



ANNUAL REPORT
MINORITY OWNED FINANCIAL SERVICES FIRM USAGE
SUMMARY STATEMENT

Reporting Department/Agency: Maryland State Treasurer's Office
Fiscal Year: 2017

IN THE ATTACHED DOCUMENTS, MY AGENCY HAS REPORTED THE FOLLOWING INFORMATION:	YES	NO
1. The identity of the minority business enterprise brokerage and investment management services firms used by the Agency in the immediately preceding fiscal year:	x	
2. The percentage and dollar value of the assets under the custody of the Agency that are under the investment control of minority business enterprise brokerage and investment management services firms: and	x	
3. The measures the Agency undertook in the immediately preceding fiscal year to increase the percentage and dollar value of the assets under the investment control of minority business enterprise brokerage and investment management services firms.	x	

Agency Head/Secretary Name: BERNADETTE BENIK, CHIEF DEPUTY TREASURER
(Please Type/Print Here)

Agency Head/Secretary Signature: 
Sign Here



Maryland
STATE
TREASURER

Investing for Maryland's future.

Nancy K. Kopp
State Treasurer

Bernadette T. Benik
Chief Deputy Treasurer

**Minority Owned Financial Services Outreach and Reporting
June 30, 2017**

Allowable Investments by Statute

- Treasuries
- Agencies
- Supranationals
- Repurchase Agreements collateralized not less than 102%
- Bankers Acceptances
- Commercial Paper
- Money Market Mutual Funds
- MLGIP
- Bond Funds only may be invested in Other Government Debt

All investing done in house by Investment Division

All investments made in accordance with Policy

- New York Federal Reserve List of Primary Dealers
- Non Primary Dealers
 - o Must submit RFI
 - o Must submit evidence of their capital position
 - o Must submit most recent FOCUS Report
 - o Must submit three years audited financial statements
- Those firms approved for REPO must additionally complete the State's Master Repurchase Agreement

Actual investment process

- Bloomberg
- Fiduciary Responsibility requires selection of best price

Inclusion of MBE

-	FY 2007	11.7%	2 Approved
-	FY 2008	5.4%	10 Approved
-	FY 2009	16.7%	14 Approved
-	FY 2010	17.0%	15 Approved
-	FY 2011	18.6%	19 Approved
-	FY 2012	14.8%	29 Approved
-	FY 2013	11.9%	31 Approved
-	FY 2014	17.6%	24 Approved
-	FY 2015	34.9%	24 Approved
-	FY 2016	33.7%	26 Approved
-	FY 2017	27.0%	28 Approved

Outreach Efforts

The Website has all necessary documents for inclusion on the Approved Broker Dealer List readily available.

All Broker/Dealers listed on the MDOT MBE/DBE have been contacted. The necessary documents for inclusion on the Approved Broker/Dealer List have been sent.

The National Association of Securities Professionals (NASP) provided their list of Member Firms. All firms identified as Fixed Income providers were contacted and sent the necessary documents for inclusion on the Approved Broker/Dealer List.

Everyone who has "cold called" has been informed of our policies and procedures and invited to submit the necessary paperwork to become an approved Broker/Dealer.

Everyone who has requested a meeting has received a meeting for further explanation of our policies and procedures.

MBE/VET/WBE Broker/Dealer lists from other States have been requested and received from the Government Investment Officers Association (GIOA), Government Finance Officers Association (GFOA), National Association of Auditors, Comptrollers and Treasurers (NASACT), and the National Association of State Treasurers' (NAST) membership.

MARYLAND MBE INVESTMENT MANAGER ANNUAL REPORT (FY17)

Asset Management

Agency	FY 2011			FY 2012			FY 2013			FY 2014			FY 2015			FY 2016			FY 2017					
	Total Assets	MBE Assets	%	Total Assets	MBE Assets	%	Total Assets	MBE Assets	%	Total Assets	MBE Assets	%	Total Assets	MBE Assets	%	Total Assets	MBE Assets	%	Total Assets	MBE Assets	%			
-	\$0.0	\$0.0	#DIV/0!	\$0.0	\$0.0	#DIV/0!	\$0.0	\$0.0	#DIV/0!	\$0.0	\$0.0	#DIV/0!	\$0.0	\$0.0	#DIV/0!	\$0.0	\$0.0	#DIV/0!	\$0.0	\$0.0	#DIV/0!	\$0.0	\$0.0	#DIV/0!
Total	\$0.0	\$0.0	#DIV/0!	\$0.0	\$0.0	#DIV/0!	\$0.0	\$0.0	#DIV/0!	\$0.0	\$0.0	#DIV/0!	\$0.0	\$0.0	#DIV/0!	\$0.0	\$0.0	#DIV/0!	\$0.0	\$0.0	#DIV/0!	\$0.0	\$0.0	#DIV/0!

