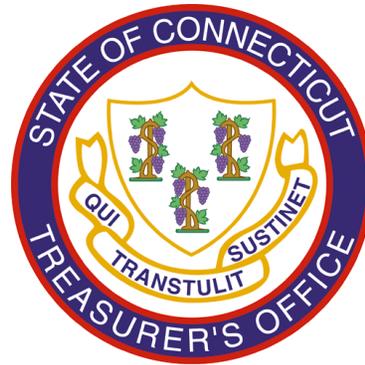


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Short-Term Investment Fund  
Annual Investors Meeting  
March 29, 2012



Office of  
Connecticut State Treasurer  
Denise L. Nappier

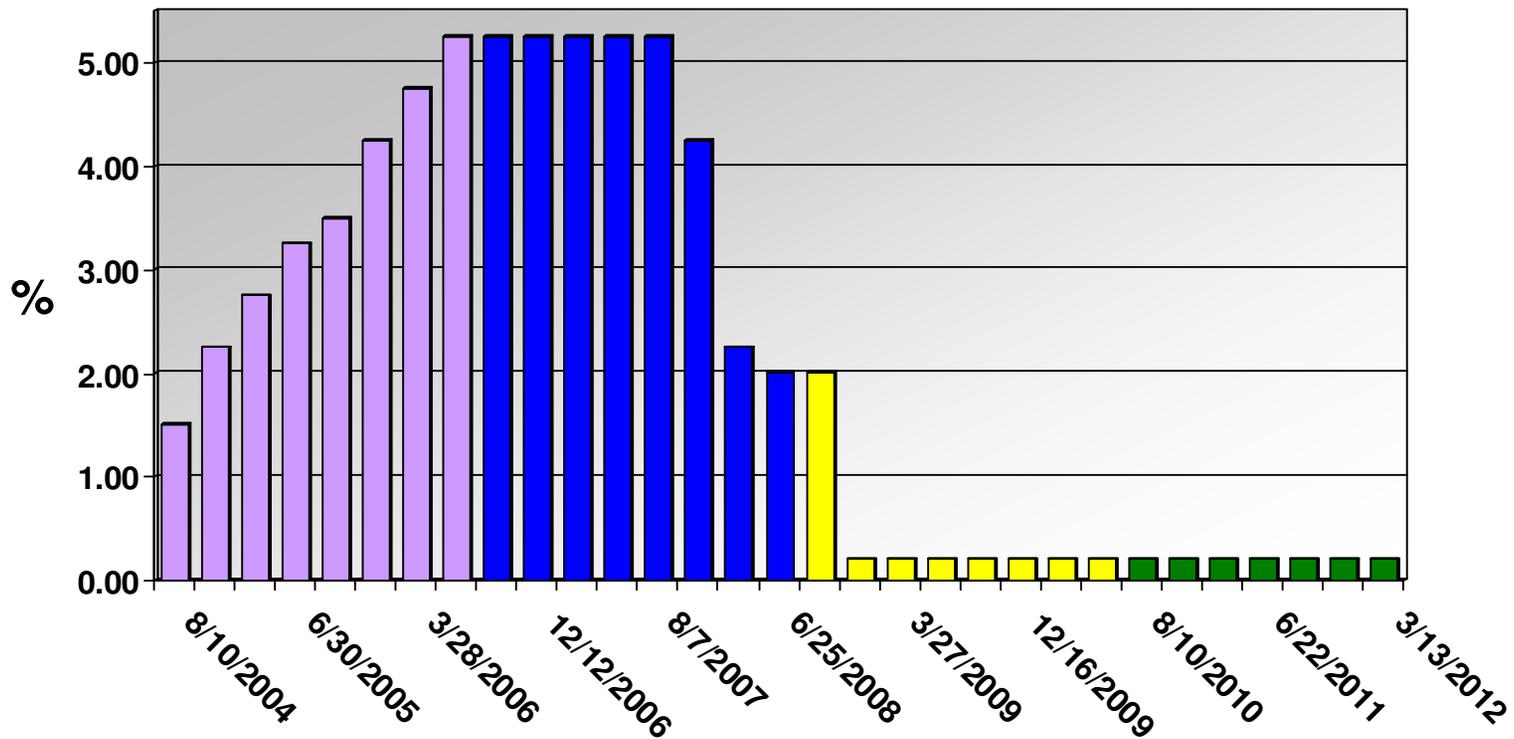
# STIF Annual Meeting

- Market report
- Fiscal year 2011 results
