



1275 Market Street
San Francisco, CA 94103
(415) 565-1456
www.statefundca.com

Date: March 7, 2011

AGENDA ITEM 3 a, b

TO: MEMBERS OF THE INVESTMENT COMMITTEE

- I. SUBJECT: APPROVAL OF INVESTMENT TRANSACTIONS**
- II. PROGRAM: TREASURY and INVESTMENTS**
- III. RECOMMENDATION: RECOMMENDATION TO BOARD OF DIRECTORS TO RATIFY THE INVESTMENT TRANSACTIONS FROM DECEMBER 1, 2010 TO JANUARY 31, 2011.**

IV. ANALYSIS:
The bond transactions for the period of December 1, 2010 to January 31, 2011 are attached as Item 3a. The current investments no longer in compliance with State Fund's Investment Policy are listed in the Compliance Report, Attachment 3b. We request the Investment Committee's approval of these investment transactions and their recommendation to the Board of Directors to ratify the transactions.

V. RESULTS/COSTS:
Reporting on the Investment Transactions fulfills a responsibility of Treasury and Investments.

STEPHANIE CHAN, Treasury and
Investments Program Manager

Attachments

BOND TRANSACTIONS

Ninety-seven transactions were consummated during the period from December 1, 2010 to
January 31, 2011.

Trade Date	Settle Date	Current Face	Description	Cpn/Dvd	Maturity Date	Yield	Rating
PURCHASES:							
<u>Taxable Municipal:</u>							
CONNING							
12/15/10	12/22/10	4,400,000.00	ENERGY NORTHWEST WASH	5.710	07/01/24	5.710	Aaa/AA
	Subtotal:	4,400,000.00	1 item(s)				
New England Asset Management							
12/02/10	12/14/10	2,405,000.00	TAMPA FLA UTIL TAX	5.625	10/01/26	5.590	Aa3/AA-
12/02/10	12/14/10	2,615,000.00	TAMPA FLA UTIL TAX	6.000	10/01/28	5.890	Aa3/AA-
12/03/10	12/15/10	2,250,000.00	HONOLULU HAWAII CITY & CNTY	6.338	12/01/32	6.338	Aa1/AA+
12/03/10	12/16/10	3,250,000.00	COLORADO ST BLDG EXCELLENT	7.017	03/15/31	7.015	Aa2/AA-
12/03/10	12/22/10	5,000,000.00	DISTRICT COLUMBIA INCOME TAX	5.282	12/01/26	5.282	Aa1/AAA
12/03/10	12/29/10	2,000,000.00	KATY TEX INDPT SCH DIST	5.999	02/15/30	5.998	Aaa/AAA
01/05/11	01/10/11	4,255,000.00	SALT LAKE CNTY UT TRANS	4.308	08/15/25	5.110	AA/AAA
01/10/11	01/13/11	2,200,000.00	NEW MEXICO FIN AUTH REV	6.070	06/01/36	6.118	Aa1/AA+
01/10/11	01/13/11	3,785,000.00	UTAH COUNTY UT TRANS	6.510	12/01/34	6.206	AA-/AA+
01/18/11	01/21/11	3,600,000.00	HAMILTON CNTY OHIO SWR SYS	6.500	12/01/34	6.313	Aa2/AA+
01/24/11	01/27/11	2,250,000.00	MARYLAND ST TRANSN AUTH	5.604	07/01/30	5.746	Aa3/AA-
01/25/11	01/28/11	4,250,000.00	PENNSYLVANIA ST	4.600	05/01/23	4.805	Aa1/AA
	Subtotal:	37,860,000.00	12 item(s)				
Total Tax. Muni:		42,260,000.00	13 item(s)				
<u>Corporate:</u>							
CONNING							
01/14/11	01/20/11	20,000,000.00	GENERAL ELEC CAP CORP	5.625	09/15/17	3.852	Aa2/AA+
01/14/11	01/20/11	5,000,000.00	GENERAL ELEC CAP CORP	5.625	09/15/17	3.843	Aa2/AA+
01/14/11	01/20/11	20,000,000.00	GOLDMAN SACHS GROUP INC	6.150	04/01/18	4.581	A1/A
01/14/11	01/24/11	10,000,000.00	JPMORGAN CHASE & CO	2.050	01/24/14	2.060	Aa3/A+
01/14/11	01/20/11	10,000,000.00	JPMORGAN CHASE & CO	6.000	01/15/18	4.031	Aa3/A+
01/18/11	01/21/11	10,000,000.00	BANK OF NEW YORK MELLON	2.500	01/15/16	2.582	Aa2/AA-
01/18/11	01/21/11	10,000,000.00	ORACLE CORP	5.000	07/08/19	3.804	A2/A
01/19/11	01/24/11	5,000,000.00	OCCIDENTAL PETROLEUM CORP	4.100	02/01/21	4.005	A2/A
01/19/11	01/24/11	5,000,000.00	OCCIDENTAL PETROLEUM CORP	4.100	02/01/21	4.000	A2/A
01/19/11	01/24/11	5,000,000.00	OCCIDENTAL PETROLEUM CORP	2.500	02/01/16	2.451	A2/A
01/20/11	01/25/11	5,855,000.00	DUKE ENERGY CAROLINAS	5.250	01/15/18	3.569	A1/A
01/20/11	01/25/11	6,950,000.00	DUKE ENERGY CAROLINAS	5.250	01/15/18	3.586	A1/A
01/20/11	01/25/11	5,000,000.00	OCCIDENTAL PETROLEUM CORP	2.500	02/01/16	2.551	A2/A
01/21/11	01/26/11	6,026,000.00	BECTON DICKINSON	3.250	11/12/20	4.044	A2/AA-
01/21/11	01/26/11	10,000,000.00	BECTON DICKINSON	3.250	11/12/20	4.046	A2/AA-
01/21/11	01/26/11	3,450,000.00	BECTON DICKINSON	3.250	11/12/20	4.046	A2/AA-
01/21/11	01/26/11	10,000,000.00	COCA-COLA CO/THE	3.150	11/15/20	4.028	Aa3/A+
01/24/11	01/27/11	15,699,000.00	ABBOTT LABORATORIES	5.125	04/01/19	3.799	A1/AA
01/24/11	01/27/11	8,040,000.00	BJ SERVICES CO	6.000	06/01/18	3.635	A2/A
01/24/11	01/27/11	5,000,000.00	COCA-COLA CO/THE	3.150	11/15/20	3.989	Aa3/A+

