

**CONNECTICUT  
STATE TREASURER'S  
SHORT-TERM INVESTMENT FUND**



**QUARTERLY REPORT**

**QUARTER ENDING SEPTEMBER 30, 2012**

**DENISE L. NAPIER  
STATE TREASURER**

## MESSAGE FROM THE TREASURER

### Dear Investor:

It is my pleasure to report to you that during the quarter ending September 30, 2012, the Connecticut Short-Term Investment Fund (STIF) earned an average annualized yield of 0.20 percent, while our iMoneyNet benchmark\* earned an average yield of 0.07 percent. As a result, STIF outperformed its benchmark by 13 basis points, thereby earning an additional \$1.6 million in interest for Connecticut's agencies, authorities, municipalities, and their taxpayers.

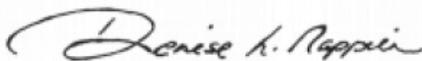
For the 12 months ending September 30, 2012, STIF achieved an annual return of 0.17 percent, exceeding its primary benchmark by 11 basis points, thereby earning an additional \$5.4 in interest income for STIF investors.

Although the economy, as measured by both Gross Domestic Product and the unemployment rate, is improving, there are numerous challenges ahead. Of immediate concern for the economy are the unresolved federal budget and debt issues.

STIF continues to be managed in a conservative manner which includes a very high level of liquidity, a short average portfolio maturity, and significant restrictions on investments in corporate securities. Currently, STIF holds \$3.0 billion, or 64 percent of fund assets, in overnight investments or investments that are available on a same-day basis. Our weighted average maturity is 31 days. Seventy-five percent of STIF's assets are invested in securities issued, insured, or guaranteed by the U.S. government or federal agencies, in money market funds composed of such securities, or in repurchase agreements backed by such securities. STIF reserves total \$48.0 million and account for more than one percent of STIF assets.

Thank you for your continued confidence in STIF. We pledge to continue our efforts to protect the safety, liquidity, and performance of the fund for the benefit of all investors.

**Sincerely,**



**Denise L. Nappier**

**Treasurer, State of Connecticut**

**December 31, 2012**

\* iMoneyNet's First Tier Institutions-Only AAA-Rated Money Fund Report Averages Index

# PERFORMANCE REPORT

The chart below gives an assessment of recent and projected economic growth, inflation, and employment. All told, STIF is operating in an environment of modest economic growth, low inflation, and high unemployment.

## ECONOMIC SNAPSHOT

	Recent Results	Future Expectations*
<b>Growth</b>	The U.S. economy grew at an annual rate of 3.1 percent during the first quarter of Fiscal Year 2013.	The Bloomberg December 2012 survey of U.S. economic forecasts projects that the U.S. economy will rise at an annualized rate of 1.4 percent for the second quarter of FY13. For all of CY12, the economy is projected to expand at an average rate of 2.2 percent.
<b>Inflation</b>	Major Inflation Indices – Year-over-Year as of December 20, 2012  <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;">Core PCE</div> <div style="width: 35%;">1.5 percent (Nov.)</div> </div> <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;">Core CPI</div> <div style="width: 35%;">1.9 percent (Nov.)</div> </div> <div style="display: flex; justify-content: space-between;"> <div style="width: 60%;">Core PPI</div> <div style="width: 35%;">2.2 percent (Nov.)</div> </div>	Economists expect core PCE, which is a reflection of personal consumption less food and energy, to increase by an annualized 1.6 percent in the second quarter of FY13. Total CPI, which represents prices of all goods and services purchased for consumption by urban households, is expected to increase at an annualized rate of 2.0 percent in the second quarter of FY13. CPI is expected to increase by an average of 2.1 percent in CY12.
<b>Employment</b>	In November, non-farm payrolls added 146,000 jobs while the unemployment rate decreased to 7.7 percent from 7.9 percent in October.	Economists expect the unemployment rate to average 7.7 percent in CY13.

\* *Bloomberg monthly survey of U.S. economic forecast*

## SHORT-TERM INTEREST RATE OUTLOOK

The Federal Reserve's Federal Open Market Committee (FOMC) has maintained the federal funds target rate at a range of 0.00 to 0.25 percent since December 16, 2008, and it expects to keep the range at a very low level through mid-2015.

After its October 24, 2012 meeting, the FOMC statement indicated that "economic activity has continued to expand at a moderate pace in recent months... Household spending has advanced a bit more quickly, but growth in business fixed investment has slowed." Further, the Committee stated that they "remain concerned that, without sufficient policy accommodation, economic growth might not be strong enough to generate sustained improvement in labor market conditions."