- Fiscal year 2012 update

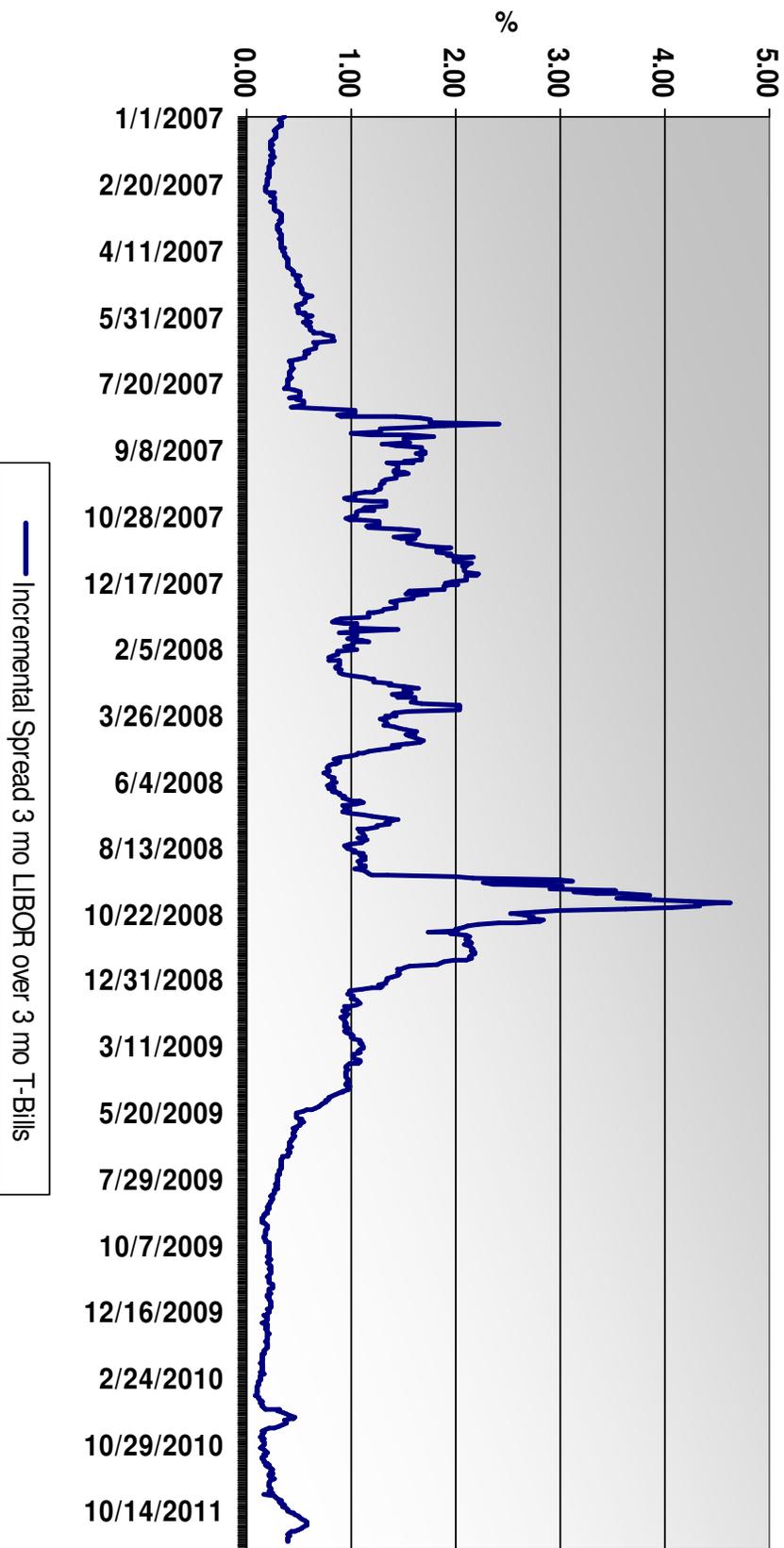
# Markets Continue to Stabilize

- Interest rates stable -- very low -- but stable
- TED spread bumps up, but generally within historical range
- Banks: some credit downgrades, but most pass federal stress tests
- Equity markets improve significantly