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Trade	Settle			Coupon	Maturity	Yield	Rating
Date	Date	Current Face	Description	Rate	Date		
01/24/11	01/27/11	5,000,000.00	CONOCOPHILLIPS	5.750	02/01/19	3.750	A1/A
01/24/11	01/27/11	5,000,000.00	CONOCOPHILLIPS	6.000	01/15/20	3.950	A1/A
01/24/11	01/27/11	5,000,000.00	MCDONALDS CORP	5.350	03/01/18	3.426	A2/A
01/24/11	01/27/11	3,000,000.00	MCDONALDS CORP	5.350	03/01/18	3.420	A2/A
01/24/11	01/27/11	4,486,000.00	NATIONAL RURAL UTIL COOP	5.450	04/10/17	3.314	A1/A+
01/24/11	01/27/11	7,805,000.00	ORACLE CORP	5.000	07/08/19	3.858	A2/A
01/24/11	01/27/11	15,000,000.00	WACHOVIA CORP	5.750	06/15/17	3.699	A1/AA-
01/25/11	02/01/11	15,000,000.00	BANK OF NEW YORK MELLON	4.150	02/01/21	4.171	Aa2/AA-
01/25/11	01/28/11	10,000,000.00	DUKE ENERGY CAROLINAS	4.300	06/15/20	4.000	A1/A
01/25/11	01/28/11	10,000,000.00	HALLIBURTON COMPANY	6.150	09/15/19	4.041	A2/A
01/25/11	01/28/11	6,342,000.00	HALLIBURTON COMPANY	6.150	09/15/19	4.047	A2/A
01/25/11	01/28/11	8,775,000.00	UBS AG STAMFORD CT	2.250	01/28/14	2.265	Aa3/A+
01/25/11	01/28/11	8,410,000.00	UNITED TECHNOLOGIES CORP	4.500	04/15/20	3.959	A2/A
01/25/11	01/28/11	6,590,000.00	UNITED TECHNOLOGIES CORP	4.500	04/15/20	3.941	A2/A
01/26/11	01/31/11	6,065,000.00	NATIONAL RURAL UTIL COOP	6.550	11/01/18	4.403	A1/A+
01/26/11	01/31/11	7,350,000.00	UBS AG STAMFORD CT	5.750	04/25/18	4.477	Aa3/A+
01/26/11	01/31/11	1,000,000.00	UBS AG STAMFORD CT	5.750	04/25/18	4.487	Aa3/A+
01/27/11	02/01/11	4,294,000.00	AMGEN INC	5.700	02/01/19	3.809	A3/A+
01/27/11	02/01/11	10,240,000.00	PUB SVC ELEC & GAS	5.300	05/01/18	3.546	A2/A-
01/28/11	02/02/11	5,300,000.00	DUKE ENERGY CAROLINAS	4.300	06/15/20	4.061	A1/A
01/28/11	02/02/11	11,325,000.00	MERCK & CO INC	3.875	01/15/21	4.005	A1/AA
Subtotal:		332,002,000.00	41 item(s)				

