

**SUBMITTAL TO THE BOARD OF SUPERVISORS  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

435 A



**FROM:** Don Kent, Treasurer-Tax Collector

**SUBMITTAL DATE:**  
July 12, 2011

**SUBJECT:** Treasurer's Monthly Disclosure Report on Investments

**RECOMMENDED MOTION:** That the Board of Supervisors receives and files the Treasurer's "Monthly Disclosure Report on Investments" dated June 2011.

**BACKGROUND:** The County Treasurer and Tax Collector is submitting the above noted report to the County Board of Supervisors in keeping with Section 53607 of the California Government Code, which requires a quarterly report on the status of investments. The practice has been to provide the Board with a monthly report. The report gives the various statistics on the portfolio as to overall composition, liquidity structure, credit quality on the various securities, and provides several trends on earning performance, average weighted maturity, and the portfolio's "paper loss or gain".

Departmental Concurrence

Don Kent, Treasurer-Tax Collector

<b>FINANCIAL DATA</b>	Current F.Y. Total Cost:	\$	In Current Year Budget:	Yes
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	No
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2010-2011
<b>SOURCE OF FUNDS:</b>				Positions To Be Deleted Per A-30 <input type="checkbox"/>
				Requires 4/5 Vote <input type="checkbox"/>

**C.E.O. RECOMMENDATION:**

APPROVE

BY:

Karen L. Johnson

**County Executive Office Signature**

- Consent
- Policy
- Consent
- Policy

Dept's Recomm.:

Per Exec. Ofc.:

Prev. Agn. Ref.:

District: ALL

Agenda Number:

ATTACHMENTS FILED  
WITH THE CLERK OF THE BOARD

2.26



# County of Riverside *Treasurer's Pooled Investment Fund*

All Data as of June 30, 2011

## "Don't Hold Your Breath"

Another fiscal year has come and gone. FY 11 was wrought with economic trials and tribulations at the local government level with further budget reductions and downsizing, as well as pension reform. FY 12 is off to a tougher start than originally projected due to the still struggling real estate market. Our County Assessor reports that the assessed valuation will be reduced by another 1.45% due to decreasing commercial and industrial property values marking the third straight year of declines. Add into this volatile mix funding cuts at the state level and dwindling interest earnings from lower rates in the capital markets and you have a recipe for further reduction in public services to the tax payers, many at a time when they are needed the most.

On the economic news front, Consumer Confidence continued its decline to a 7 month low in June with consumers not feeling upbeat about the latest employment numbers. However, there is a bright spot of sorts. Fuel costs have dropped over 10% mainly due to lowered demand and news of a concerted effort of 28 countries releasing 60 million barrels of oil out of strategic reserves; the initial impact did lower prices to around \$90 a barrel, but has since climbed back a

bit toward the mid \$90 level. Standard & Poor's put the federal government on notice that it's risking its coveted AAA credit rating if it continues the gridlock in the debate about its budget deficits and record \$14 trillion debt. Moody's may downgrade the U.S. if it does not increase the debt ceiling by August 2<sup>nd</sup> or the government may face a shutdown and possible default. Let's hope our federal leaders can agree on a plan and carry it out as a U.S. debt default would have catastrophic consequences globally.

Not surprisingly, the FOMC voted to keep rates unchanged at its June 22<sup>nd</sup> meeting with a risk-to-growth bias. We will now have to wait and see if this fiscal "New Year" shows any signs of improvement; after all, the State of California finally passed its budget on time but we won't be holding our breath though for the Feds!

Don Kent  
Treasurer-Tax Collector

### Capital Markets

- Don Kent**  
Treasurer-Tax Collector
- Jon Christensen**  
Asst. Treasurer-Tax Collector
- Giovane Pizano**  
Investment Manager
- Angela Tressler**  
Asst. Investment Manager

### Investment Objectives

- Safety of Principal
- Liquidity
- Maximum Rate of Return



### Portfolio Statistics

	Month End Market Value (\$)*	Month End Book Value (\$)	Paper Gain or Loss (\$)	Paper Gain or Loss (%)	Book Yield (%)	Yrs to Maturity	Modified Duration
June	4,942,332,241.04	4,937,025,988.18	5,306,252.86	0.11	0.63	1.31	1.28
May	5,606,714,432.23	5,599,489,279.54	7,225,152.69	0.13	0.64	1.25	1.22
April	6,378,137,129.84	6,375,299,751.65	2,837,378.19	0.04	0.60	1.13	1.11
March	5,421,230,535.75	5,429,085,085.58	(7,854,549.83)	(0.14)	0.67	1.26	1.24
February	5,309,842,410.56	5,314,436,486.43	(4,594,075.87)	(0.09)	0.71	1.31	1.28
January	5,815,137,071.46	5,814,715,147.19	421,924.27	0.01	0.66	1.25	1.23

\*Market values do not include accrued interest.  
The Treasurer's Pooled Investment Fund is comprised of the County, Schools, Special Districts, and other Discretionary Depositors.

# MARKET Data

Released on:	Indicator	Definition	Consensus	Actual
7/8/2011	Nonfarm Payrolls - M/M change	Nonfarm payroll employment counts the number of paid employees working part-time or full-time in the nation's business and government establishments.	110,000	
7/8/2011	Unemployment Rate	The unemployment rate measures the number of unemployed as a percentage of the labor force.	9.1%	
6/24/2011	Durable Goods Orders - M/M change	Durable goods orders reflect the new orders placed with domestic manufacturers for immediate and future delivery of factory hard goods. Durable goods orders are a leading indicator of industrial production and capital spending.	1.5%	1.9%
6/24/2011	Real Gross Domestic Product - Q/Q change	Gross Domestic Product (GDP) is the broadest measure of aggregate economic activity and encompasses every sector of the economy. GDP is the country's most comprehensive economic scorecard.	2.0%	1.9%
6/28/2011	Consumer Confidence	The Conference Board compiles a survey of consumer attitudes on present economic conditions and expectations of future conditions. Consumer spending drives two-thirds of the economy and if the consumer is not confident, the consumer will not be willing to pull out the big bucks. Consumer spending in turn, affects economic growth.	58.5	62.0
7/5/2011	Factory Orders - M/M change	Factory orders represent the dollar level of new orders for both durable and nondurable goods. All in all, this report tells investors what to expect from the manufacturing sector, a major component of the economy and therefore a major influence on their investments.	1.0%	0.8%
6/15/2011	Consumer Price Index - M/M change	The Consumer Price Index is a measure of the average price level of a fixed basket of goods and services purchased by consumers. Monthly changes in the CPI represent the rate of inflation. As the rate of inflation changes and as expectations on inflation change, the markets adjust interest rates.	0.0%	0.2%

Stock Indices*	Value	M/M Change
Dow Jones Indus. Avg (DJIA)	12,414.30	(155.50)
S&P 500 Index	1,320.64	(24.56)
NASDAQ Composite Index	2,773.52	(61.78)