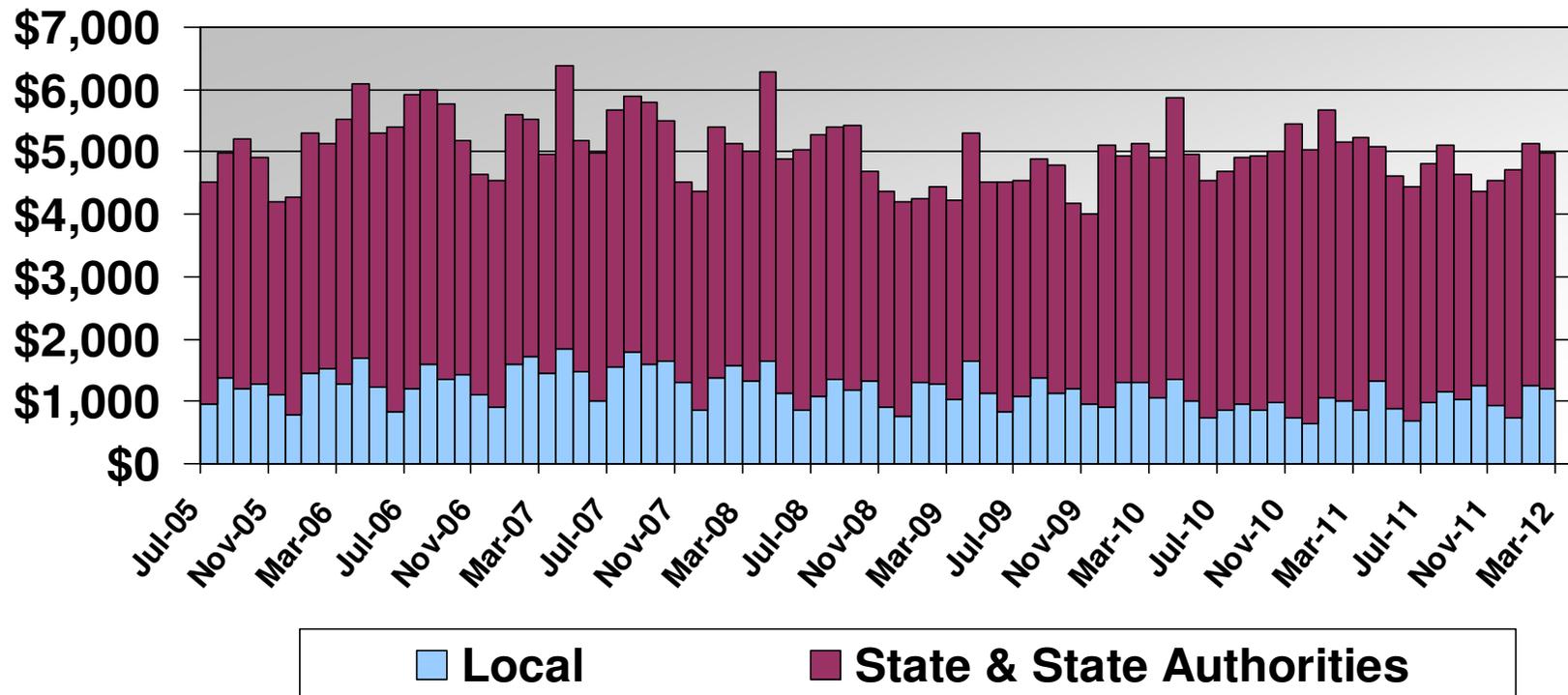
# FOMC Federal Funds Target Rate Range at Historical Lows



