

Optimal Structures to Maximize Returns of Sovereign Wealth Funds

A Presentation to the Wyoming State Treasurer's
Conference Regarding New Mexico's Permanent Funds

Steve Moise, NM State Investment Officer
Monday, August 29, 2022



STATE INVESTMENT COUNCIL

Fund Values 6/30/22 & FY23 Distributions

Land Grant
Permanent Fund
\$24.38 billion



LGPF Beneficiary
Distributions
FY23: **\$1,014.32M**

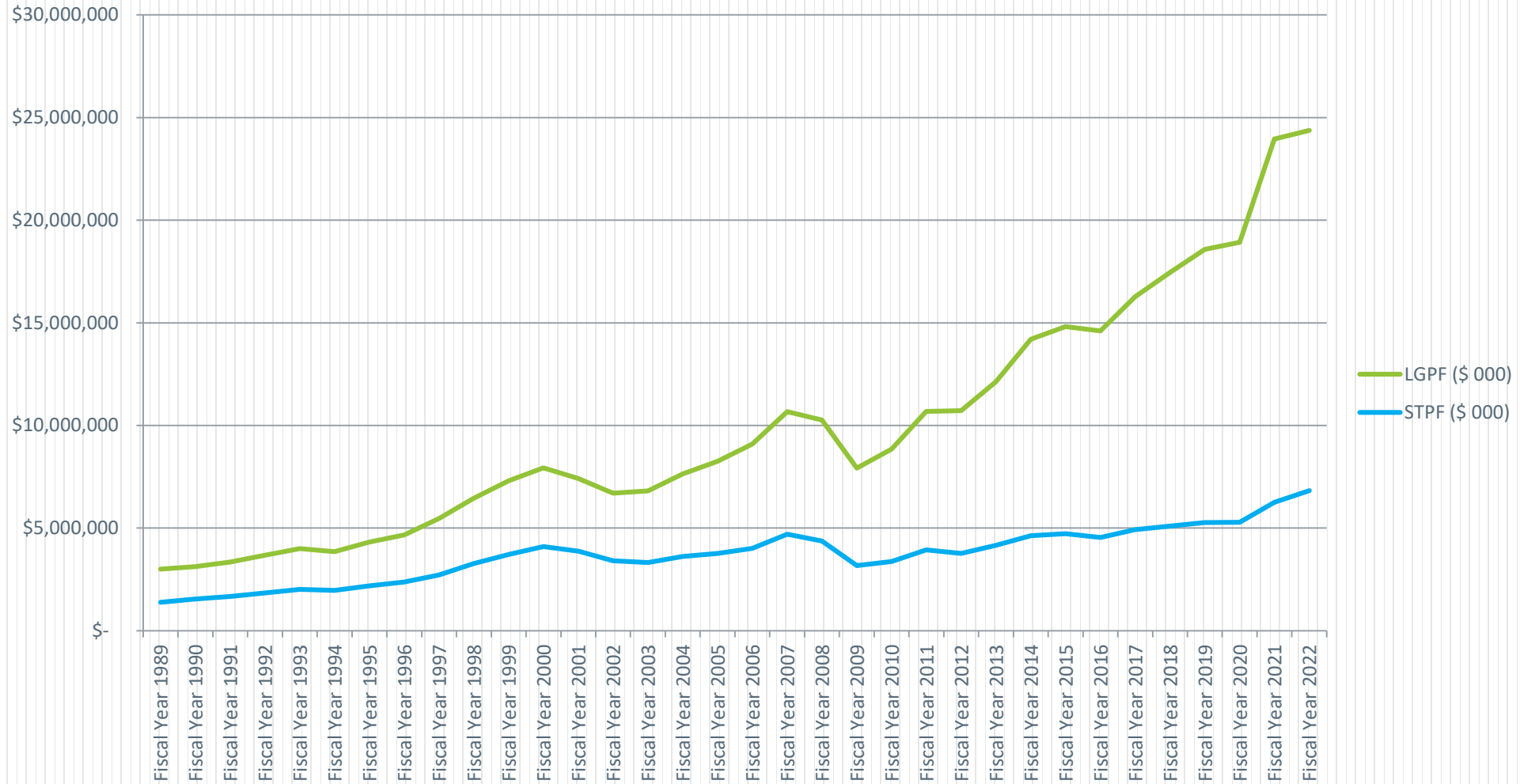
Severance Tax
Permanent Fund
\$6.83 billion



General Fund
Distributions
FY23: **\$265.79M**

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Permanent Fund Growth, 1989-2022