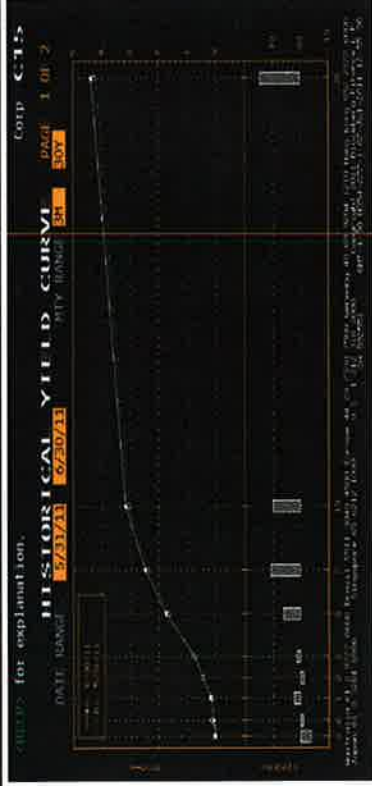
Commodities*	Value	M/M Change
Nymex Crude	\$ 95.42	\$ (7.28)
Gold (USD/OZ)	\$ 1,500.35	\$ (35.45)

\*Source: Bloomberg

Current Fed Funds Target Rate: 0.00 - 0.25%*	
Fed Move	Probability for FOMC Date
Decrease to 0.00%	8/9/11
No Change	75.5%
Increase to 0.50%	24.5%
Increase to 0.75%	0.0%
	0.0%



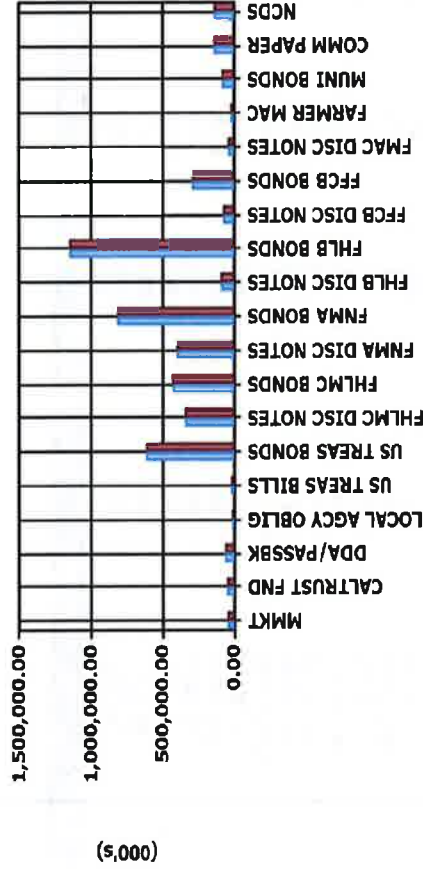
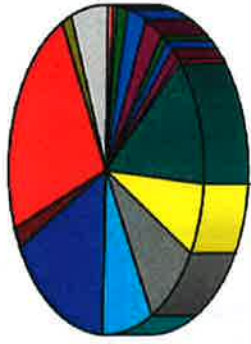
U.S. Treasuries*	
Yield (%)	M/M Change (%)
3-Month	0.01 (0.04)
6-Month	0.10 (0.01)
12-Month	0.18 0.03
2-Year	0.46 (0.01)
3-Year	0.80 0.02
5-Year	1.76 0.06
7-Year	2.50 0.11
10-Year	3.16 0.10
30-Year	4.37 0.15



# ASSET Allocation

Assets (000's)	Scheduled Par	Scheduled	Market	Mkt/ Sch	Yield	WAL (Yr)	Mat (Yr)
MMKT	50,000.00	50,000.00	50,000.00	100.00%	0.01%	.003	.003
CALTRUST FND	54,000.00	54,000.00	54,000.00	100.00%	0.52%	.003	.003
DDA/PASSBK	70,000.00	70,000.00	70,000.00	100.00%	0.04%	.003	.003
LOCAL AGCY OBLIG	585.00	585.00	585.00	100.00%	1.14%	8.967	8.967
US TREAS BONDS	25,000.00	24,952.79	24,987.50	100.14%	0.22%	.614	.614
FHLMC DISC NOTES	620,000.00	622,849.22	622,707.50	99.98%	0.36%	.800	.800
FHLMC BONDS	350,000.00	349,319.67	349,921.88	100.17%	0.24%	.228	.228
FNMA DISC NOTES	436,951.00	437,194.88	438,201.49	100.23%	1.01%	1.185	2.319
FNMA BONDS	410,000.00	408,974.25	409,606.25	100.15%	0.24%	.441	.441
FHLB DISC NOTES	820,300.00	821,127.01	823,175.25	100.25%	1.07%	1.273	2.315
FHLB BONDS	100,000.00	99,794.50	99,995.69	100.20%	0.27%	.215	.215
FFCB DISC NOTES	1,152,010.00	1,153,671.31	1,154,310.36	100.06%	0.77%	.969	1.728
FFCB BONDS	82,000.00	81,826.13	81,965.63	100.17%	0.26%	.424	.424
FARMER MAC	298,705.00	299,384.56	299,737.35	100.12%	0.76%	1.276	1.515
MUNI BONDS	45,000.00	44,904.19	44,923.44	100.04%	0.21%	.904	.904
COMM PAPER	27,102.00	27,469.82	27,131.72	98.77%	1.00%	1.554	1.554
NCDS	91,165.00	91,205.56	91,205.56	100.00%	0.99%	.921	.921
Totals (000's):	4,932,818.00	4,937,025.99	4,942,332.74	100.11%	0.63%	.841	1.307