After its December 12, 2012 meeting, the FOMC indicated that inflation continues to run below expectations. In an effort to keep downward pressure on long-term interest rates, the Committee decided to continue its program of buying both Treasury and federal agency mortgage-backed securities. To support its dual mandate of maximum employment and price stability, the Committee agreed to maintain the federal funds rate at 0 to 1/4 percent. According to the Committee, this accommodation "will be appropriate at least as long as the unemployment rate remains above 6-1/2 percent, inflation between one and two years ahead is projected to be no more than a half percentage point above the Committee's 2 percent longer-run goal, and longer-term inflation expectations continue to be well anchored."

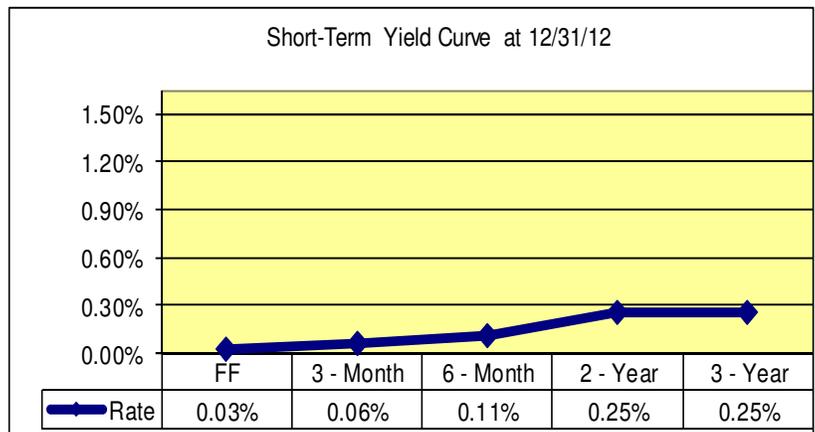
# PERFORMANCE REPORT

The chart below shows the FOMC meeting dates for the fiscal year 2013 and the projected level of the federal funds target rate throughout this time horizon.

FOMC Meeting Dates	Federal Funds Target Rate Level	
	Actual	Future Projection (a)
August 1, 2012	0 - 0.25%	
September 13, 2012	0 - 0.25%	
October 24, 2012	0 - 0.25%	
December 12, 2012	0 - 0.25%	
January 30, 2013		0.165%
March 20, 2013		0.14%
May 1, 2013		0.13%
June 19, 2013		0.135%

(a) Federal Funds and Eurodollar futures data, which project the implied future federal funds rate as of December 31, 2012.

The current yield curve is upward sloping.  
(See chart at right.)



## SHORT-TERM INVESTMENT FUND PERFORMANCE

At the end of the first quarter of FY13, STIF's weighted-average maturity was 33 days, and liquidity, represented by overnight investments and investments available on a same-day basis, totaled \$2.8 billion, or 62 percent of assets. Federal agency securities accounted for nearly 35 percent of STIF's assets, followed by repurchase agreements collateralized by federal agency securities at approximately 33 percent, and bank deposit instruments at 30 percent. In total, more than 70 percent of STIF assets are invested in securities issued, insured or guaranteed by the U.S. government or federal agencies, or in repurchase agreements backed by such securities.

The average annualized yield for the quarter was 0.20 percent, which exceeded the rate earned by similar funds by 13 basis points. For the one-year period ending September 30, 2012, STIF earned 0.17 percent while the benchmark returned 0.06 percent.

*Performance Report reflects the views of the management of the Office of the State Treasurer's Short-Term Investment Fund.*

**SHORT-TERM INVESTMENT FUND**  
**COMPARATIVE MONTHLY ANNUALIZED YIELDS (%)**  
**PERIOD ENDED SEPTEMBER 30, 2012 (UNAUDITED)**

	<u>STIF</u>		<u>MFR Index (a)</u>	
	<u>Yield (b)</u>	<u>Effective Yield (c)</u>	<u>Yield</u>	<u>Effective Yield</u>
Jul-12	0.18	0.18	0.07	0.07
Aug-12	0.18	0.18	0.06	0.06
Sep-12	0.23	0.23	0.07	0.07
<b>Average</b>	<b>0.20</b>	<b>0.20</b>	<b>0.07</b>	<b>0.07</b>

(a) iMoneyNet Money Fund Average™ - Rated First Tier Institutional Average (MFR) Index.

(b) Annualized simple interest yield less expenses and contributions to reserves.

(c) Annualized compounded yield less expenses and contributions to reserves.