# Credit Market Recovery: T-Bills vs. LIBOR Spread



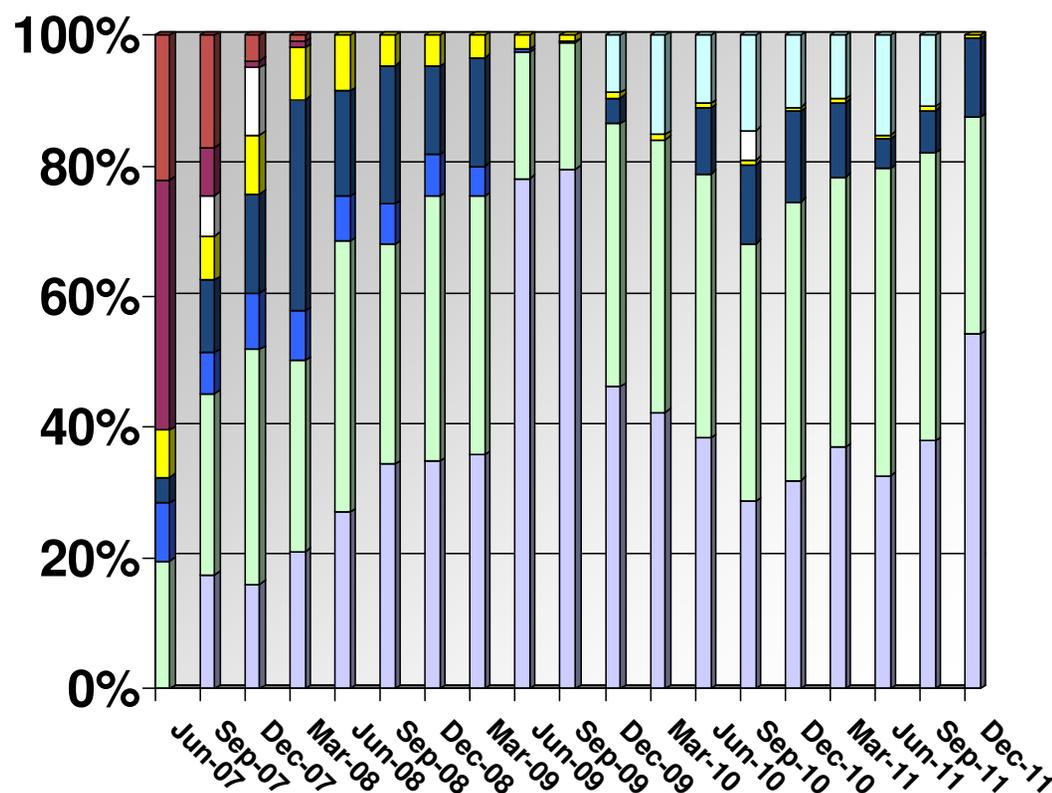
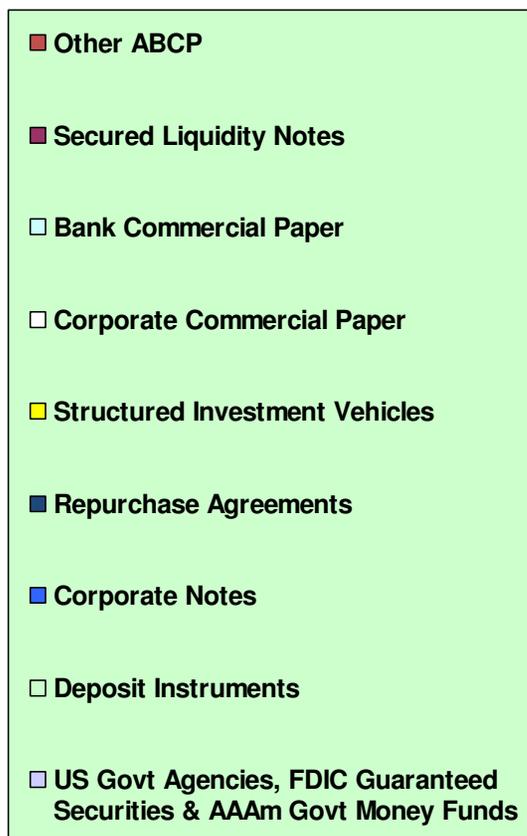
# State and Local Deposits (\$ in millions)