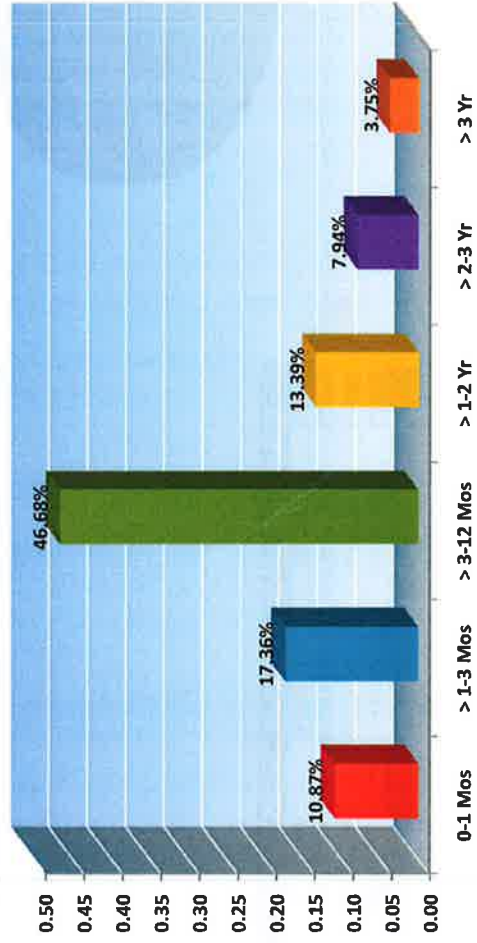
SCHEDULED PAR %



Scheduled Book Market

# AVERAGE LIFE Distribution

Scheduled Par (000's)	0-1 Mos	> 1-3 Mos	> 3-12 Mos	> 1-2 Yr	> 2-3 Yr	> 3 Yr	Totals (000's)
MMKT	50,000.00	0.00	0.00	0.00	0.00	0.00	50,000.00
CALTRUST FND	54,000.00	0.00	0.00	0.00	0.00	0.00	54,000.00
DDA/PASSBK	70,000.00	0.00	0.00	0.00	0.00	0.00	70,000.00
LOCAL AGCY OBLIG	0.00	0.00	0.00	0.00	0.00	585.00	585.00
US TREAS BILLS	0.00	0.00	25,000.00	0.00	0.00	0.00	25,000.00
US TREAS BONDS	0.00	0.00	455,000.00	165,000.00	0.00	0.00	620,000.00
FHLMC DISC NOTES	100,000.00	150,000.00	100,000.00	0.00	0.00	0.00	350,000.00
FHLMC BONDS	15,000.00	65,030.00	126,800.00	139,121.00	71,000.00	20,000.00	436,951.00
FNMA DISC NOTES	25,000.00	150,000.00	230,000.00	0.00	0.00	5,000.00	410,000.00
FNMA BONDS	15,000.00	90,000.00	345,800.00	125,000.00	180,000.00	64,500.00	820,300.00
FHLB DISC NOTES	0.00	100,000.00	0.00	0.00	0.00	0.00	100,000.00
FHLB BONDS	189,190.00	138,300.00	595,820.00	50,000.00	93,700.00	85,000.00	1,152,010.00
FFCB DISC NOTES	0.00	25,000.00	57,000.00	0.00	0.00	0.00	82,000.00
FFCB BONDS	5,000.00	28,000.00	96,500.00	119,205.00	40,000.00	10,000.00	298,705.00
FMAC DISC NOTES	0.00	0.00	45,000.00	0.00	0.00	0.00	45,000.00
FARMER MAC	4,602.00	0.00	0.00	22,500.00	0.00	0.00	27,102.00
MUNI BONDS	8,645.00	24,940.00	10,810.00	39,640.00	7,130.00	0.00	91,165.00
COMM PAPER	0.00	35,000.00	115,000.00	0.00	0.00	0.00	150,000.00
NCDS	0.00	50,000.00	100,000.00	0.00	0.00	0.00	150,000.00
<b>Totals (000's):</b>	<b>536,437.00</b>	<b>856,270.00</b>	<b>2,302,730.00</b>	<b>660,466.00</b>	<b>391,830.00</b>	<b>185,085.00</b>	<b>4,932,818.00</b>
<b>%</b>	<b>11%</b>	<b>17%</b>	<b>47%</b>	<b>13%</b>	<b>8%</b>	<b>4%</b>	
<b>Cumulative %</b>	<b>11%</b>	<b>28%</b>	<b>75%</b>	<b>88%</b>	<b>96%</b>	<b>100%</b>	



