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Date: November 2, 2009

**AGENDA ITEM 9 a, b, c**

**TO: MEMBERS OF THE INVESTMENT COMMITTEE**

- I. SUBJECT: APPROVAL OF INVESTMENT TRANSACTIONS**
- II. PROGRAM: FISCAL & INVESTMENT SERVICES**
- III. RECOMMENDATION: RECOMMENDATION TO BOARD OF DIRECTORS TO RATIFY THE INVESTMENT TRANSACTIONS FROM AUGUST 1 TO SEPTEMBER 30, 2009.**

**IV. ANALYSIS:**

The bond transactions for the period of August 1 to September 30, 2009 are attached as Item 9a-l. There were no short term investment transactions as confirmed on attachment 9b-l. The current investments no longer in compliance with State Fund's Investment Policy are listed in the Compliance Report, Attachment 9c-l. 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 Fiscal & Investment Services.

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LESLIE DAWE, Fiscal and Investment  
Services Manager

Attachments

INVESTMENT COMMITTEE MEETING (OPEN)

AGENDA ITEM 9a

ATTACHMENT 9a-I

BOND TRANSACTIONS for AUGUST 1, 2009 to SEPTEMBER 30, 2009

PRESENTED BY: Leslie Dawe

November 12, 2009

BOND TRANSACTIONS

Ninety-eight transactions were consummated during the period from August 1, 2009 to September 30, 2009.

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

09/30/09	10/05/09	30,000,000.00	US Treasury Notes	1.750%	03/31/10	0.174%	Aaa/AAA
09/30/09	10/05/09	30,000,000.00	US Treasury Notes	2.000%	09/30/10	0.395%	Aaa/AAA
09/30/09	10/05/09	30,000,000.00	US Treasury Notes	0.875%	03/31/11	0.658%	Aaa/AAA
09/30/09	10/05/09	30,000,000.00	US Treasury Notes	1.000%	09/30/11	0.976%	Aaa/AAA
		Subtotal:	120,000,000.00	4 item(s)			

<b>Total Government:</b>	<b>120,000,000.00</b>	<b>4 item(s)</b>
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**Agency:****CONNING:**

08/05/09	08/06/09	20,000,000.00	FHLMC Notes	2.125%	09/21/12	2.138%	Aaa/AAA
08/07/09	08/25/09	20,000,000.00	FNMA Notes	3.500%	08/25/14	3.593%	Aaa/AAA
08/13/09	08/14/09	25,000,000.00	FNMA Notes	3.000%	09/16/14	3.058%	Aaa/AAA
		Subtotal:	65,000,000.00	3 item(s)			

<b>Total Agency:</b>	<b>65,000,000.00</b>	<b>3 item(s)</b>
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**Sovereign/Canada:****Conning:**

09/02/09	09/10/09	7,350,000.00	CANADA Government	2.375%	09/10/14	2.498%	Aaa/AAA
		Subtotal:	7,350,000.00	1 tem(s)			

<b>Total Sovereign/Canada:</b>	<b>7,350,00.00</b>	<b>1 item(s)</b>
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**Attachment 9a-I**

**MBS/Agency CMBS:**

**Conning:**

08/04/09	08/13/09	10,214,275.15	FNMA MBS, FN AA5890 GNMA PROJECT LOANS CMBS,	5.000%	07/01/39	4.429%	Aaa/AAA
08/05/09	08/10/09	10,000,000.00	GNR 2009-51 C	5.351%	10/16/49	5.250%	Aaa/AAA
08/21/09	08/31/09	20,000,000.00	FHLMC MBS, FG G08361	4.500%	08/01/39	4.503%	Aaa/AAA
08/27/09	09/14/09	13,377,236.85	FNMA MBS, FN AA8633 GNMA PROJECT LOANS CMBS,	5.000%	07/01/39	4.221%	Aaa/AAA
09/03/09	09/30/09	17,550,000.00	GNR 2009-80 B	4.555%	01/16/50	4.435%	Aaa/AAA
09/10/09	09/16/09	11,767,027.00	FNMA COIN MBS, FN MC0166	4.500%	09/01/39	3.889%	Aaa/AAA
09/16/09	09/18/09	10,788,134.64	FHLMC MBS, FG J10717	4.500%	09/01/24	3.654%	Aaa/AAA
09/21/09	09/30/09	19,615,001.80	FHLMC MBS, FG G18313	4.500%	06/01/24	3.558%	Aaa/AAA
09/21/09	09/30/09	9,987,350.00	FHLMC MBS, FG A88296	4.500%	09/01/39	4.393%	Aaa/AAA
09/23/09	09/30/09	20,000,000.00	GNMA MBS, G2 4540	4.500%	09/20/39	4.258%	Aaa/AAA
09/25/09	10/14/09	30,418,613.50	FNMA MBS, FN 928903	6.000%	12/01/37	4.055%	Aaa/AAA
09/25/09	10/14/09	6,051,631.67	FNMA MBS, FN 928903 GNMA PROJECT LOANS CMBS,	6.000%	12/01/37	2.132%	Aaa/AAA
09/25/09	10/30/09	15,000,000.00	GNR 2009-90 AC GNMA PROJECT LOANS CMBS,	3.137%	08/01/14	3.123%	Aaa/AAA
09/25/09	10/30/09	15,000,000.00	GNR 2009-90 B	4.196%	08/01/19	4.154%	Aaa/AAA
09/29/09	10/14/09	24,974,617.07	FHLMC MBS, FG G04396	6.000%	06/01/38	2.291%	Aaa/AAA
Subtotal:		234,743,887.68	15 item(s)				