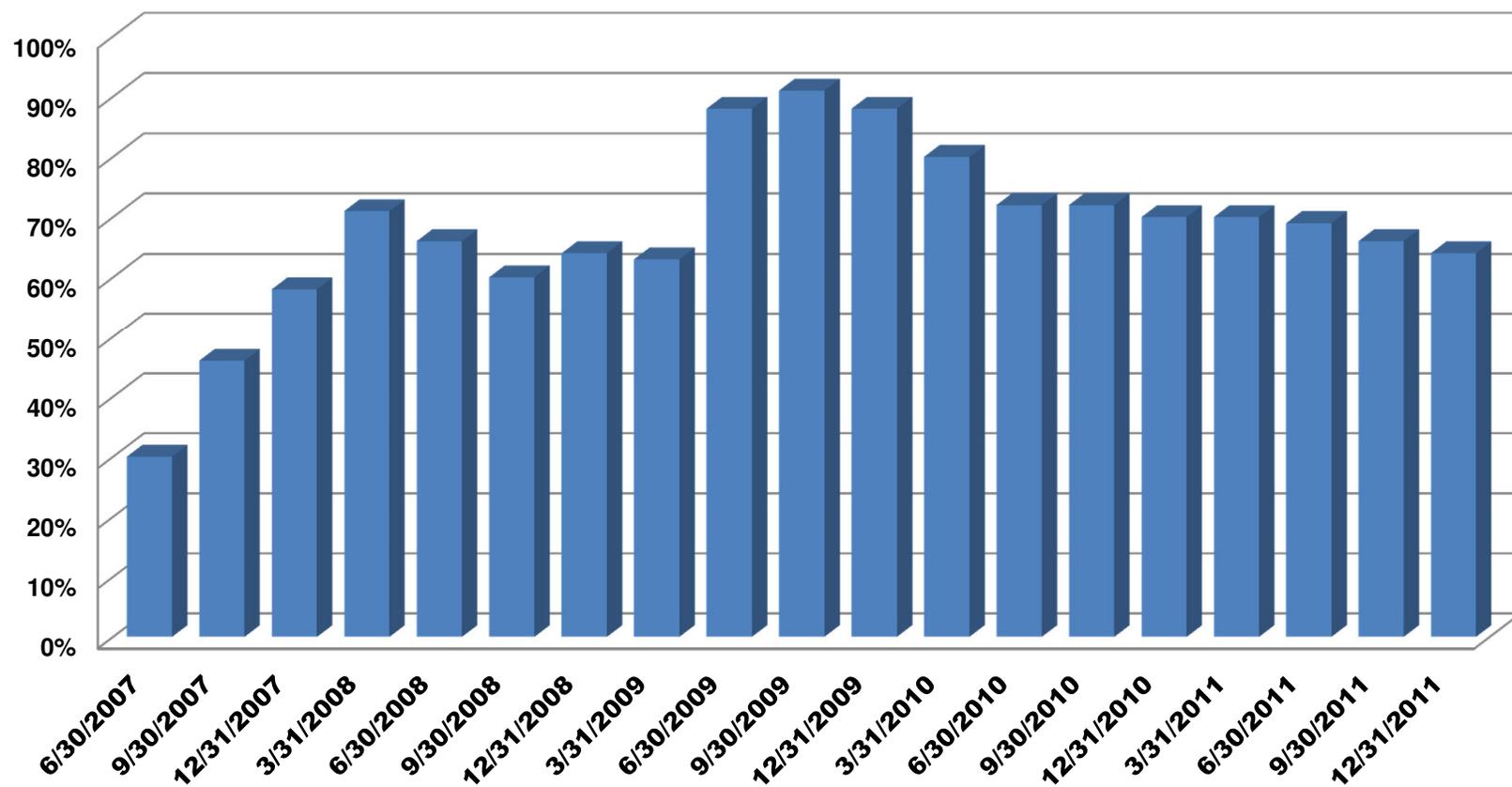
# Cautious Investment Strategy Continues

- Higher exposure to U.S. government and federal agency-backed securities
- High liquidity
- Short WAM to reduce exposure to credit and interest rate risks