New England Asset Management

01/04/11	01/07/11	8,150,000.00	DUKE ENERGY CAROLINAS	4.300	06/15/20	3.868	A1/A
01/05/11	01/10/11	3,550,000.00	ILLINOIS TOOL WORKS INC	6.250	04/01/19	3.956	A1/A+
01/05/11	01/10/11	15,000,000.00	MORGAN STANLEY	5.450	01/09/17	4.622	A2/A
01/05/11	01/10/11	10,000,000.00	WAL-MART STORES INC	3.625	07/08/20	4.023	Aa2/AA
01/06/11	01/11/11	5,000,000.00	CONOCOPHILLIPS	5.750	02/01/19	3.747	A1/A
01/06/11	01/11/11	3,750,000.00	HONEYWELL INTERNATIONAL	5.000	02/15/19	3.725	A2/A
01/06/11	01/11/11	2,500,000.00	HONEYWELL INTERNATIONAL	5.000	02/15/19	3.730	A2/A
01/06/11	01/11/11	15,000,000.00	JPMORGAN CHASE & CO	4.400	07/22/20	4.726	Aa3/A+
01/06/11	01/11/11	10,400,000.00	MEDTRONIC INC	4.450	03/15/20	3.986	A1/AA-
01/07/11	01/12/11	11,500,000.00	COCA-COLA CO/THE	3.150	11/15/20	3.972	Aa3/A+
01/07/11	01/12/11	3,500,000.00	DUKE ENERGY CAROLINAS	4.300	06/15/20	3.953	A1/A
01/11/11	01/14/11	11,150,000.00	CONOCOPHILLIPS	5.750	02/01/19	3.657	A1/A
01/11/11	01/14/11	500,000.00	NORTHERN STATES PWR-MINN	5.250	03/01/18	3.552	A1/A
01/13/11	01/19/11	5,000,000.00	BAXTER INTERNATIONAL INC	4.500	08/15/19	3.798	A3/A+
01/13/11	01/19/11	4,500,000.00	BAXTER INTERNATIONAL INC	4.500	08/15/19	3.800	A3/A+
01/13/11	01/19/11	20,000,000.00	PFIZER INC	6.200	03/15/19	3.661	A1/AA
01/13/11	01/19/11	10,000,000.00	UNITED PARCEL SERVICE	3.125	01/15/21	3.909	Aa3/AA-
01/13/11	01/19/11	1,225,000.00	UNITED PARCEL SERVICE	3.125	01/15/21	3.909	Aa3/AA-
01/19/11	01/24/11	20,000,000.00	BECTON DICKINSON	3.250	11/12/20	3.979	A2/AA-
01/19/11	01/24/11	20,000,000.00	OCCIDENTAL PETROLEUM CORP	4.100	02/01/21	3.988	A2/A
01/20/11	01/25/11	10,000,000.00	MORGAN STANLEY	5.750	01/25/21	5.806	A2/A
01/21/11	01/26/11	4,375,000.00	MEDTRONIC INC	3.000	03/15/15	2.310	A1/AA-
01/21/11	01/26/11	5,625,000.00	MEDTRONIC INC	3.000	03/15/15	2.303	A1/AA-
01/21/11	01/26/11	25,000,000.00	MERCK & CO INC	3.875	01/15/21	4.093	A1/AA
01/21/11	01/26/11	15,000,000.00	NOVARTIS CAPITAL CORP	2.900	04/24/15	2.205	Aa2/AA-
01/24/11	01/27/11	10,000,000.00	CONOCOPHILLIPS	5.750	02/01/19	3.749	A1/A
01/24/11	01/27/11	11,275,000.00	WAL-MART STORES INC	3.250	10/25/20	4.070	Aa2/AA
01/26/11	01/31/11	17,000,000.00	WALT DISNEY COMPANY/THE	5.500	03/15/19	3.643	A2/A
01/27/11	02/03/11	10,000,000.00	KIMBERLY-CLARK CORP	3.875	03/01/21	3.978	A2/A