**GR-NEAM:**

08/07/09	08/13/09	5,000,000.64	FHLMC MBS, FG G05132	5.000%	12/01/38	4.599%	Aaa/AAA
08/07/09	08/13/09	40,000,000.08	FHLMC MBS, FG G05132	5.000%	12/01/38	4.599%	Aaa/AAA
08/18/09	09/14/09	48,752,229.54	FNMA MBS, FN AA7677	5.000%	06/01/39	4.349%	Aaa/AAA
08/19/09	09/29/09	16,000,000.00	GNMA MBS, GN 726807	5.000%	09/15/39	4.279%	Aaa/AAA
08/28/09	09/14/09	10,000,000.00	FHLMC MBS, FG A88924	5.000%	09/01/39	4.325%	Aaa/AAA
08/28/09	09/14/09	39,999,999.94	FNMA MBS, FN AC1612	5.000%	08/01/39	4.297%	Aaa/AAA
08/28/09	09/14/09	10,000,000.98	FNMA MBS, FN AC1612	5.000%	08/01/39	4.297%	Aaa/AAA
09/02/09	09/17/09	22,500,000.00	FHLMC MBS, FG G18323	4.500%	09/01/24	3.585%	Aaa/AAA
09/02/09	09/17/09	22,500,000.12	FNMA MBS, FN AA4553	4.500%	08/01/24	3.521%	Aaa/AAA
09/10/09	09/16/09	18,183,330.00	FNMA COIN MBS, FN MC0165	4.500%	09/01/39	4.175%	Aaa/AAA
09/15/09	10/14/09	7,487,502.60	FNMA MBS, FN AC3236	5.000%	09/01/39	4.278%	Aaa/AAA
09/15/09	10/14/09	7,491,526.05	FHLMC MBS, FG A88594	5.000%	09/01/39	4.389%	Aaa/AAA
Subtotal:		247,914,589.95	12 item(s)				

<b>Total MBS/Agency CMBS:</b>	<b>482,658,477.63</b>	<b>27 item(s)</b>
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**Taxable Municipal:**

**Conning:**

08/12/09	08/27/09	4,550,000.00	Metro Wastewater Reclamation District, Colorado Sewer Rev (BAB)*	5.775%	04/01/29	5.774%	Aa2/AAA
08/19/09	08/26/09	19,400,000.00	Texas State GO (BAB)*	5.517%	04/01/39	5.517%	Aa1/AA+
09/10/09	09/24/09	15,350,000.00	Chicago Illinois Board Education Dedicated Revenue (BAB)*	6.038%	12/01/29	6.037%	A1/AA-
09/16/09	09/29/09	13,800,000.00	Utah State GO (BAB)*	4.554%	07/01/24	4.553%	Aaa/AAA
09/30/09	10/15/09	14,450,000.00	New York NY GO (BAB)*	4.589%	10/01/22	4.589%	Aa3/AA
Subtotal:		67,550,000.00	5 item(s)				