# Conservative Portfolio Composition

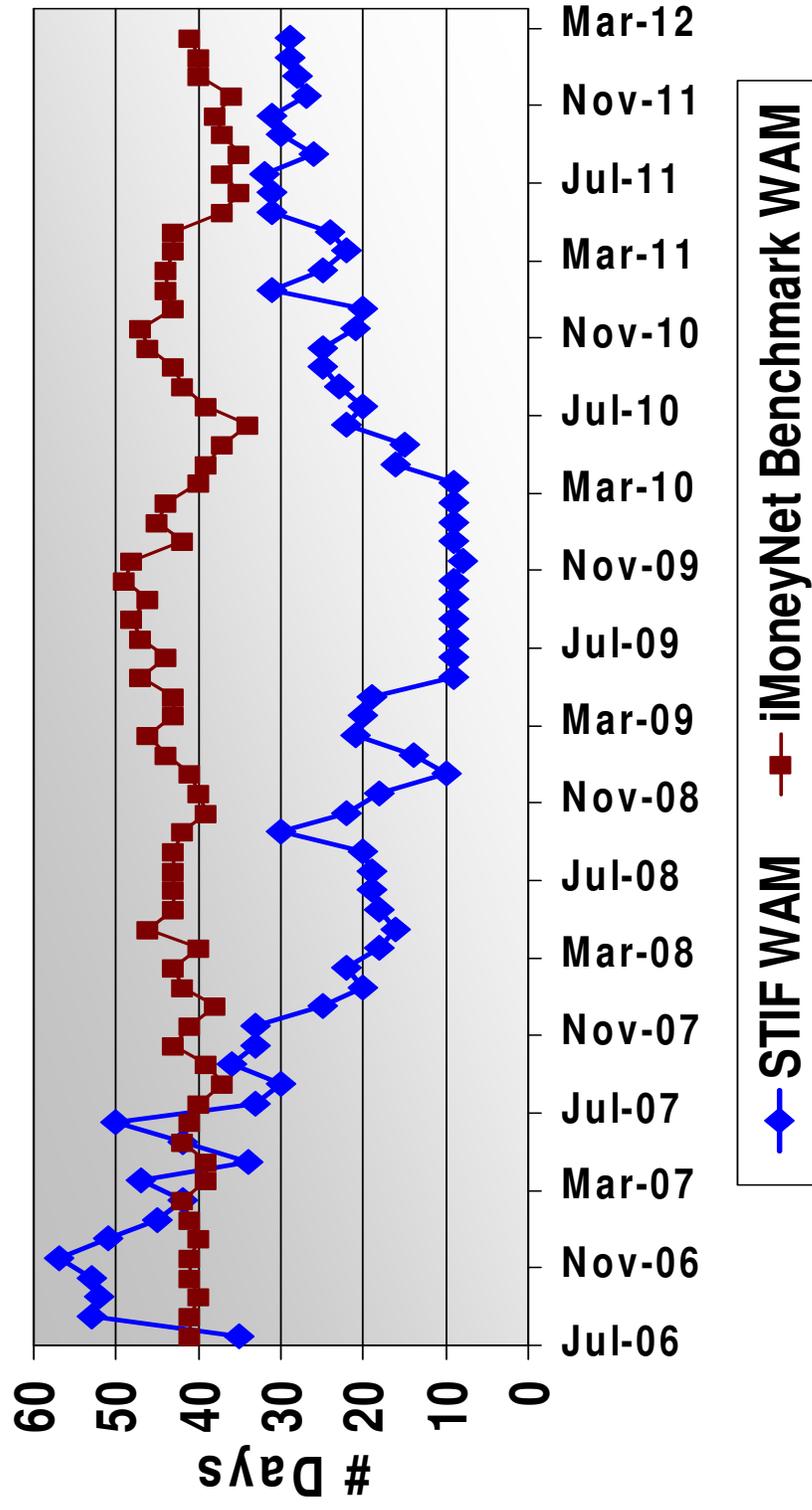


# High Daily Liquidity



Overnight Investments or investments that are available on a same-day basis.

# Weighted Average Maturity



## Investor Returns: FY 2011

- Outperformed benchmark by 15 bps (0.23% vs. 0.08%) while maintaining cautious strategy
- Returned \$7.4 million to investors above the benchmark; extra \$179 million over past 13 years
- AAAm rating maintained and affirmed by Standard & Poor's
- Added \$4.9 million to reserves (now total \$46.2 million)

# STIF Performance: Period ending June 30, 2011

	1 YEAR	3 YEARS	5 YEARS	7 YEARS	10 YEARS
<b>Compounded Annual Total Return (%)</b>					
STIF	0.23	0.68	2.32	2.61	2.37
MFR Index*	0.08	0.49	2.11	2.35	2.06
Fed. Three-Month T-Bill	0.12	0.26	1.68	2.10	1.91
Fed. Three-Month CD	0.28	0.82	2.36	2.68	2.35
<b>Cumulative Total Return (%)</b>					
STIF	0.23	2.07	12.17	19.79	26.39
MFR Index*	0.08	1.47	11.03	17.68	22.68
Fed. Three-Month T-Bill	0.12	0.78	8.70	15.64	20.78
Fed. Three-Month CD	0.28	2.47	12.38	20.34	26.20

*\*Represents iMoneyNet Money Fund Average™ - Rated First Tier Institutional Averages (MFR) Index.*