CUSIP	Description	Maturity Date	Coupon	Yield To Mat	Par Value	Book Value	Market Price	Market Value	Unrealized Gain/Loss	Modified Duration	Years To Maturity
MMMT											
GODX	FEDERATED GOV	07/01/2011	.010	.010	50,000,000.00	50,000,000.00	100.000000	50,000,000.00	0.00	.003	.003
			.010	.010	50,000,000.00	50,000,000.00	100.000000	50,000,000.00	0.00	.003	.003
<b>CALTRUST FND</b>											
CLTR	CALTRUST SHT TERM FUND	07/01/2011	.518	.518	54,000,000.00	54,000,000.00	100.000000	54,000,000.00	0.00	.003	.003
			.518	.518	54,000,000.00	54,000,000.00	100.000000	54,000,000.00	0.00	.003	.003
<b>DDA/PASSBK</b>											
CASH	UBOC MANAGED RATE	07/01/2011	.041	.041	70,000,000.00	70,000,000.00	100.000000	70,000,000.00	0.00	.003	.003
			.041	.041	70,000,000.00	70,000,000.00	100.000000	70,000,000.00	0.00	.003	.003
<b>LOCAL AGCY OBLIG</b>											
LAO	US DIST COURTHOUS	06/15/2020	1.137	1.137	585,000.00	585,000.00	100.000000	585,000.00	0.00	4.723	8.967
			1.137	1.137	585,000.00	585,000.00	100.000000	585,000.00	0.00	4.723	8.967
<b>US TREAS BILLS</b>											
9127953C3	U.S. TREASURY BILL	02/09/2012	.220	.220	25,000,000.00	24,952,791.67	99.950000	24,987,500.00	34,708.33	.612	.614
			.220	.220	25,000,000.00	24,952,791.67	99.950000	24,987,500.00	34,708.33	.612	.614
<b>US TREAS BONDS</b>											
912828M16	U.S. TREASURY BOND	01/31/2012	.875	.910	15,000,000.00	14,990,625.00	100.440000	15,066,000.00	75,375.00	.579	.589
912828M00	U.S. TREASURY BOND	02/29/2012	.875	.410	10,000,000.00	10,069,140.63	100.480000	10,048,000.00	-21,140.63	.666	.668
912828M16	U.S. TREASURY BOND	01/31/2012	.875	.401	10,000,000.00	10,066,601.56	100.440000	10,044,000.00	-22,601.56	.589	.589
912828M16	U.S. TREASURY BOND	01/31/2012	.875	.412	10,000,000.00	10,063,671.88	100.440000	10,044,000.00	-19,671.88	.589	.589
912828NE6	U.S. TREASURY BOND	05/31/2012	.750	.399	10,000,000.00	10,058,593.75	100.480000	10,048,000.00	-10,593.75	.913	.921
912828NE6	U.S. TREASURY BOND	05/31/2012	.750	.383	10,000,000.00	10,060,937.50	100.480000	10,048,000.00	-12,937.50	.913	.921
912828NE6	U.S. TREASURY BOND	05/31/2012	.750	.470	10,000,000.00	10,042,968.75	100.480000	10,048,000.00	5,031.25	.913	.921
912828NS5	U.S. TREASURY BOND	06/30/2012	.625	.487	10,000,000.00	10,022,265.63	100.390000	10,039,000.00	16,734.37	.996	1.003
912828NQ9	U.S. TREASURY BOND	07/31/2012	.625	.512	10,000,000.00	10,019,140.63	100.410000	10,041,000.00	21,859.37	1.076	1.088
912828M16	U.S. TREASURY BOND	01/31/2012	.875	.332	15,000,000.00	15,043,359.38	100.410000	15,061,500.00	18,140.62	1.076	1.088
912828M16	U.S. TREASURY BOND	01/31/2012	.875	.340	20,000,000.00	15,096,679.69	100.440000	15,066,000.00	-30,679.69	.589	.589
912828M16	U.S. TREASURY BOND	05/31/2012	.875	.418	20,000,000.00	20,099,218.75	100.480000	20,088,000.00	-37,000.00	.589	.589
912828M16	U.S. TREASURY BOND	01/31/2012	.875	.366	15,000,000.00	15,088,476.57	100.440000	15,066,000.00	-22,476.57	.589	.589
912828M16	U.S. TREASURY BOND	01/31/2012	.875	.304	10,000,000.00	10,056,640.63	100.440000	10,044,000.00	-12,640.63	.589	.589
912828M16	U.S. TREASURY BOND	01/31/2012	.875	.321	10,000,000.00	10,054,687.50	100.440000	10,044,000.00	-10,687.50	.589	.589
912828M16	U.S. TREASURY BOND	01/31/2012	.875	.339	20,000,000.00	20,103,906.25	100.440000	20,088,000.00	-15,906.25	.589	.589
912828NE6	U.S. TREASURY BOND	05/31/2012	.750	.485	20,000,000.00	20,068,750.00	100.480000	20,098,000.00	27,250.00	.913	.921
912828M16	U.S. TREASURY BOND	01/31/2012	.875	.335	10,000,000.00	10,052,343.75	100.440000	10,044,000.00	-8,343.75	.589	.589
912828NE6	U.S. TREASURY BOND	05/31/2012	.750	.316	15,000,000.00	15,078,515.63	100.480000	15,072,000.00	-6,515.63	.913	.921
912828NE6	U.S. TREASURY BOND	02/29/2012	.875	.259	15,000,000.00	15,086,718.75	100.480000	15,072,000.00	-14,718.75	.666	.668
912828NE6	U.S. TREASURY BOND	05/31/2012	.750	.349	20,000,000.00	20,095,312.50	100.480000	20,096,000.00	687.50	.921	.921
912828NS5	U.S. TREASURY BOND	06/30/2012	.625	.385	15,000,000.00	15,045,703.13	100.390000	15,058,500.00	12,796.87	.997	1.003
912828M00	U.S. TREASURY BOND	02/29/2012	.875	.257	15,000,000.00	15,086,718.75	100.480000	15,072,000.00	-14,718.75	.666	.668
912828NQ9	U.S. TREASURY BOND	07/31/2012	.875	.400	15,000,000.00	15,045,703.13	100.410000	15,061,500.00	15,796.87	1.077	1.088
912828M00	U.S. TREASURY BOND	02/29/2012	.875	.255	20,000,000.00	20,115,625.00	100.480000	20,096,000.00	-19,625.00	.666	.668
912828M01	U.S. TREASURY BOND	03/31/2012	1.000	.282	15,000,000.00	15,109,570.31	100.610000	15,091,500.00	-18,070.31	.746	.753
912828M11	U.S. TREASURY BOND	12/31/2011	1.000	.250	15,000,000.00	15,084,960.94	100.430000	15,064,500.00	-20,460.94	.503	.504
912828M16	U.S. TREASURY BOND	01/31/2012	.875	.262	20,000,000.00	20,103,125.00	100.440000	20,088,000.00	-15,125.00	.589	.589
912828NS5	U.S. TREASURY BOND	06/30/2012	.625	.413	15,000,000.00	15,039,843.75	100.390000	15,058,500.00	18,656.25	.996	1.003
912828NE6	U.S. TREASURY BOND	05/31/2012	.750	.379	15,000,000.00	15,065,039.06	100.480000	15,072,000.00	6,960.94	.913	.921
912828M16	U.S. TREASURY BOND	01/31/2012	.875	.260	15,000,000.00	15,077,343.75	100.440000	15,066,000.00	-11,343.75	.589	.589
912828M16	U.S. TREASURY BOND	02/29/2012	.875	.281	20,000,000.00	20,108,593.75	100.440000	20,088,000.00	-14,343.75	.589	.589
912828M00	U.S. TREASURY BOND	02/29/2012	.875	.287	25,000,000.00	25,131,835.94	100.480000	25,120,000.00	-11,835.94	.666	.668
912828NS5	U.S. TREASURY BOND	06/30/2012	.625	.324	25,000,000.00	25,089,843.75	100.390000	25,097,500.00	7,656.25	.997	1.003
912828NE6	U.S. TREASURY BOND	05/31/2012	.750	.292	10,000,000.00	10,050,000.00	100.480000	10,048,000.00	-2,000.00	.913	.921
912828NS5	U.S. TREASURY BOND	06/30/2012	.625	.294	20,000,000.00	20,076,562.50	100.390000	20,078,000.00	1,437.50	.997	1.003
912828NQ9	U.S. TREASURY BOND	07/31/2012	.625	.304	15,000,000.00	15,059,765.63	100.410000	15,061,500.00	1,734.37	1.077	1.088