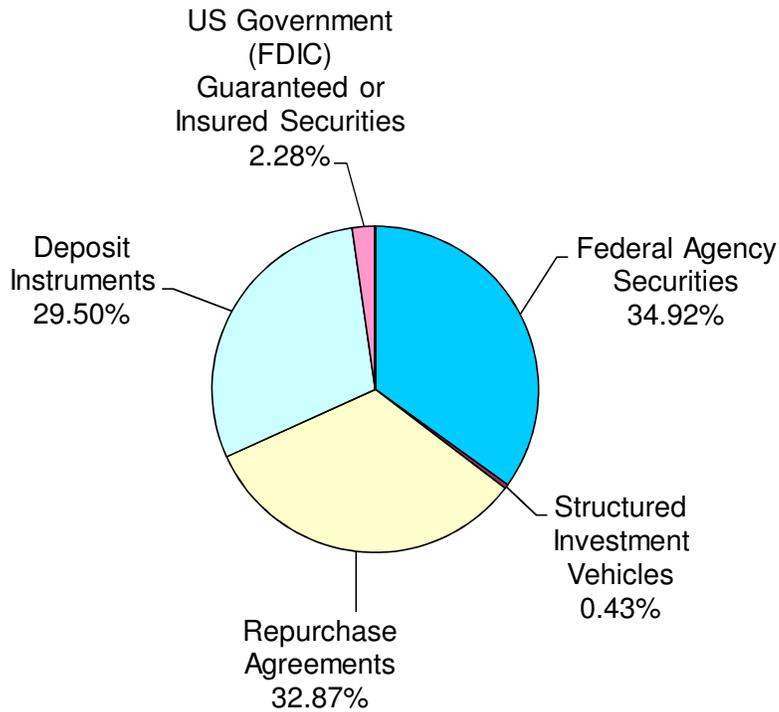
**SHORT-TERM INVESTMENT FUND**  
**RATE OF RETURN (%)**  
**PERIOD ENDED SEPTEMBER 30, 2012 (UNAUDITED)**

	<u>Three- Month</u> <sup>(a)</sup>	<u>1 Year</u>	<u>3 Year</u>	<u>5 Year</u>	<u>7 Year</u>	<u>10 Year</u>
STIF	0.05	0.17	0.22	1.00	2.18	2.08
MFR Index <sup>(b)</sup>	0.02	0.06	0.07	0.85	1.97	1.81

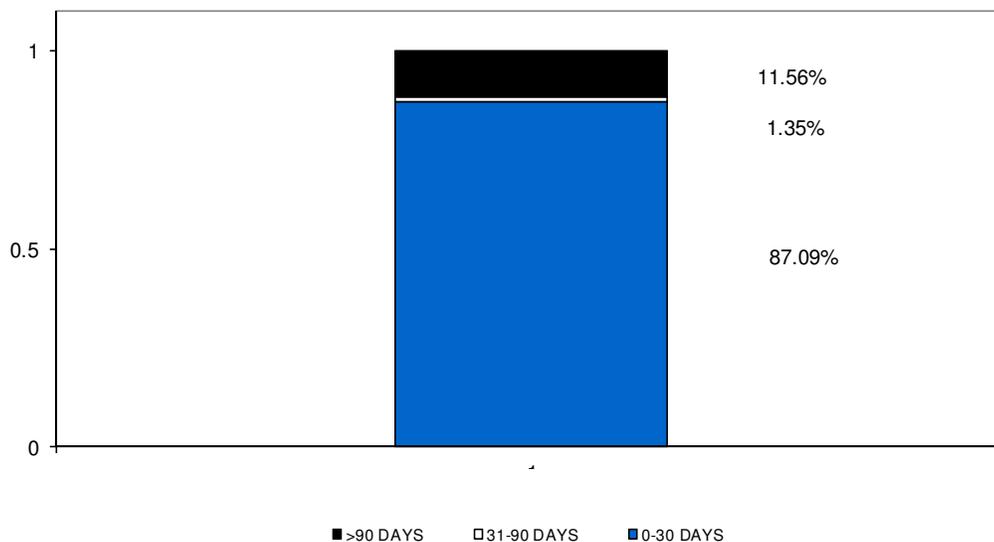
(a) Three-month rate of return is not annualized.

(b) iMoneyNet Money Fund Average™ - Rated First Tier Institutional Average (MFR) Index.

**SHORT-TERM INVESTMENT FUND**  
**DISTRIBUTION BY INVESTMENT TYPE AT SEPTEMBER 30, 2012**



**SHORT-TERM INVESTMENT FUND**  
**DISTRIBUTION BY MATURITY AT SEPTEMBER 30, 2012**



Weighted Average Maturity = 33 days  
 Includes recognition of deposit instruments with daily put options.

