	-	50,009	-	-	(13,005)	741,682
University Equities	6,480,876	-	-	-	-	-	-	4,957	54,813	6,540,646
Real Estate	163,308,715	-	-	-	-	3,030,846	-	86,151	(9,140,632)	157,285,080
Tobacco Settlement Permanent Fund: **										
Cash and accruals	94,064,480	-	(48,856,384)	-	-	-	-	27,016	-	45,235,112
Water Fund										
Cash and accruals	11,892,355	-	-	-	-	-	-	3,887	-	11,896,242
Unemployment Trust Fund										
Cash and accruals	65,385,667	11,657,542	-	-	-	-	-	24,363	-	77,067,572
Grand Totals	12,128,252,718	63,669,287	(108,445,860)	-	(1,823,366)	-	560,402	19,754,734	(296,809,804)	11,805,158,121

* Detail by investment manager presented on the following two pages.

** The assets listed for each permanent fund on the schedule do not include investments in the equity and bond pools. The permanent funds' investments in the equity and bond pools are included in the pool totals along with all of the other investors and are specifically allocated to each investor on the succeeding pages of this report. The cash, bonds, private equity, and distributions from private equity listed here are held individually in each permanent fund. Total allocation for each fund is listed on the next page of this report.

Change in Market Value

06/30/09

Fund Name	Market Value As of 06/30/2009	Contributions	Distributions	Interfund Transfers	Fees	Asset re-allocation	Securities Lend. Income	Income	Gains - Realized & Unrealized	Market Value 06/30/09
Investment Pools Detail by Manager (Benchmark):										
US Large Cap Active Pool:										
SIC Managed Large Cap Active (S&P 500 Index)	957,235,706			100,000,000	(78,600)		110,557	1,214,651	21,032,535	1,079,514,849
Davis Skaggs Citigroup (S&P 500 Index)	343,341,086				(70,300)			420,959	(1,765,963)	341,925,782
Denali Advisors (Russell 1000 Value Index)	170,665,176				(46,600)			236,932	(1,265,957)	169,589,551
Carret (S&P 500 Index)	198,554,927				(48,800)			335,386	520,900	199,362,413
Hester Capital (S&P 500 Index)	234,493,311				(55,400)			490,916	1,969,873	236,898,700
Simms Capital (Russell 1000 Growth Index)	192,370,741				(44,500)			223,746	(1,387,817)	191,162,170
Thornburg Investment (S&P 500 Index)	381,962,130				(82,500)			299,351	6,302,318	388,481,299
Lombardia Capital (Russell 1000 Value Index)	358,078,887				(88,200)			531,071	(4,354,902)	354,166,856
Total externally managed US Large Cap Active funds	1,879,466,257	-	-	-	(436,300)	-	-	2,538,361	18,452	1,881,586,770
Sub - Total US Large Cap Active Pool	2,836,701,993	-	-	100,000,000	(514,900)	-	110,557	3,753,012	21,050,987	2,961,101,619
US Large Cap Index Pool:										
SIC Large Cap Active Derivatives	380,846,452			(265,724,706)	(73,600)			59,857		115,108,003
Securities Lending Value Adjustment	0								(148,285,737)	(148,285,737)
Total US Large Cap Index Pool	3,217,548,415	-	-	(165,724,706)	(588,500)	-	110,557	3,812,869	(127,234,750)	2,927,923,885
US Large Cap Index Pool:										
SIC Managed Large Cap Index (S&P 500 Index)	599,052,194			244,000,000	(27,000)		79,501	2,102,123	(319,616)	844,887,202
Sub - Total US Large Cap Index Pool	599,052,194	-	-	244,000,000	(27,000)	-	79,501	2,102,123	(319,616)	844,887,202
US Large Cap Index Derivatives										
SIC Large Cap Index Derivatives	78,771,708			(78,275,294)	(15,300)			11,727		492,841
Securities Lending Value Adjustment	-								(30,131,621)	(30,131,621)
Total US Large Cap Index Pool	677,823,902	-	-	165,724,706	(42,300)	-	79,501	2,113,850	(30,451,237)	815,248,422
US Mid/Small Cap Pool:										
SIC Managed Mid Cap Index (Russell 2500 Value Index)	276,392,476				(26,000)			70,569	1,241,206	277,678,251
Beekman Capital (Russell 2500 Value Index)	317,309,671				(60,900)			155,842	(7,619,771)	309,784,842
Earnest Partners Mid/Small (Russell 2500 Value Index)	112,025,332				(25,500)			146,914	(389,830)	111,756,916
Earnest Partners Mid Cap (S&P 400 Index)	299,721,157				(63,700)			498,292	720,450	300,876,199
First Quadrant (S&P 400 Index)	362,480,369				(86,700)			561,550	1,216,470	364,171,689
Fox Asset (Russell 2500 Value Index)	126,311,981				(30,800)			195,943	32,301	126,509,425
Total externally managed Mid/Small Cap funds	1,217,848,510	-	-	-	(267,600)	-	-	1,558,541	(6,040,380)	1,213,099,071
Total Mid/Small Cap Pool	1,494,240,986	-	-	-	(293,600)	-	-	1,629,110	(4,799,174)	1,490,777,322
US Large Cap Active ETF Pool:										
US Large Cap Active ETF Pool:	28,505,631				(1,050)			105,512	(127,219)	28,482,874
US Large Cap Index ETF Pool:										
US Large Cap Index ETF Pool:	16,575,814				(750)			91,133	(86,068)	16,580,129
US Mid/Small Cap ETF Pool:										
US Mid/Small Cap ETF Pool:	6,920,852				(390)			2,467	87,829	7,010,758
Total US Equities in Investment Pools	4,981,997,439	-	-	344,000,000	(837,690)	-	190,058	7,683,357	15,806,739	5,348,839,903
US Core Bonds Pool (SIC Managed):										
US Core Bonds Pool (Lehman Aggregate Bond Index)	1,659,140,736	(188,353)		(6,000,000)	(90,000)		87,292	6,474,991	3,152,975	1,662,577,641
Securities Lending Value Adjustment									(123,775,601)	(123,775,601)
Total US Core Bonds Pool	1,659,140,736	-	(188,353)	(6,000,000)	(90,000)	-	87,292	6,474,991	(120,622,626)	1,538,802,040
Credit & Structured Finance										
Cash	58,707,819			2,496,655				19,380		61,223,854
Equity LP Interests	155,101,402			(2,496,655)				1,294,339	7,730,035	161,629,121
Total CDO Equity Pool	213,809,221	-	-	-	-	-	-	1,313,719	7,730,035	222,852,975
Total Fixed Income in Investment Pools	1,872,949,957	-	(188,353)	(6,000,000)	(90,000)	-	87,292	7,788,710	(112,892,591)	1,761,655,015

Change in Net Asset Value

Fund Name	Market Value As of 06/30/09	Contributions	Distributions	Interfund Transfers	Fees	Asset re-allocation	Securities Lend. Income	Income	Gains - Realized & Unrealized	Market Value 06/30/09
Investment Pools Detail by Manager (Benchmark) (continued):										
Absolute Return	51,345,843								935,896	52,281,739
K2 Advisors, LLC	88,026,912								6,605,283	94,632,195
Circle T Explorer, LP	233,828,998			8,586,326				78,081		242,493,405
Cash Account	12,813,963			(8,586,326)					(3,276,757)	9,537,206
Benchmark Plus Inst.	182,608,641								5,201,486	179,223,801
Austin Capital	188,840,962								3,322,377	192,163,339
Crestline	7,481,421								(79,778)	7,401,643
Crestline Offshore Recovery	104,045,781								2,204,561	106,250,342
Mariner Select LP	23,255,625								1,639,213	24,894,838
Entrust	41,544,785								2,740,706	44,285,491
Allair Stars LP	36,444,888								811,332	37,256,220
CT Preferred LP	97,360,720								2,516,571	99,877,291
Tag Offshore	99,194,898								3,587,806	102,782,704
EIM	126,377,384								3,870,001	130,247,385
Vintage - HFVMS	46,262,338								616,412	46,878,750
K2 - Alternative	99,947,282								2,009,086	101,956,368
Guggenheim	1,439,380,440							78,081	32,704,195	1,472,162,716
Total Hedge Funds										
Total US Assets in Investment Pools	8,294,327,837	0	(188,353)	338,000,000	(927,690)	0	277,350	15,550,148	(64,381,657)	8,582,657,635
Non-US Developed Markets Pool (externally managed):										
AllianceBernstein (MSCI - EAFE Index)	443,320,460				(113,000)		270,977	1,020,415	(3,545,536)	440,953,316
Jarislowsky Fraser (MSCI - EAFE Index)	490,709				(29,400)			(372)	(162)	490,175
Simms Capital (MSCI - EAFE Index)	124,126,704							148,536	(165,527)	124,080,313
Non US SIC Managed	3,769							1	2	3,772
Securities Lending Value Adjustment									(15,492,851)	(15,492,851)
Total Non-US Developed Markets Pool	567,941,642				(142,400)		270,977	1,168,580	(19,204,074)	550,034,725
Non-US Emerging Markets Pool (externally managed):										
AllianceBernstein (MSCI Emerg Mkts Free Index)	464,461,631				(132,000)		12,075	1,271,646	(2,651,160)	462,962,192
Securities Lending Value Adjustment									(3,373,288)	(3,373,288)
Total Non-US Emerging Markets Pool	464,461,631				(132,000)		12,075	1,271,646	(6,024,448)	459,588,904
Total Non-US Equities in Investment Pools	1,032,403,273				(274,400)		283,052	2,440,226	(25,228,522)	1,009,623,629
Total Internally Managed Assets	4,003,441,569		(188,353)	(6,000,000)	(312,690)		277,350	10,133,030	(277,211,317)	3,730,139,589
Total Externally Managed Assets	5,782,907,701				(978,300)		283,052	7,928,928	9,183,780	5,799,325,161
Total Assets in Investment Pools	9,786,349,274		(188,353)	(6,000,000)	(1,290,990)		560,402	18,061,958	(268,027,537)	9,529,464,750

Change in Market Value

06/30/09											
Fund Name	Market Value As of 05/31/2009	Contributions	Distributions	Interfund Transfers	Fees	Asset re-allocation	Securities Lend. Income	Income	Gains - Realized & Unrealized	Market Value 06/30/09	
Permanent Funds:											
Land Grant Permanent Fund:											
Cash and accruals	212,018,733	21,892,209	(43,460,083)	-	(372,663)	(18,415,188)	-	46,624	-	171,709,632	
Economically Targeted Investments (ETI's)	10,742	-	-	-	-	(1,313)	-	102	-	9,531	
Private Equity	742,297,286	-	-	-	-	11,359,027	-	896,594	(896,216)	753,656,691	
Stock Distributions/Private Equity	853,654	-	-	-	-	149,194	-	-	(19,321)	983,527	
Real Estate	318,440,661	-	-	-	-	6,908,281	-	100,836	(18,316,650)	307,133,128	
Hedge Funds	1,015,168,848	-	-	-	-	-	-	55,069	23,065,659	1,038,289,576	
US Large Cap Active Pool	2,187,373,948	-	-	(115,973,602)	(399,440)	-	75,040	2,587,954	(86,359,549)	1,987,304,351	
US Large Cap Index Pool	482,270,528	-	-	115,973,602	(29,999)	-	56,382	1,499,139	(21,595,961)	578,173,691	
US Mid/Small Cap Pool	1,029,748,790	-	-	-	(202,333)	-	-	1,122,693	(3,307,327)	1,027,361,823	
US Large Cap Active ETF Pool:	2,434,820	-	-	-	(90)	-	-	9,012	(10,866)	2,432,876	
US Large Cap Index ETF Pool:	1,800,858	-	-	-	(81)	-	-	9,901	(9,351)	1,801,327	
US Mid/Small Cap ETF Pool:	1,443,288	-	-	-	(81)	-	-	514	18,316	1,462,037	
US Core Bonds Pool	1,360,297,417	-	-	-	(74,065)	-	71,837	5,328,589	(99,266,307)	1,266,357,471	
Credit & Structured Finance	148,959,048	-	-	-	-	-	-	915,263	5,385,486	155,259,797	
Non-US.Developed Markets Pool	352,424,270	-	-	-	(88,363)	-	168,149	725,138	(11,916,685)	341,312,509	
Non-US Emerging Markets Pool	301,570,785	-	-	-	(85,706)	-	7,840	825,668	(3,911,620)	298,406,967	
Total - Land Grant Permanent Fund	8,157,113,676	21,892,209	(43,460,083)	-	(1,252,821)	-	379,248	14,123,096	(217,140,392)	7,931,654,933	
Severance Tax Permanent Fund:											
Cash and accruals	46,600,201	30,119,536	(15,941,040)	6,000,000	(159,713)	(11,336,384)	-	14,912	-	55,297,512	
Economically Targeted Investments (ETI's)	160,462,265	-	-	-	-	2,274,921	-	51,893	(13,274)	162,775,805	
Private Equity	519,383,142	-	-	-	-	5,980,607	-	435,441	(437,982)	525,361,208	
Stock Distributions/Private Equity	704,677	-	-	-	-	50,009	-	-	(13,005)	741,681	
University Equities	6,480,876	-	-	-	-	-	-	4,957	54,813	6,540,646	
Real Estate	163,308,715	-	-	-	-	3,030,846	-	86,151	(9,140,632)	157,285,080	
Hedge Funds	412,522,159	-	-	-	-	-	-	22,378	9,372,914	421,917,451	
US Large Cap Active Pool	934,625,464	-	-	(49,751,104)	(170,635)	-	32,056	1,105,539	(36,891,635)	848,949,685	
US Large Cap Index Pool	139,028,939	-	-	49,751,104	(9,466)	-	17,792	473,063	(6,814,749)	182,446,683	
US Mid/Small Cap Pool	432,561,944	-	-	-	(84,993)	-	-	471,605	(1,389,294)	431,559,262	
US Core Bonds Pool	16,351,313	-	-	(6,000,000)	(564)	-	547	40,549	(755,380)	9,636,465	
Credit & Structured Finance	64,848,692	-	-	-	-	-	-	398,456	2,344,549	67,591,697	
Non-US.Developed Markets Pool	171,354,786	-	-	-	(42,964)	-	81,757	352,575	(5,794,099)	165,952,055	
Non-US Emerging Markets Pool	146,157,320	-	-	-	(41,538)	-	3,800	400,163	(1,895,780)	144,623,965	
Total - Severance Tax Permanent Fund	3,214,390,493	30,119,536	(15,941,040)	-	(509,873)	-	135,952	3,857,682	(51,373,554)	3,180,679,196	
Tobacco Settlement Permanent Fund											
Cash and accruals	94,064,480	-	(48,856,384)	-	-	-	-	27,016	-	45,235,112	
Hedge Funds	8,362,094	-	-	-	-	-	-	454	189,995	8,552,543	
US Large Cap Active Pool	21,944,034	-	-	-	(4,232)	-	795	27,416	(914,878)	21,053,135	
US Large Cap Index Pool	3,972,074	-	-	-	(199)	-	374	9,954	(143,388)	3,838,815	
US Mid/Small Cap Pool	7,789,480	-	-	-	(1,531)	-	-	8,493	(25,018)	7,771,424	
US Core Bonds Pool	29,329,986	-	-	-	(1,597)	-	1,549	114,892	(2,140,325)	27,304,505	
Non-US.Developed Markets Pool	4,881,547	-	-	-	(1,224)	-	2,329	10,044	(165,062)	4,727,634	
Non-US Emerging Markets Pool	2,494,942	-	-	-	(709)	-	65	6,831	(32,361)	2,468,768	
Total - Tobacco Settlement Permanent Fund	172,838,637	-	(48,856,384)	-	(9,492)	-	5,112	205,100	(3,231,037)	120,951,936	
Water Permanent Fund											
Cash and accruals	11,892,355	-	-	-	-	-	-	3,887	-	11,896,242	
Hedge Funds	3,328,469	-	-	-	-	-	-	181	75,626	3,404,276	
US Large Cap Active Pool	11,781,803	-	-	-	(2,272)	-	427	14,720	(491,199)	11,303,479	
US Mid/Small Cap Pool	3,489,616	-	-	-	(686)	-	-	3,805	(11,208)	3,481,527	
US Core Bonds Pool	13,128,267	-	-	-	(715)	-	693	51,426	(958,022)	12,221,649	
Non-US.Developed Markets Pool	1,992,020	-	-	-	(499)	-	950	4,099	(67,357)	1,929,213	
Non-US Emerging Markets Pool	1,115,626	-	-	-	(317)	-	29	3,055	(14,471)	1,103,922	
Total - Water Permanent Fund	46,728,156	-	-	-	(4,489)	-	2,099	81,173	(1,466,631)	45,340,308	
Unemployment Trust Fund											
Cash and accruals	65,385,666	11,657,542	-	-	-	-	-	24,363	-	77,067,571	
Total Permanent Funds	11,591,070,962	63,669,287	(108,257,507)	-	(1,776,675)	-	522,411	18,291,414	(273,211,614)	11,355,693,944	