Treasurer's Pooled Investment Fund

Month End Portfolio Holdings

June 2011

CUSIP	Description	Maturity Date	Coupon	Yield To Mat	Par Value	Book Value	Market Price	Market Value	Unrealized Gain/Loss	Modified Duration	Years To Maturity
31346ZAL6	FHLMC 1.5YrNC3MoB	09/21/2012	.625	.632	5,030,000.00	5,029,497.00	100.093750	5,034,715.63	5,218.63	1.216	1.230
31346ZCJ9	FHLMC 3.5YrNC3MoB	10/15/2014	1.000	1.000	10,000,000.00	10,000,000.00	100.031250	10,003,125.00	3,125.00	3.224	3.296
31346ZC1	FHLMC 2.5YrNC6MoB	05/23/2013	.625	.737	5,000,000.00	4,988,500.00	100.062500	5,003,125.00	14,625.00	1.881	1.899
31346ZFW7	FHLMC 2.5YrNC3MoB	11/19/2013	1.200	1.202	5,000,000.00	4,999,750.00	100.125000	5,006,250.00	6,500.00	2.342	2.392
31346ZCL4	FHLMC 3Yr	04/29/2014	1.350	1.160	5,000,000.00	5,027,812.50	101.156250	5,027,812.50	30,012.50	2.765	2.833
31346ZGU0	FHLMC 4YrNC3MoB	05/26/2015	1.000	1.000	5,000,000.00	5,000,000.00	100.031250	5,001,562.50	1,562.50	3.818	3.907
3137EACP2	FHLMC 2Yr	11/30/2012	.375	.385	14,121,000.00	14,118,881.85	99.968750	14,116,587.19	-2,294.66	1.411	1.422
31346ZHQ8	FHLMC 5YrNC6MoB	05/25/2016	2.000	2.011	5,000,000.00	4,997,500.00	100.156250	5,007,812.50	10,312.50	4.639	4.907
31346ZHE5	FHLMC 3YrNC6MoE	05/23/2014	1.250	1.250	5,000,000.00	5,000,000.00	100.281250	5,014,062.50	14,062.50	2.899	2.899
31346ZHQ8	FHLMC 5YrNC6MoB	05/25/2016	2.000	2.005	5,000,000.00	4,998,750.00	100.156250	5,007,812.50	9,062.50	4.639	4.907
3137EACL1	FHLMC 3Yr	10/28/2013	.875	.790	11,000,000.00	11,022,330.00	100.468750	11,051,562.50	29,232.50	2.297	2.332
31346ZHU9	FHLMC 2.5YrNC6MoE	12/09/2013	1.000	1.000	5,000,000.00	5,000,000.00	100.218750	5,010,937.50	10,937.50	2.405	2.447
31346ZHU9	FHLMC 2.5YrNC6MoE	12/09/2013	1.000	1.000	5,000,000.00	5,000,000.00	100.218750	5,010,937.50	10,937.50	2.405	2.447
31346ZHL9	FHLMC 3YrNC3MoB	06/02/2014	1.375	1.375	5,000,000.00	5,000,000.00	100.125000	5,006,250.00	6,250.00	2.852	2.926
31346ZJT0	FHLMC 4YrNC3MoB	06/15/2015	.750	.750	5,000,000.00	5,000,000.00	100.000000	5,000,000.00	0.00	3.892	3.962
31346ZJF0	FHLMC 2YrNC6MoB	12/09/2013	1.050	1.050	5,000,000.00	5,000,000.00	100.156250	5,007,812.50	7,812.50	2.403	2.447
31346ZHL9	FHLMC 3YrNC3MoB	06/02/2014	1.375	1.375	5,000,000.00	5,000,000.00	100.125000	5,006,250.00	6,250.00	2.852	2.926
31346ZK66	FHLMC 2YrNC3MoB	06/21/2013	.800	.800	5,000,000.00	5,000,000.00	100.093750	5,004,687.50	4,687.50	1.955	1.978
31346ZK66	FHLMC 2YrNC3MoB	06/21/2013	.800	.800	5,000,000.00	5,000,000.00	100.093750	5,004,687.50	4,687.50	1.955	1.978
31346ZFT4	FHLMC 2.25Yr	08/13/2013	.875	.611	5,000,000.00	5,028,775.00	100.468750	5,032,437.50	-5,337.50	2.062	2.123
31346ZK77	FHLMC 2.25YrNC6MoB	09/23/2013	.750	.750	5,000,000.00	5,000,000.00	100.031250	5,001,562.50	1,562.50	2.210	2.236
31346ZK77	FHLMC 2.25YrNC6MoB	09/23/2013	.750	.750	5,000,000.00	5,000,000.00	100.031250	5,001,562.50	1,562.50	2.210	2.236
31346ZKWI	FHLMC 3YrNC6MoE	06/23/2014	1.150	1.150	5,000,000.00	5,000,000.00	99.875000	4,993,750.00	-6,250.00	2.921	2.984
31346ZLA8	FHLMC 2YrNC3MoB	06/28/2013	.700	.700	5,000,000.00	5,000,000.00	99.906250	4,995,312.50	-4,687.50	1.977	1.997
31346ZK77	FHLMC 2.2YrNC6MoB	09/23/2013	.750	.761	7,000,000.00	6,998,250.00	100.031250	7,002,187.50	3,937.50	2.222	2.236
31346ZLV2	FHLMC 3YrNC6MoE	06/27/2014	1.050	1.050	5,000,000.00	5,000,000.00	99.593750	4,979,687.50	-20,312.50	2.995	2.995