# SHORT-TERM INVESTMENT FUND

## LIST OF INVESTMENTS AT SEPTEMBER 30, 2012 (UNAUDITED)

Par Value (1)	Security (Coupon, Maturity or Next Reset)	Yield (%)	Amortized Cost (1)	Market Value (1)	Quality Rating	Cusip or Issuer ID
<b>FEDERAL AGENCY SECURITIES (34.92%)</b>						
\$2,500,000	FANNIE MAE, 0.50, 10/30/12	0.16	\$2,500,692	\$2,500,685	AA+	31398A4T6
\$6,950,000	FANNIE MAE, 0.375, 12/28/12	0.09	6,953,021	6,954,782	AA+	31398A6F4
\$3,200,000	FANNIE MAE, 0.75, 02/26/13	0.16	3,207,338	3,207,597	AA+	3135G0AK9
\$10,000,000	FANNIE MAE, 1.05, 09/03/13	0.33	10,073,207	10,066,240	AA+	31398A3A8
\$6,300,000	FANNIE MAE, 1.13, 09/17/13	0.29	6,353,968	6,350,450	AA+	31398A3L4
\$15,000,000	FANNIE MAE, 1, 09/23/13	0.23	15,112,370	15,112,740	AA+	31398A2S0
\$1,550,000	FANNIE MAE, 1.125, 10/08/13	0.21	1,564,070	1,564,393	AA+	31398A4H2
\$3,634,000	FANNIE MAE, 1.125, 10/08/13	0.21	3,667,022	3,667,745	AA+	31398A4H2
\$2,735,000	FANNIE MAE FLOATER, 0.40, 10/01/12	0.19	2,736,669	2,736,876	AA+	3135G0AQ6
\$3,690,000	FANNIE MAE FLOATER, 0.40, 10/01/12	0.19	3,691,127	3,692,531	AA+	3135G0AQ6
\$6,500,000	FANNIE MAE FLOATER, 0.40, 10/01/12	0.19	6,502,206	6,504,459	AA+	3135G0AQ6
\$50,000,000	FANNIE MAE FLOATER, 0.40, 10/01/12	0.19	49,996,635	50,034,300	AA+	3135G0AQ6
\$50,000,000	FANNIE MAE FLOATER, 0.40, 10/01/12	0.19	49,999,141	50,034,300	AA+	3135G0AQ6
\$15,000,000	FANNIE MAE FLOATER, 0.38, 10/01/12	0.22	15,004,539	15,020,145	AA+	3135G0CB7
\$20,000,000	FANNIE MAE FLOATER, 0.38, 10/01/12	0.22	20,006,071	20,026,860	AA+	3135G0CB7
\$50,000,000	FANNIE MAE FLOATER, 0.38, 10/01/12	0.22	49,991,464	50,067,150	AA+	3135G0CB7
\$25,000,000	FANNIE MAE FLOATER, 0.20, 10/20/12	0.21	24,991,313	24,994,225	AA+	3135G0MH3
\$2,300,000	FEDERAL FARM CREDIT, 0.15, 02/15/13	0.16	2,299,268	2,299,915	AA+	3133EADF2
\$15,440,000	FEDERAL FARM CREDIT, 3.875, 10/07/13	0.22	16,011,070	16,012,392	AA+	31331GCS6
\$21,300,000	FEDERAL FARM CREDIT FLOATER, 0.30, 10/01/12	0.20	21,298,880	21,310,884	AA+	31331KGY0
\$25,000,000	FEDERAL FARM CREDIT FLOATER, 0.30, 10/01/12	0.21	24,998,536	25,013,750	AA+	31331KJV3
\$25,000,000	FEDERAL FARM CREDIT FLOATER, 0.30, 10/01/12	0.21	24,998,536	25,013,750	AA+	31331KJV3
\$50,000,000	FEDERAL FARM CREDIT FLOATER, 0.27, 10/01/12	0.21	49,990,620	50,019,200	AA+	31331KNN6
\$50,000,000	FEDERAL FARM CREDIT FLOATER, 0.30, 10/01/12	0.22	49,983,418	50,032,850	AA+	31331KSP6
\$25,000,000	FEDERAL FARM CREDIT FLOATER, 0.226, 10/02/12	0.21	24,990,316	25,005,525	AA+	3133EAHS0
\$25,000,000	FEDERAL FARM CREDIT FLOATER, 0.41, 10/02/12	0.22	24,998,530	25,055,775	AA+	31331KY20
\$25,000,000	FEDERAL FARM CREDIT FLOATER, 0.41, 10/02/12	0.22	25,000,000	25,055,775	AA+	31331KY20
\$25,000,000	FEDERAL FARM CREDIT FLOATER, 0.23, 10/01/12	0.25	24,993,744	24,993,700	AA+	3133EAKC1
\$25,000,000	FEDERAL FARM CREDIT FLOATER, 0.25, 10/01/12	0.26	24,999,806	24,996,800	AA+	3133EAPV4
\$25,000,000	FEDERAL FARM CREDIT FLOATER, 0.25, 10/01/12	0.26	25,000,000	24,996,800	AA+	3133EAPV4
\$25,000,000	FEDERAL FARM CREDIT FLOATER, 0.25, 10/01/12	0.28	24,985,513	24,987,200	AA+	3133EAQZ4