Change in Market Value

Fund Name	Market Value As of 05/31/2009	Contributions	Distributions	Interfund Transfers	Fees	Asset re-allocation	Securities Lend Income	Income	Gains - Realized & Unrealized	Market Value 06/30/09
Third Party Investors:										
NMMI Trust Scholarship										
Investment in US Large Cap Active Pool	-	-	-	-	-	-	-	-	-	1,258,780
Investment in US Large Cap Index Pool	1,302,476	-	-	-	(65)	-	123	3,264	(47,018)	318,739
Investment in US Mid/Small Cap Pool	319,480	-	-	-	(63)	-	-	348	(1,026)	1,346,810
Investment in US Core Bonds Pool	1,446,722	-	-	-	(79)	-	76	5,667	(105,576)	338,259
Investment in Non-US Developed Markets Pool	349,271	-	-	-	(88)	-	167	719	(11,810)	86,436
Investment in Non-US Emerging Markets Pool	87,353	-	-	-	(25)	-	2	239	(1,133)	3,349,024
	3,505,302	-	-	-	(320)	-	368	10,237	(166,563)	
NMMI Legislative Scholarship										
Investment in US Large Cap Active Pool	-	-	-	-	-	-	-	-	-	1,644,546
Investment in US Large Cap Index Pool	1,701,662	-	-	-	(85)	-	160	4,266	(61,457)	2,069,599
Investment in US Mid/Small Cap Pool	415,468	-	-	-	(82)	-	-	453	(1,335)	441,504
Investment in US Core Bonds Pool	2,223,059	-	-	-	(121)	-	117	8,705	(162,161)	441,528
Investment in Non-US Developed Markets Pool	455,912	-	-	-	(114)	-	218	939	(15,427)	125,499
Investment in Non-US Emerging Markets Pool	126,831	-	-	-	(36)	-	3	347	(1,646)	4,695,676
	4,922,932	-	-	-	(438)	-	498	14,710	(242,026)	
NMMI Patterson Account										
Investment in US Large Cap Active Pool	-	-	-	-	-	-	-	-	-	979,179
Investment in US Large Cap Index Pool	1,013,170	-	-	-	(51)	-	95	2,539	(36,574)	248,137
Investment in US Mid/Small Cap Pool	248,714	-	-	-	(49)	-	-	271	(799)	1,229,439
Investment in US Core Bonds Pool	1,320,639	-	-	-	(72)	-	70	5,173	(96,371)	263,170
Investment in Non-US Developed Markets Pool	271,737	-	-	-	(68)	-	130	559	(9,188)	67,202
Investment in Non-US Emerging Markets Pool	67,914	-	-	-	(19)	-	2	186	(881)	2,787,127
	2,922,174	-	-	-	(259)	-	297	8,728	(143,813)	
NMIMT Employee Benefit Trust										
Investment in US Large Cap Active ETF Pool	261,311	-	-	-	(10)	-	-	967	(1,166)	261,102
Investment in US Large Cap Index ETF Pool	300,242	-	-	-	(14)	-	-	1,651	(1,559)	300,320
Investment in US Mid/Small Cap ETF Pool	60,532	-	-	-	(3)	-	-	22	768	61,319
Investment in US Core Bonds ETF Pool	352,417	-	-	-	(19)	-	19	1,380	(25,717)	328,080
Investment in Non-US Developed Markets Pool	60,708	-	-	-	(15)	-	29	125	(2,053)	58,794
	1,035,210	-	-	-	(61)	-	48	4,145	(29,727)	1,009,615
NMIMT Plant/Debt/Allocated Fund										
Investment in US Core Bonds Pool	10,627,270	-	-	-	(579)	-	561	41,629	(775,514)	9,893,367
	10,627,270	-	-	-	(579)	-	561	41,629	(775,514)	9,893,367
NMIMT Endowment Fund										
Investment in US Large Cap Active ETF Pool	7,549,575	-	-	-	(278)	-	-	27,944	(33,693)	7,543,548
Investment in US Core Bonds Pool	8,869,244	-	-	-	(483)	-	468	34,743	(647,224)	8,256,748
	16,418,819	-	-	-	(761)	-	468	62,687	(680,917)	15,800,296
NM Tech Research Fund										
Investment in US Large Cap Active ETF Pool	7,869,974	-	-	-	(290)	-	-	29,130	(35,123)	7,863,691
Investment in US Core Bonds Pool	4,793,246	-	-	-	(261)	-	253	18,776	(349,784)	4,462,230
	12,663,220	-	-	-	(551)	-	253	47,906	(384,907)	12,325,921
NM School for the Blind and Visually Impaired										
Investment in US Core Bonds Pool	8,128,534	-	-	-	(443)	-	429	31,841	(593,172)	7,567,189
	8,128,534	-	-	-	(443)	-	429	31,841	(593,172)	7,567,189
NM Retiree Health Care Authority										
Investment in US Large Cap Active Pool	26,504,568	-	-	-	(5,111)	-	960	33,114	(1,105,012)	25,428,519
Investment in US Large Cap Index Pool	24,844,413	-	-	-	(1,246)	-	2,341	62,258	(896,857)	24,010,909
Investment in US Mid/Small Cap Pool	5,716,946	-	-	-	(1,123)	-	-	6,233	(18,362)	5,703,694
Investment in US Core Bonds Pool	56,517,087	-	-	-	(3,077)	-	2,985	221,389	(4,124,259)	52,614,125
Investment in Non-US Developed Markets Pool	23,704,828	-	-	-	(5,944)	-	11,310	48,774	(801,542)	22,957,426
Investment in Non-US Emerging Markets Pool	5,821,420	-	-	-	(1,654)	-	151	15,938	(75,509)	5,760,346
	143,109,262	-	-	-	(18,155)	-	17,747	387,706	(7,021,541)	136,475,019

Change in Market Value

06/30/09

Fund Name	Market Value As of 06/31/2009	Contributions	Distributions	Interfund Transfers	Fees	Asset re-allocation	Securities Lend. Income	Income	Gains - Realized & Unrealized	Market Value 06/30/09
NM Comm. of Public Lands-O&G										
Investment in US Large Cap Active ETF Pool	2,230,960	-	-	-	(82)	-	-	8,258	(9,957)	2,229,179
Investment in US Large Cap Active Pool	2,657,913	-	-	-	(513)	-	96	3,321	(110,812)	2,550,005
Investment in US Core Bonds Pool	6,126,644	-	-	-	(334)	-	324	23,999	(447,086)	5,703,547
	11,015,517	-	-	-	(929)	-	420	35,578	(567,855)	10,482,731
NM Game and Fish Department										
Investment in US Large Cap Active ETF Pool	290,994	-	-	-	(11)	-	-	1,077	(1,299)	290,761
Investment in US Large Cap Active Pool	80,213	-	-	-	(5)	-	-	29	1,018	81,255
Investment in US Core Bonds Pool	312,891	-	-	-	(17)	-	17	1,226	(22,833)	291,284
Investment in Non-US Developed Markets Pool	45,250	-	-	-	(11)	-	22	93	(1,530)	43,824
Investment in Non-US Emerging Markets Pool	39,818	-	-	-	(11)	-	1	109	(516)	39,401
	769,165	-	-	-	(55)	-	40	2,534	(25,160)	746,524
Eastern NM University										
Investment in US Large Cap Active ETF Pool	1,146,547	-	-	-	(42)	-	-	4,244	(5,117)	1,145,632
Investment in US Large Cap Index ETF Pool	1,865,554	-	-	-	(84)	-	-	10,257	(9,687)	1,866,040
Investment in US Mid/Small Cap ETF Pool	924,000	-	-	-	(52)	-	-	329	11,726	936,003
Investment in US Core Bonds Pool	2,180,147	-	-	-	(119)	-	115	8,540	(159,094)	2,029,589
Investment in Non-US Developed Markets Pool	807,522	-	-	-	(202)	-	385	1,662	(27,305)	782,062
Investment in Non-US Emerging Markets Pool	120,845	-	-	-	(34)	-	3	330	(1,565)	119,379
	7,044,415	-	-	-	(533)	-	503	25,362	(191,042)	6,878,705
ISC-Improvement to the Rio Grande										
Investment in US Large Cap Active Pool	429,288	-	-	-	(63)	-	16	536	(17,898)	411,859
Investment in US Core Bonds Pool	578,201	-	-	-	(31)	-	31	2,265	(42,194)	538,272
	1,007,489	-	-	-	(114)	-	47	2,801	(60,092)	950,131
ISC-Irrigation Works Construction										
Investment in US Large Cap Active Pool	6,558,540	-	-	-	(1,265)	-	238	8,194	(273,434)	6,292,273
Investment in US Core Bonds Pool	6,051,664	-	-	-	(330)	-	320	23,706	(441,614)	5,633,746
	12,610,204	-	-	-	(1,595)	-	558	31,900	(715,048)	11,926,019
City of Albuquerque--Open Space Mgmt. Fund										
Investment in US Core Bonds Pool	25,539,234	-	-	-	(1,391)	-	1,349	100,043	(1,863,700)	23,775,535
	25,539,234	-	-	-	(1,391)	-	1,349	100,043	(1,863,700)	23,775,535
City of Albuquerque--Urban Enhance. Tr. Fund										
Investment in US Core Bonds Pool	7,237,762	-	-	-	(394)	-	382	28,352	(528,168)	6,737,934
	7,237,762	-	-	-	(394)	-	382	28,352	(528,168)	6,737,934
PRC Patients' Comp Fund										
Investment in US Large Cap Active ETF Pool	3,913,709	-	-	-	(144)	-	-	14,486	(17,467)	3,910,584
Investment in US Large Cap Index ETF Pool	1,560,621	-	-	-	(71)	-	-	8,580	(8,103)	1,561,027
Investment in US Mid/Small Cap ETF Pool	1,611,518	-	-	-	(91)	-	-	574	20,451	1,632,452
Investment in US Core Bonds Pool	20,725,523	-	-	-	(1,128)	-	1,095	81,186	(1,512,423)	19,294,253
Investment in Non-US Developed Markets Pool	814,808	-	-	-	(204)	-	389	1,677	(27,551)	789,119
Investment in Non-US Emerging Markets Pool	515,506	-	-	-	(147)	-	13	1,411	(6,687)	510,096
	29,141,885	-	-	-	(1,785)	-	1,497	107,914	(1,551,780)	27,697,531
LACCIPPERMANENT										
Investment in US Large Cap Active ETF Pool	-	-	-	-	-	-	-	4,633	(154,593)	3,557,507
Investment in US Large Cap Active Pool	3,708,048	-	-	-	(715)	-	134	8,920	(128,499)	3,436,100
Investment in US Large Cap Index Pool	3,555,522	-	-	-	(178)	-	335	2,798	(8,243)	2,560,620
Investment in US Mid/Small Cap Pool	2,566,569	-	-	-	(504)	-	-	11,976	(223,096)	2,846,077
Investment in US Core Bonds Pool	3,057,202	-	-	-	(166)	-	161	3,804	(62,513)	1,790,496
Investment in Non-US Developed Markets Pool	1,848,787	-	-	-	(464)	-	882	2,899	(13,735)	1,047,876
Investment in Non-US Emerging Markets Pool	1,058,985	-	-	-	(301)	-	28	35,030	(590,679)	15,238,676
	15,795,113	-	-	-	(2,328)	-	1,540	35,030	(590,679)	15,238,676