31346ZLA8	FHLMC 2YrNC3MoB	06/28/2013	.700	.700	1,800,000.00	1,800,000.00	99.906250	1,798,312.50	-1,687.50	1.977	1.997
			<b>1.041</b>	<b>1.010</b>	<b>436,951,000.00</b>	<b>437,194,883.85</b>	<b>100.286185</b>	<b>438,201,490.32</b>	<b>1,006,606.47</b>	<b>2.263</b>	<b>2.319</b>
	<b>FNMA DISC NOTES</b>										
313588KF1	FNMA DISC NOTE	08/10/2011	.290	.291	25,000,000.00	24,930,722.22	100.000000	25,000,000.00	69,277.78	.112	.112
313588KN4	FNMA DISC NOTE	08/17/2011	.290	.291	25,000,000.00	24,929,312.50	100.000000	25,000,000.00	70,687.50	.131	.132
313588JR7	FNMA DISC NOTE	07/27/2011	.270	.271	25,000,000.00	24,939,437.50	100.000000	25,000,000.00	60,562.50	.074	.074
313588LC7	FNMA DISC NOTE	08/31/2011	.290	.291	50,000,000.00	49,859,027.78	100.000000	50,000,000.00	140,972.22	.169	.170
313588LS2	FNMA DISC NOTE	09/14/2011	.250	.251	50,000,000.00	49,882,986.11	100.000000	50,000,000.00	117,013.89	.208	.208
313588M1	FNMA DISC NOTE	09/30/2011	.250	.251	25,000,000.00	24,938,888.89	100.000000	25,000,000.00	61,111.11	.251	.252
313588TA3	FNMA DISC NOTE	02/13/2012	.210	.210	50,000,000.00	49,910,458.33	99.906250	49,953,125.00	42,666.67	.623	.625
313588RX5	FNMA DISC NOTE	01/17/2012	.190	.190	100,000,000.00	99,852,750.00	99.937500	99,937,500.00	84,750.00	.549	.551
313588WJ0	FNMA DISC NOTE	05/03/2012	.200	.200	25,000,000.00	24,950,000.00	99.843750	24,960,937.50	10,937.50	.842	.844
313588WH4	FNMA DISC NOTE	05/02/2012	.200	.200	30,000,000.00	29,940,166.67	99.843750	29,953,125.00	12,958.33	.839	.841
313586QR3	FNMA DISC NOTE	07/05/2014	1.052	1.051	5,000,000.00	4,840,500.00	96.031250	4,801,562.50	-38,937.50	2.983	3.016
			<b>.245</b>	<b>.245</b>	<b>410,000,000.00</b>	<b>408,974,250.00</b>	<b>99.903963</b>	<b>409,606,250.00</b>	<b>632,000.00</b>	<b>.438</b>	<b>.440</b>
	<b>FNMA BONDS</b>										
3136F94P5	FNMA 3Yr	01/30/2012	2.000	1.573	10,000,000.00	10,107,000.00	100.937500	10,093,750.00	-13,250.00	.574	.586
31398AZN5	FNMA	11/23/2011	1.000	1.117	5,000,000.00	4,987,900.00	100.375000	5,018,750.00	30,850.00	.398	.400
31398AF23	FNMA 3YrNC6Mo1x	02/08/2013	1.800	1.809	10,000,000.00	9,997,500.00	100.156250	10,015,625.00	18,125.00	1.565	1.614
31398AXX5	FNMA	11/03/2011	1.215	.750	10,000,000.00	10,065,500.00	100.375000	10,037,500.00	-28,000.00	.344	.345
31398AV90	FNMA 3YrNC2Yr	07/16/2013	1.300	1.317	5,000,000.00	4,997,500.00	100.875000	5,043,750.00	46,250.00	1.999	2.047
31398AW32	FNMA 3YrNC1Yr	07/19/2013	1.375	1.378	10,000,000.00	9,999,000.00	100.062500	10,006,250.00	7,250.00	2.005	2.055
31398AV32	FNMA 3YrNC1Yr	07/19/2013	1.375	1.378	10,000,000.00	9,999,000.00	100.062500	10,006,250.00	7,250.00	2.005	2.055
31398AV32	FNMA 3YrNC1Yr	07/19/2013	1.375	1.375	5,000,000.00	5,000,000.00	100.062500	5,003,125.00	3,125.00	2.005	2.055
31398AV32	FNMA 3YrNC1Yr	07/19/2013	1.375	1.375	5,000,000.00	5,000,000.00	100.062500	5,003,125.00	3,125.00	2.005	2.055
3136FWV35	FNMA 5YrNC6Mo	07/21/2015	1.500	1.500	2,000,000.00	2,000,000.00	100.093750	2,001,875.00	1,875.00	3.897	4.060
3136FW2P8	FNMA 5YrNC6Mo	07/28/2015	1.500	1.500	5,000,000.00	5,000,000.00	100.125000	5,006,250.00	6,250.00	3.917	4.079
3136FM3D4	FNMA 5YrNC1Mo	07/28/2015	1.500	1.521	5,000,000.00	4,995,000.00	100.125000	5,006,250.00	11,250.00	3.916	4.079
3136FW3Z5	FNMA 5YrNC6Mo	08/11/2015	1.500	1.500	5,000,000.00	5,000,000.00	100.156250	5,007,812.50	7,812.50	3.953	4.118