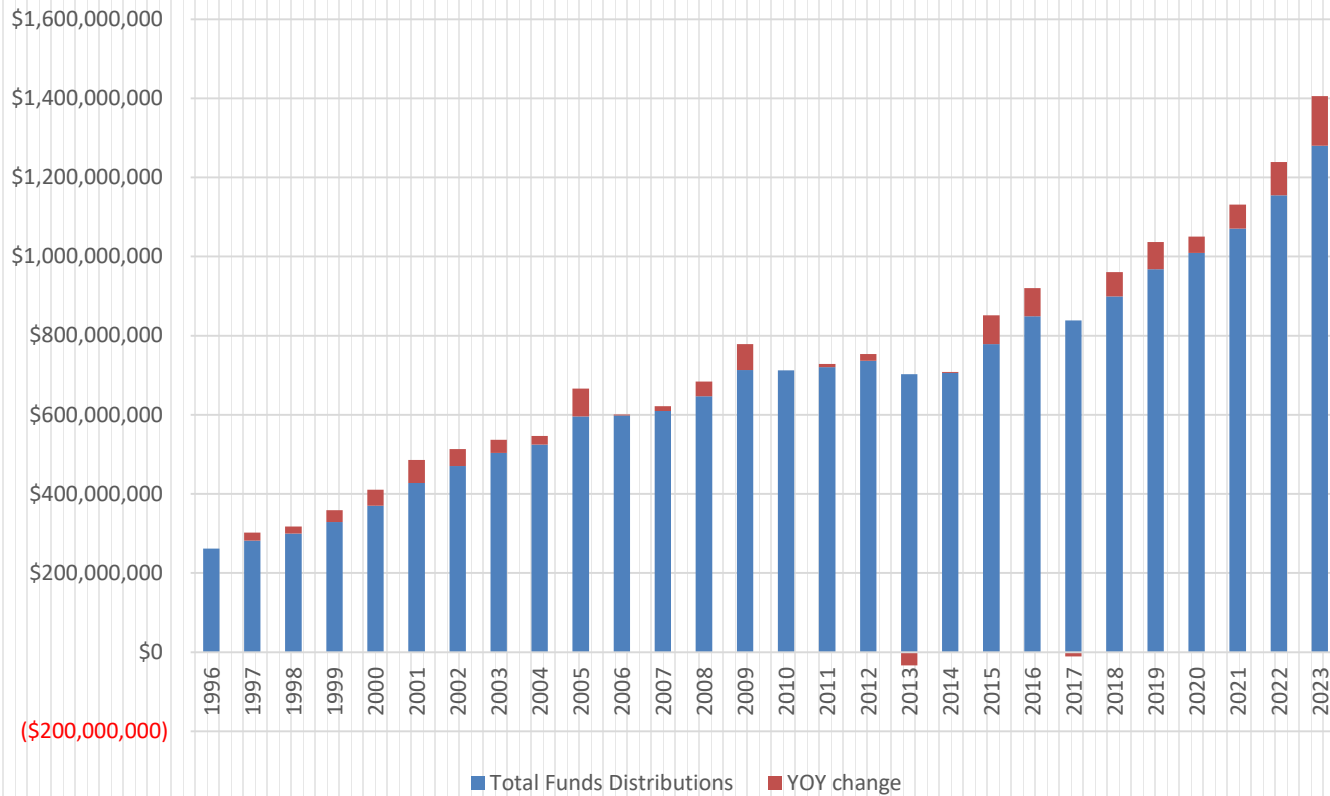
NM Fund Evolution

- 1912: 13 million acres granted with statehood
- 1958: State Investment Council created, Congress approves amending of Enabling Act
- 1970s/80s: STPF created, constitutionally protected
- 1990: Eased restrictions on equity investments
- 1996: Fund distributions no longer “income & dividends”, but a set percentage of 5-year fund value
- 2005: Uniform Prudent Investor Act passed in statute

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Permanent Fund Distributions

NM Permanent Fund Distributions



Fiscal Year	Total Funds Distributions	YOY change	Land Grant Distribution %
1996	\$261,665,216		4.7%
1997	\$281,829,144	\$20,163,928	
1998	\$299,758,801	\$17,929,657	
1999	\$329,178,477	\$29,419,676	
2000	\$369,987,793	\$40,809,316	
2001	\$427,702,980	\$57,715,187	
2002	\$470,648,040	\$42,945,060	
2003	\$503,739,000	\$33,090,960	
2004	\$524,960,075	\$21,221,075	
2005	\$595,448,111	\$70,488,036	5.8%
2006	\$598,241,175	\$2,793,064	
2007	\$609,917,645	\$11,676,470	
2008	\$647,170,080	\$37,252,435	
2009	\$712,813,476	\$65,643,396	
2010	\$712,584,889	(\$228,587)	
2011	\$720,473,734	\$7,888,845	
2012	\$736,841,814	\$16,368,080	
2013	\$703,019,232	(\$33,822,582)	5.5%
2014	\$705,629,255	\$2,610,023	
2015	\$778,716,882	\$73,087,627	
2016	\$849,295,109	\$70,578,227	
2017	\$838,516,785	(\$10,778,324)	5.0%
2018	\$899,568,368	\$61,051,583	
2019	\$968,164,465	\$68,596,097	
2020	\$1,009,508,364	\$41,343,899	
2021	\$1,070,449,847	\$60,941,483	
2022	\$1,154,773,165	\$84,323,318	
2023	\$1,280,113,616	\$125,340,451	

Other Funds Managed by SIC

Tax Stabilization
Reserve:
\$1.833 billion

Early Childhood
Education & Care:
\$2.138 billion

Water Trust
Permanent Fund:
\$44.5 million

Tobacco
Settlement
Permanent Fund:
\$297 million

Rural Libraries
Endowment:
\$13.2 million

26 Governmental
Clients:
\$1.652 billion

*Estimated, August 2022