Change in Market Value

Fund Name	Market Value	Contributions	Distributions	Interfund		Fees	Asset re-allocation	Securities Lend. Income	Income	Gains - Realized & Unrealized	Market Value
	As of 05/31/2009			Transfers	06/30/09						
LACCCEMETERY											
Investment in US Large Cap Active ETF Pool	-	-	-	-	-	(22)	-	-	144	(4,820)	110,924
Investment in US Large Cap Active Pool	115,618	-	-	-	-	(6)	-	4	278	(4,007)	107,246
Investment in US Large Cap Index Pool	110,971	-	-	-	-	(16)	-	10	87	(257)	79,819
Investment in US Mid/Small Cap Pool	80,005	-	-	-	-	(5)	-	5	373	(6,955)	88,558
Investment in US Core Bonds Pool	95,140	-	-	-	-	(14)	-	28	119	(1,949)	55,821
Investment in Non-US Developed Markets Pool	57,637	-	-	-	-	(9)	-	1	90	(428)	32,694
Investment in Non-US Emerging Markets Pool	33,040	-	-	-	-	(72)	-	48	1,091	(18,416)	475,061
	492,410	-	-	-	-	-	-	-	-	-	-
LACGENFUN											
Investment in US Large Cap Active ETF Pool	-	-	-	-	-	(497)	-	93	3,221	(107,490)	2,473,562
Investment in US Large Cap Active Pool	2,578,235	-	-	-	-	(124)	-	233	6,202	(89,346)	2,389,186
Investment in US Large Cap Index Pool	2,472,221	-	-	-	-	(351)	-	-	1,946	(5,732)	1,780,424
Investment in US Mid/Small Cap Pool	1,784,561	-	-	-	-	(116)	-	112	8,327	(155,120)	1,978,906
Investment in US Core Bonds Pool	2,125,703	-	-	-	-	(322)	-	613	2,645	(43,466)	1,244,931
Investment in Non-US Developed Markets Pool	1,285,461	-	-	-	-	(209)	-	19	2,016	(9,550)	728,627
Investment in Non-US Emerging Markets Pool	736,351	-	-	-	-	(1,619)	-	1,070	24,357	(410,704)	10,595,637
	10,982,533	-	-	-	-	-	-	-	-	-	-
NMPSIA - Benefits											
Investment in US Large Cap Index ETF Pool	6,409,421	-	-	-	-	(290)	-	-	35,239	(33,280)	6,411,090
Investment in US Mid/Small Cap ETF Pool	1,547,293	-	-	-	-	(87)	-	-	552	19,636	1,567,394
Investment in US Core Bonds Pool	6,592,894	-	-	-	-	(359)	-	348	25,826	(481,110)	6,137,599
Investment in Non-US Developed Markets Pool	849,996	-	-	-	-	(213)	-	406	1,749	(28,741)	823,197
Investment in Non-US Emerging Markets Pool	1,416,984	-	-	-	-	(403)	-	37	3,880	(18,380)	1,402,118
	16,816,589	-	-	-	-	(1,352)	-	791	67,246	(541,875)	16,341,399
NMPSIA - Risk											
Investment in US Large Cap Index ETF Pool	4,272,924	-	-	-	-	(193)	-	-	23,492	(22,187)	4,274,036
Investment in US Mid/Small Cap ETF Pool	1,031,522	-	-	-	-	(58)	-	-	368	13,091	1,044,923
Investment in US Core Bonds Pool	4,395,332	-	-	-	-	(239)	-	232	17,218	(320,746)	4,091,797
Investment in Non-US Developed Markets Pool	566,672	-	-	-	-	(142)	-	270	1,166	(19,161)	548,805
Investment in Non-US Emerging Markets Pool	944,635	-	-	-	-	(268)	-	25	2,586	(12,253)	934,725
	11,211,085	-	-	-	-	(900)	-	527	44,830	(361,256)	10,894,286
NMHU Endowment Fund											
Investment in US Large Cap Active ETF Pool	369,040	-	-	-	-	(14)	-	-	1,366	(1,647)	368,745
Investment in US Large Cap Index ETF Pool	352,758	-	-	-	-	(16)	-	-	1,939	(1,832)	352,849
Investment in US Mid/Small Cap ETF Pool	198,341	-	-	-	-	(11)	-	-	71	2,517	200,918
Investment in US Core Bonds Pool	745,477	-	-	-	-	(41)	-	39	2,921	(54,408)	693,988
Investment in Non-US Developed Markets Pool	132,953	-	-	-	-	(33)	-	63	274	(4,496)	128,761
Investment in Non-US Emerging Markets Pool	84,275	-	-	-	-	(24)	-	2	231	(1,095)	83,389
	1,882,843	-	-	-	-	(139)	-	104	6,802	(60,961)	1,828,649
Springer School District											
Investment in US Large Cap Active ETF Pool	9,122	-	-	-	-	-	-	-	34	(41)	9,115
Investment in US Large Cap Index ETF Pool	13,431	-	-	-	-	(1)	-	-	74	(70)	13,434
Investment in US Mid/Small Cap ETF Pool	24,150	-	-	-	-	(1)	-	-	9	306	24,464
Investment in US Core Bonds Pool	25,426	-	-	-	-	(6)	-	1	100	(1,857)	23,669
Investment in Non-US Developed Markets Pool	23,271	-	-	-	-	(7)	-	1	48	(781)	22,543
Investment in Non-US Emerging Markets Pool	24,769	-	-	-	-	(16)	-	13	68	(324)	24,507
	120,169	-	-	-	-	-	-	-	333	(2,767)	117,732
NMMFA General Fund											
Investment in US Large Cap Active ETF Pool	2,429,586	-	-	-	-	(89)	-	-	8,993	(10,843)	2,427,647
Investment in US Core Bonds Pool	15,204,773	-	-	-	-	(828)	-	803	59,561	(1,109,553)	14,154,756
	17,634,359	-	-	-	-	(917)	-	803	68,554	(1,120,396)	16,582,403

Change in Market Value

06/30/09

Fund Name	Market Value As of 06/30/2009	Contributions	Distributions	Interfund Transfers	Fees	Asset re-allocation	Securities Lend. Income	Income	Gains - Realized & Unrealized	Market Value 06/30/09
NIMMFA IFT Housing Trust Fund										
Investment in US Core Bonds Pool	6,137,820	-	(188,353)	-	(324)	-	314	23,306	(434,159)	5,538,604
	6,137,820	-	(188,353)	-	(324)	-	314	23,306	(434,159)	5,538,604
NMMI LFC/VC Maint. Endowment										
Investment in US Large Cap Index Pool	1,124,819				(56)	-	106	2,817	(40,575)	1,087,111
Investment in US Mid/Small Cap Pool	276,338				(54)	-	-	301	(887)	275,698
Investment in US Core Bonds Pool	1,463,579				(80)	-	77	5,736	(106,860)	1,362,452
Investment in Non-US Developed Markets Pool	301,840				(76)	-	144	620	(10,195)	292,333
Investment in Non-US Emerging Markets Pool	75,066				(21)	-	2	205	(973)	74,279
	3,241,642	-	-	-	(287)	-	329	9,679	(159,490)	3,091,873
CYFD Trust Fund Non-Expendable										
Investment in US Large Cap Active Pool	121,321				(23)	-	4	152	(5,058)	116,396
Investment in US Core Bonds Pool	865,350				(47)	-	46	3,390	(63,148)	805,591
Investment in Non-US Developed Markets Pool	34,060				(9)	-	16	70	(1,152)	32,985
Investment in Non-US Emerging Markets Pool	8,415				(2)	-	-	23	(109)	8,327
	1,029,146	-	-	-	(81)	-	66	3,635	(69,467)	963,299
CYFD Next Generation Fund										
Investment in US Large Cap Active Pool	121,321				(23)	-	4	152	(5,058)	116,396
Investment in US Core Bonds Pool	865,350				(47)	-	46	3,390	(63,148)	805,591
Investment in Non-US Developed Markets Pool	34,060				(9)	-	16	70	(1,152)	32,985
Investment in Non-US Emerging Markets Pool	8,415				(2)	-	-	23	(109)	8,327
	1,029,146	-	-	-	(81)	-	66	3,635	(69,467)	963,299
NM Higher Education										
Investment in US Large Cap Active Pool	15,560,874				(3,001)	-	564	19,441	(648,754)	14,929,124
Investment in US Large Cap Index Pool	14,767,371				(741)	-	1,392	37,006	(533,087)	14,271,941
Investment in US Mid/Small Cap Pool	6,483,063				(1,274)	-	-	7,068	(20,822)	6,468,035
Investment in US Core Bonds Pool	35,430,985				(1,929)	-	1,871	138,791	(2,585,540)	32,984,178
Investment in Non-US Developed Markets Pool	4,229,166				(1,060)	-	2,018	8,702	(143,003)	4,095,823
Investment in Non-US Emerging Markets Pool	1,952,221				(555)	-	51	5,345	(25,322)	1,931,740
	78,423,680	-	-	-	(8,560)	-	5,896	216,353	(3,956,528)	74,680,841
City of Las Cruces										
Investment in US Large Cap Active Pool	3,467,148				(669)	-	125	4,332	(144,550)	3,326,387
Investment in US Large Cap Index Pool	1,654,300				(83)	-	156	4,146	(59,719)	1,598,800
Investment in US Mid/Small Cap Pool	2,760,103				(542)	-	-	3,009	(8,865)	2,753,705
Investment in Non-US Developed Markets Pool	1,415,240				(355)	-	675	2,912	(47,854)	1,370,618
	9,296,791	-	-	-	(1,649)	-	957	14,399	(260,988)	9,049,510
Total Third Party Investors	471,798,557	-	(188,353)	-	(46,688)	-	37,989	1,463,323	(23,598,178)	449,466,727
Grand Total	12,128,252,718	63,669,287	(108,445,860)	-	(1,823,363)	-	560,400	19,754,737	(296,809,792)	11,805,158,121

Change in Market Value

For Quarter Ended June 30, 2009

Fund Name	Market Value 3/31/2009	Contributions	Distributions	Interfund Transfers	Fees	Asset re-allocation	Securities Lend. Income	Income	Gains- Real. & Unreal.	Market Value as of 6/30/09
By Asset Class										
Investment Pools Assets: *										
US Large Cap Active Pool	2,912,417,796	-	-	(281,826,098)	(1,400,830)	-	397,011	13,132,461	285,203,550	2,927,923,890
US Large Cap Index Pool	621,944,913	-	-	141,826,098	(98,690)	-	188,922	4,623,102	46,764,077	815,248,422
US Mid/Small Cap Pool	1,234,756,875	-	-	50,000,000	(577,100)	-	-	4,893,083	201,708,464	1,490,777,322
US Large Cap Active ETF Pool:	25,319,991	-	(868,036)	-	(2,500)	-	-	105,662	3,927,757	28,482,874
US Large Cap Index ETF Pool:	14,298,424	-	-	-	(1,750)	-	-	2,192,113	16,580,129	16,580,129
US Mid/Small Cap ETF Pool:	5,815,805	-	-	-	(1,600)	-	-	91,342	1,193,948	7,010,758
US Core Bonds Pool	1,686,156,955	-	-	(36,000,000)	(217,500)	-	316,240	19,663,251	(129,141,662)	1,538,802,040
Credit & Structured Finance	217,458,559	35,041	(2,010,285)	-	-	-	-	6,744,997	(1,350,583)	222,852,973
Non-US Developed Markets Pool	457,323,198	-	-	-	(212,650)	-	462,001	8,093,449	84,368,727	550,034,725
Non-US Emerging Markets Pool	321,502,608	-	-	-	(141,000)	-	20,697	4,521,506	133,685,093	459,588,904
Absolute Return Pool	1,439,001,495	-	-	-	-	-	-	239,676	32,921,545	1,472,162,716
Total investment pools	8,935,996,620	35,041	(2,878,321)	(126,000,000)	(2,653,620)	-	1,384,871	62,107,134	661,473,029	9,529,464,754
Fund-Specific Assets:										
Land Grant Permanent Fund: **										
Cash and accruals	228,406,741	62,818,689	(130,380,249)	60,000,000	(1,117,989)	(48,301,400)	-	283,854	-	171,709,646
Economically Targeted Investments (ETI's)	12,681	-	-	-	-	(3,442)	-	292	-	9,531
Private Equity	829,889,547	-	-	-	-	30,059,020	-	1,659,073	(107,950,949)	753,656,691
Stock Distributions/Private Equity	737,167	-	-	-	-	(55,919)	-	-	302,279	983,527
Real Estate	373,064,571	-	-	-	-	18,301,742	-	647,518	(84,880,703)	307,133,128
Severance Tax Permanent Fund: **										
Cash and accruals	27,616,389	30,119,536	(47,823,120)	66,000,000	(469,305)	(20,618,876)	-	472,872	-	55,297,496
Economically Targeted Investments (ETI's)	171,193,024	-	-	-	-	(8,442,854)	-	146,490	(120,855)	162,775,805
Private Equity	575,725,296	-	-	-	-	20,584,480	-	811,356	(71,759,924)	525,361,208
Stock Distributions/Private Equity	538,051	-	-	-	-	22,666	-	-	180,965	741,682
University Equities	6,159,514	-	-	-	-	-	-	15,020	366,112	6,540,646
Real Estate	192,388,907	-	-	-	-	8,454,583	-	403,726	(43,962,136)	157,285,080
Tobacco Settlement Permanent Fund: **										
Cash and accruals	48,374,137	45,632,016	(48,856,384)	-	-	-	-	85,343	-	45,235,112
Water Fund										
Cash and accruals	11,884,010	-	-	-	-	-	-	12,232	-	11,896,242
Unemployment Trust Fund										
Cash and accruals	58,174,137	18,825,920	-	-	-	-	-	67,515	-	77,067,572
Grand Totals	11,460,160,802	157,431,202	(229,938,074)	1	(4,240,914)	(1)	1,384,871	66,712,425	353,647,818	11,805,158,121

* Detail by investment manager presented on the following two pages.

