



1275 Market Street  
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Date: May 2, 2011

**AGENDA ITEM 3 a, b**

**TO: MEMBERS OF THE INVESTMENT COMMITTEE**

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

**IV. ANALYSIS:**  
The bond transactions for the period of February 1, 2011 to March 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 Investment.

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STEPHANIE CHAN, Treasury and  
Investment Program Manager

Attachments

BOND TRANSACTIONS

Eight-nine transactions were consummated during the period from February 1, 2011 to  
March 31, 2011.

Trade Date	Settle Date	Current Face	Description	Cpn/ Dvd	Maturity Date	Yld	Ratings
<b>PURCHASES:</b>							
<u>    Taxable Municipal:</u>							
CONNING							
03/07/11	03/10/11	3,955,000.00	NEW YORK NY CITY TRANS FINANCE	5.125	02/01/24	5.072	Aa1 / AAA
	Subtotal:	3,955,000.00	1 item(s)				
New England Asset Management							
02/14/11	02/17/11	9,360,000.00	MASSACHUSETTS ST COLLEGE BLDG	5.284	05/01/25	5.315	Aa2 / AA-
03/04/11	03/09/11	7,000,000.00	NEW YORK ST TWY AUTH	5.449	04/01/25	5.436	AA / AA
03/10/11	03/15/11	2,700,000.00	METROPOLITAN WTR DIST STHN CA	5.906	07/01/25	5.204	Aa1 / AAA
	Subtotal:	19,060,000.00	3 item(s)				
<b>Total Taxable Muni:</b>		<b>23,015,000.00</b>	<b>4 item(s)</b>				

    Corporate:

CONNING							
02/02/11	02/07/11	19,000,000.00	PRAXAIR INC	4.500	08/15/19	3.935	A2 / A
02/02/11	02/07/11	5,000,000.00	BOTTLING GROUP LLC	5.125	01/15/19	3.807	Aa3 / A
02/02/11	02/07/11	5,000,000.00	TOYOTA MOTOR CREDIT CORP	4.250	01/11/21	4.217	Aa2 / AA
02/03/11	02/08/11	2,511,000.00	NORTHERN TRUST CORP	3.450	11/04/20	4.127	A1 / AA-
02/03/11	02/08/11	398,000.00	NORTHERN TRUST CORP	3.450	11/04/20	4.127	A1 / AA-
02/03/11	02/08/11	3,650,000.00	NORTHERN TRUST CORP	3.450	11/04/20	4.119	A1 / AA-
02/03/11	02/08/11	750,000.00	NORTHERN TRUST CORP	3.450	11/04/20	4.129	A1 / AA-
02/03/11	02/08/11	6,320,000.00	EBAY INC	3.250	10/15/20	4.435	A2 / A
02/03/11	02/08/11	3,680,000.00	EBAY INC	3.250	10/15/20	4.429	A2 / A
02/03/11	02/08/11	5,000,000.00	TOYOTA MOTOR CREDIT CORP	4.250	01/11/21	4.253	Aa2 / AA
02/03/11	02/08/11	1,500,000.00	BAXTER INTERNATIONAL INC	4.500	08/15/19	3.965	A3 / A+
02/03/11	02/08/11	10,000,000.00	BAXTER INTERNATIONAL INC	4.500	08/15/19	3.965	A3 / A+
02/03/11	02/08/11	7,845,000.00	BAXTER INTERNATIONAL INC	4.250	03/15/20	4.085	A3 / A+
02/03/11	02/08/11	1,334,000.00	BAXTER INTERNATIONAL INC	4.250	03/15/20	4.085	A3 / A+
02/03/11	02/08/11	947,000.00	BAXTER INTERNATIONAL INC	4.250	03/15/20	4.089	A3 / A+
02/04/11	02/09/11	375,000.00	PUBLIC SERVICE COLORADO	5.125	06/01/19	4.060	A2 / A
02/04/11	02/09/11	5,637,000.00	PUBLIC SERVICE COLORADO	5.125	06/01/19	4.046	A2 / A
02/04/11	02/09/11	3,992,000.00	BECTON DICKINSON	3.250	11/12/20	4.272	A2 / AA-
02/04/11	02/09/11	5,000,000.00	EBAY INC	3.250	10/15/20	4.532	A2 / A
02/04/11	02/09/11	5,960,000.00	STRYKER CORP	4.375	01/15/20	4.242	A3 / A+
02/07/11	02/10/11	5,000,000.00	TOYOTA MOTOR CREDIT CORP	4.250	01/11/21	4.402	Aa2 / AA
02/07/11	02/10/11	3,000,000.00	STRYKER CORP	4.375	01/15/20	4.302	A3 / A+
02/07/11	02/10/11	14,600,000.00	UNILEVER CAPITAL CORP	2.750	02/10/16	2.772	A1 / A+
02/07/11	02/10/11	5,000,000.00	AT&T INC	5.500	02/01/18	4.000	A2 / A-
02/08/11	02/11/11	15,500,000.00	BLACKROCK INC	5.000	12/10/19	4.480	A1 / A+
02/09/11	02/14/11	10,000,000.00	UBS AG STAMFORD CT	5.875	12/20/17	4.515	Aa3 / A+
02/09/11	02/14/11	2,300,000.00	UBS AG STAMFORD CT	5.875	12/20/17	4.555	Aa3 / A+
02/10/11	02/15/11	10,000,000.00	UBS AG STAMFORD CT	5.750	04/25/18	4.526	Aa3 / A+
02/10/11	02/15/11	5,875,000.00	WELLS FARGO & COMPANY	5.200	06/15/16	3.536	A1 / AA-
02/11/11	02/16/11	8,000,000.00	PARKER-HANNIFIN CORP	5.500	05/15/18	3.924	A2 / A
02/11/11	02/16/11	8,629,000.00	ORACLE CORP	5.000	07/08/19	4.122	A2 / A