CUSIP	Description	Maturity Date	Coupon	Yield To Mat	Par Value	Book Value	Market Price	Market Value	Unrealized Gain/Loss	Modified Duration	Years To Maturity
31398A5Z1	FNMA 3YrNC6Mo	11/19/2013	.800	.800	5,000,000.00	5,000,000.00	99.968750	4,998,437.50	-1,562.50	2.357	2.392
31398A6G2	FNMA 3YrNC1Yr	11/22/2013	.750	.750	5,000,000.00	5,000,000.00	100.125000	5,006,250.00	6,250.00	2.367	2.400
31398A5Y4	FNMA 3YrNC6Mo	11/26/2013	1.000	1.000	5,000,000.00	5,000,000.00	100.093750	5,004,687.50	4,687.50	2.369	2.411
3136FPX00	FNMA 4Yr	11/26/2014	1.050	1.050	10,000,000.00	10,000,000.00	99.531250	9,953,125.00	-46,875.00	3.334	3.411
31398A6L1	FNMA 3YrNC1Mo	11/29/2013	1.000	1.053	5,000,000.00	4,992,250.00	100.250000	5,012,500.00	12,500.00	2.377	2.419
31398A6L1	FNMA 3YrNC1Mo	11/29/2013	1.000	1.085	10,000,000.00	9,975,000.00	100.250000	10,025,000.00	50,000.00	2.376	2.419
31398A6L1	FNMA 3YrNC1Mo	11/29/2013	1.000	1.085	5,000,000.00	4,987,500.00	100.250000	5,012,500.00	25,000.00	2.376	2.419
31398A6K3	FNMA 3YrNC1Mo	11/29/2013	.800	.800	5,000,000.00	5,000,000.00	100.187500	5,019,375.00	9,375.00	2.385	2.419
3136FP5H1	FNMA 3.5YrNC1Mo	04/25/2014	1.000	1.212	5,000,000.00	4,964,950.00	99.968750	4,998,437.50	33,487.50	2.765	2.822
3136FPZD2	FNMA 4YrNC2Mo	12/03/2014	1.125	1.125	10,000,000.00	10,000,000.00	99.500000	9,950,000.00	-50,000.00	3.430	3.430
3136FPE94	FNMA 3YrNC1Yr	12/13/2013	1.050	1.074	25,000,000.00	24,982,500.00	100.406250	25,101,562.50	119,062.50	2.414	2.458
3136FPL88	FNMA 3YrNC1Yr	12/16/2013	1.200	1.200	7,750,000.00	7,750,000.00	100.250000	7,769,375.00	19,375.00	2.417	2.466
3136FPE78	FNMA 3YrNC1Yr	12/16/2013	1.200	1.200	10,000,000.00	10,000,000.00	100.250000	10,025,000.00	25,000.00	2.417	2.466
3136FPG68	FNMA 2.5YrNC1Yr	05/16/2013	.800	.800	5,000,000.00	4,997,500.00	100.250000	5,014,062.50	16,562.50	4.297	4.466
3136FPL88	FNMA 3YrNC1Yr	12/16/2013	1.200	1.200	5,000,000.00	5,000,000.00	100.250000	5,012,500.00	12,500.00	2.417	2.466
3136FPN78	FNMA 3YrNC1Yr	12/27/2013	1.250	1.250	25,000,000.00	25,000,000.00	100.281250	25,070,312.50	70,312.50	2.446	2.496
31398A7A4	FNMA 3YrNC1Yr	12/30/2013	1.300	1.300	5,000,000.00	5,000,000.00	100.281250	5,023,437.50	23,437.50	2.446	2.496
3136FPW60	FNMA 3YrNC1Yr	12/30/2013	1.500	1.500	5,000,000.00	5,000,000.00	100.468750	5,023,437.50	23,437.50	2.451	2.504
3136FPV95	FNMA 3.5YrNC1Yr	07/03/2014	1.700	1.700	10,000,000.00	10,000,000.00	100.625000	10,062,500.00	62,500.00	2.896	3.011
31398A7H9	FNMA 2YrNC6Mo	01/07/2013	1.000	1.000	15,000,000.00	15,000,000.00	100.625000	15,093,750.00	93,750.00	2.896	3.011
3136FPV38	FNMA 3.5YrNC6Mo	07/07/2014	1.750	1.750	5,000,000.00	5,000,000.00	100.000000	5,000,000.00	0.00	1.497	1.526
3136FPV46	FNMA 3YrNC1Yr	01/13/2014	1.420	1.420	20,000,000.00	20,000,000.00	100.531250	20,106,250.00	106,250.00	2.904	3.022
31398A7M8	FNMA 2YrNC6Mo	01/18/2013	.930	.930	5,000,000.00	5,000,000.00	100.031250	5,001,562.50	1,562.50	1.529	1.556
3136FPX33	FNMA 2.25YrNC6Mo	05/03/2013	1.000	1.000	10,000,000.00	10,000,000.00	100.062500	10,006,250.00	6,250.00	1.818	1.844
3136FP6X0	FNMA 5Yr	02/04/2016	.303	.324	9,990,000.00	9,990,000.00	99.062500	9,906,250.00	-83,750.00	4.554	4.603
3135GOA55	FNMA 3YrNC1Yr	01/27/2014	1.000	1.000	5,000,000.00	5,000,000.00	100.343750	5,017,187.50	17,187.50	2.525	2.581
3136FRCJ5	FNMA 3YrNC6Mo	03/21/2014	1.625	1.625	10,000,000.00	10,000,000.00	100.250000	10,025,000.00	25,000.00	2.644	2.726
3136FRDY6	FNMA 3YrNC6MoE	03/28/2014	1.600	1.600	10,000,000.00	10,000,000.00	100.281250	10,028,125.00	28,125.00	2.664	2.745
3136FRED1	FNMA 3.5YrNC6MoE	09/29/2014	1.875	1.875	10,000,000.00	10,000,000.00	100.343750	10,034,375.00	34,375.00	3.122	3.252
3136FPUC9	FNMA 2Yr	10/30/2012	.500	.550	14,988,000.00	14,988,000.00	100.031250	15,004,687.50	16,687.50	1.326	1.337
3136FPUC9	FNMA 2Yr	10/30/2012	.500	.557	9,991,000.00	9,991,000.00	100.031250	10,003,125.00	12,125.00	1.326	1.337
31398A3K6	FNMA 4Yr	03/14/2014	1.250	1.278	4,996,000.00	4,996,000.00	101.093750	5,046,875.00	46,875.00	2.642	2.707
3136FRGK3	FNMA 3.25YrNC1YrE	07/25/2014	1.700	1.700	5,000,000.00	5,000,000.00	100.937500	5,046,875.00	46,875.00	3.071	3.071
3136FPUC9	FNMA 2YrNC	12/18/2013	.750	1.194	4,941,950.00	4,941,950.00	100.000000	5,000,000.00	58,050.00	2.471	2.471
3136FPUC9	FNMA 2YrNC	10/30/2012	.500	.473	5,000,000.00	5,002,000.00	100.031250	5,001,562.50	-437.50	1.326	1.337
31398A7Z2	FNMA 5Yr	03/13/2014	2.750	1.128	10,000,000.00	10,454,500.00	105.187500	10,518,750.00	64,250.00	2.591	2.704
3136FRKM4	FNMA 4.25YrNC1YrE	08/24/2013	2.000	2.000	5,000,000.00	5,000,000.00	100.375000	5,018,750.00	18,750.00	3.936	4.153
31398A5Z1	FNMA 3Yr	11/19/2013	.800	.870	4,991,250.00	4,991,250.00	99.968750	4,998,437.50	7,187.50	2.356	2.392
31398A6F4	FNMA 1.75 Yr	12/28/2012	.375	.349	5,000,000.00	5,002,000.00	100.031250	5,001,562.50	-437.50	1.489	1.499
3135GOB2	FNMA 3YrNC1YrE	06/27/2014	1.000	1.000	5,000,000.00	5,000,000.00	99.625000	4,981,250.00	-18,750.00	2.940	2.995
3135GOBR3	FNMA 2.25Yr	08/09/2013	.500	.580	9,983,000.00	9,983,000.00	99.875000	9,987,500.00	4,500.00	2.090	2.112
3136FRYK3	FNMA 3YrNC9MoB	06/30/2014	.800	.800	10,000,000.00	10,000,000.00	99.875000	9,987,500.00	-12,500.00	2.958	3.003
<b>FHBL DISC NOTES</b>			<b>1.119</b>	<b>1.066</b>	<b>820,300,000.00</b>	<b>821,127,010.00</b>	<b>100.350512</b>	<b>823,175,250.00</b>	<b>2,048,240.00</b>	<b>2.262</b>	<b>2.314</b>
313384L56	FHBL DISC NOTE	09/14/2011	.270	.271	50,000,000.00	49,898,000.00	99.995833	49,997,916.67	99,916.67	.208	.208
313384LX5	FHBL DISC NOTE	09/19/2011	.270	.271	50,000,000.00	49,896,500.00	99.995556	49,997,777.78	101,277.78	.221	.222
<b>FHBL BONDS</b>			<b>.270</b>	<b>.271</b>	<b>100,000,000.00</b>	<b>99,794,500.00</b>	<b>99.995695</b>	<b>99,995,694.45</b>	<b>201,194.45</b>	<b>.214</b>	<b>.215</b>
3133XTXH4	FHBL	07/27/2011	1.625	1.671	5,000,000.00	4,995,250.00	100.125000	5,006,250.00	11,000.00	.073	.074
3133XTXH4	FHBL	07/27/2011	1.625	1.671	10,000,000.00	9,990,500.00	100.125000	10,012,500.00	22,000.00	.073	.074
3133XU7J6	FHBL 2Yr	07/18/2011	1.125	1.251	5,000,000.00	4,987,800.00	100.031250	5,001,562.50	13,762.50	.049	.049