** The assets listed for each permanent fund on the schedule do not include investments in the equity and bond pools. The permanent funds' investments in the equity and bond pools are included in the pool totals along with all of the other investors and are specifically allocated to each investor on the succeeding pages of this report. The cash, bonds, private equity, and distributions from private equity listed here are held individually in each permanent fund. Total allocation for each fund is listed on the next page of this report.

Change in Market Value

For Quarter Ended June 30, 2009

Fund Name	Market Value 3/31/2009	Contributions	Distributions	Interfund Transfers	Asset re-allocation	Securities Lend. Income	Income	Gains- Reel. & Unreal.	Market Value as of 6/30/09
Investment Pools Detail by Manager (Benchmark):									
US Large Cap Active Pool:									
SIC Managed Large Cap Active (S&P 500 Index)	842,581,099	-	-	100,000,000	(249,200)	397,011	3,733,630	133,052,309	1,079,514,849
Davis Skaggs Citigroup (S&P 500 Index)	261,829,164	-	-	-	(181,100)	-	1,032,013	79,245,705	341,925,782
Denali Advisors (Russell 1000 Value Index)	146,728,907	-	-	-	(113,500)	-	993,451	21,960,693	169,589,551
Carrel (S&P 500 Index)	173,957,740	-	-	-	(89,600)	-	1,219,118	24,275,155	199,362,413
Hester Capital (S&P 500 Index)	206,150,277	-	-	-	(128,600)	-	919,274	29,957,749	236,898,700
Simms Capital (Russell 1000 Growth Index)	169,746,923	-	-	-	(98,200)	-	587,077	20,926,370	191,162,170
Thornburg Investment (S&P 500 Index)	303,386,531	-	-	-	(169,200)	-	1,894,452	83,369,516	388,481,299
Lombard Capital (Russell 1000 Value Index)	311,296,253	-	-	-	(197,800)	-	2,386,613	40,681,790	354,166,856
Total externally managed US Large Cap Active fund	1,573,095,799	-	-	-	(978,000)	-	9,031,998	300,436,978	1,881,566,770
Sub - Total US Large Cap Active Pool	2,415,676,898	-	-	100,000,000	(1,227,200)	397,011	12,765,628	433,489,287	2,961,101,619
US Large Cap Index Pool:									
SIC Large Cap Active Derivatives	496,753,168	-	-	(381,826,098)	(185,900)	-	366,833	-	115,108,003
SIC Large Cap Active Derivatives - Margin	(12,270)	-	-	-	12,270	-	-	(148,285,737)	(148,285,737)
Total internally managed US Large Cap Active Deriv	496,740,898	-	-	(381,826,098)	(173,630)	-	366,833	(148,285,737)	(33,177,734)
Total US Large Cap Active Pool	2,912,417,796	-	-	(281,826,098)	(1,400,830)	397,011	13,132,461	285,203,550	2,927,923,890
US Large Cap Index Pool:									
SIC Managed Large Cap Index (S&P 500 Index)	519,326,277	-	-	244,000,000	(71,000)	188,922	4,547,305	76,895,698	844,887,202
Sub -Total US Large Cap Index Pool	519,326,277	-	-	244,000,000	(71,000)	188,922	4,547,305	76,895,698	844,887,202
US Large Cap Index Derivatives									
SIC Large Cap Index Derivatives	102,627,346	-	-	(102,173,902)	(36,400)	-	75,797	-	492,841
SIC Large Cap Index Derivatives - Margin	(8,710)	-	-	-	8,710	-	-	(30,131,621)	(30,131,621)
Total internally managed US Large Cap Index Deriv	102,618,636	-	-	(102,173,902)	(27,690)	-	75,797	(30,131,621)	(29,638,780)
Total US Large Cap Index Pool	621,944,913	-	-	141,826,098	(98,690)	188,922	4,623,102	46,764,077	815,248,422
US Mid/Small Cap Pool:									
SIC Managed Mid Cap Index (Russell 2500 Value Index)	245,823,321	-	-	-	(71,900)	-	123,286	31,803,544	277,678,251
Beckman Capital (Russell 2500 Value Index)	221,852,816	-	-	50,000,000	(90,800)	-	288,237	37,734,589	309,784,842
Earnest Partners Mid/Small (Russell 2500 Value Index)	96,473,472	-	-	-	(47,700)	-	490,498	14,840,646	111,756,916
Earnest Partners Mid Cap (S&P 400 Index)	246,263,858	-	-	-	(110,700)	-	1,382,348	53,340,693	300,876,199
First Quadrant (S&P 400 Index)	317,794,986	-	-	-	(189,100)	-	1,901,461	44,664,342	364,171,689
Fox Asset (Russell 2500 Value Index)	106,548,422	-	-	-	(66,900)	-	703,253	19,324,650	126,509,425
Total externally managed Mid/Small Cap funds	988,933,554	-	-	50,000,000	(505,200)	-	4,765,797	169,904,920	1,213,099,071
Total Mid/Small Cap Pool	1,234,756,875	-	-	50,000,000	(577,100)	-	4,889,083	201,708,464	1,490,777,322
US Large Cap Active ETF Pool:									
US Large Cap Active ETF Pool:	25,319,991	-	(868,036)	-	(2,500)	-	105,662	3,927,757	28,482,874
US Large Cap Index ETF Pool:									
US Large Cap Index ETF Pool:	14,298,424	-	-	-	(1,750)	-	91,342	2,192,113	16,580,129
US Mid/Small Cap ETF Pool:									
US Mid/Small Cap ETF Pool:	5,815,805	-	-	-	(1,600)	-	2,605	1,193,948	7,010,758
Total US Equities in Investment Pools	4,215,194,270	-	-	394,000,000	(1,878,650)	585,933	22,295,963	715,479,510	5,320,357,029
US Core Bonds Pool (SIC Managed):									
US Core Bonds Pool (Lehman Aggregate Bond Index)	1,686,156,955	35,041	(2,010,285)	(36,000,000)	(217,500)	316,240	19,663,251	(5,366,061)	1,662,577,641
Total US Core Bonds Pool	1,686,156,955	35,041	(2,010,285)	(36,000,000)	(217,500)	316,240	19,663,251	(123,775,601)	1,538,802,040
Credit & Structured Finance									
Cash	49,553,118	-	-	11,612,094	-	-	39,289	19,353	61,223,854
Equity LP Interests	167,905,443	-	-	(11,612,094)	-	-	6,705,708	(1,369,936)	161,629,121
Total CDO Equity Pool	217,458,561	-	-	-	-	-	6,744,997	(1,350,583)	222,852,975
Total Fixed Income in Investment Pools	1,903,615,516	35,041	(2,010,285)	(36,000,000)	(217,500)	316,240	26,408,248	(130,492,245)	1,761,655,015

Change in Market Value

For Quarter Ended June 30, 2009

Fund Name	Market Value 3/31/2009	Contributions	Distributions	Interfund Transfers	Fees	Asset re-allocation	Securities Lend. Income	Income	Gains- Real. & Unreal.	Market Value as of 6/30/09
Investment Pools Detail by Manager (Benchmark) (continued):										
Absolute Return										
K2 Advisors, LLC	50,745,331	-	-	-	-	-	-	-	1,536,408	52,281,739
Circle T Explorer, LP	86,685,421	-	-	-	-	-	-	-	7,946,774	94,632,195
Cash Account	224,067,412	-	-	14,386,399	-	3,800,113	-	239,481	-	242,493,405
Benchmark Plus Inst.	12,813,963	-	-	-	-	-	-	-	(3,276,757)	9,537,206
Austin Capital	181,266,356	-	-	(8,586,326)	-	-	-	-	6,543,771	179,223,801
Crestline	189,195,034	-	-	-	-	-	-	-	2,968,305	192,163,339
Crestline Offshore Recovery	7,500,000	-	-	-	-	-	-	-	(98,357)	7,401,643
Mariner Select LP	101,802,981	-	-	-	-	-	-	-	4,447,361	106,250,342
Entrust	23,542,700	-	-	-	-	-	-	-	1,352,138	24,894,838
Altair Stars LP	43,631,338	-	-	-	-	-	-	-	654,153	44,285,491
CT Preferred LP	39,852,767	-	-	-	-	(3,753,000)	-	-	1,156,453	37,256,220
Tag Offshore	97,312,987	-	-	-	-	-	-	-	2,564,304	99,877,291
HFV Multi Strategie, LTD	46,911	-	-	-	-	(46,911)	-	-	-	-
EIM	99,645,326	-	-	-	-	-	-	-	3,137,378	102,782,704
Optima	7	-	-	-	-	(7)	-	-	-	-
Vintage - HFVMS	133,268,124	-	-	(5,800,073)	-	(195)	-	195	2,779,334	130,247,385
K2 - Alternative	47,070,744	-	-	-	-	-	-	-	(191,994)	46,878,750
Guggenheim	100,554,094	-	-	-	-	-	-	-	1,402,274	101,956,368
Total Hedge Funds	1,439,001,495	-	-	-	-	-	-	239,676	32,921,545	1,472,162,716
Total US Assets in Investment Pools	7,557,811,281	35,041	(2,010,285)	358,000,000	(2,096,150)	0	902,173	48,943,887	617,908,810	8,554,174,761
Non-US Developed Markets Pool (externally managed):										
AllianceBernstein (MSCI - EAFE Index)	352,864,763.10	-	-	-	(155,000)	-	482,001	6,286,376	81,495,176	440,953,316
Jarislowsky Fraser (MSCI - EAFE Index)	488,505	-	-	-	-	-	-	1,083	587	490,175
Simm's Capital (MSCI - EAFE Index)	103,966,175	-	-	-	(57,650)	-	-	1,805,987	18,365,801	124,080,313
Non US SIC Managed	3,755	-	-	-	-	-	-	3	14	3,772
Securities Lending Value Adjustment	-	-	-	-	-	-	-	-	(15,492,851)	(15,492,851)
Total Non-US Developed Markets Pool	457,323,198	-	-	-	(212,650)	-	482,001	8,093,449	84,368,727	550,034,725
Non-US Emerging Markets Pool (externally managed):										
AllianceBernstein (MSCI Emerg Mkts Free Index)	321,502,608	-	-	-	(141,000)	-	20,697	4,521,506	137,058,381	462,962,192
Securities Lending Value Adjustment	-	-	-	-	-	-	-	-	(3,373,288)	(3,373,288)
Total Non-US Emerging Markets Pool	321,502,608	-	-	-	(141,000)	-	20,697	4,521,506	133,685,093	459,588,904
Total Non-US Equities in Investment Pools	778,825,806	-	-	-	(353,650)	-	482,698	12,614,955	218,053,820	1,009,623,629
Total Internally Managed Assets	3,938,661,406	35,041	(2,878,321)	(176,000,000)	(816,770)	-	902,173	28,709,711	(58,493,651)	3,730,139,589
Total Externally Managed Assets	4,997,315,215	-	-	50,000,000	(1,836,850)	-	482,698	33,397,423	719,966,680	5,799,325,161
Total Assets in Investment Pools	8,935,996,621.43	35,041	(2,878,321)	(126,000,000)	(2,653,620)	-	1,384,871	62,107,134	661,473,029	9,529,464,750