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Trade Date	Settle Date	Current Face	Description	Cpn/ Dvd	Maturity Date	Yld	Ratings
02/11/11	02/16/11	7,500,000.00	MET LIFE GLOB FUNDING I	3.125	01/11/16	3.422	Aa3 / AA-
02/11/11	02/16/11	7,000,000.00	TRAVELERS COS INC	5.800	05/15/18	4.286	A2 / A-
02/14/11	02/17/11	10,000,000.00	MET LIFE GLOB FUNDING I	3.125	01/11/16	3.409	Aa3 / AA-
02/22/11	02/25/11	5,500,000.00	MET LIFE GLOB FUNDING I	3.125	01/11/16	3.197	Aa3 / AA-
02/22/11	02/25/11	2,500,000.00	MET LIFE GLOB FUNDING I	3.125	01/11/16	3.201	Aa3 / AA-
02/25/11	03/02/11	10,000,000.00	UBS AG STAMFORD CT	5.875	12/20/17	4.233	Aa3 / A+
02/28/11	03/07/11	11,150,000.00	BB&T CORPORATION	3.200	03/15/16	3.230	A2 / A
03/01/11	03/07/11	10,000,000.00	BB&T CORPORATION	3.200	03/15/16	3.241	A2 / A
03/08/11	03/11/11	10,000,000.00	STATE STREET CORP	4.375	03/07/21	4.473	A1 / A+
03/08/11	03/11/11	10,000,000.00	STATE STREET CORP	2.875	03/07/16	3.008	A1 / A+
03/08/11	03/11/11	3,900,000.00	STATE STREET CORP	2.875	03/07/16	3.007	A1 / A+
03/08/11	03/11/11	6,100,000.00	STATE STREET CORP	2.875	03/07/16	3.016	A1 / A+
03/10/11	03/15/11	5,640,000.00	BLACKROCK INC	5.000	12/10/19	4.229	A1 / A+
03/10/11	03/15/11	20,000,000.00	MEDTRONIC INC	4.125	03/15/21	4.192	A1 / AA-
03/10/11	03/15/11	25,400,000.00	MEDTRONIC INC	2.625	03/15/16	2.722	A1 / AA-
03/22/11	03/25/11	10,000,000.00	JPMORGAN CHASE & CO	3.400	06/24/15	3.021	Aa3 / A+
03/23/11	04/01/11	15,200,000.00	CATERPILLAR FINANCIAL SE	2.650	04/01/16	2.688	A2 / A
Subtotal:		351,693,000.00	48 item(s)				
New England Asset Management							
02/04/11	02/09/11	20,000,000.00	JPMORGAN CHASE & CO	4.400	07/22/20	4.791	Aa3 / A+
02/07/11	02/10/11	10,000,000.00	WELLS FARGO & COMPANY	5.625	12/11/17	3.974	A1 / AA-
02/07/11	02/10/11	10,000,000.00	MORGAN STANLEY	5.750	01/25/21	5.592	A2 / A
02/14/11	02/17/11	23,000,000.00	HONEYWELL INTERNATIONAL	4.250	03/01/21	4.281	A2 / A
02/15/11	02/18/11	9,000,000.00	OCCIDENTAL PETROLEUM CORP	4.100	02/01/21	4.327	A2 / A
02/15/11	02/18/11	6,000,000.00	OCCIDENTAL PETROLEUM CORP	4.100	02/01/21	4.331	A2 / A
02/15/11	02/18/11	15,000,000.00	PFIZER INC	6.200	03/15/19	4.004	A1 / AA
02/16/11	02/22/11	13,250,000.00	DOVER CORP	4.300	03/01/21	4.307	A2 / A
02/18/11	02/24/11	6,750,000.00	DOVER CORP	4.300	03/01/21	4.290	A2 / A
02/22/11	02/25/11	2,000,000.00	BAXTER INTERNATIONAL INC	4.500	08/15/19	3.931	A3 / A+
Subtotal:		115,000,000.00	10 item(s)				
<b>Total Corporate:</b>		<b>466,693,000.00</b>	<b>58 item(s)</b>				
<b>MBS Pass-Through</b>							
CONNING							
02/10/11	02/15/11	12,383,772.23	FN MA0500	5.000	08/01/40	4.139	Aaa / AAA
02/16/11	02/22/11	9,183,828.67	FG A93343	5.000	08/01/40	4.014	Aaa / AAA
02/18/11	02/24/11	8,821,908.30	FG A91165	5.000	02/01/40	3.932	Aaa / AAA
02/24/11	02/28/11	7,500,431.00	FG A97267	5.000	03/01/41	3.856	Aaa / AAA
03/08/11	03/10/11	17,140,635.01	FG A96743	4.500	02/01/41	4.238	Aaa / AAA
03/10/11	03/15/11	11,954,185.69	FG A93322	5.000	08/01/40	3.557	Aaa / AAA
03/24/11	03/29/11	7,142,693.06	FG A93353	5.000	08/01/40	3.972	Aaa / AAA
03/28/11	04/13/11	17,022,496.99	FN AD5982	5.000	05/01/40	3.782	Aaa / AAA
Subtotal:		91,149,950.95	8 item(s)				
New England Asset Management							
02/08/11	02/17/11	30,000,000.00	G2 4946	4.500	02/20/41	4.088	Aaa / AAA
02/08/11	02/17/11	29,948,942.70	G2 4923	4.500	01/01/41	4.087	Aaa / AAA
02/08/11	02/17/11	29,395,706.40	GN 745242	4.500	07/01/40	4.061	Aaa / AAA
02/23/11	03/21/11	32,500,000.66	GN 719231	4.500	07/15/40	3.896	Aaa / AAA
02/23/11	03/21/11	32,500,000.22	GN 783215	4.500	01/15/41	3.896	Aaa / AAA
03/07/11	03/21/11	50,000,000.00	GN 763480	4.000	03/15/41	4.049	Aaa / AAA
Subtotal:		204,344,649.98	6 item(s)				
<b>Total MBS Pass-Through:</b>		<b>295,494,600.93</b>	<b>14 item(s)</b>				