**Attachment 9a-I**

**GR-NEAM:**

08/11/09	08/25/09	12,400,000.00	Hamilton County Ohio Sewer System Revenue (BAB)*	6.500%	12/01/34	6.520%	Aa3/AA+
08/11/09	08/26/09	16,100,000.00	Chicago Illinois Metropolitan Water Reclamation (BAB)*	5.720%	12/01/38	5.719%	Aaa/AAA
08/12/09	08/27/09	2,200,000.00	Metro Wastewater Reclamation District Colorado Sewer Rev (BAB)*	5.518%	04/01/24	5.517%	Aa2/AAA
08/12/09	08/27/09	3,600,000.00	Texas State GO (BAB)*	6.072%	10/01/29	6.071%	Aa1/AA+
08/14/09	08/26/09	6,760,000.00	Utah St Board Regents Rev (BAB)*	5.670%	04/01/24	5.669%	Aa2/AA
08/18/09	08/31/09	2,500,000.00	New York St Dormitory Authority St Personal Income Taxable Rev (BAB)*	4.992%	03/15/22	4.992%	AAA/AA-
08/19/09	09/02/09	9,000,000.00	Midland County Texas Hospital District Limited (BAB)*	6.440%	05/15/39	6.439%	A1/AA
08/19/09	08/26/09	13,200,000.00	Texas State GO (BAB)*	5.517%	04/01/39	5.517%	Aa1/AA+
08/21/09	08/26/09	1,000,000.00	Texas State GO (BAB)*	5.517%	04/01/39	5.510%	Aa1/AA+
09/02/09	09/15/09	5,630,000.00	South Valley District Utah Sewer Revenue (BAB)*	6.290%	01/01/33	6.288%	AA/AA-
09/02/09	09/16/09	1,450,000.00	Oklahoma State Capital Improvement Authority (BAB)*	5.340%	07/01/24	5.339%	AA/AA-
09/10/09	09/23/09	3,895,000.00	Jordan Valley Utah Water Conservancy District (BAB)*	6.530%	10/01/39	6.530%	AA+/AA-
09/10/09	09/23/09	1,250,000.00	Jordan Valley Utah Water Conservancy District (BAB)*	6.330%	10/01/34	6.330%	AA+/AA-
09/10/09	09/24/09	11,500,000.00	Chicago Illinois Board Education Dedicated Revenue (BAB)*	6.138%	12/01/39	6.137%	A1/AA-
09/16/09	09/24/09	9,100,000.00	Colorado Springs Colorado Utilities System Improvement (BAB)*	5.545%	11/15/39	5.544%	Aa2/AA
09/30/09	10/15/09	9,500,000.00	New York NY GO (BAB)*	5.206%	10/01/31	5.206%	Aa3/AA
		Subtotal:	109,085,000.00	16 item(s)			

<b>Total Taxable</b>		
<b>Municipal:</b>	<b>176,635,000.00</b>	<b>21 item(s)</b>

<b>CONNING TOTAL</b>		
<b>PURCHASES:</b>	<b>494,643,887.68</b>	<b>28 item(s)</b>

<b>GR-NEAM TOTAL</b>		
<b>PURCHASES:</b>	<b>356,999,589.95</b>	<b>28 item(s)</b>

<b>GRAND TOTAL</b>		
<b>PURCHASES:</b>	<b>851,643,477.63</b>	<b>56 item(s)</b>

**SALES:**

**Government:**

**Conning:**

08/18/09	08/21/09	20,000,000.00	US Treasury Notes	4.750%	08/15/17	3.287%	Aaa/AAA
08/31/09	09/03/09	20,000,000.00	US Treasury Notes	4.750%	08/15/17	3.213%	Aaa/AAA
		Subtotal:	40,000,000.00	2 item(s)			

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**GR-NEAM:**

08/06/09	08/07/09	20,000,000.00	US Treasury Notes	4.625%	02/29/12	1.522%	Aaa/AAA
Subtotal:		20,000,000.00	1 item(s)				

<b>Total Government:</b>	<b>60,000,000.00</b>	<b>3 item(s)</b>
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**Corporate:**

**Conning:**

08/17/09	08/20/09	15,000,000.00	Cisco Systems, Inc.	5.500%	02/22/16	3.952%	A1/A+
08/18/09	08/21/09	20,000,000.00	Emerson Electric Co.	5.625%	11/15/13	2.983%	A2/A
08/18/09	08/21/09	15,000,000.00	Cisco Systems, Inc.	5.500%	02/22/16	3.945%	A1/A+
08/18/09	08/21/09	10,000,000.00	Pitney Bowes, Inc.	4.750%	01/15/16	4.291%	A1/A
08/19/09	08/24/09	2,000,000.00	Pitney Bowes, Inc.	4.750%	01/15/16	4.263%	A1/A
08/20/09	08/25/09	3,000,000.00	Pitney Bowes, Inc.	4.750%	01/15/16	4.270%	A1/A
08/20/09	08/25/09	3,000,000.00	Pitney Bowes, Inc.	4.750%	01/15/16	4.249%	A1/A
08/20/09	08/25/09	1,000,000.00	Pitney Bowes, Inc.	4.750%	01/15/16	4.232%	A1/A
08/24/09	08/27/09	2,000,000.00	Pitney Bowes, Inc.	4.750%	01/15/16	4.264%	A1/A
08/25/09	08/28/09	2,000,000.00	Pitney Bowes, Inc.	4.750%	01/15/16	4.284%	A1/A
08/25/09	08/28/09	12,000,000.00	Pitney Bowes, Inc.	4.750%	01/15/16	4.286%	A1/A
08/25/09	08/28/09	2,700,000.00	Pitney Bowes, Inc.	4.750%	01/15/16	4.288%	A1/A
Subtotal:		87,700,000.00	12 item(s)				