Change in Market Value

For Quarter Ended June 30, 2009

Fund Name	Market Value 3/31/2009	Contributions	Distributions	Interfund Transfers	Fees	Asset re-allocation	Securities Lend. Income	Income	Gains-Real. & Unreal.	Market Value as of 6/30/09
Permanent Funds:										
Land Grant Permanent Fund:										
Cash and accruals	228,406,727	62,818,689	(130,380,249)	60,000,000	(1,117,989)	(48,301,400)	-	283,854	-	171,709,632
Economically Targeted Investments (ETI's)	12,681	-	-	-	-	(3,442)	-	292	-	9,531
Private Equity	829,889,547	-	-	-	-	30,059,020	-	1,659,073	(107,950,949)	753,666,691
Stock Distributions/Private Equity	737,167	-	-	-	-	(55,919)	-	-	302,279	983,527
Real Estate	373,064,571	-	-	-	-	18,301,742	-	647,518	(84,880,703)	307,133,128
Hedge Funds	1,014,901,586	-	-	-	-	-	-	169,039	23,218,951	1,038,289,576
US Large Cap Active Pool	1,979,862,271	-	-	(194,746,159)	(951,467)	-	269,738	8,922,369	193,947,599	1,987,304,351
US Large Cap Index ETF Pool	442,409,834	-	-	99,122,831	(70,077)	-	134,191	3,283,488	33,293,424	578,173,691
US Mid/Small Cap Pool	849,760,541	-	-	35,623,328	(397,705)	-	-	3,369,287	139,006,372	1,027,361,823
US Large Cap Active ETF Pool:	2,088,574	-	-	-	(214)	-	-	9,025	335,491	2,432,876
US Large Cap Index ETF Pool:	1,553,433	-	-	-	(189)	-	-	9,924	238,159	1,801,327
US Mid/Small Cap ETF Pool:	1,212,839	-	-	-	(333)	-	-	543	248,988	1,462,037
US Core Bonds Pool	1,356,390,975	-	-	-	(177,920)	-	258,563	16,092,515	(106,206,682)	1,266,357,471
Credit & Structured Finance	151,501,529	-	-	-	-	-	-	4,699,214	(940,946)	155,259,797
Non-US Developed Markets Pool	283,782,324	-	-	-	(131,955)	-	286,685	5,022,219	52,353,236	341,312,509
Non-US Emerging Markets Pool	208,748,766	-	-	-	(91,550)	-	13,438	2,935,773	86,800,540	298,406,967
Total - Land Grant Permanent Fund	7,724,323,365	62,818,689	(130,380,249)	-	(2,939,399)	1	962,635	47,104,133	229,765,759	7,931,654,969
Severance Tax Permanent Fund:										
Cash and accruals	27,616,405	30,119,536	(47,823,120)	66,000,000	(469,305)	(20,618,876)	-	472,872	-	55,297,512
Economically Targeted Investments (ETI's)	171,193,024	-	-	-	-	(8,442,854)	-	146,490	(120,855)	162,775,805
Private Equity	575,725,296	-	-	-	-	20,584,480	-	811,356	(71,759,924)	525,361,208
Stock Distributions/Private Equity	538,050	-	-	-	-	22,666	-	-	180,965	741,681
University Equities	6,159,514	-	-	-	-	8,454,583	-	15,020	366,112	6,540,646
Real Estate	192,388,907	-	-	-	-	-	-	403,726	(43,962,136)	157,285,080
Hedge Funds	412,413,554	-	-	-	-	-	-	68,691	9,435,206	421,917,451
US Large Cap Active Pool	849,334,128	-	-	(87,079,939)	(407,303)	-	115,397	3,816,869	83,170,533	848,949,685
US Large Cap Index Pool	129,570,473	-	-	42,703,267	(21,157)	-	40,361	990,525	9,163,214	182,446,683
US Mid/Small Cap Pool	357,542,542	-	-	14,376,672	(167,062)	-	-	1,415,322	58,391,788	431,559,262
US Core Bonds Pool	46,298,323	-	-	(36,000,000)	(2,643)	-	3,969	229,661	(892,845)	9,636,465
Credit & Structured Finance	65,955,551	-	-	-	-	-	-	2,045,783	(409,637)	67,591,697
Non-US Developed Markets Pool	137,979,883	-	-	-	(64,159)	-	139,391	2,441,890	25,455,050	165,952,055
Non-US Emerging Markets Pool	101,170,804	-	-	-	(44,370)	-	6,513	1,422,833	42,068,185	144,623,965
Total - Severance Tax Permanent Fund	3,073,686,454	30,119,536	(47,823,120)	-	(1,175,999)	(1)	305,631	14,281,038	111,085,656	3,180,679,195
Tobacco Settlement Permanent Fund										
Cash and accruals	48,374,137	45,632,016	(48,856,384)	-	-	-	-	85,343	-	45,235,112
Hedge Funds	8,359,893	-	-	-	-	-	-	1,393	191,257	8,552,543
US Large Cap Active Pool	19,112,837	-	-	-	(9,660)	-	2,728	90,309	1,856,921	21,053,135
US Large Cap Index Pool	3,511,114	-	-	-	(523)	-	1,009	24,531	302,684	3,838,815
US Mid/Small Cap Pool	6,697,440	-	-	-	(3,009)	-	-	25,487	1,051,506	7,771,424
US Core Bonds Pool	29,245,759	-	-	-	(3,837)	-	5,575	346,977	(2,289,969)	27,304,505
Non-US Developed Markets Pool	3,930,763	-	-	-	(1,828)	-	3,971	69,565	725,163	4,727,634
Non-US Emerging Markets Pool	1,727,012	-	-	-	(758)	-	111	24,288	718,115	2,468,768
Total - Tobacco Settlement Permanent Fund	120,958,955	45,632,016	(48,856,384)	-	(19,615)	-	13,384	667,893	2,555,677	120,951,936
Water Permanent Fund										
Cash and accruals	11,884,010	-	-	-	-	-	-	12,232	-	11,896,242
Hedge Funds	3,327,593	-	-	-	-	-	-	555	76,128	3,404,276
US Large Cap Active Pool	10,261,729	-	-	-	(5,186)	-	1,464	48,487	996,985	11,303,479
US Mid/Small Cap Pool	3,000,391	-	-	-	(1,348)	-	-	11,419	471,065	3,481,527
US Core Bonds Pool	13,090,566	-	-	-	(1,717)	-	2,495	155,309	(1,025,004)	12,221,649
Non-US Developed Markets Pool	1,604,032	-	-	-	(745)	-	1,620	28,388	295,918	1,929,213
Non-US Emerging Markets Pool	772,235	-	-	-	(338)	-	49	10,862	321,114	1,103,922
Total - Water Permanent Fund	43,940,556	-	-	-	(9,334)	-	5,628	287,252	1,136,206	45,340,308
Unemployment Trust Fund										
Cash and accruals	58,174,136	18,825,920	-	-	-	-	-	67,515	-	77,067,571
Total Permanent Funds	11,021,263,466	157,396,161	(227,059,753)	-	(4,144,347)	-	1,287,288	62,387,831	344,543,298	11,355,693,944

SIC June 09 Package
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Change in Market Value

For Quarter Ended June 30, 2009

Fund Name	Market Value 3/31/2009	Contributions	Distributions	Interfund Transfers	Fees	Asset re-allocation	Securities Lend. Income	Income	Gains- Real. & Unreal.	Market Value as of 6/30/09
Third Party Investors:										
NMMI Trust Scholarship										
Investment in US Large Cap Index Pool	1,151,324	-	-	-	(171)	-	331	8,044	99,252	1,258,780
Investment in US Mid/Small Cap Pool	274,692	-	-	-	(124)	-	-	1,045	43,126	318,739
Investment in US Core Bonds Pool	1,442,568	-	-	-	(190)	-	274	17,115	(112,957)	1,346,810
Investment in Non-US Developed Markets Pool	281,243	-	-	-	(132)	-	284	4,978	51,886	338,259
Investment in Non-US Emerging Markets Pool	60,471	-	-	-	(27)	-	4	850	25,138	86,436
	3,210,298	-	-	-	(644)	-	893	32,032	106,445	3,349,024
NMMI Legislative Scholarship										
Investment in US Large Cap Index Pool	1,504,094	-	-	-	(225)	-	432	10,514	129,731	1,644,546
Investment in US Mid/Small Cap Pool	357,197	-	-	-	(161)	-	-	1,360	56,108	414,504
Investment in US Core Bonds Pool	2,216,678	-	-	-	(291)	-	422	26,289	(173,499)	2,069,599
Investment in Non-US Developed Markets Pool	367,049	-	-	-	(171)	-	371	6,502	67,777	441,528
Investment in Non-US Emerging Markets Pool	87,777	-	-	-	(39)	-	6	1,235	36,520	125,499
	4,532,795	-	-	-	(887)	-	1,231	45,900	116,637	4,695,676
NMMI Patterson Account										
Investment in US Large Cap Index Pool	895,590	-	-	-	(134)	-	258	6,258	77,207	979,179
Investment in US Mid/Small Cap Pool	213,844	-	-	-	(96)	-	-	814	33,575	248,137
Investment in US Core Bonds Pool	1,316,847	-	-	-	(173)	-	251	15,623	(103,109)	1,229,439
Investment in Non-US Developed Markets Pool	218,809	-	-	-	(101)	-	221	3,873	40,368	263,170
Investment in Non-US Emerging Markets Pool	47,003	-	-	-	(20)	-	3	662	19,554	67,202
	2,692,093	-	-	-	(524)	-	733	27,230	67,595	2,787,127
NMIMT Employee Benefit Trust										
Investment in US Large Cap Active ETF Pool	224,151	-	-	-	(23)	-	-	968	36,006	261,102
Investment in US Large Cap Index ETF Pool	258,991	-	-	-	(33)	-	-	1,655	39,707	300,320
Investment in US Mid/Small Cap ETF Pool	50,866	-	-	-	(14)	-	-	24	10,443	61,319
Investment in US Core Bonds Pool	351,403	-	-	-	(45)	-	68	4,169	(27,515)	328,080
Investment in Non-US Developed Markets Pool	48,884	-	-	-	(23)	-	50	865	9,018	58,794
	934,295	-	-	-	(138)	-	118	7,681	67,659	1,009,615
NMIMT Plant/Debt/Allocated Fund										
Investment in US Core Bonds Pool	10,596,751	-	-	-	(1,390)	-	2,020	125,721	(829,735)	9,893,367
	10,596,751	-	-	-	(1,390)	-	2,020	125,721	(829,735)	9,893,367
NMIMT Endowment Fund										
Investment in US Large Cap Active ETF Pool	6,475,979	-	-	-	(662)	-	-	27,984	1,040,247	7,543,548
Investment in US Core Bonds Pool	8,843,772	-	-	-	(1,160)	-	1,686	104,925	(692,475)	8,256,748
	15,319,751	-	-	-	(1,822)	-	1,686	132,909	347,772	15,800,296
NM Tech Research Fund										
Investment in US Large Cap Active ETF Pool	6,750,816	-	-	-	(691)	-	-	29,171	1,084,395	7,863,691
Investment in US Core Bonds Pool	4,779,481	-	-	-	(627)	-	911	56,705	(374,240)	4,462,230
	11,530,296.83	-	-	-	(1,318)	-	911	85,876	710,155	12,325,921
NM School for the Blind and Visually Impaired										
Investment in US Core Bonds Pool	8,105,190	-	-	-	(1,063)	-	1,545	96,162	(634,645)	7,567,189
	8,105,190	-	-	-	(1,063)	-	1,545	96,162	(634,645)	7,567,189
NM Retiree Health Care Authority										
Investment in US Large Cap Active Pool	23,084,978	-	-	-	(11,667)	-	3,294	109,078	2,242,836	25,428,519
Investment in US Large Cap Index Pool	21,961,221	-	-	-	(3,278)	-	6,316	153,433	1,893,217	24,010,909
Investment in US Mid/Small Cap Pool	4,915,464	-	-	-	(2,208)	-	-	18,705	771,733	5,703,694
Investment in US Core Bonds Pool	56,354,784	-	-	-	(7,392)	-	10,744	688,602	(4,412,613)	52,614,125
Investment in Non-US Developed Markets Pool	19,087,821	-	-	-	(8,876)	-	19,283	337,805	3,521,393	22,957,426
Investment in Non-US Emerging Markets Pool	4,029,609	-	-	-	(1,767)	-	259	56,671	1,675,574	5,760,346
	129,433,877	-	-	-	(35,188)	-	39,896	1,344,294	5,692,140	136,475,019

Change in Market Value

For Quarter Ended June 30, 2009

Fund Name	Market Value 3/31/2009	Contributions	Distributions	Interfund Transfers	Fees	Asset re-allocation	Securities Lend. Income	Income	Gains- Real. & Unreal.	Market Value as of 6/30/09
NM Comm. of Public Lands-O&G										
Investment in US Large Cap Active ETF Pool	1,913,704	-	-	-	-	(195)	-	8,270	307,400	2,229,179
Investment in US Large Cap Active Pool	2,314,994	-	-	-	(1,171)	-	330	10,939	224,913	2,550,005
Investment in US Core Bonds Pool	6,109,049	-	-	-	(802)	-	1,165	72,479	(478,344)	5,703,547
	10,337,747	-	-	-	(2,168)	-	1,495	91,688	53,969	10,482,731
NM Game and Fish Department										
Investment in US Large Cap Active ETF Pool	249,613	-	-	-	-	(26)	-	1,078	40,096	290,761
Investment in US Large Cap Index ETF Pool	67,406	-	-	-	(19)	-	-	31	13,837	81,255
Investment in US Mid/Small Cap ETF Pool	311,992	-	-	-	(41)	-	60	3,702	(24,429)	291,284
Investment in US Core Bonds Pool	36,436	-	-	-	(16)	-	37	645	6,722	43,824
Investment in Non-US Developed Markets Pool	27,566	-	-	-	(12)	-	1	387	11,459	39,401
Investment in Non-US Emerging Markets Pool	693,012	-	-	-	(114)	-	98	5,843	47,685	746,524
Eastern NM University										
Investment in US Large Cap Active ETF Pool	983,501	-	-	-	(100)	-	-	4,250	157,981	1,145,632
Investment in US Large Cap Index ETF Pool	1,609,240	-	-	-	(196)	-	-	10,280	248,716	1,866,040
Investment in US Mid/Small Cap ETF Pool	776,465	-	-	-	(213)	-	-	348	159,403	936,003
Investment in US Core Bonds Pool	2,173,886	-	-	-	(285)	-	415	25,791	(170,218)	2,029,589
Investment in Non-US Developed Markets Pool	650,243	-	-	-	(302)	-	657	11,507	119,957	782,062
Investment in Non-US Emerging Markets Pool	83,514	-	-	-	(36)	-	5	1,174	34,722	119,379
	6,276,849	-	-	-	(1,132)	-	1,077	53,350	548,561	6,878,705
ISC-Improvement to the Rio Grande										
Investment in US Large Cap Active Pool	373,901	-	-	-	(190)	-	54	1,766	36,328	411,859
Investment in US Core Bonds Pool	576,540	-	-	-	(75)	-	110	6,841	(45,144)	538,272
	950,441	-	-	-	(265)	-	164	8,607	(8,816)	950,131
ISC-Irrigation Works Construction										
Investment in US Large Cap Active Pool	5,712,366	-	-	-	(2,887)	-	815	26,991	554,988	6,292,273
Investment in US Core Bonds Pool	6,034,285	-	-	-	(792)	-	1,151	71,592	(472,490)	5,633,746
	11,746,651.00	-	-	-	(3,679)	-	1,966	98,583	82,498	11,926,019
City of Albuquerque--Open Space Mgmt. Fund										
Investment in US Core Bonds Pool	25,465,891	-	-	-	(3,341)	-	4,855	302,133	(1,994,003)	23,775,535
	25,465,891	-	-	-	(3,341)	-	4,855	302,133	(1,994,003)	23,775,535
City of Albuquerque--Urban Enhance. Tr. Fund										
Investment in US Core Bonds Pool	7,216,976	-	-	-	(947)	-	1,376	85,624	(565,095)	6,737,934
	7,216,976	-	-	-	(947)	-	1,376	85,624	(565,095)	6,737,934
PRC Patients' Comp Fund										
Investment in US Large Cap Active ETF Pool	3,357,155	-	-	-	(343)	-	-	14,507	539,265	3,910,584
Investment in US Large Cap Index ETF Pool	1,346,205	-	-	-	(166)	-	-	8,600	206,388	1,561,027
Investment in US Mid/Small Cap ETF Pool	1,354,208	-	-	-	(373)	-	-	606	278,011	1,632,452
Investment in US Core Bonds Pool	20,666,004	-	-	-	(2,710)	-	3,940	245,185	(1,618,166)	19,294,253
Investment in Non-US Developed Markets Pool	656,100	-	-	-	(305)	-	663	11,612	121,049	789,119
Investment in Non-US Emerging Markets Pool	356,836	-	-	-	(157)	-	22	5,018	148,377	510,096
	27,736,508	-	-	-	(4,054)	-	4,625	285,528	(325,076)	27,697,531
LACCIPPERMANENT										
Investment in US Large Cap Active Pool	3,229,641	-	-	-	(1,632)	-	460	15,261	313,777	3,557,507
Investment in US Large Cap Index Pool	3,142,425	-	-	-	(469)	-	904	21,984	271,256	3,436,100
Investment in US Mid/Small Cap Pool	2,206,750	-	-	-	(991)	-	-	36,168	(238,695)	2,560,620
Investment in US Core Bonds Pool	3,048,423	-	-	-	(399)	-	580	26,346	274,638	1,790,496
Investment in Non-US Developed Markets Pool	1,488,700	-	-	-	(692)	-	1,504	10,308	304,792	1,047,876
Investment in Non-US Emerging Markets Pool	733,050	-	-	-	(322)	-	48	118,464	1,272,232	15,238,676
	13,848,987	-	-	-	(4,505)	-	3,496	118,464	1,272,232	15,238,676