# SHORT-TERM INVESTMENT FUND

## LIST OF INVESTMENTS AT SEPTEMBER 30, 2012 (UNAUDITED)

Par Value (1)	Security (Coupon, Maturity or Next Reset)	Yield (%)	Amortized Cost (1)	Market Value (1)	Quality Rating	Cusip or Issuer ID
<b>FEDERAL AGENCY SECURITIES (34.92%) (CON'T)</b>						
\$25,000,000	FEDERAL FARM CREDIT FLOATER, 0.25, 10/01/12	0.28	24,985,513	24,987,200	AA+	3133EAQZ4
\$50,000,000	FEDERAL FARM CREDIT FLOATER, 0.29, 10/01/12	0.28	49,991,630	50,004,600	AA+	3133EASN9
\$50,000,000	FEDERAL FARM CREDIT FLOATER, 0.27, 10/01/12	0.29	49,981,759	49,977,750	AA+	3133EAM47
\$6,100,000	FEDERAL HOME LOAN BANK, 0.24, 10/10/12	0.18	6,100,084	6,100,092	AA+	313375QL4
\$10,000,000	FEDERAL HOME LOAN BANK, 0.23, 10/25/12	0.18	9,999,771	10,000,330	AA+	313375XL6
\$5,800,000	FEDERAL HOME LOAN BANK, 0.18, 11/14/12	0.18	5,800,191	5,800,000	AA+	313376BC8
\$10,000,000	FEDERAL HOME LOAN BANK, 0.20, 11/14/12	0.18	10,000,695	10,000,240	AA+	313376EN1
\$2,670,000	FEDERAL HOME LOAN BANK, 1.625, 11/21/12	0.18	\$2,675,409	\$2,675,353	AA+	3133XVEM9
\$10,000,000	FEDERAL HOME LOAN BANK, 0.20, 11/23/12	0.18	10,000,683	10,000,290	AA+	313376J97
\$5,100,000	FEDERAL HOME LOAN BANK, 0.17, 01/17/13	0.18	5,099,190	5,099,847	AA+	313376TA3
\$2,500,000	FEDERAL HOME LOAN BANK, 0.20, 01/18/13	0.18	2,499,742	2,500,148	AA+	313376MZ5
\$10,000,000	FEDERAL HOME LOAN BANK, 0.3, 01/18/13	0.17	10,000,000	10,000,600	AA+	313376QN8
\$1,100,000	FEDERAL HOME LOAN BANK, 0.16, 01/18/13	0.18	1,099,757	1,099,934	AA+	313376TY1
\$12,200,000	FEDERAL HOME LOAN BANK, 0.16, 01/24/13	0.18	12,197,166	12,199,231	AA+	313376VG7
\$10,000,000	FEDERAL HOME LOAN BANK, 0.16, 02/01/13	0.18	9,998,803	9,999,330	AA+	313376T96
\$4,000,000	FEDERAL HOME LOAN BANK, 0.17, 02/01/13	0.18	3,999,404	3,999,868	AA+	313376U37
\$10,000,000	FEDERAL HOME LOAN BANK, 0.18, 02/01/13	0.18	10,000,000	10,000,000	AA+	313376U78
\$10,600,000	FEDERAL HOME LOAN BANK, 0.18, 02/01/13	0.18	10,597,330	10,600,000	AA+	313376U78
\$7,200,000	FEDERAL HOME LOAN BANK, 0.19, 02/12/13	0.18	7,198,826	7,200,259	AA+	313378BD2
\$10,000,000	FEDERAL HOME LOAN BANK, 0.20, 02/20/13	0.16	10,000,000	10,000,240	AA+	313376VS1
\$10,000,000	FEDERAL HOME LOAN BANK, 0.19, 02/28/13	0.18	9,998,811	10,000,410	AA+	313378EW7
\$4,610,000	FEDERAL HOME LOAN BANK, 0.20, 03/01/13	0.18	4,609,657	4,610,396	AA+	313378CM1
\$2,000,000	FEDERAL HOME LOAN BANK, 0.30, 03/19/13	0.17	2,000,566	2,001,180	AA+	313375NC7
\$10,000,000	FEDERAL HOME LOAN BANK, 0.125, 03/21/13	0.17	9,993,522	9,997,740	AA+	313378S28
\$8,250,000	FEDERAL HOME LOAN BANK, 1.00, 03/27/13	0.17	8,280,055	8,283,413	AA+	313372RK2
\$10,000,000	FEDERAL HOME LOAN BANK, 0.22, 04/09/13	0.18	9,998,795	10,002,070	AA+	313378ME8
\$10,000,000	FEDERAL HOME LOAN BANK, 0.25, 04/11/13	0.18	9,999,579	10,003,570	AA+	313378YH8
\$10,000,000	FEDERAL HOME LOAN BANK, 0.24, 04/12/13	0.18	9,999,311	10,003,010	AA+	313378W49
\$10,000,000	FEDERAL HOME LOAN BANK, 0.24, 04/16/13	0.19	10,000,353	10,002,860	AA+	313378WY3
\$15,000,000	FEDERAL HOME LOAN BANK, 0.23, 04/25/13	0.18	15,000,000	15,004,590	AA+	3133797M5
\$10,000,000	FEDERAL HOME LOAN BANK, 0.20, 04/30/13	0.20	9,997,016	10,000,000	AA+	313376XG5

