



Principal Stability Fund Ratings Definitions

AAAm Safety is excellent. Superior capacity to maintain principal value and limit exposure to loss.

AAm Safety is very good. Strong capacity to maintain principal value and limit exposure to loss.

Am Safety is good. Sound capacity to maintain principal value and limit exposure to loss.

BBBm Safety is fair. Adequate capacity to maintain principal value and limit exposure to loss.

BBm Safety is uncertain. Vulnerable to loss of principal value.

Bm Safety is limited. Very vulnerable to loss of principal value.

CCCm Extremely vulnerable to loss of principal value.

Dm Fund has failed to maintain principal value; realized or unrealized losses exceed 0.5% of net asset value.

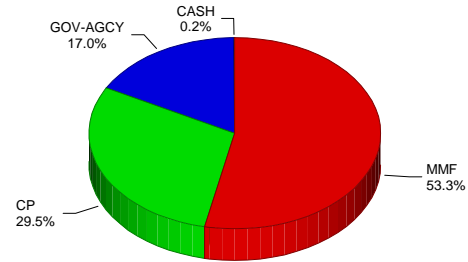
G The letter 'G' follows the rating symbol when a fund's portfolio consists primarily of direct U.S. government securities.

Plus (+) or Minus (-)
Ratings may be modified to show relative standing within the rating categories.

About the Fund

Fund Rating	AAAm
Fund Type	Stable NAV Government Investment Pool
Investment Adviser	New Mexico State Treasury
Portfolio Manager	Joelle Mevi (Since 2006)
Date Rating Assigned	August 2006
Distributor	New Mexico State Treasury

Portfolio Composition as of March 26, 2007



MMF - Money Market Fund; CP - Commercial Paper; GOV-AGCY - Agency and Government; CASH - Cash

Rationale

The 'AAAm' rating on the New MexiGROW LGIP is based on our analysis of the pool's credit quality, market price exposure, and management. The rating signifies an extremely strong capacity to maintain principal stability and limit exposure to principal losses, due to credit, market, and/or liquidity risks. This is achieved through prudent internal controls and investment policies. We review the fund's portfolio holdings on a weekly basis.

Overview

The New MexiGROW LGIP was established in 1991 as a short-term investment fund. The investment objective of the LGIP is to adhere to three fundamental policies, Safety, Liquidity, and Return. Participating entities include local governments (cities, counties, townships, villages), school districts, higher educational institutions, special districts, and quasi-state agencies.

Management

The State Treasurer's Office (STO) operated the LGIP for the use and benefit of New Mexico's communities. Within the STO, a team of professionals are involved with management of this pool. The individuals dedicated to the LGIP on a daily basis include the LGIP Portfolio Manager, a staff accountant and a LGIP account technician. They are supplemented by oversight from the Chief Investment Officer along with support from a credit analyst and the Senior Portfolio Manager. This internal investment advisory team analyzes, selects and jointly approves all investment activity. The State Treasurer's Office reports monthly to the State Treasurer's Investment Committee, which is comprised of the State Treasurer, the Chief Investment Officer, the Director of the State Board of Finance, and two private-sector members from the investment community. Additionally, on a monthly basis, STO reports the LGIP investment and cash activity to the State Board of Finance, which is

comprised of the Governor, the Lieutenant Governor, the State Treasurer and four appointed members, and is the oversight board for the Treasurer's Office.

Portfolio Assets

All investments into the New MexiGROW LGIP are governed by the State Treasurer's Investment Policy and approved by the New Mexico State Board of Finance, which sets state investment guidelines. Management's intent is to offer public entities an investment option that is safe, liquid, and that will perform competitively with national governmental money market funds. All investments made by the State Treasurer adhere to three fundamental principles: safety, liquidity, and return. In adhering to these principles and statutes, investments for the LGIP consists of an array of highly rated securities such as U.S. government agency securities, asset-backed CP, repurchase agreements, CDs, and other highly rated money market funds. All repurchase agreements will be with highly rated counterparties and over-collateralized with U.S. government securities.