Change in Market Value For Quarter Ended June 30, 2009

Fund Name	Market Value 3/31/2009	Contributions	Distributions	Interfund Transfers	Fees	Asset re-allocation	Securities Lend. Income	Income	Gains- Real. & Unreal.	Market Value as of 6/30/09
LACCCEMETERY										
Investment in US Large Cap Active Pool	100,698	-	-	-	(50)	-	15	476	9,785	110,924
Investment in US Large Cap Index Pool	98,091	-	-	-	(15)	-	28	685	8,457	107,246
Investment in US Mid/Small Cap Pool	68,785	-	-	-	(31)	-	-	262	10,803	79,819
Investment in US Core Bonds Pool	94,871	-	-	-	(12)	-	13	1,128	(7,442)	88,558
Investment in Non-US Developed Markets Pool	46,410	-	-	-	(22)	-	47	822	8,564	55,821
Investment in Non-US Emerging Markets Pool	22,873	-	-	-	(9)	-	1	321	9,508	32,694
	431,727	-	-	-	(139)	-	104	3,694	39,675	475,061
LACGENFUN										
Investment in US Large Cap Active Pool	2,245,586	-	-	-	(1,135)	-	320	10,611	218,170	2,473,562
Investment in US Large Cap Index Pool	2,184,993	-	-	-	(326)	-	629	15,285	188,605	2,389,186
Investment in US Mid/Small Cap Pool	1,534,377	-	-	-	(690)	-	-	5,839	240,898	1,780,424
Investment in US Core Bonds Pool	2,119,588	-	-	-	(278)	-	403	25,148	(165,965)	1,978,906
Investment in Non-US Developed Markets Pool	1,035,091	-	-	-	(481)	-	1,046	18,319	190,956	1,244,931
Investment in Non-US Emerging Markets Pool	509,719	-	-	-	(223)	-	33	7,168	211,930	728,627
	9,629,374.64	-	-	-	(3,133)	-	2,431	82,370	884,594	10,595,637
NMPSIA - Benefits										
Investment in US Large Cap Index ETF Pool	5,528,815	-	-	-	(677)	-	-	35,320	847,632	6,411,090
Investment in US Mid/Small Cap ETF Pool	1,300,237	-	-	-	(357)	-	-	583	266,931	1,567,394
Investment in US Core Bonds Pool	6,573,961	-	-	-	(862)	-	1,253	77,995	(514,748)	6,137,599
Investment in Non-US Developed Markets Pool	684,443	-	-	-	(318)	-	691	12,112	126,269	823,197
Investment in Non-US Emerging Markets Pool	980,837	-	-	-	(430)	-	63	13,795	407,853	1,402,118
	15,088,302	-	-	-	(2,644)	-	2,007	139,805	1,133,937	16,341,407
NMPSIA - Risk										
Investment in US Large Cap Index ETF Pool	3,685,856	-	-	-	(450)	-	-	23,546	585,084	4,274,036
Investment in US Mid/Small Cap ETF Pool	866,820	-	-	-	(239)	-	-	389	177,953	1,044,923
Investment in US Core Bonds Pool	4,382,711	-	-	-	(575)	-	835	51,998	(343,172)	4,091,797
Investment in Non-US Developed Markets Pool	456,302	-	-	-	(212)	-	460	8,075	84,180	548,805
Investment in Non-US Emerging Markets Pool	653,878	-	-	-	(286)	-	42	9,196	271,895	934,725
	10,045,571	-	-	-	(1,762)	-	1,337	93,204	755,940	10,894,290
NMHU Endowment Fund										
Investment in US Large Cap Active ETF Pool	316,561	-	-	-	(33)	-	-	1,368	50,849	368,745
Investment in US Large Cap Index ETF Pool	304,293	-	-	-	(37)	-	-	1,943	46,650	352,849
Investment in US Mid/Small Cap ETF Pool	166,672	-	-	-	(45)	-	-	75	34,216	200,918
Investment in US Core Bonds Pool	743,337	-	-	-	(98)	-	141	8,820	(58,212)	693,988
Investment in Non-US Developed Markets Pool	107,055	-	-	-	(49)	-	107	1,896	19,752	128,761
Investment in Non-US Emerging Markets Pool	58,288	-	-	-	(26)	-	4	821	24,302	83,389
	1,696,221	-	-	-	(288)	-	252	14,923	117,557	1,828,665
Springer School District										
Investment in US Large Cap Active ETF Pool	7,825	-	-	-	-	-	-	34	1,256	9,115
Investment in US Large Cap Index ETF Pool	11,586	-	-	-	(2)	-	-	74	1,776	13,434
Investment in US Mid/Small Cap ETF Pool	20,294	-	-	-	(5)	-	-	9	4,166	24,464
Investment in US Core Bonds Pool	25,352	-	-	-	(3)	-	5	301	(1,986)	23,669
Investment in Non-US Developed Markets Pool	18,769	-	-	-	(9)	-	19	330	3,434	22,543
Investment in Non-US Emerging Markets Pool	17,091	-	-	-	(8)	-	1	242	7,181	24,507
	100,915	-	-	-	(27)	-	25	990	15,827	117,730
NMFA General Fund										
Investment in US Large Cap Active ETF Pool	2,084,083	-	-	-	(213)	-	-	9,006	334,771	2,427,647
Investment in US Core Bonds Pool	15,161,109	-	-	-	(1,989)	-	2,890	179,875	(1,187,129)	14,154,756
	17,245,192	-	-	-	(2,202)	-	2,890	188,881	(852,358)	16,582,403

Change in Market Value
For Quarter Ended June 30, 2009

Fund Name	Market Value 3/31/2009	Contributions	Distributions	Interfund Transfers	Fees	Asset re-allocation	Securities Lend. Income	Income	Gains- Real. & Unreal.	Market Value as of 6/30/09
MMMFA IFT Housing Trust Fund										
Investment in US Core Bonds Pool	6,085,163	35,042	(188,353)	-	(790)	-	1,154	71,747	(465,359)	5,538,604
	6,085,163	35,042	(188,353)	-	(790)	-	1,154	71,747	(465,359)	5,538,604
MMMI LFC/VC Maint. Endowment										
Investment in US Large Cap Index Pool	994,379	-	-	-	(148)	-	286	6,942	85,652	1,087,111
Investment in US Mid/Small Cap Pool	237,618	-	-	-	(106)	-	-	904	37,282	275,698
Investment in US Core Bonds Pool	1,459,374	-	-	-	(192)	-	278	17,323	(114,331)	1,362,452
Investment in Non-US Developed Markets Pool	243,113	-	-	-	(113)	-	246	4,296	44,791	292,333
Investment in Non-US Emerging Markets Pool	51,978	-	-	-	(23)	-	3	730	21,591	74,279
	2,986,462	-	-	-	(582)	-	813	30,195	74,985	3,091,873
CYFD Trust Fund Non-Expendable										
Investment in US Large Cap Active Pool	105,668	-	-	-	(53)	-	15	500	10,266	116,396
Investment in US Core Bonds Pool	862,865	-	-	-	(113)	-	165	10,237	(67,563)	805,591
Investment in Non-US Developed Markets Pool	27,426	-	-	-	(14)	-	27	486	5,060	32,985
Investment in Non-US Emerging Markets Pool	5,824	-	-	-	(2)	-	-	82	2,423	8,327
	1,001,783	-	-	-	(182)	-	207	11,305	(49,814)	963,299
CYFD Next Generation Fund										
Investment in US Large Cap Active Pool	105,668	-	-	-	(53)	-	15	500	10,266	116,396
Investment in US Core Bonds Pool	862,865	-	-	-	(113)	-	165	10,237	(67,563)	805,591
Investment in Non-US Developed Markets Pool	27,426	-	-	-	(14)	-	27	486	5,060	32,985
Investment in Non-US Emerging Markets Pool	5,824	-	-	-	(2)	-	-	82	2,423	8,327
	1,001,783	-	-	-	(182)	-	207	11,305	(49,814)	963,299
NM Higher Education										
Investment in US Large Cap Active Pool	13,553,230	-	-	-	(6,850)	-	1,934	64,039	1,316,771	14,929,124
Investment in US Large Cap Index Pool	13,053,621	-	-	-	(1,949)	-	3,755	91,199	1,125,315	14,271,941
Investment in US Mid/Small Cap Pool	5,574,174	-	-	-	(2,504)	-	-	21,212	875,153	6,468,035
Investment in US Core Bonds Pool	35,329,236	-	-	-	(4,634)	-	6,735	419,153	(2,766,312)	32,984,178
Investment in Non-US Developed Markets Pool	3,405,450	-	-	-	(1,583)	-	3,440	60,268	628,248	4,095,823
Investment in Non-US Emerging Markets Pool	1,351,338	-	-	-	(593)	-	88	19,005	561,902	1,931,740
	72,267,049	-	-	-	(18,113)	-	15,952	674,876	1,741,077	74,680,841
City of Las Cruces										
Investment in US Large Cap Active Pool	3,019,820	-	-	-	(1,527)	-	432	14,269	293,393	3,326,387
Investment in US Large Cap Index Pool	1,462,320	-	-	-	(219)	-	420	10,217	126,062	1,598,800
Investment in US Mid/Small Cap Pool	2,373,152	-	-	-	(1,066)	-	-	9,031	372,588	2,753,705
Investment in US Core Bonds Pool	-	-	-	-	-	-	-	-	-	-
Investment in Non-US Developed Markets Pool	1,139,591	-	-	-	(530)	-	1,151	20,168	210,238	1,370,618
Investment in Non-US Emerging Markets Pool	-	-	-	-	-	-	-	-	-	-
	7,994,883	-	-	-	(3,342)	-	2,003	53,685	1,002,281	9,049,510
Total Third Party Investors	438,879,290	35,042	(2,878,322)	-	(96,565)	-	97,567	4,324,605	9,104,506	449,466,721
Grand Total	11,460,160,831	157,431,203	(229,938,075)	-	(4,240,912)	-	1,384,855	66,712,436	353,647,804	11,805,158,121

The New Mexico State Investment Office, through some of its various investment pools, participates in a Securities Lending program through a third party agent. This program involves the lending of various securities such as equities and U.S. Treasury, agency, or government sponsored enterprise (GSE) securities from the investment pool portfolios, in return for collateral. This collateral, most often received in the form of cash, is then reinvested.

Historically, the entry to record securities lending income is made as a monthly revenue entry to the participating pools, while an entry to reflect the loaned and collateral assets has been made as annual audit adjustment. In recent months, however, some of the investments in the Collateral portion of the Securities Lending program have experienced either extreme pricing pressure or even impairment.

Beginning with this June 2009 financial statement package and then with each monthly package following, the loaned and collateral assets will be included in the valuation of the net asset value of each participating investment pool. The valuation method and source are consistent with previous years' presentation.

