May 2005

MONTHLY INVESTMENT INCOME REPORT

Commonwealth of Kentucky
Robert Rudolph, Secretary
FINANCE AND ADMINISTRATION CABINET

Date: 05/31/05

PORTFOLIO SUMMARY
POOLS

		TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL	STATUTORY LIMIT
Treasuries							
		Bills	0.00	0.00	0.00	0%	
		Treasury Notes	446,050,273.82	3.56	2.51	13%	
	Sub-total		446,050,273.82	3.56	2.51	13%	
Agencies		Notes	885,730,269.06	3.55	1.29	25%	
		Discounts	0.00	0.00	0.00	0%	
	Sub-total		885,730,269.06	3.55	1.29	25%	
Municipals			252,366,304.67	3.49	0.68	7%	
Corporates			262,470,051.80	3.63	1.39	7%	25%
Mortgages		Pools	51,651,528.57	4.13	1.24	1%	
		CMO's	209,034,332.43	3.86	1.13	6%	
	Sub-total		260,685,861.00	3.91	1.15	7%	25%
Asset Backs			318,142,802.65	3.27	0.23	9%	20%
Repurchase Agreements							
		Overnight	401,512,068.57	3.10	0.00	11%	
		< 30 days	16,020,709.31	2.78	0.05	1%	
		< 60 days	9,942.17	4.50	0.13	0%	
		< 90 days	0.00	0.00	0.00	0%	
		< 1 year	2,723,460.51	1.92	0.33	0%	
		< 2 years	2,564,705.41	2.75	1.36	0%	
		> 2 years	7,519,673.97	2.55	3.16	0%	
		Flex Repos	568,794.16	11.49	4.09	0%	
	Sub-total		430,919,354.10	3.08	0.07	12%	
Money Market Securities							
		Commercial Paper	647,045,248.36	3.06	0.03	18%	A1-P1
		Money Mkt Fund	62,000,000.00	3.07	0.01	2%	
		Certificates of Deposit	804,291.26	2.05	3.84	0%	
	Sub-total		709,849,539.62	3.06	0.03	20%	20%
Derivatives							
		Swaptions	957,500.00	2.01	2.98	0%	
		OTC Options	0.00	0.00	0.00	0%	
	Sub-total		957,500.00	2.01	2.98	0%	
TOTALS			3,567,171,956.72	3.40	0.90	100%	

Date: 05/31/05

PORTFOLIO SUMMARY
SHORT TERM POOL

	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL	STATUTORY LIMIT
Treasuries						
	Bills	0.00	0.00	0.00	0%	
	Treasury Notes	0.00	0.00	0.00	0%	
Sub-total		0.00	0.00	0.00	0%	
Agencies	Notes	10,274,078.89	3.37	0.04	1%	
	Discounts	0.00	0.00	0.00	0%	
Sub-total		10,274,078.89	3.37	0.04	1%	
Corporates		19,638,701.20	2.27	0.46	2%	25%
Municipals		52,556,475.54	3.40	0.08	5%	
Mortgages	CMOs	56,654,491.84	3.40	0.04	5%	25%
ABS		87,987,152.48	3.20	0.17	9%	
Repurchase Agreements						
	Overnight	221,645,861.92	3.11	0.00	22%	
	< 30 days	0.00	0.00	0.00	0%	
	< 60 days	0.00	0.00	0.00	0%	
	< 90 days	0.00	0.00	0.00	0%	
	< 1 year	0.00	0.00	0.00	0%	
	< 2 years	0.00	0.00	0.00	0%	
	> 2 years	0.00	0.00	0.00	0%	
	Flex Repos	0.00	0.00	0.00	0%	
Sub-total		221,645,861.92	3.11	0.00	22%	
Money Market Securities						
	Commercial Paper	513,560,453.86	3.06	0.03	50%	A1-P1
	Money Mkt Fund	62,000,000.00	3.07	0.01	6%	
	Certificates of Deposit	0.00	0.00	0.00	0%	
Sub-total		575,560,453.86	3.06	0.03	56%	
TOTALS		1,024,317,215.73	3.11	0.05	100%	

