

BOARD OF DIRECTORS (OPEN)

AGENDA ITEM 22a

ATTACHMENT 22a-I

RATIFICATION OF INVESTMENT TRANSACTIONS: *Bond Transactions*

PRESENTED BY: Stephanie Chan

September 10, 2010



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Date: August 30, 2010

AGENDA ITEM 22a-b

TO: MEMBERS, BOARD OF DIRECTORS

I. SUBJECT: RATIFICATION OF INVESTMENT TRANSACTIONS

II. PROGRAM: FINANCIAL & INVESTMENT SERVICES

III. RECOMMENDATION: TO RATIFY THE INVESTMENT TRANSACTIONS FROM JUNE 1, 2010 TO JULY 31, 2010.

IV. ANALYSIS:
The bond transactions for the period of June 1, 2010 to July 31, 2010 are attached as Item 22a. The current investments no longer in compliance with State Fund's Investment Policy are listed in the Compliance Report, Attachment 22b. We recommend the Board of Directors ratify the investment transactions for the period of June 1, 2010 to July 31, 2010.

V. RESULTS/COSTS:
Reporting on the Investment Transactions fulfills a responsibility of Financial & Investment Services and the Investment Committee.

STEPHANIE CHAN, Treasury and
Strategic Analysis Manager

Attachments

BOND TRANSACTIONS

Thirty-three transactions were consummated during the period from June 1, 2010 to
July 31, 2010.

Trade Date	Settle Date	Current Face	Description	Coupon Rate	Maturity Date	Yield	Rating
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PURCHASES:

Agency:

CONNING:

06/10/10	06/14/10	25,000,000.00	FANNIE MAE Notes	2.375%	07/28/15	2.437%	Aaa/AAA
06/28/10	07/12/10	50,000,000.00	FREDDIE MAC Notes	1.500%	07/12/13	1.500%	Aaa/AAA
07/08/10	07/09/10	20,000,000.00	FANNIE MAE Notes	1.250%	08/20/13	1.257%	Aaa/AAA
07/12/10	07/15/10	25,000,000.00	FANNIE MAE Notes	1.250%	08/20/13	1.258%	Aaa/AAA
07/23/10	07/29/10	35,000,000.00	FANNIE MAE Notes	1.250%	07/29/13	1.273%	Aaa/AAA
Subtotal:		155,000,000.00	5 item(s)				

GR-NEAM:

06/10/10	06/23/10	50,000,000.00	FANNIE MAE Notes	1.000%	06/23/15	1.603%	Aaa/AAA
06/10/10	06/23/10	10,000,000.00	FANNIE MAE Notes	1.000%	06/23/15	1.603%	Aaa/AAA
07/12/10	07/14/10	50,000,000.00	FANNIE MAE Notes	1.000%	07/14/15	1.000%	Aaa/AAA
07/22/10	08/11/10	8,000,000.00	FANNIE MAE Notes	1.000%	08/11/15	1.428%	Aaa/AAA
Subtotal:		118,000,000.00	4 item(s)				

Total Agency:	273,000,000.00	9 item(s)
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Taxable Municipal:

CONNING:

06/17/10	06/25/10	13,500,000.00	Kentucky St Tpk Auth Econ Dev (BAB)*	5.244%	07/01/25	5.244%	Aa2/AA+
07/08/10	07/13/10	10,000,000.00	Irvine Ranch CA Water District	2.605%	03/15/14	1.881%	Aaa/AAA
07/27/10	08/05/10	13,700,000.00	Texas St Trans Commission (BAB)*	5.178%	04/01/30	5.177%	Aaa/AAA
Subtotal:		37,200,000.00	3 item(s)				

GR-NEAM:

06/10/10	06/16/10	9,000,000.00	Denver Colorado City & County (BAB)*	5.650%	08/01/30	5.650%	Aaa/AAA
06/11/10	07/08/10	2,000,000.00	Austin TX Elec Util Sys Rev (BAB)*	5.086%	11/15/25	5.085%	A1/A+
Subtotal:		11,000,000.00	2 item(s)				

Total Tax. Muni:	48,200,000.00	5 item(s)
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MBS Pass-Through:

Conning:

