



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

Date: July 1, 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 INVESTMENT COMMITTEE TO APPROVE AND RATIFY THE INVESTMENT TRANSACTIONS FROM APRIL 1, 2011 TO MAY 31, 2011.**

IV. ANALYSIS:
The bond transactions for the period of April 1, 2011 to May 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 and ratification of these investment transactions. These reports are also attached as Item 8.c.ii. on the agenda of the Full Board meeting.

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

STEPHANIE CHAN, Treasury and
Investments Program Manager

Attachments

BOND TRANSACTIONS

Sixty-five transactions were consummated during the period from April 1, 2011 to

May 31, 2011.

Trade	Settle	Current Face	Description	Cpn/	Maturity	Yld	Ratings
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PURCHASES:

Local Agency

New England Asset Management

04/27/11	04/28/11	25,000,000.00	FREDDIE MAC	4.875	06/13/18	2.993	Aaa / AAA
04/27/11	04/28/11	25,000,000.00	TENN VALLEY AUTHORITY	3.875	02/15/21	3.725	Aaa / AAA
04/27/11	04/28/11	25,000,000.00	TENN VALLEY AUTHORITY	3.875	02/15/21	3.730	Aaa / AAA
04/27/11	04/28/11	25,000,000.00	TENN VALLEY AUTHORITY	3.875	02/15/21	3.724	Aaa / AAA
05/05/11	05/09/11	25,000,000.00	FEDERAL HOME LOAN BANK	5.625	06/11/21	3.643	Aaa / AAA
05/05/11	05/09/11	25,000,000.00	FEDERAL HOME LOAN BANK	5.625	06/11/21	3.643	Aaa / AAA
05/06/11	05/09/11	23,960,000.00	FEDERAL HOME LOAN BANK	4.750	06/08/18	2.878	Aaa / AAA
05/06/11	05/09/11	15,000,000.00	FEDERAL HOME LOAN BANK	5.375	08/15/18	2.946	Aaa / AAA
05/09/11	05/10/11	6,000,000.00	FEDERAL HOME LOAN BANK	5.375	08/15/18	2.859	Aaa / AAA
05/13/11	05/16/11	30,000,000.00	FEDERAL HOME LOAN BANK	5.250	12/09/22	3.853	Aaa / AAA
05/23/11	05/24/11	18,462,000.00	FANNIE MAE	6.160	08/07/28	4.343	Aaa / AAA
05/23/11	05/24/11	5,050,000.00	FANNIE MAE	6.160	08/07/28	4.355	Aaa / AAA
05/24/11	05/25/11	50,000,000.00	TENN VALLEY AUTHORITY	7.125	05/01/30	4.483	Aaa / AAA
05/24/11	05/25/11	3,545,000.00	TENN VALLEY AUTHORITY	7.125	05/01/30	4.483	Aaa / AAA
05/27/11	05/31/11	25,000,000.00	FREDDIE MAC	6.750	09/15/29	4.308	Aaa / AAA
05/31/11	06/01/11	18,130,000.00	FEDERAL HOME LOAN BANK	5.250	12/09/22	3.724	Aaa / AAA
05/31/11	06/01/11	16,450,000.00	FEDERAL HOME LOAN BANK	3.625	03/12/21	3.458	Aaa / AAA
05/31/11	06/01/11	3,089,000.00	TENN VALLEY AUTHORITY	6.750	11/01/25	4.050	Aaa / AAA
Subtotal:		364,686,000.00	18 item(s)				

Total: Local Agy:	364,686,000.00	18 item(s)
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Other Government

CONNING

05/11/11	05/18/11	16,000,000.00	BRITISH COLUMBIA PROV OF	2.100	05/18/16	2.104	Aaa / AAA
05/11/11	05/18/11	4,000,000.00	BRITISH COLUMBIA PROV OF	2.100	05/18/16	2.104	Aaa / AAA
Subtotal:		20,000,000.00	2 item(s)				

Total: Oth Gov't:	20,000,000.00	2 item(s)
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Corporate