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01/27/11	02/01/11	15,000,000.00	PUB SVC ELEC & GAS	3.500	08/15/20	4.037	A2/A-
01/28/11	02/02/11	10,000,000.00	ABBOTT LABORATORIES	5.875	05/15/16	2.537	A1/AA
		Subtotal:	314,000,000.00	31 item(s)			
Total Corporates:		646,002,000.00	72 item(s)				

Mbs Pass-Through:

CONNING

12/08/10	12/13/10	28,304,698.18	FG G05354	5.000	03/01/39	3.665	Aaa/AAA
01/21/11	01/26/11	39,712,532.57	FN AB2097	4.500	01/01/41	4.034	Aaa/AAA
		Subtotal:	68,017,230.75	2 item(s)			

New England Asset Management

12/03/10	12/08/10	24,962,133.25	GN 737660	4.000	11/15/40	3.585	Aaa/AAA
12/13/10	12/16/10	24,975,348.00	FG A95393	4.000	12/01/40	4.236	Aaa/AAA
12/13/10	12/16/10	25,000,000.00	FG A95565	4.000	12/01/40	4.234	Aaa/AAA
		Subtotal:	74,937,481.25	3 item(s)			

Total MBS Pass-Through:	142,954,712.00	5 item(s)					
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CMOs:

New England Asset Management

12/03/10	12/09/10	3,000,000.00	NGN 2010-R3 3A	2.500	12/08/20	2.471	Aaa/AAA
		Subtotal:	3,000,000.00	1 item(s)			

Total CMOs:	3,000,000.00	1 item(s)					
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Agency Project Loans:

New England Asset Management

12/01/10	12/30/10	4,350,000.00	GNR 2010-161 B	3.000	07/16/40	3.553	Aaa/AAA
		Subtotal:	4,350,000.00	1 item(s)			

Total Agency Project Loans:	4,350,000.00	1 item(s)					
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CONNING TOTAL PURCHASES:	404,419,230.75	44 item(s)					
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GR-NEAM TOTAL PURCHASES:	434,147,481.25	48 item(s)					
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GRAND TOTAL PURCHASES:	838,566,712.00	92 item(s)					
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Trade Date	Settle Date	Current Face	Description	Coupon Rate	Maturity Date	Yield	Rating
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SALES:

GOVERNMENT:

CONNING

12/06/10							
0	12/09/10	23,651,400.00	U.S. TIPS*	2.000	01/15/14	-0.421	Aaa/AAA
12/06/10							
0	12/09/10	28,654,640.00	U.S. TIPS*	1.875	07/15/19	0.569	Aaa/AAA
	Subtotal:	52,306,040.00	2 item(s)				
New England Asset Management							
12/15/10							
0	12/16/10	20,500,000.00	U.S. TIPS*	2.162	01/15/19	0.953	Aaa/AAA
12/15/10							
0	12/16/10	50,000,000.00	U.S. TIPS*	2.162	01/15/19	0.897	Aaa/AAA
	Subtotal:	70,500,000.00	2 item(s)				

Total Government:	122,806,040.00	4 item(s)
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TAXABLE MUNICIPAL:

New England Asset Management

01/05/11			NEW JERSEY SPORTS & EXPO				
1	01/10/11	18,365,000.00		6.076	03/01/23	5.880	A1/AA-
	Subtotal:	18,365,000.00	1 item(s)				

Total Taxable Municipal:	18,365,000.00	1 item(s)
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CONNING TOTAL

SALES:	52,306,040.00	2 item(s)
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GR-NEAM TOTAL

SALES:	88,865,000.00	3 item(s)
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GRAND TOTAL

SALES:	141,171,040.00	5 item(s)
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* TIPS – Treasury Inflation Protected Securities

MOTION: To approve and recommend ratification.