# SHORT-TERM INVESTMENT FUND

## LIST OF INVESTMENTS AT SEPTEMBER 30, 2012 (UNAUDITED)

Par Value (1)	Security (Coupon, Maturity or Next Reset)	Yield (%)	Amortized Cost (1)	Market Value (1)	Quality Rating	Cusip or Issuer ID
<b>FEDERAL AGENCY SECURITIES (34.92%) (CON'T)</b>						
\$10,000,000	FEDERAL HOME LOAN BANK, 0.22, 05/03/13	0.20	9,999,236	10,001,180	AA+	3133796A2
\$10,000,000	FEDERAL HOME LOAN BANK, 0.30, 05/07/13	0.21	10,000,000	10,000,640	AA+	313378Z61
\$10,000,000	FEDERAL HOME LOAN BANK, 0.30, 05/08/13	0.23	10,000,000	10,002,200	AA+	313378Z79
\$15,000,000	FEDERAL HOME LOAN BANK, 0.23, 05/10/13	0.20	14,998,804	15,002,730	AA+	313379FF1
\$1,000,000	FEDERAL HOME LOAN BANK, 0.35, 05/14/13	0.20	1,000,906	1,000,928	AA+	313376D77
\$10,000,000	FEDERAL HOME LOAN BANK, 0.30, 05/16/13	0.20	10,003,853	10,006,240	AA+	313376D36
\$10,000,000	FEDERAL HOME LOAN BANK, 0.22, 05/17/13	0.20	9,998,563	10,001,250	AA+	313379BZ1
\$10,000,000	FEDERAL HOME LOAN BANK, 0.25, 06/07/13	0.17	10,000,000	10,002,780	AA+	313379F53
\$15,000,000	FEDERAL HOME LOAN BANK, 0.30, 06/13/13	0.22	15,000,000	15,005,130	AA+	313379LD9
\$15,000,000	FEDERAL HOME LOAN BANK, 0.28, 06/14/13	0.20	15,000,000	15,005,100	AA+	313379JK6
\$1,250,000	FEDERAL HOME LOAN BANK, 1.625, 06/14/13	0.20	1,261,903	1,262,503	AA+	3133XYHD0
\$3,175,000	FEDERAL HOME LOAN BANK, 1.625, 06/14/13	0.20	3,206,726	3,206,756	AA+	3133XYHD0
\$15,000,000	FEDERAL HOME LOAN BANK, 1.625, 06/14/13	0.20	15,151,490	15,150,030	AA+	3133XYHD0
\$10,000,000	FEDERAL HOME LOAN BANK, 0.25, 06/20/13	0.20	9,999,426	10,003,590	AA+	313379VP1
\$10,000,000	FEDERAL HOME LOAN BANK, 0.25, 06/21/13	0.15	9,998,340	10,001,390	AA+	313379GH6
\$10,000,000	FEDERAL HOME LOAN BANK, 1.875, 06/21/13	0.19	10,115,766	10,121,540	AA+	3133XXYX9
\$10,000,000	FEDERAL HOME LOAN BANK, 0.24, 06/28/13	0.20	9,998,270	10,002,960	AA+	313379Y78
\$2,850,000	FEDERAL HOME LOAN BANK, 0.33, 07/01/13	0.20	2,852,067	2,852,776	AA+	313376GY5
\$10,000,000	FEDERAL HOME LOAN BANK, 0.29, 07/01/13	0.23	\$10,000,000	\$10,002,600	AA+	313379HH5
\$10,000,000	FEDERAL HOME LOAN BANK, 0.25, 07/01/13	0.20	9,997,486	10,003,740	AA+	313379YQ6
\$10,000,000	FEDERAL HOME LOAN BANK, 0.25, 07/15/13	0.20	9,998,215	10,003,800	AA+	313379Z36
\$5,000,000	FEDERAL HOME LOAN BANK, 0.21, 08/20/13	0.20	4,998,965	5,000,440	AA+	313376XY6
\$10,000,000	FEDERAL HOME LOAN BANK, 0.28, 09/05/13	0.20	10,003,364	10,007,190	AA+	313378HJ3
\$14,500,000	FEDERAL HOME LOAN BANK, 0.30, 09/06/13	0.20	14,506,649	14,513,108	AA+	313378GC9
\$3,000,000	FEDERAL HOME LOAN BANK, 0.25, 09/06/13	0.20	3,000,456	3,001,320	AA+	313379R76
\$15,000,000	FEDERAL HOME LOAN BANK, 0.25, 09/06/13	0.20	15,002,318	15,006,600	AA+	313379R76
\$8,990,000	FEDERAL HOME LOAN BANK, 1.00, 09/13/13	0.20	9,053,502	9,057,794	AA+	313370LB2
\$10,000,000	FEDERAL HOME LOAN BANK, 0.21, 09/24/13	0.21	9,998,725	10,000,140	AA+	313380SE8
\$50,000,000	FEDERAL HOME LOAN BANK FLOATER, 0.29, 10/01/12	0.20	50,000,000	50,059,600	AA+	313374WU0
\$25,000,000	FEDERAL HOME LOAN BANK FLOATER, 0.157, 10/25/12	0.20	24,983,588	24,985,775	AA+	313376VV4
\$25,000,000	FEDERAL HOME LOAN BANK FLOATER, 0.127, 10/25/12	0.20	24,986,103	24,974,250	AA+	3133784J7

