

BOARD OF DIRECTORS (OPEN)

AGENDA ITEM 5a

ATTACHMENT 5a-I

RATIFICATION OF INVESTMENT TRANSACTIONS
Bond Transactions

PRESENTED BY: Stephanie Chan

November 18, 2010



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Date: November 8, 2010

AGENDA ITEM 5a – 5b

TO: MEMBERS, BOARD OF DIRECTORS

- I. SUBJECT:** RATIFICATION OF INVESTMENT TRANSACTIONS
- II. PROGRAM:** FINANCIAL and INVESTMENT SERVICES
- III. RECOMMENDATION:** RECOMMENDATION TO BOARD OF DIRECTORS TO RATIFY THE INVESTMENT TRANSACTIONS FROM AUGUST 1, 2010 TO SEPTEMBER 30, 2010.

IV. ANALYSIS:
The bond transactions for the period of August 1, 2010 to September 30, 2010 are attached as Item 5a. The current investments no longer in compliance with State Fund's Investment Policy are listed in the Compliance Report, Attachment 5b. We recommend the Board of Directors ratify the investment transactions for the period of August 1, 2010 to September 30, 2010.

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

STEPHANIE CHAN, Financial and
Strategic Analysis Manager

Attachments

BOND TRANSACTIONS

Twenty-seven transactions were consummated during the period from August 1, 2010 to
September 30, 2010.

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

AGENCY:

GR-NEAM:

08/24/10	09/23/10	50,000,000.00	FREDDIE MAC Notes	0.950%	09/23/15	0.950%	Aaa/AAA
08/24/10	09/23/10	10,000,000.00	FREDDIE MAC Notes	0.950%	09/23/15	0.950%	Aaa/AAA
Subtotal:		60,000,000.00	2 item(s)				

Total Agency:	60,000,000.00	2 item(s)
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TAXABLE MUNICIPAL:

CONNING:

08/12/10	08/24/10	6,000,000.00	Ohio St (REV) Water Dev Auth (BAB)*	4.879%	12/01/34	4.878%	Aaa/AAA
09/15/10	09/21/10	10,000,000.00	Ohio St (REV) Water Dev Auth (BAB)*	4.817%	12/01/30	4.816%	Aaa/AAA
09/24/10	09/30/10	9,500,000.00	Utah St (G.O.) (BAB)*	3.539%	07/01/25	3.539%	Aaa/AAA
Subtotal:		25,500,000.00	3 item(s)				

Total Taxable Municipal:	25,500,000.00	3 item(s)
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MBS Pass-Through:

Conning:

08/23/10	08/26/10	13,943,689.00	FNMA MBS, FN AD9601	4.500%	08/01/40	2.900%	Aaa/AAA
08/23/10	08/26/10	35,000,000.00	FNMA MBS, FN AE0312	4.000%	09/01/40	3.307%	Aaa/AAA
09/09/10	09/14/10	6,932,244.41	FHLMC MBS, FG A92639	4.500%	06/01/40	2.725%	Aaa/AAA
09/09/10	09/14/10	19,934,382.60	FHLMC MBS, FG A93231	4.000%	08/01/40	3.356%	Aaa/AAA
09/09/10	09/17/10	15,245,689.00	FNMA MBS, FN MC0351 (CRA/COIN)	4.000%	09/01/40	3.290%	Aaa/AAA
Subtotal:		91,056,005.01	5 item(s)				

GR-NEAM:

08/05/10	08/17/10	19,999,999.70	FHLMC MBS, FG J12551	4.000%	08/01/25	2.847%	Aaa/AAA
08/05/10	08/24/10	15,000,000.00	FHLMC MBS, FG J12911	4.000%	09/01/25	2.847%	Aaa/AAA
08/05/10	08/30/10	15,000,000.00	FHLMC MBS, FG J12876	4.000%	08/01/25	2.847%	Aaa/AAA
09/09/10	09/22/10	49,000,000.00	FHLMC MBS, FG J12989	3.500%	09/01/25	2.735%	Aaa/AAA
09/09/10	09/17/10	18,140,466.00	FNMA MBS, FN MC0361 (CRA/COIN)	4.000%	09/01/40	3.427%	Aaa/AAA
09/16/10	10/18/10	10,000,000.00	FHLMC MBS, FG 3.5 10/10	3.500%	04/15/25	2.847%	Aaa/AAA
Subtotal:		127,140,465.70	6 item(s)				

Total MBS Pass-Through	218,196,470.71	11 item(s)
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Trade Date	Settle Date	Current Face	Description	Coupon Rate	Maturity Date	Yield	Rating
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CMO:

CONNING:

08/25/10	09/30/10	12,000,000.00	GNMA CMO, GNR 2010-118 A	1.900%	11/15/53	1.490%	Aaa/AAA
		Subtotal:	12,000,000.00	1 item(s)			

Total CMO:	12,000,000.00	1 item(s)
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AGENCY CMBS:

GR-NEAM:

08/30/10	10/29/10	20,000,000.00	GNMA AGY CMBS, GNR 2010	2.717%	10/01/41	2.578%	Aaa/AAA
		Subtotal:	20,000,000.00	1 item(s)			

Total AGENCY CMBS:	20,000,000.00	1 item(s)
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CONNING TOTAL PURCHASES:	128,556,005.01	9 item(s)
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GR-NEAM TOTAL PURCHASES:	207,140,465.70	9 item(s)
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GRAND TOTAL PURCHASES:	335,696,470.71	18 item(s)
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SALES:

TAXABLE MUNICIPAL:

Conning:

08/10/10	08/13/10	6,000,000.00	Illinois State	3.850%	06/01/13	3.257%	A1/A+
		Subtotal:	6,000,000.00	1 item(s)			

GR-NEAM:

08/24/10	08/27/10	1,500,000.00	San Francisco CA City & County	6.000%	08/01/24	5.549%	Aa3/AAA
08/25/10	08/30/10	1,500,000.00	San Francisco CA City & County	6.000%	08/01/24	5.550%	Aa3/AAA
08/25/10	08/30/10	1,000,000.00	San Francisco CA City & County	6.000%	08/01/24	5.554%	Aa3/AAA
08/26/10	08/27/10	1,005,000.00	San Francisco CA City & County	6.000%	08/01/24	5.503%	Aa3/AAA
09/09/10	09/14/10	10,200,000.00	California State	7.550%	04/01/39	6.918%	A1/A-
09/10/10	09/15/10	5,340,000.00	California State	7.550%	04/01/39	6.970%	A1/A-
09/10/10	09/15/10	6,000,000.00	California State	7.550%	04/01/39	6.982%	A1/A-
09/10/10	09/15/10	5,000,000.00	California State	7.550%	04/01/39	6.950%	A1/A-
		Subtotal:	31,545,000.00	8 item(s)			

Total Taxable Municipal:	37,545,000.00	9 item(s)
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GRAND TOTAL SALES:	37,545,000.00	9 item(s)
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* BAB – Build America Bonds

MOTION: To ratify.