CONNING

04/08/11	04/13/11	10,000,000.00	ARCHER-DANIELS-MIDLAND C	4.479	03/01/21	4.410	A2 / A
04/11/11	04/18/11	25,000,000.00	WAL-MART STORES, INC.	4.250	04/15/21	4.331	Aa2 / AA
04/15/11	04/20/11	10,000,000.00	JPMORGAN CHASE & CO.	4.400	07/22/20	4.706	Aa3 / A+
04/20/11	04/26/11	10,000,000.00	JPMORGAN CHASE & CO.	4.250	10/15/20	4.693	Aa3 / A+
04/25/11	04/28/11	5,000,000.00	UBS AG STAMFORD CT	5.750	04/25/18	4.141	Aa3 / A+
04/26/11	04/29/11	5,000,000.00	UBS AG STAMFORD CT	5.875	12/20/17	3.994	Aa3 / A+
04/29/11	05/04/11	6,000,000.00	GENERAL ELEC CAP CORP.	4.375	09/16/20	4.512	Aa2 / AA+
05/05/11	05/10/11	3,525,000.00	JPMORGAN CHASE & CO.	4.625	05/10/21	4.639	Aa3 / A+
05/06/11	05/11/11	1,475,000.00	JPMORGAN CHASE & CO.	4.625	05/10/21	4.684	Aa3 / A+
05/16/11	05/19/11	5,550,000.00	GOOGLE, INC.	3.625	05/19/21	3.734	Aa2 / AA-

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Trade	Settle	Current Face	Description	Cpn	Maturity	Yld	Ratings
05/16/11	05/23/11	5,000,000.00	TEXAS INSTRUMENTS INC	2.375	05/16/16	2.398	A1 / A+
05/18/11	05/23/11	10,000,000.00	WALT DISNEY COMPANY/THE	3.750	06/01/21	3.758	A2 / A
05/18/11	05/23/11	20,000,000.00	STATE STREET CORP.	4.375	03/07/21	4.128	A1 / A+
05/19/11	05/24/11	12,825,000.00	US BANCORP	4.125	05/24/21	4.172	Aa3 / A+
05/19/11	05/24/11	30,000,000.00	BLACKROCK, INC.	4.250	05/24/21	4.321	A1 / A+
05/24/11	05/27/11	5,800,000.00	CATERPILLAR, INC.	3.900	05/27/21	3.957	A2 / A
05/25/11	05/31/11	12,500,000.00	HEWLETT-PACKARD CO.	4.300	06/01/21	4.325	A2 / A
05/26/11	06/01/11	10,000,000.00	US BANCORP	4.125	05/24/21	4.135	Aa3 / A+
05/31/11	06/03/11	7,500,000.00	GENERAL ELEC CAP CORP	4.375	09/16/20	4.399	Aa2 / AA+
Subtotal:		195,175,000.00	19 item(s)				

New England Asset Management

04/06/11	04/11/11	25,000,000.00	WELLS FARGO & COMPANY	4.600	04/01/21	4.746	A1 / AA-
04/07/11	04/12/11	25,000,000.00	JPMORGAN CHASE & CO.	4.250	10/15/20	4.853	Aa3 / A+
04/11/11	04/14/11	15,000,000.00	GOLDMAN SACHS GROUP, INC.	6.000	06/15/20	5.070	A1 / A
04/11/11	04/14/11	10,000,000.00	MORGAN STANLEY	5.750	01/25/21	5.457	A2 / A
04/19/11	04/25/11	2,500,000.00	MORGAN STANLEY	5.750	01/25/21	5.342	A2 / A
04/19/11	04/25/11	12,000,000.00	JPMORGAN CHASE & CO.	4.250	10/15/20	4.688	Aa3 / A+
04/19/11	04/25/11	2,500,000.00	BANK OF AMERICA CORP	5.625	07/01/20	5.015	A2 / A
04/20/11	04/26/11	7,500,000.00	WELLS FARGO & COMPANY	4.600	04/01/21	4.559	A1 / AA-
04/20/11	04/26/11	5,000,000.00	WELLS FARGO & COMPANY	4.600	04/01/21	4.592	A1 / AA-
04/26/11	04/29/11	15,000,000.00	WELLS FARGO & COMPANY	4.600	04/01/21	4.491	A1 / AA-
04/27/11	05/02/11	5,000,000.00	GENERAL ELEC CAP CORP	4.625	01/07/21	4.591	Aa2 / AA+
04/27/11	05/02/11	5,000,000.00	WELLS FARGO & COMPANY	4.600	04/01/21	4.520	A1 / AA-
04/28/11	05/03/11	10,000,000.00	BANK OF AMERICA CORP	5.625	07/01/20	4.948	A2 / A
04/28/11	05/03/11	5,000,000.00	BB&T CORPORATION	3.200	03/15/16	2.989	A2 / A
Subtotal:		144,500,000.00	14 item(s)				