Month End Portfolio Holdings

CUSIP	Description	Maturity Date	Coupon	Yield To Mat	Par Value	Book Value	Market Price	Market Value	Unrealized Gain/Loss	Modified Duration	Years To Maturity
31331KKT6	FFCB 1Yr	05/16/2012	.210	.224	25,000,000.00	24,996,600.00	99.906250	24,976,562.50	-20,037.50	.876	.879
31331KEV8	FFCB 1Yr	06/22/2012	.290	.244	5,000,000.00	5,002,450.00	99.968750	4,998,437.50	-4,012.50	.976	.981
31331KNH9	FFCB 1Yr	06/13/2012	.240	.240	20,000,000.00	20,000,000.00	99.906250	19,981,250.00	-18,750.00	.951	.956
31331KMV9	FFCB 2.75Yr(NC3MoA	03/07/2014	1.004	1.004	5,000,000.00	4,999,500.00	99.843750	4,992,187.50	-7,312.50	2.657	2.688
31331KNT3	FFCB 3Yr(NC6MoA	06/13/2014	1.080	1.080	5,000,000.00	5,000,000.00	99.718750	4,985,937.50	-14,062.50	2.897	2.956
31331KPC8	FFCB 2.2Yr	08/20/2012	.250	.250	20,000,000.00	20,000,000.00	99.875000	19,975,000.00	-25,000.00	1.136	1.142
31331KPD6	FFCB 2.5Yr	11/20/2013	.625	.700	5,000,000.00	4,991,100.00	99.843750	4,992,187.50	1,087.50	2.365	2.395
			<b>.858</b>	<b>.757</b>	<b>298,705,000.00</b>	<b>299,384,555.00</b>	<b>100.345609</b>	<b>299,737,351.56</b>	<b>352,796.56</b>	<b>1.495</b>	<b>1.516</b>
<b>FMAC DISC NOTES</b>											
31315KW6	FMAC DISC NOTE	05/15/2012	.210	.210	25,000,000.00	24,946,770.83	99.843750	24,960,937.50	14,166.67	.874	.877
31315KX9	FMAC DISC NOTE	06/06/2012	.210	.210	20,000,000.00	19,957,416.67	99.812500	19,962,500.00	5,083.33	.934	.937
			<b>.210</b>	<b>.210</b>	<b>45,000,000.00</b>	<b>44,904,187.50</b>	<b>99.829861</b>	<b>44,923,437.50</b>	<b>19,250.00</b>	<b>.901</b>	<b>.904</b>
<b>FARMER MAC</b>											
30769PAA0	FARMER MAC GTD	07/15/2011	5.500	2.134	4,602,000.00	4,967,444.82	100.187500	4,610,628.75	-356,816.07	.041	.041
31315PVU0	FARMER MAC GTD	05/10/2013	.760	.760	5,000,000.00	5,000,000.00	100.093750	5,004,687.50	4,687.50	1.863	1.863
31315PVU0	FARMER MAC GTD	05/10/2013	.760	.760	5,000,000.00	5,000,000.00	100.093750	5,004,687.50	4,687.50	1.863	1.863
31315PVU0	FARMER MAC GTD	05/10/2013	.750	.750	12,500,000.00	12,502,375.00	100.093750	12,511,718.75	9,343.75	1.843	1.863
			<b>1.565</b>	<b>.989</b>	<b>27,102,000.00</b>	<b>27,469,819.82</b>	<b>100.109669</b>	<b>27,131,722.50</b>	<b>-338,097.32</b>	<b>1.537</b>	<b>1.553</b>
<b>MUNI BONDS</b>											
93974CBY5	WASHINGTON ST	07/01/2011	4.000	3.832	5,000,000.00	5,023,300.00	100.466000	5,023,300.00	0.00	.003	.003
93974CBY5	WASHINGTON ST	07/01/2011	4.000	3.832	3,645,000.00	3,661,985.70	100.466000	3,661,985.70	0.00	.003	.003
20775BND4	CT HFA	05/15/2012	2.180	2.180	850,000.00	850,000.00	100.000000	850,000.00	0.00	.860	.877
041042RK0	ARKANSAS ST	07/01/2012	1.250	1.240	1,440,000.00	1,440,273.60	100.019000	1,440,273.60	0.00	.987	1.005
93974CW44	WASHINGTON ST	02/01/2013	1.100	1.100	10,020,000.00	10,020,000.00	100.000000	10,020,000.00	0.00	1.561	1.595
93974CW62	WASHINGTON ST	02/01/2012	.630	.630	9,960,000.00	9,960,000.00	100.000000	9,960,000.00	0.00	.583	.592
93974CWY2	WASHINGTON ST	02/01/2014	1.480	1.480	5,130,000.00	5,130,000.00	100.000000	5,130,000.00	0.00	2.513	2.595
649791EA4	STATE OF NEW YORK	09/01/2011	.300	.300	24,940,000.00	24,940,000.00	100.000000	24,940,000.00	0.00	.172	.173
649791EB2	STATE OF NEW YORK	09/01/2012	.650	.650	23,040,000.00	23,040,000.00	100.000000	23,040,000.00	0.00	1.161	1.175
677521L69	OHIO STATE GO	05/01/2013	.740	.740	5,140,000.00	5,140,000.00	100.000000	5,140,000.00	0.00	1.820	1.838
677521LH7	OHIO STATE GO	05/01/2014	1.190	1.190	2,000,000.00	2,000,000.00	100.000000	2,000,000.00	0.00	2.779	2.838
			<b>1.007</b>	<b>.992</b>	<b>91,165,000.00</b>	<b>91,205,559.30</b>	<b>100.044490</b>	<b>91,205,559.30</b>	<b>0.00</b>	<b>.904</b>	<b>.920</b>
<b>COMM PAPER</b>											
36959JXU2	GE CAPITAL CORP	10/28/2011	.340	.341	50,000,000.00	49,886,666.67	99.920667	49,960,333.33	73,666.66	.327	.329
36959JWS8	GE CAPITAL CORP	09/26/2011	.270	.270	35,000,000.00	34,952,487.50	99.951667	34,983,083.33	30,595.83	.240	.241
36959JX32	GE CAPITAL CORP	10/03/2011	.270	.270	30,000,000.00	29,957,700.00	99.937333	29,981,200.00	23,500.00	.259	.260
36959JZT3	GE CAPITAL CORP	12/27/2011	.170	.170	35,000,000.00	34,970,250.00	99.865750	34,953,012.50	-17,237.50	.482	.483
			<b>.270</b>	<b>.270</b>	<b>150,000,000.00</b>	<b>149,767,104.17</b>	<b>99.918420</b>	<b>149,877,629.16</b>	<b>110,524.99</b>	<b>.332</b>	<b>.333</b>
<b>NCDS</b>											
78009J3Z6	ROYAL BANK OF CANADA	09/28/2011	.250	.250	50,000,000.00	50,000,000.00	100.000000	50,000,000.00	0.00	.246	.247
78009J4A0	ROYAL BANK OF CANADA	10/19/2011	.260	.260	50,000,000.00	50,000,000.00	100.000000	50,000,000.00	0.00	.303	.304
78009J4Q5	ROYAL BANK OF CANADA	10/05/2011	.250	.250	50,000,000.00	50,000,000.00	100.000000	50,000,000.00	0.00	.266	.266
			<b>.253</b>	<b>.253</b>	<b>150,000,000.00</b>	<b>150,000,000.00</b>	<b>100.000000</b>	<b>150,000,000.00</b>	<b>0.00</b>	<b>.271</b>	<b>.272</b>
<b>Total Fund</b>			<b>.726</b>	<b>.633</b>	<b>4,932,818,000.00</b>	<b>4,937,025,988.18</b>	<b>100.192876</b>	<b>4,942,332,241.04</b>	<b>5,306,252.86</b>	<b>1.281</b>	<b>1.307</b>

1. The market value and yield of short-term money market securities are based on purchase price.  
 2. Average life is the number of years until principal is returned at maturity, weighted by market value.  
 3. Local Agency Obligations have variable rate coupons, spread to Pool.  
 4. Modified Duration. The percentage price change of a security for a given change in yield.  
 The higher the modified duration of a security, the higher the risk.