# SHORT-TERM INVESTMENT FUND

## LIST OF INVESTMENTS AT SEPTEMBER 30, 2012 (UNAUDITED)

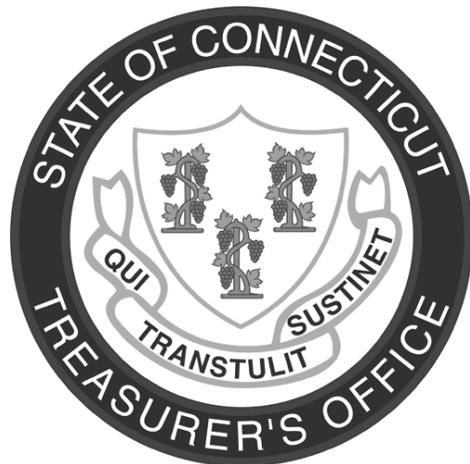
Par Value (1)	Security (Coupon, Maturity or Next Reset)	Yield (%)	Amortized Cost (1)	Market Value (1)	Quality Rating	Cusip or Issuer ID
<b>FEDERAL AGENCY SECURITIES (34.92%) (CON'T)</b>						
\$10,250,000	FREDDIE MAC, 0.375, 11/30/12	0.10	10,252,774	10,254,613	AA+	3137EACP2
\$5,000,000	FREDDIE MAC, 0.75, 12/28/12	0.16	5,006,680	5,007,125	AA+	3134G1P65
\$15,000,000	FREDDIE MAC, 0.875, 10/28/13	0.22	15,105,011	15,105,735	AA+	3137EACL1
\$10,000,000	FREDDIE MAC, 0.375, 10/30/12	0.10	10,015,879	10,015,780	AA+	3137EACX5
\$50,000,000	FREDDIE MAC FLOATER, 0.28, 10/01/12	0.15	49,995,820	50,025,800	AA+	3134G1U69
\$30,000,000	FREDDIE MAC FLOATER, 0.30, 10/01/12	0.21	29,992,154	30,039,330	AA+	3134G2XL1
\$50,000,000	FREDDIE MAC FLOATER, 0.32, 10/01/12	0.21	49,990,685	50,076,400	AA+	3134G2B50
\$50,000,000	FREDDIE MAC FLOATER, 0.39, 10/01/12	0.23	49,994,350	50,124,500	AA+	3134G3AG5
<b>\$1,573,244,000</b>			<b>\$1,574,470,784</b>	<b>\$1,575,379,708</b>		
<b>DEPOSIT INSTRUMENTS (29.50%) (2)</b>						
\$30,000,000	BB & T COMPANY , 0.25, 10/01/12	0.25	\$30,000,000	\$30,000,000	A-1	n/a
70,000,000	BB & T COMPANY , 0.25, 10/01/12	0.25	70,000,000	70,000,000	A-1	n/a
100,000,000	BB & T COMPANY , 0.25, 10/01/12	0.25	100,000,000	100,000,000	A-1	n/a
150,000,000	BB & T COMPANY , 0.25, 10/01/12	0.25	150,000,000	150,000,000	A-1	n/a
100,000,000	BB & T COMPANY , 0.25, 10/01/12	0.25	100,000,000	100,000,000	A-1	n/a
220,000,000	JP MORGAN CHASE BANK, N.A. , 0.30, 10/01/12	0.30	220,000,000	220,000,000	A-1	n/a
220,000,000	JP MORGAN CHASE BANK, N.A. , 0.30, 10/01/12	0.30	220,000,000	220,000,000	A-1	n/a
15,000,000	TD BANK, N.A. , 0.35, 10/01/12	0.35	15,000,000	15,000,000	A-1+	n/a
50,000,000	TD BANK, N.A. , 0.42, 10/01/12	0.42	50,000,000	50,000,000	A-1+	n/a
130,000,000	TD BANK, N.A. , 0.32, 10/01/12	0.32	130,000,000	130,000,000	A-1+	n/a
135,000,000	TD BANK, N.A. , 0.32, 10/01/12	0.32	135,000,000	135,000,000	A-1+	n/a
35,000,000	TD BANK, N.A. , 0.31, 10/01/12	0.31	35,000,000	35,000,000	A-1+	n/a
45,000,000	TD BANK, N.A. , 0.31, 10/01/12	0.31	45,000,000	45,000,000	A-1+	n/a
15,000,000	TD BANK, N.A. , 0.28, 10/01/12	0.28	15,000,000	15,000,000	A-1+	n/a
15,000,000	TD BANK, N.A. , 0.26, 10/01/12	0.26	15,000,000	15,000,000	A-1+	n/a
<b>\$1,330,000,000</b>			<b>\$1,330,000,000</b>	<b>\$1,330,000,000</b>		
<b>REPURCHASE AGREEMENTS (32.87%)</b>						
\$600,000,000	MERRILL LYNCH, 0.15, 10/01/12	0.15	\$600,000,000	\$600,000,000	A-1	n/a
131,934,000	RBS SECURITIES INC., 0.20, 10/01/12	0.20	131,934,000	131,934,000	A-1	n/a
750,000,000	RBS SECURITIES INC., 0.20, 10/01/12	0.20	750,000,000	750,000,000	A-1	n/a
<b>\$1,481,934,000</b>			<b>\$1,481,934,000</b>	<b>\$1,481,934,000</b>		