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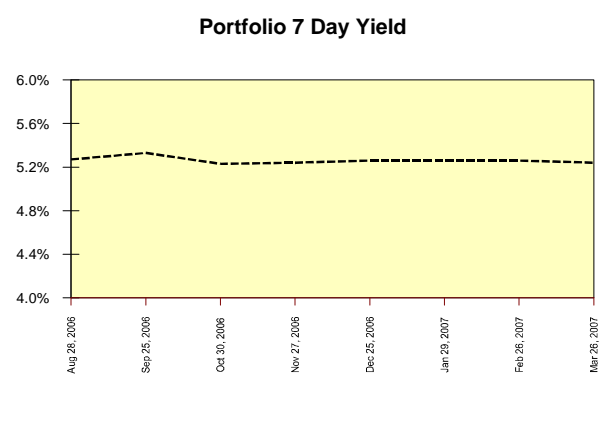
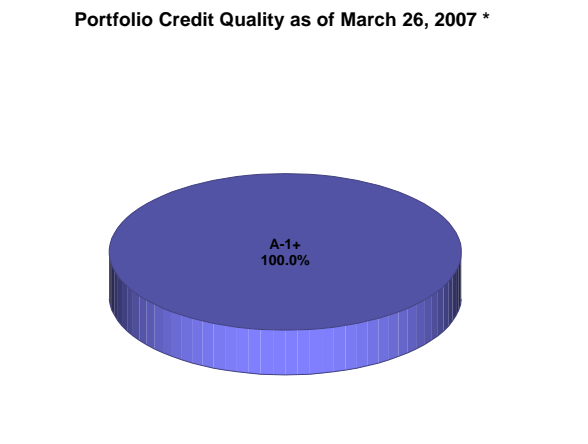
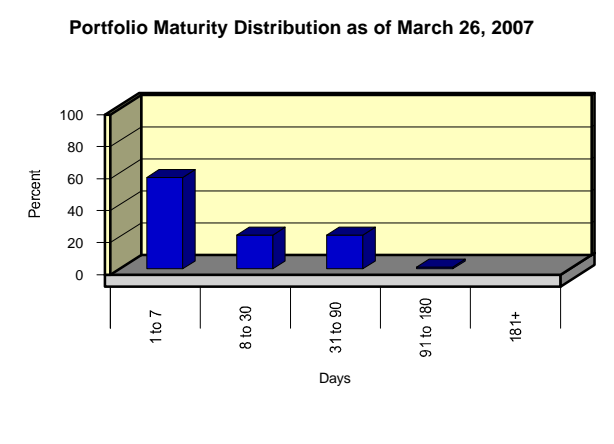
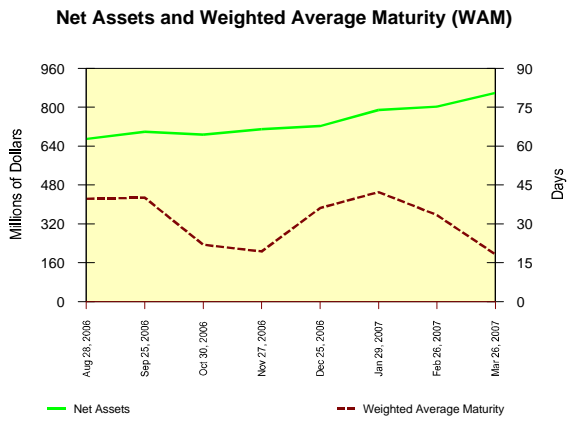
Investors should consider the investment objectives, risks and charges and expenses of the fund before investing. The prospectus which can be obtained from your broker-dealer, contains this and other information about the fund and should be read carefully before investing. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund.

Principal Stability Rating Approach and Criteria

Principal Stability Fund Rating, also known as a Money Market Rating, is a current opinion of a fund's capacity to maintain stable principal or net asset value. When assigning a Principal Stability rating to a fund, Standard & Poor's focuses on the creditworthiness of a fund's investments and counterparties, the market price exposure of its investments, sufficiency of the fund's portfolio liquidity, and management's ability and policies to maintain the fund's stable net asset value by limiting exposure to loss. A money market fund rating evaluates:

- Credit risk:** credit quality, types, and diversity of portfolio investment;
- Market price exposure:** degree of liquidity of investments, distribution and average length of maturities, and volatility of portfolio cash flows;
- Management:** philosophy, operating policies and procedures.

Data Bank as of March 26, 2007		
Net Asset Value per Share.....\$1.00	Net Assets (millions).....	\$859.53
Weighted Average Maturity....18 days	7 Day Yield.....	5.24%



*As assessed by Standard & Poor's

The yield quoted represents past performance. Past performance does not guarantee future results. Current yield may be lower or higher than the yield quoted. Performance data current to the most recent month-end may be available by calling the Fund at the phone number listed in the "About the Fund" section on page 1.

Fund portfolios are monitored weekly for developments that could cause changes in the ratings. Rating decisions are based on periodic meetings with senior fund executives and public information.

The Principal Stability Fund Rating for this fund issued by Standard & Poor's can be found in the 'About the Fund' section on page 1. The rating is current as of the date of this profile report. The fund's portfolio may have changed since this date and there is no guarantee that the fund will continue to have the same rating or perform in the future as rated. Not all money market funds have principal stability fund ratings and those that do may have paid for them. The fact that a fund has a rating is not an indication that it is more or less risky or volatile than a fund that does not. The fund or a third party participating in the marketing of fund shares paid Standard & Poor's for this rating. Standard & Poor's receives no payment for disseminating ratings, except for subscriptions to its publications.

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