MBE Investment Managers Utilized

Agency	FY 2011	FY 2012	FY 2013	FY 2014	FY 2014	FY 2015	FY 2016
-							
Emerging MBE Managers	0	0	0	0	0	0	0
Emerged MBE Managers	0	0	0	0	0	0	0
Total	0	0	0	0	0	0	0

Definitions: Emerging Investment Manager = a qualified minority owned business of female owned business with total assets under management of at least \$10 million but less than \$2 billion. Emerged Investment Manager = a qualified minority owned business or female owned business with total assets under management of more than \$2 billion.

Brokerage Services

Agency	FY 2011			FY 2012			FY 2013			FY 2014			FY 2015			FY 2016			FY 2017		
	Total	MBE	%	Total	MBE	%	Total	MBE	%	Total	MBE	%	Total	MBE	%	Total	MBE	%	Total	MBE	%
-	\$6,342,529,357	\$1,181,534,307	18.6%	\$4,858,175,787	\$718,153,756	14.8%	\$7,772,768,349	\$921,868,783	11.9%	\$852,376,270	\$150,128,353	17.6%	\$983,394,580	\$342,967,736	34.9%	\$8,998,695,644	\$3,031,365,217	33.7%	\$4,829,213,747	\$1,305,394,494	27.0%
Total	\$6,342,529,357	\$1,181,534,307	18.6%	\$4,858,175,787	\$718,153,756	14.8%	\$7,772,768,349	\$921,868,783	11.9%	\$852,376,270	\$150,128,353	17.6%	\$983,394,580	\$342,967,736	34.9%	\$8,998,695,644	\$3,031,365,217	33.7%	\$4,829,213,747	\$1,305,394,494	27.0%

Total MBE Investment Brokers Utilized

Agency	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017
-	19	29	31	24	24	26	28
Total	19	29	31	24	24	26	28

INVESTMENT PORTFOLIO

Portfolio by Asset Class	Market Value (\$ millions)	Actual Allocation	Strategic Allocation	Emerging MBE Managers	Emerged MBE Managers
Domestic Large Cap	-	-	-	-	-
Domestic Small/Mid Cap	-	-	-	-	-
Total Domestic Equity	-	-	-	-	-
Core Fixed Income	-	-	-	-	-
Corporate - Oriented	-	-	-	-	-
Convertible Bonds	-	-	-	-	-
Total Domestic Fixed Income	-	-	-	-	-
International Fixed Income	-	-	-	-	-
Total	-	-	-	-	-

Emerged MBE Investment Managers Utilized

Manager Name	Assets Under Management (\$ millions)	Investment Advisory Fee (\$ millions)	Asset Class
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
Subtotal	-	-	-

Emerging MBE Investment Manager Utilized

Manager Name	Assets Under Management (\$ millions)	Investment Advisory Fee (\$ millions)	Asset Class
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
Subtotal	-	-	-
Total	#VALUE!	#VALUE!	

MBE BROKERAGE SERVICES

MBE Investment Broker Name

1	Academy Securities (formerly Carolina Capital Markets)	MBE
2	Alamo Capital	WBE
3	Blaylock Beal Van, LLC	MBE
4	Bonwick Capital Partners	MBE
5	C.L. King & Associates	WBE
6	Cabrera Capital Markets, LLC	MBE
7	CastleOak Securities, L.P.	MBE
8	CV Brokerage	WBE
9	Drexel Hamilton	VET
10	Great Pacific Securities	VET
11	Guzman & Company	MBE
12	IFS Securities	MBE
13	Lebenthal & Co.	WBE
14	Loop Capital Markets, LLC	MBE
15	MD Global Partners, LLC	MBE
16	Mesirow Financial, Inc	MBE
17	MFR Securites, Inc	MBE
18	Mischler Financial Group, Inc	VET
19	Multi-Bank Securities, Inc	VET
20	Quoin Capital, LLC	MBE
21	Rice Financial Products Company	MBE
22	Samuel A. Ramirez	MBE
23	Siebert, Brandford and Shank	MBE
24	Sigma Financial Corp. (previously Gryphon Asset Management)	MBE
25	Stern Brothers & Co.	WBE
26	The Williams Capital Group, LP	MBE
27	Toussaint Capital Partners, LLC.	MBE
28	Tribal Capital Markets, LLC.	MBE

As of June 30, 2017 \$1,305,394,494 was transacted with MBE/VET/WBE firms.

27% of all investment transactions were with MBE/VET/WBE Counterparties during FY 2017.