**GR-NEAM:**

08/07/09	08/12/09	20,000,000.00	Johnson Controls, Inc.	4.875%	09/15/13	4.874%	Baa2/BBB
08/19/09	08/24/09	10,000,000.00	Johnson Controls, Inc.	4.875%	09/15/13	4.874%	Baa2/BBB
08/19/09	08/24/09	10,000,000.00	Johnson Controls, Inc.	4.875%	09/15/13	4.874%	Baa2/BBB
Subtotal:		40,000,000.00	3 item(s)				

<b>Total Corporate:</b>	<b>127,700,000.00</b>	<b>15 item(s)</b>
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**Taxable Municipal:**

**Conning:**

08/13/09	08/18/09	9,670,000.00	Stockton Calif Pension Obligation	5.140%	09/01/17	5.973%	Aa3/AAA
08/26/09	08/31/09	7,500,000.00	Fresno County Calif Pension	4.658%	08/15/18	6.955%	WR/A+
08/26/09	08/31/09	11,000,000.00	Fresno County Calif Pension	4.658%	08/15/18	6.926%	WR/A+
08/26/09	08/31/09	20,025,000.00	Fresno County Calif Pension	4.658%	08/15/18	6.784%	WR/A+
08/26/09	08/31/09	6,155,000.00	Contra Costa County Calif Fire Dept	4.900%	08/01/16	5.229%	Aa3/AA-
08/31/09	09/03/09	5,000,000.00	Riverside Calif Pension Oblig	4.910%	02/15/25	7.171%	A1/AA-
Subtotal:		59,350,000.00	6 item(s)				

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**GR-NEAM:**

08/12/09	08/17/09	5,000,000.00	Fresno County Calif Pension	4.278%	08/15/14	5.802%	NR/A+
08/13/09	08/18/09	2,000,000.00	Fresno County Calif Pension	4.408%	08/15/15	5.916%	NR/A+
08/13/09	08/18/09	2,000,000.00	Fresno County Calif Pension	4.928%	08/15/19	6.765%	NR/A+
08/13/09	08/18/09	2,000,000.00	Fresno County Calif Pension	4.278%	08/15/14	5.720%	NR/A+
08/19/09	08/24/09	1,125,000.00	Fresno County Calif Pension	4.278%	08/15/14	5.625%	NR/A+
08/20/09	08/25/09	2,000,000.00	Fresno County Calif Pension	4.408%	08/15/15	5.826%	NR/A+
08/21/09	08/26/09	1,000,000.00	Fresno County Calif Pension	4.278%	08/15/14	5.720%	NR/A+
08/25/09	08/28/09	1,000,000.00	Fresno County Calif Pension	4.278%	08/15/14	5.650%	NR/A+
08/27/09	09/01/09	6,240,000.00	Contra Costa Cnty Calif Fire Dept	4.760%	08/01/13	4.017%	Aa3/AA-
08/27/09	09/01/09	4,000,000.00	Fresno County Calif Pension	4.278%	08/15/14	5.490%	NR/A+
08/27/09	09/01/09	2,000,000.00	Fresno County Calif Pension	4.408%	08/15/15	5.812%	NR/A+
08/28/09	09/02/09	1,000,000.00	Fresno County Calif Pension	4.408%	08/15/15	5.595%	NR/A+
09/01/09	09/04/09	1,000,000.00	Fresno County Calif Pension	4.408%	08/15/15	5.520%	NR/A+
09/02/09	09/08/09	1,000,000.00	Fresno County Calif Pension	4.408%	08/15/15	5.450%	NR/A+
09/08/09	09/11/09	2,250,000.00	Fresno County Calif Pension	4.408%	08/15/15	5.490%	NR/A+
09/08/09	09/11/09	5,500,000.00	Fresno County Calif Pension	4.928%	08/15/19	6.670%	NR/A+
09/08/09	09/11/09	5,015,000.00	Fresno County Calif Pension	4.408%	08/15/15	5.500%	NR/A+
09/15/09	09/18/09	10,000,000.00	Contra Costa Cnty Calif Pension	5.140%	06/01/17	5.060%	A1/AA-
Subtotal:		54,130,000.00	18 item(s)				

<b>Total Taxable</b>			
<b>Municipal:</b>	<b>113,480,000.00</b>	<b>24 item(s)</b>	

<b>Conning Total</b>			
<b>Sales:</b>	<b>187,050,000.00</b>	<b>20 item(s)</b>	

<b>GR-NEAM Total</b>			
<b>Sales:</b>	<b>114,130,000.00</b>	<b>22 item(s)</b>	

<b>GRAND TOTAL</b>			
<b>SALES:</b>	<b>301,180,000.00</b>	<b>42 item(s)</b>	

\* BAB – Build America Bonds

MOTION: To approve and recommend ratification.