Total Corporate:	339,675,000.00	33 item(s)
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MBS Pass-Through

CONNING

05/09/11	05/16/11	21,258,197.00	FN MC0476	4.500	05/01/41	3.675	Aaa / AAA
Subtotal:		21,258,197.00	1 item(s)				

Total MBS Pass-Through:	21,258,197.00	1 item(s)
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Agency Project Loans (CMBS)

New England Asset Management

04/05/11	04/29/11	38,500,000.00	GNR 2011-58 C	4.015	08/01/51	4.577	Aaa / AAA
04/06/11	04/29/11	10,000,000.00	GNR 2011-49 C	4.163	07/01/51	4.870	Aaa / AAA
05/19/11	05/27/11	10,900,000.00	GNR 2011-64 C	4.151	07/01/51	4.481	Aaa / AAA
Subtotal:		59,400,000.00	3 item(s)				

Total Agy Proj Lns:	59,400,000.00	3 item(s)
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Total Purchases:	236,433,197.00	22 item(s)
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CONNING

Total Purchases:	568,586,000.00	35 item(s)
New England Asset Management		

Grand Total:	805,019,197.00	57 item(s)
Purchases		

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Trade	Settle Date	Current Face	Description	Cpn	Maturity	Yld	Ratings
SALES:							
<u>Local Agency</u>							
New England Asset Management							
04/06/11	04/07/11	21,500,000.00	FEDERAL HOME LOAN BANK	1.375	05/16/11	0.055	Aaa / AAA
	Subtotal:	21,500,000.00	1 item(s)				
Grand Total: Loc Agy		21,500,000.00	1 item(s)				
<u>Corporate</u>							
CONNING							
05/18/11	05/23/11	20,000,000.00	STATE STREET CORP.	2.875	03/07/16	2.601	A1 / A+
05/26/11	06/01/11	10,000,000.00	US BANK NA	6.375	08/01/11	0.294	Aa3 / A+
	Subtotal:	30,000,000.00	2 item(s)				
New England Asset Management							
04/06/11	04/11/11	20,000,000.00	CREDIT SUISSE NEW YORK	6.000	02/15/18	4.833	Aa2 / A
04/06/11	04/11/11	24,500,000.00	UBS AG STAMFORD CT	5.875	07/15/16	4.200	A1 / A
04/06/11	04/11/11	50,000,000.00	UBS AG STAMFORD CT	5.875	07/15/16	4.200	A1 / A
04/06/11	04/11/11	25,000,000.00	WACHOVIA CORP.	5.250	08/01/14	2.922	A2 / A+
	Subtotal:	119,500,000.00	4 item(s)				
Grand Total: Corp.		149,500,000.00	6 item(s)				
<u>MBS</u>							
New England Asset Management							
04/14/11	04/19/11	2,625,638.85	NATIONAL CREDIT UNION ADM	2.400	12/08/20	2.935	Aaa / AAA
	Subtotal:	2,625,638.85	1 item(s)				
Grand Total MBS:		2,625,638.85	1 item(s)				
Total Sales: CONNING		30,000,000.00	2 item(s)				
Total Sales: New England Asset Management		143,625,638.85	6 item(s)				
Grand Total: SALES		173,625,638.85	8 item(s)				

MOTION: To approve and ratify the transactions described on this list.