New Mexico State Investment Council									
Preliminary Comparative Performance Report									
	Month Ending 30-Jun-09	Qtr Ending 30-Jun-09	Calendar YTD 30-Jun-09	1 Year Ending 30-Jun-09	3 Years Ending 30-Jun-09	5 Years Ending 30-Jun-09	10 Years Ending 30-Jun-09	Market Value Ending 30-Jun-09	
SIC Managed Large Cap Active (S&P 500)	2.1% (0.4%)	16.0% (1.3%)	11.3% (21.9%)	(21.9%) (4.6%)	(4.6%) (1.1%)	1.1% (0.1%)	(1.5%) n/a	\$ 1,079,514,849	
Davis Skaggs Citigroup (S&P 500)		30.7%	17.1%	(15.8%) (4.7%)	(4.7%) (0.1%)	(0.1%) (0.1%)	n/a	\$ 341,925,782	
Hester Capital (S&P 500)	1.1%	15.0%	7.7%	(23.1%) (5.3%)	(5.3%) (0.1%)	(0.1%) (0.1%)	n/a	\$ 236,898,700	
Carret Asset Management (S&P 500)	0.4%	14.7%	2.1%	(23.0%) (19.6%)	n/a (4.2%)	n/a (1.9%)	n/a	\$ 199,362,413	
Thornburg Investment (S&P 500)	1.7%	28.1%	18.4%	(19.6%) (30.5%)	(4.2%) (10.3%)	(0.9%) (0.8%)	n/a	\$ 388,481,299	
Denali Advisors (Russell 1000 Value)	(0.6%)	15.7%	(2.7%)	(30.5%) (25.1%)	(10.3%) (6.6%)	(0.9%) (0.8%)	n/a	\$ 169,589,551	
Lombardia Capital (Russell 1000 Value)	(1.1%)	13.8%	(3.4%)	(25.1%) (27.8%)	(6.6%) (6.8%)	(0.8%) (1.9%)	n/a	\$ 354,166,856	
Simms Capital (Russell 1000 Growth)	(0.6%)	12.7%	5.5%	(27.8%) (22.9%)	(6.8%) (6.1%)	(1.9%) (0.1%)	n/a	\$ 191,162,170	
Externally Managed US Large Cap Active Composite	0.1%	19.7%	7.3%	(22.9%) (22.5%)	(6.1%) (5.7%)	(0.1%) (0.1%)	n/a	\$ 1,881,586,771	
U.S. LARGE CAP ACTIVE POOL w/out DERIVATIVES	0.8%	18.4%	8.6%	(22.5%) (19.8%)	(5.7%) (3.0%)	0.1% (1.8%)	(2.0%) (1.1%)	\$ 2,961,101,620	
U.S. LARGE CAP ACTIVE POOL w/ DERIVATIVES	0.8%	15.7%	21.1%	(19.8%) (23.7%)	(3.0%) (4.6%)	1.8% (0.8%)	(1.1%) (1.6%)	\$ 3,076,209,623	
U.S. LARGE CAP ACTIVE POOL w/ DERIV + SEC LENDING	(4.0%)	10.1%	15.3%	(23.7%) (26.4%)	(4.6%) (2.9%)	0.8% n/a	(1.6%) n/a	\$ 2,927,923,886	
U.S. LARGE CAP ACTIVE ETF POOL	(0.1%)	16.5%	2.9%	(26.4%) (24.5%)	n/a (7.2%)	n/a (1.7%)	n/a (1.5%)	\$ 28,482,874	
U.S. LARGE CAP INDEX POOL w/out DERIVATIVES	0.2%	15.6%	3.3%	(24.5%) (22.5%)	(7.2%) (4.8%)	(1.7%) (0.1%)	(1.5%) (0.7%)	\$ 844,887,202	
U.S. LARGE CAP INDEX POOL w/ DERIVATIVES	0.2%	13.3%	15.3%	(22.5%) (25.2%)	(4.8%) (5.9%)	(0.1%) (0.8%)	(0.7%) (1.1%)	\$ 845,380,043	
U.S. LARGE CAP INDEX POOL w/ DERIV + SEC LENDING	(3.4%)	9.3%	11.2%	(25.2%) (26.2%)	(5.9%) (2.9%)	(0.8%) n/a	(1.1%) n/a	\$ 815,248,422	
U.S. LARGE CAP INDEX ETF POOL	0.0%	16.0%	2.9%	(26.2%) (20.4%)	n/a (3.4%)	n/a (1.4%)	n/a (0.9%)	\$ 16,580,129	
TOTAL LARGE CAP EQUITY COMPOSITE w/ DERIVATIVES	0.7%	15.3%	19.8%	(20.4%) (24.0%)	(3.4%) (4.9%)	1.4% (0.4%)	(0.9%) (1.4%)	\$ 3,966,652,669	
TOTAL LARGE CAP EQ COMP w/ DERIV + SEC LENDING	(3.9%)	10.1%	14.4%	(24.0%) (26.2%)	(4.9%) (8.2%)	0.4% (2.2%)	(1.4%) (2.2%)	\$ 3,788,235,311	
S&P 500	0.2%	15.9%	3.2%	(26.2%) (24.5%)	(8.2%) (5.4%)	(2.2%) (1.8%)	(2.2%) (4.2%)		
Russell 1000 Growth	1.1%	16.3%	11.5%	(24.5%) (29.0%)	(5.4%) (11.1%)	(1.8%) (2.1%)	(4.2%) (0.2%)		
Russell 1000 Value	(0.7%)	16.7%	(2.9%)	(29.0%) (32.3%)	(11.1%) (7.2%)	(2.1%) (1.5%)	(0.2%) n/a		
SIC Managed All Cap Active (Russell 2500)	0.5%	13.0%	3.8%	(32.3%) (29.8%)	(7.2%) (7.0%)	(1.5%) (2.8%)	n/a	\$ 277,678,251	
Earnest MID (S&P 400)	0.4%	22.2%	15.1%	(29.8%) (32.1%)	(7.0%) (8.4%)	2.8% 0.7%	n/a	\$ 300,876,200	
Earnest SMID (Russell 2500 Value)	(0.2%)	15.9%	3.4%	(32.1%) (29.0%)	(8.4%) (10.4%)	0.7% (1.2%)	n/a	\$ 111,756,915	
First Quadrant (S&P 400)	0.5%	14.7%	1.0%	(29.0%) (22.3%)	(10.4%) (6.3%)	(1.2%) (1.1%)	n/a	\$ 364,171,689	
Fox (Russell 2000)	0.2%	18.8%	(0.2%)	(22.3%) (46.8%)	(6.3%) (16.7%)	1.1% (6.1%)	n/a	\$ 126,509,425	
Beekman Capital (Russell 2500 Growth)	(2.4%)	14.0%	13.3%	(46.8%) (33.5%)	(16.7%) (9.9%)	(6.1%) (0.5%)	n/a	\$ 309,784,842	
U.S. SMALL/MID CAP POOL	(0.2%)	16.1%	6.3%	(33.5%) (24.8%)	(9.9%) (7.5%)	(0.5%) n/a	2.7% n/a	\$ 1,490,777,322	
U.S. SMALL/MID CAP ETF POOL	1.3%	20.6%	4.1%	(24.8%) (28.0%)	n/a (7.5%)	n/a 0.4%	n/a	\$ 7,010,758	
S&P 400	0.6%	18.7%	8.5%	(28.0%) (26.7%)	(7.5%) (9.3%)	0.4% (0.9%)	4.6% 3.7%		
Russell 2500 Index	1.1%	20.3%	6.5%	(26.7%) (27.3%)	(9.3%) (7.7%)	(0.9%) (0.7%)	3.7% 0.7%		
Russell 2500 Growth	2.3%	21.8%	14.5%	(27.3%) (26.2%)	(7.7%) (11.2%)	(0.7%) (1.6%)	0.7% 5.0%		
Russell 2500 Value	(0.1%)	18.8%	(0.6%)	(26.2%) (24.2%)	(11.2%) (5.2%)	(1.6%) (0.3%)	5.0% (0.3%)		
TOTAL US EQUITY COMPOSITE	0.4%	15.5%	16.0%	(24.2%) (26.7%)	(5.2%) (6.3%)	0.7% 0.0%	(0.3%) (0.6%)	\$ 5,464,440,749	
TOTAL US EQUITY COMPOSITE W/ SEC LENDING	(2.9%)	11.7%	12.2%	(26.7%) (26.6%)	(6.3%) (8.3%)	0.0% (1.8%)	(0.6%) (1.5%)	\$ 5,286,023,391	
Russell 3000	0.3%	16.8%	4.2%	(26.6%) (31.6%)	(8.3%) (7.9%)	(1.8%) 2.2%	(1.5%) n/a		
Alliance Bernstein MSCI EAFE Int'l Index	(0.6%)	24.9%	7.7%	(31.6%) (29.3%)	(7.9%) (4.2%)	2.2% 1.6%	n/a	\$ 440,953,316	
Simms Int'l	(0.0%)	19.4%	7.1%	(29.3%) (31.0%)	(4.2%) (7.2%)	1.6% 1.3%	n/a	\$ 124,080,313	
NON-US DEVELOPED MARKETS EQUITY POOL ²	(0.4%)	23.6%	7.6%	(31.0%) (32.9%)	(7.2%) (8.0%)	1.3% 0.8%	1.5% 1.3%	\$ 565,527,577	
NON-US DEVE MRKTS EQ POOL W/ SEC LENDING ²	(3.2%)	20.2%	4.6%	(32.9%) (30.6%)	(8.0%) (6.5%)	0.8% 3.8%	1.3% n/a	\$ 550,034,726	
NON-US DEVE MRKTS EQ POOL W/ SEC LENDING ²	(0.8%)	26.7%	10.5%	(30.6%) (31.4%)	(6.5%) (8.0%)	3.8% 2.3%	n/a		
FTSE Developed ex-US	(0.6%)	25.4%	8.0%	(31.4%) (30.8%)	(8.0%) (1.6%)	2.3% 16.1%	1.2% 12.3%		
MSCI EAFE	(0.3%)	44.0%	47.6%	(30.8%) (30.8%)	(1.6%) (1.6%)	16.1% 16.1%	12.3% 10.8%	\$ 462,962,193	
Alliance Bernstein Emerging Markets Value	(0.3%)	44.0%	47.6%	(30.8%) (31.3%)	(1.6%) (1.3%)	16.1% 16.0%	10.8% 10.7%	\$ 462,962,193	
NON-US EMERGING MARKETS EQUITY POOL	(1.0%)	43.0%	46.5%	(31.3%) (28.1%)	(1.3%) (3.0%)	16.0% 14.7%	10.7% 8.8%	\$ 459,588,905	
NON-US EMERG MAKTS EQ POOL W/ SEC LENDING	(1.4%)	34.7%	36.0%	(28.1%) (31.0%)	(3.0%) (3.4%)	14.7% 5.8%	8.8% 4.3%		
MSCI EMF	(0.4%)	32.0%	22.5%	(31.0%) (32.3%)	(3.4%) (4.0%)	5.8% 5.5%	4.3% 4.1%	\$ 1,028,489,770	
TOTAL INTERNATIONAL EQUITY COMPOSITE ²	(0.4%)	29.6%	20.3%	(32.3%) (25.4%)	(4.0%) (4.9%)	5.5% 1.5%	4.1% 0.4%	\$ 1,009,623,631	
TOTAL INTERNATIONAL EQ COMP W/ SEC LENDING ²	(2.2%)	17.0%	13.4%	(25.4%) (27.6%)	(4.9%) (5.8%)	1.5% 0.9%	0.4% 0.1%	\$ 6,492,930,519	
TOTAL EQUITY COMPOSITE	0.3%	14.2%	13.4%	(27.6%) (27.6%)	(5.8%) (5.8%)	0.9% 0.9%	0.1% 0.1%	\$ 6,295,647,022	
TOTAL EQUITY COMPOSITE W/ SEC LENDING	(2.7%)	14.2%	13.4%	(27.6%) (27.6%)	(5.8%) (5.8%)	0.9% 0.9%	0.1% 0.1%	\$ 6,295,647,022	

New Mexico State Investment Council Preliminary Comparative Performance Report										
	Month Ending 30-Jun-09	Qtr Ending 30-Jun-09	Calendar YTD 30-Jun-09	1 Year Ending 30-Jun-09	3 Years Ending 30-Jun-09	5 Years Ending 30-Jun-09	10 Years Ending 30-Jun-09	Market Value Ending 30-Jun-09		
U.S. CORE BONDS POOL	0.6%	0.9%	0.5%	5.0%	5.4%	4.9%	6.1%	\$ 1,662,577,641		
U.S. CORE BONDS POOL W/ SEC LENDING	(6.9%)	(6.7%)	(7.0%)	(2.8%)	2.7%	3.3%	5.3%	\$ 1,538,802,040		
<i>BC Aggregate</i>	0.6%	1.8%	1.9%	6.1%	6.4%	5.0%	6.0%			
CREDIT & STRUCTURED FINANCE POOL	4.2%	2.5%	(11.2%)	(51.0%)	(31.6%)	n/a	n/a	\$ 222,851,494		
<i>Credit & Structured Finance Benchmark³</i>	9.0%	1.3%	(3.0%)	(38.9%)	n/a	n/a	n/a			
TOTAL FIXED INCOME COMPOSITE	1.0%	1.1%	(1.0%)	(7.2%)	(3.0%)	(0.1%)	3.8%	\$ 1,885,429,135		
TOTAL FIXED INCOME COMPOSITE W/ SEC LENDING	(5.6%)	(5.6%)	(7.5%)	(13.3%)	(5.2%)	(1.4%)	3.1%	\$ 1,761,653,534		
Economically Targeted Investments	0.0%	0.0%	0.1%	(7.0%)	(1.7%)	(0.2%)	(2.4%)	\$ 162,785,336		
Cash Equivalents	0.0%	0.2%	0.4%	2.3%	5.0%	4.2%	3.8%	\$ 361,206,069		
<i>90 Day T-Bills</i>	0.0%	0.1%	0.1%	1.0%	3.2%	3.2%	3.2%			
Altair Stars LTD class ZII US	6.6%	1.5%	(8.8%)	(21.2%)	(4.8%)	n/a	n/a	\$ 44,285,491		
AUSTIN CAPITAL Safe Harbor QP Fund / General Income Pool	3.0%	3.7%	(5.2%)	(19.5%)	(0.1%)	n/a	n/a	\$ 179,223,801		
Crestline Partners, LP	1.8%	1.6%	(0.4%)	(16.9%)	(1.5%)	n/a	n/a	\$ 192,163,339		
Crestline Offshore Recovery	(1.1%)	(1.1%)	n/a	n/a	n/a	n/a	n/a	\$ 7,401,643		
CT Preferred Investors Management LLC/Preferred Investors, LP	2.2%	3.2%	(8.0%)	(30.1%)	(8.9%)	n/a	n/a	\$ 37,256,220		
EIM/SIC Fund OF Funds LLC	3.6%	3.2%	4.7%	(9.2%)	0.5%	n/a	n/a	\$ 102,782,704		
EnTrust Capital Diversified Ltd / Class C1, Series 1005-S	7.1%	5.7%	2.0%	(17.4%)	(1.5%)	n/a	n/a	\$ 24,894,838		
EXPLORER AM, LP	7.5%	9.2%	9.0%	(11.0%)	(2.3%)	n/a	n/a	\$ 94,632,195		
Guggenheim	2.0%	1.4%	2.0%	n/a	n/a	n/a	n/a	\$ 101,956,368		
TAG Relative Value Fund	2.6%	2.6%	0.4%	(15.3%)	(2.1%)	n/a	n/a	\$ 99,877,291		
TAG Vintage Classic LLC	3.1%	2.2%	(0.9%)	(20.2%)	(3.8%)	n/a	n/a	\$ 130,247,385		
K2 - Alternate Strategies, LLC	1.3%	(0.4%)	(4.1%)	(16.3%)	n/a	n/a	n/a	\$ 46,878,750		
K2 - SUMMIT FUND, LLC	1.8%	3.0%	1.9%	(14.0%)	(0.0%)	n/a	n/a	\$ 52,281,739		
Mariner Matador LLC	2.1%	4.4%	4.8%	(1.1%)	n/a	n/a	n/a	\$ 106,250,342		
ABSOLUTE RETURN POOL⁴	2.3%	2.3%	(0.5%)	(14.4%)	(1.8%)	n/a	n/a	\$ 1,472,162,717		
Cash Account	0.0%	0.1%	0.2%	1.1%	3.4%	n/a	n/a	\$ 242,493,405		
<i>90 Day T-Bills + 200 Bps⁴</i>	0.2%	0.6%	0.9%	n/a	4.5%	5.5%	5.2%			