06/11/10	06/16/10	24,914,732.50	FHLMC MBS, FG G05894	4.500%	04/01/40	3.927%	Aaa/AAA
06/15/10	06/17/10	25,000,000.00	FHLMC MBS, FG J12435	4.000%	06/01/25	3.185%	Aaa/AAA

Trade Date	Settle Date	Current Face	Description	Coupon Rate	Maturity Date	Yield	Rating
06/24/10	06/30/10	35,027,157.81	FHLMC MBS, FG A92164	4.500%	05/01/40	3.712%	Aaa/AAA
07/08/10	07/14/10	20,699,339.98	FNMA MBS, FN AD3107	5.000%	04/01/40	3.508%	Aaa/AAA
07/15/10	07/20/10	20,534,972.03	FNMA MBS, FN AD2272	5.000%	03/01/40	3.409%	Aaa/AAA
07/27/10	08/17/10	18,000,000.00	FHLMC MBS, FG E02703	4.000%	07/01/25	2.885%	Aaa/AAA
07/27/10	08/17/10	18,000,000.00	FNMA MBS, FN 890193	3.500%	08/01/25	2.879%	Aaa/AAA
Subtotal:		162,176,202.32	7 item(s)				

GR-NEAM:

06/04/10	06/21/10	35,000,000.19	GNMA MBS, GN 736732	4.500%	05/01/40	3.903%	Aaa/AAA
06/17/10	07/19/10	15,000,541.00	FHLMC MBS, FG J12374	4.000%	06/01/25	3.190%	Aaa/AAA
07/02/10	07/19/10	30,000,000.00	FNMA MBS, FN AD8370	4.000%	07/01/25	3.013%	Aaa/AAA
Subtotal:		80,000,541.19	3 item(s)				

Total MBS Pass-Through	242,176,743.51	10 item(s)
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CMO:

GR-NEAM:

07/06/10	07/30/10	25,000,000.00	GNMA CMO, GNR 2010-85 DJ	3.500%	12/01/39	2.869%	Aaa/AAA
07/07/10	07/30/10	25,000,000.00	FNMA CMO, FNR 2010-90 ML	3.250%	04/01/28	2.637%	Aaa/AAA
07/15/10	07/20/10	14,077,341.65	FNMA CMO, FNR 2010-57 HA	3.500%	02/01/40	2.539%	Aaa/AAA
07/15/10	07/20/10	20,241,942.81	GNMA CMO, GNR 2010-78 PC	3.500%	04/01/40	2.573%	Aaa/AAA
Subtotal:		84,319,284.46	4 item(s)				

Total CMO:	84,319,284.46	4 item(s)
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AGENCY CMBS:

GR-NEAM:

06/03/10	07/30/10	20,000,000.00	GNMA AGY CMBS, GNR 2010-83 C	3.437%	11/01/51	4.094%	Aaa/AAA
06/23/10	08/30/10	4,000,000.00	GNMA AGY CMBS, TEMP JEF-GNA D	4.070%	09/02/41	3.871%	Aaa/AAA
Subtotal:		24,000,000.00	2 item(s)				

Total AGENCY CMBS:	24,000,000.00	2 item(s)
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CONNING TOTAL PURCHASES:	354,376,202.32	15 item(s)
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GR-NEAM TOTAL PURCHASES:	317,319,825.65	15 item(s)
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GRAND TOTAL PURCHASES:	671,696,027.97	30 item(s)
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Trade Date	Settle Date	Current Face	Description	Coupon Rate	Maturity Date	Yield	Rating
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SALES:

CORPORATE:

Conning:

06/16/10	06/21/10	5,000,000.00	Atlantic Richfield (BP)	9.125%	03/01/11	12.361%	Aa2/AA-
07/12/10	07/15/10	25,000,000.00	Wachovia Corporation	0.657%	03/15/11	0.070%	A1/AA-
		Subtotal:	30,000,000.00				2 item(s)

Total Corporate:	30,000,000.00	2 item(s)
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MBS Pass-Through:

Conning:

07/26/10	07/29/10	4,739,844.38	FNMA MBS, FN 255431	4.500%	09/01/14	0.999%	Aaa/AAA
		Subtotal:	4,739,844.38				1 item(s)

Total MBS:	4,739,844.38	1 item(s)
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GRAND TOTAL SALES:	34,739,844.38	3 item(s)
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* BAB – Build America Bonds

MOTION: To ratify.