**SHORT-TERM INVESTMENT FUND**  
**LIST OF INVESTMENTS AT SEPTEMBER 30, 2012 (UNAUDITED)**

Par Value (1)	Security (Coupon, Maturity or Next Reset)	Yield (%)	Amortized Cost (1)	Market Value (1)	Quality Rating	Cusip or Issuer ID
<b>US GOVERNMENT (FDIC) GUARANTEED OR INSURED BANK SECURITIES (2.28%)</b>						
\$35,000,000	ALLY FINANCIAL, 1.75, 10/30/12	0.11	\$35,043,289	\$35,043,085	AA+	36185JAA7
\$10,000,000	CITIGROUP FUNDING INC., 1.875, 11/15/12	0.13	10,019,541	10,020,340	AA+	17313YAN1
24,000,000	FEDERALLY INSURED CUSTODY ACCT. (3), 0.25,	0.25	24,000,000	24,000,000	N/R	n/a
6,000,000	FEDERALLY INSURED CUSTODY ACCT. (3), 0.25,	0.25	6,000,000	6,000,000	N/R	n/a
\$10,000,000	US CENTRAL FEDERAL CREDIT UNION, 1.90, 10/19/12	0.12	10,008,331	10,007,900	AA+	90345AAC6
\$17,580,000	US CENTRAL FEDERAL CREDIT UNION, 1.90, 10/19/12	0.12	17,594,645	17,593,888	AA+	90345AAC6
<b>\$102,580,000</b>			<b>\$102,665,805</b>	<b>\$102,665,213</b>		
<b>STRUCTURED INVESTMENT VEHICLES (0.43%) (A)</b>						
\$84,099,830	GRYPHON FUNDING LTD (4), 0.00, 10/05/12	0.00	\$19,372,751	\$24,221,857	N/R	n/a
<b>\$84,099,830</b>			<b>\$19,372,751</b>	<b>\$24,221,857</b>		
<b>LIQUIDITY MANAGEMENT CONTROL SYSTEM (0.00%)</b>						
\$220	LMCS, 0.01, 10/01/12	0.01	\$220	\$220	A-1	n/a
<b>\$220</b>			<b>\$220</b>	<b>\$220</b>		
<b>\$4,571,858,050</b>			<b>\$4,508,443,560</b>	<b>\$4,514,200,998</b>		

**Market Value / Participant Units Outstanding = Ratio of Market Value per Unit**  
**\$4,514,200,998<sup>(4)</sup> / \$4,462,903,480 = \$1.01 per unit**

- (1) Securities rounded to the nearest dollar.  
(2) Issue has a daily put option.  
(3) Issue has a weekly put option  
(4) Includes designated surplus reserve.
- (A) The Gryphon note was received as a result of the Cheyne Finance restructuring in July 2008. Amortized cost reflects cash distributions of \$56.6 million and a reserve transfer of \$24 million. The stated market value is based on estimated market values of the portfolio of securities provided by the Gryphon custodian. The security was sold on October 12, 2012.



**SHORT-TERM INVESTMENT  
FUND**

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Securities Analyst  
Marc R. Gagnon  
Securities Analyst  
Peter A. Gajowiak

**STIF Investor Services** Accountant  
Barbara Szuba

**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)



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