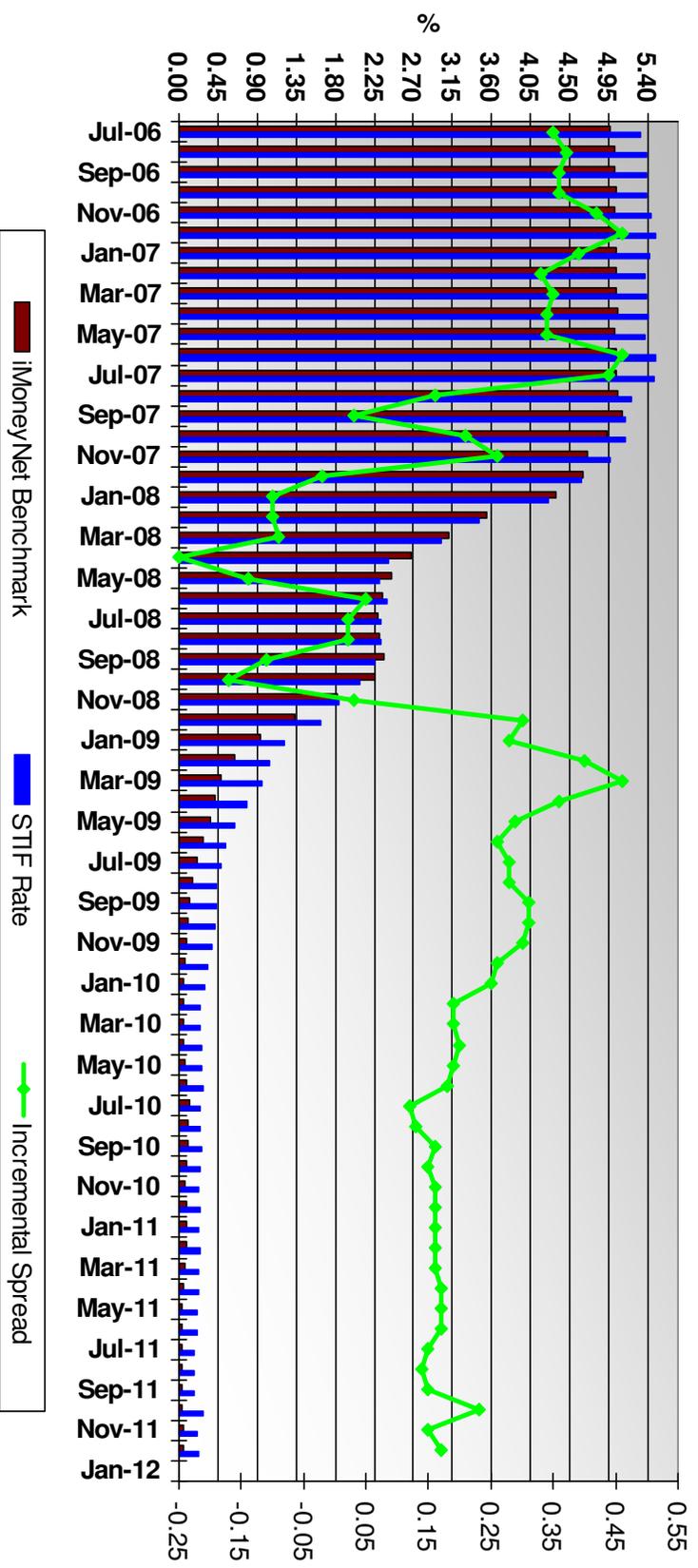
## Amount Returned to Investors Above Benchmark

<b>Fiscal Year 2011</b>	<b>\$7.4 million</b>
<b>Fiscal Year 2010</b>	<b>\$11.9 million</b>
<b>Fiscal Year 2009</b>	<b>\$8.7 million</b>
<b>Fiscal Year 2008</b>	<b>\$3.0 million</b>
<b>Fiscal Year 2007</b>	<b>\$21.1 million</b>
<b>Fiscal Year 2006</b>	<b>\$18.4 million</b>
<b>Fiscal Year 2005</b>	<b>\$17.0 million</b>
<b>Fiscal Year 2004</b>	<b>\$15.7 million</b>
<b>Fiscal Year 2003</b>	<b>\$16.3 million</b>
<b>Fiscal Year 2002</b>	<b>\$16.1 million</b>
<b>Fiscal Year 2001</b>	<b>\$15.8 million</b>
<b>Fiscal Year 2000</b>	<b>\$15.6 million</b>
<b>Fiscal Year 1999</b>	<b>\$12.0 million</b>
<b>Last Thirteen Years</b>	<b>\$179 million</b>