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**CMOs**

New England Asset Management

03/03/11	03/30/11	17,000,000.00	FHR 3833 HB	4.000	03/15/31	4.739	Aaa / AAA
03/15/11	03/18/11	7,999,000.00	FHR 3763 WX	4.500	08/15/27	4.252	Aaa / AAA
03/15/11	03/18/11	15,118,000.00	FHR 3815 MC	4.500	02/15/40	4.378	Aaa / AAA
03/15/11	03/18/11	10,000,000.00	FHR 3800 MD	4.500	08/15/39	4.368	Aaa / AAA
03/17/11	03/22/11	16,000,000.00	FHR 3786 DB	3.000	01/15/25	4.186	Aaa / AAA
03/21/11	03/24/11	14,750,000.00	FHR 3779 PU	4.000	09/15/37	4.040	Aaa / AAA
03/23/11	03/30/11	12,933,000.00	FNR 2011-24 EY	3.000	04/25/26	4.294	Aaa / AAA
Subtotal:		93,800,000.00	7 item(s)				

<b>Total CMOs:</b>	<b>93,800,000.00</b>	<b>7 item(s)</b>
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**Agency Project Loans (CMBS)**

New England Asset Management

02/03/11	02/25/11	14,000,000.00	GNR 2011-27 D	3.650	07/16/45	4.834	Aaa / AAA
03/03/11	03/30/11	18,000,000.00	GNR 2011-42 C	4.300	08/16/50	4.850	Aaa / AAA
Subtotal:		32,000,000.00	2 item(s)				

<b>Total Agency Proj.</b>	<b>32,000,000.00</b>	<b>2 item(s)</b>
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Loans:

<b>Conning Total</b>	<b>446,797,950.95</b>	<b>57 item(s)</b>
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Purchases:

<b>New England Asset</b>	<b>464,204,649.98</b>	<b>28 item(s)</b>
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Management Total

Purchases:

<b>Grand Total</b>	<b>911,002,600.93</b>	<b>85 item(s)</b>
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Purchases:

**SALES:**

CONNING:

**Corporate:**

02/15/11	02/18/11	10,000,000.00	AVON PRODUCTS, INC.	4.625	05/15/13	1.809	A2 / A-
03/02/11	03/07/11	15,000,000.00	CITIGROUP, INC.	5.125	05/05/14	2.604	A3 / A
03/03/11	03/08/11	15,000,000.00	CITIGROUP, INC.	5.125	05/05/14	2.763	A3 / A
03/22/11	03/25/11	10,000,000.00	JPMORGAN CHASE	2.050	01/24/14	1.988	Aa3 / A+
Subtotal:		50,000,000.00	4 item(s)				

<b>Grand Total Sales:</b>	<b>50,000,000.00</b>	<b>4 item(s)</b>
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MOTION: To approve and recommend ratification.