New Mexico State Investment Council Preliminary Comparative Performance Report									
	Month Ending	Qtr 30-Jun-09	Calendar YTD 30-Jun-09	1 Year Ending 30-Jun-09	3 Years Ending 30-Jun-09	5 Years Ending 30-Jun-09	10 Years Ending 30-Jun-09	Market Value Ending 30-Jun-09	
Land Grant Private Equity	0.0%	(12.6%)	(12.6%)	(14.8%)	7.4%	12.7%	11.4%	\$ 753,656,691	
Severance Tax Private Equity	0.0%	(12.1%)	(12.1%)	(15.4%)	1.7%	5.9%	7.2%	\$ 525,361,208	
TOTAL PRIVATE EQUITY COMPOSITE⁵	0.0%	(12.3%)	(12.3%)	(15.1%)	4.8%	9.7%	n/a	\$ 1,280,743,107	
Cambridge Associates Venture Cap Lagged Index ⁶	0.0%	0.0%	(12.5%)	(14.6%)	3.1%	7.2%	8.5%		
Land Grant Real Estate	(5.6%)	(22.0%)	(22.0%)	(26.5%)	(6.5%)	n/a	n/a	\$ 307,133,128	
Severance Real Estate	(5.4%)	(22.1%)	(22.1%)	(26.4%)	(4.1%)	n/a	n/a	\$ 157,285,080	
TOTAL REAL ESTATE COMPOSITE	(5.6%)	(22.0%)	(22.0%)	(26.5%)	(5.6%)	n/a	n/a	\$ 464,418,208	
NCREIF Index ⁶	(7.3%)	(7.3%)	(15.0%)	(14.7%)	4.1%	9.4%	9.3%		
Total Composite	0.4%	6.5%	5.4%	(20.1%)	(3.3%)	1.8%	n/a	\$ 12,126,215,737	
Total Composite W/ SEC LENDING	(2.3%)	3.7%	2.6%	(22.2%)	(4.2%)	1.3%	n/a	\$ 11,805,156,639	
Land Grant Composite	0.4%	6.7%	5.6%	(19.8%)	(3.1%)	2.0%	2.2%	\$ 8,167,337,015	
Land Grant Composite W/ SEC LENDING	(2.5%)	3.6%	2.6%	(22.1%)	(4.0%)	1.4%	1.9%	\$ 7,931,654,936	
Land Grant Total Fund Ex Pri. E. / ETI / Stock Dis. / RE	(2.6%)	7.2%	6.0%	(22.4%)	(4.7%)	0.8%	n/a	\$ 6,869,872,059	
Total Fund Benchmark Ex Private Equity ¹	0.3%	13.4%	6.1%	(16.7%)	(2.5%)	1.7%	n/a		
Severance Tax Composite	0.3%	5.9%	4.8%	(22.3%)	(4.3%)	1.2%	1.8%	\$ 3,236,928,785	
Severance Tax Composite W/ SEC LENDING	(1.5%)	4.1%	3.0%	(23.6%)	(4.9%)	0.8%	1.6%	\$ 3,180,679,196	
Severance Tax Total Fund Ex Pri.E. / ETI / Stock Dis / RE	(1.6%)	11.4%	9.8%	(24.7%)	(5.7%)	0.3%	n/a	\$ 2,334,515,422	
Total Fund Benchmark Ex Private Equity ¹	0.3%	13.5%	6.1%	(17.0%)	(2.7%)	1.6%	n/a		
¹ From 06/01/2000 to 12/31/2001	41% S&P 500, 10% Russell 2500, 14% MSCI EAFE after TAX, 2% MSCI EM MKTS FREE, 32% LB aggregate, 1% 90 day T-Bill								
¹ From 01/01/2002 to 01/31/2002	41% S&P 500, 10% Russell 2500, 14% MSCI EAFE after TAX, 2% MSCI EM MKTS FREE, 29% LB aggregate, 3% ML US HY BB-B, 1% 90 day T-Bill								
¹ From 02/01/2002 to 05/31/2002	41% S&P 500, 10% Russell 2500, 14% SSB PMI World Ex-US, 2% MSCI EM MKTS FREE, 29% LB Aggregate, 3% ML US HY BB-B, 1% 90 day T-Bill								
¹ From 06/01/2002 Forward	40% S&P 500, 11% Russell 2500, 13% Citigroup PMI World Ex-US, 3% MSCI Emerging Markets Free, 29% Lehman Aggregate, 3% ML US HY BB-B, 1% 90 day T-Bill								
¹ From 10/01/2003 Forward	Land Grant: 46% S&P 500, 11% Russell 2500, 7% MSCI EAFE Net, 3% MSCI Emerging Markets Free, 30% Lehman Aggregate, 3% ML US HY BB-B; Severance Tax: 47% S&P 500, 11% Russell 2500, 7% MSCI EAFE Net, 3% MSCI Emerging Markets Free, 28% Lehman Aggregate, 3% ML US HY BB-B, 1% 90-day T-bill;								
2	Market Value of Non-U.S. Developed Markets Equity Pool includes remaining balances in Jarislowsky Fraser (\$490,176) & SIC Managed Non-U.S. (\$3,772).								
3	Credit & Structured Finance Benchmark consists of 45% ABX HE BBB-06-1, 45% S&P/LSTA 1100 Names Index & 10% CDX 8 until 9/2008 and S&P/LSTA 1100 Names Index from 09/2008 Lagged by 1 month.								
4	Hedge Funds & 90 T-Bill + 200 Bps lagged by 1 month. Value reflects \$9,537,206 held by Benchmark Plus.								
5	Includes LGPF & STPF Private Equity and Stock Distribution accounts								
6	NCREIF Property Index is calculated on a quarterly basis. NCREIF & Cambridge VC Index Lagged 1 quarter.								

ARROWHEAD CENTER

LEADING ECONOMIC DEVELOPMENT FOR NEW MEXICO STATE UNIVERSITY



New Mexico's Public Funds Investment Policies: Impact on Financial Institutions and the State Economy

A Report Submitted to the
Independent Community Bankers Association of New Mexico

March 12, 2009

by

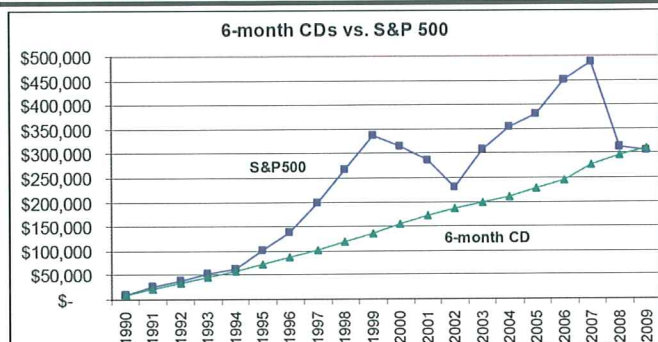
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New Mexico State University

THE POWER OF BANK DEPOSITS:



Today is your lucky day if you are reading this, because we see a marketing opportunity that extremely few community banks exploit. First, a story:

Once upon a time there were two sisters. The older sister was more aggressive and after looking at a 3Y average S&P500 performance that was in excess of 28% back in 1999, decided to invest \$10k in a no-load, no-fee index fund that mimicked the S&P500. Every dividend that was earned on the underlying stock, would be reinvested back into the index of stocks. At the time, this was one of the best investments available, as it outperformed almost 80% of professional money managers. This sister set an investment plan that invested \$10k the first business day of every January.

The younger, and more conservative sister, took a different approach. She, had the same investment plan, but instead of equities, she put her money in 6-month CDs of her local community bank. On the first business day of July she rolled the amount and on the first business day of January she added her \$10k of savings for the year. Now, she wasn't happy with the rate, because the local community bank only paid the median price in the market for those 6-month CDs. To put this in perspective, the median APY would have been 0.57% last week. However, despite these seemingly low returns, the bank was so nice and gave such great service, that she felt comfortable with the strategy. Despite a couple of Christmases where the older sister laughed at the younger one for her single digit returns (particularly in 1999 and 2007), the younger sister stuck with her plan.

The funny thing is that we just checked both sisters' investment strategies last week and were amazed at what we found. The older sister had amassed \$305k, while the younger sister had outperformed that by producing an impressive balance of \$310k, or 2% better. For the S&P500, the compounded annualized return would have come out to 7.32%, while the compounded annualized return for the 6-month CD strategy, would have resulted in close to a 13% return.

If you run different dates, the story even gets better. We ran the numbers and found if you started the plan in 1994, community bank CDs would have done 29% better. If you started the same plan in 1999, you would have done almost 70% better. We also ran a variety of other dates and CD maturities (3-month, 1-year, etc.) and found much the same conclusion.

While single digit returns are nothing sexy, having your principal guaranteed by the FDIC is. To get a 38% return in the S&P (like

in 1995), you most likely have to suffer 37% losses (like in 2008). In fact, investors need to know that from 1990, the average standard deviation of returns from the S&P500 was 19.5 versus 2.01% from the average community bank CD rates. In other words, to have a chance at double digit equity returns, investors have to take on almost 10x the amount of risk when compared to bank CDs.

Of course, the past is not a prologue to the future, we are not sure of the deposit rates that your particular bank offered and had the equity market not dropped in 2008, we would not have such a great story to tell. However, the fact is that it did and the equity vs. CD performance continues to hold true for 2009.

As an industry, we need to get this story out and take dollars back from the equity market to lower our collective cost of funds. Right now is the perfect opportunity to capitalize on history with this very powerful rabbit-vs.-hare-message.

ECONOMY:

- No material economic data is scheduled for release.

FIXED INCOME & RATES:

Yesterday: Yields fell 5bp, as the DOW broke below the key resistance level of 8200 in thin trading. Banks were still largely sidelined. **Today:** Aside from a cool date today (7/8/9), the market is looking for direction (another day without any key economic indicators) and should take its cue from corporate earnings releases and the \$19B 10Y auction. Yields are down 1bp.

BANK NEWS:

- **Charter Conversion:** The FFIEC reminded banks that charter conversions or changes in the primary federal regulator should be for strategic business reasons only and not to escape regulation or pending enforcement action.
- **OTS Anti-Takeover:** A Federal court upheld an OTS rule that limits minority shareholders to 10% of the stock in a mutual holding company subsidiary after a private investor challenged the rule as being anti-takeover in nature.
- **Consumer Debt:** According to the ABA, credit card delinquencies rose nearly 20% to 6.60% in the 4Q, payments pas due on home loans and LOCs jumping 16% to 3.52% and 29% to 1.89%, respectively. At the end of 1Q, consumers held \$940B outstanding in revolving lines of credit, down 2.22% from the 4Q.
- **CA IOU Correction:** To clarify a story we ran yesterday - BofA, Wells and other large banks will refuse to accept CA State IOUs after this Friday.

MTD Tsy Yields & Chg			Libor Rates		3ML Swap		Expected FF	
3M	0.17	-01	1M	0.30	2Y	1.32	8/12	0.21
6M	0.26	-08	2M	0.39	3Y	1.92	9/23	0.22
1Y	0.44	-04	3M	0.54	4Y	2.40	11/4	0.27
2Y	0.97	-14	4M	0.72	5Y	2.75	12/16	0.30
5Y	2.34	-21	5M	0.89	7Y	3.22	1/27	0.34
10Y	3.44	-10	6M	1.02	10Y	3.61	3/16	0.51
30Y	4.28	-05	1Y	1.51	15Y	3.91	4/28	0.61
Mutual Fund		Port Deposit		Prime	O/N Libor		TED Spread	
0.69		0.75		3.25	0.26		37bp	

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