## Recent Performance: Period Ending 12/31/2011

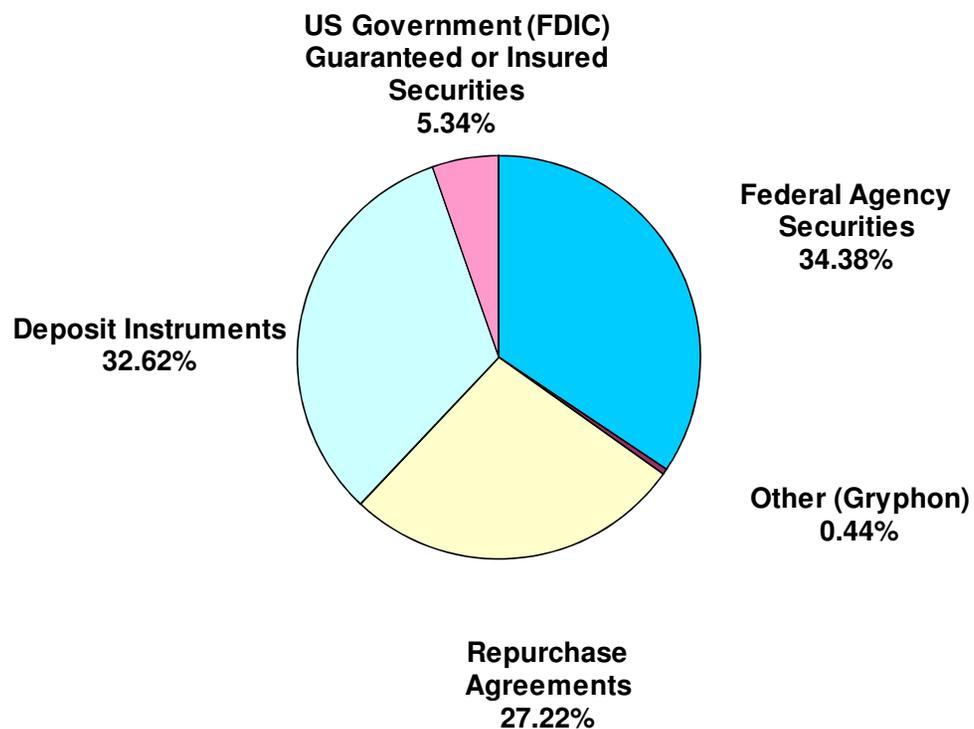
- For calendar year 2011, outperformed benchmark by 16 bps (0.21% vs. 0.05%), thereby earning an additional \$7.7 million for investors
- For six months ending 12/31/2011, outperformed benchmark by 16 bps (0.20% vs. 0.04%), thereby earning an additional \$3.7 million for investors
- Maintaining conservative strategy
- AAAm rating affirmed by S&P

# STIF Return vs. Benchmark



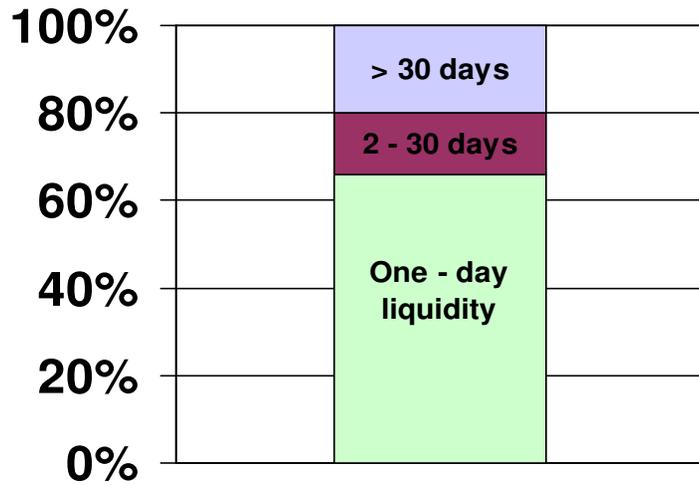
# Portfolio Composition

as of 2/29/2012

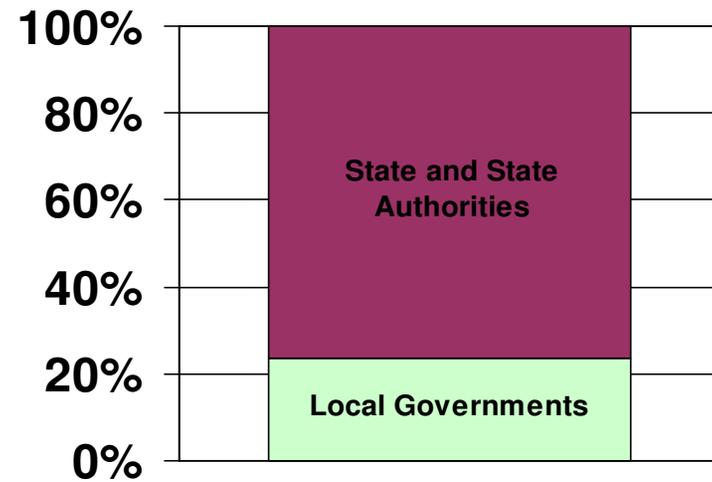


# High Level of Liquidity

**Liquidity Analysis at  
February 29, 2012**



**STIF Deposits at  
February 29, 2012**



# Thank you!

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**Investment Transactions**

1-800-754-8430

**Voice Response System**

1-800-882-8211 (Fund 136)

**STIF Express Online Account Access**

[www.state.ct.us/ott/STIFHome.htm](http://www.state.ct.us/ott/STIFHome.htm)