Date: 05/31/05

PORTFOLIO SUMMARY
INTERMEDIATE TERM POOL

		TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL	STATUTORY LIMIT
Treasuries							
		Bills	0.00	0.00	0.00	0%	
		Treasury Notes	356,949,435.40	3.59	2.78	21%	
	Sub-total		356,949,435.40	3.59	2.78	21%	
Agencies		Notes	537,430,971.68	3.64	1.45	32%	
		Discounts	0.00	0.00	0.00	0%	
	Sub-total		537,430,971.68	3.64	1.45	32%	
Municipals			168,746,231.22	3.54	0.97	10%	
Corporates			188,759,824.77	3.93	1.84	11%	25%
Mortgages		Pools	51,651,528.57	4.13	1.24	3%	
		CMO's	104,160,910.30	4.25	2.21	6%	
	Sub-total		155,812,438.87	4.21	1.89	9%	25%
Asset Backs			47,142,331.32	3.85	1.04	3%	20%
Repurchase Agreements							
		Overnight	144,490,196.16	3.09	0.00	9%	
		< 30 days	16,020,709.31	2.78	0.05	1%	
		< 60 days	9,942.17	4.50	0.13	0%	
		< 90 days	0.00	0.00	0.00	0%	
		< 1 year	2,723,460.51	1.92	0.33	0%	
		< 2 years	2,564,705.41	2.75	1.36	0%	
		> 2 years	7,519,673.97	2.55	3.16	1%	
		Flex Repos	568,794.16	11.49	4.09	0%	
	Sub-total		173,897,481.69	3.04	0.18	10%	
Money Market Securities							
		Commercial Paper	49,987,375.00	3.06	0.00	3%	A1-P1
		Money Mkt Fund	0.00	0.00	0.00	0%	
		Certificates of Deposit	804,291.26	2.05	3.84	0%	
	Sub-total		50,791,666.26	3.05	0.07	3%	20%
Derivatives							
		Swaption	957,500.00	2.01	2.98	0%	
		OTC Options	0.00	0.00	0.00	0%	
	Sub-total		957,500.00	2.01	2.98	0%	
TOTALS			1,680,487,881.21	3.63	1.59	100%	

Date: 05/31/05

PORTFOLIO SUMMARY
BOND PROCEEDS POOL

	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL	STATUTORY LIMIT
Treasuries						
	Bills	0.00	0.00	0.00	0%	
	Treasury Notes	89,100,838.42	3.45	1.40	25%	
Sub-total		89,100,838.42	3.45	1.40	25%	
Agencies	Notes	237,349,429.55	3.61	1.51	67%	
	Discounts	0.00	0.00	0.00	0%	
Sub-total		237,349,429.55	3.61	1.51	67%	
Municipals		0.00	0.00	0.00	0%	
Mortgages	Pools	0.00	0.00	0.00	0%	
	CMO's	0.00	0.00	0.00	0%	
Sub-total		0.00	0.00	0.00	0%	
Asset Backs		0.00	0.00	0.00	0%	
Repurchase Agreements						
	Overnight	29,887,543.42	3.11	0.00	8%	
	< 30 days	0.00	0.00	0.00	0%	
	< 60 days	0.00	0.00	0.00	0%	
	< 90 days	0.00	0.00	0.00	0%	
	< 1 year	0.00	0.00	0.00	0%	
	< 2 years	0.00	0.00	0.00	0%	
	> 2 years	0.00	0.00	0.00	0%	
	Flex Repos	0.00	0.00	0.00	0%	
Sub-total		29,887,543.42	3.11	0.00	8%	
Money Market Securities						
	Commercial Paper	0.00	0.00	0.00	0%	NONE ALLOWED
	Money Mkt Fund	0.00	0.00	0.00	0%	
	Certificates of Deposit	0.00	0.00	0.00	0%	
Sub-total		0.00	0.00	0.00	0%	
TOTALS		356,337,811.39	3.52	1.35	100%	

Investment Income

As of 05/31/05

	Month		Fiscal Year to Date	
Pool	**Amount**	**Yield ***	**Amount**	**Yield****
Intermediate	6,867,864.46	4.50%	36,930,976.74	2.72%
Short Term	2,407,717.23	3.04%	12,432,575.76	2.23%
Bond Proceeds	1,695,350.33	5.42%	12,693,888.11	3.05%
Tran	46,610.76	0.11%	286,544.44	0.06%
Grand Total	**11,017,542.78**		**62,343,985.05**	

***Yield is calculated on a total return basis. Total return consists of the accrual of interest and the gain or loss incurred from valuing the securities in market value. Total return, divided by average daily balance, divided by actual days, multiplied by actual days in the fiscal year.**

****Yield is calculated on a total return basis. Total return consists of the accrual of interest and the gain or loss incurred from valuing the securities in market value. Total return, (fiscal YTD) divided by the weighted average of the monthly average daily balances, divided by the actual days (fiscal YTD) mulitplied by the actual number of days in the fiscal year.**

Investable Balances

As of 05/31/05

	Average Daily Balances	
	AvgBal	**Fiscal Year to Date**
Intermediate	1,797,018,730.94	1,477,299,922.47
Short Term	931,143,636.98	607,472,342.31
Bond Proceeds	368,583,316.60	454,070,881.20
Tran	506,596,466.98	506,192,610.50
	3,603,342,151.50	**3,045,035,756.48**

CASH DISTRIBUTION

May 2005

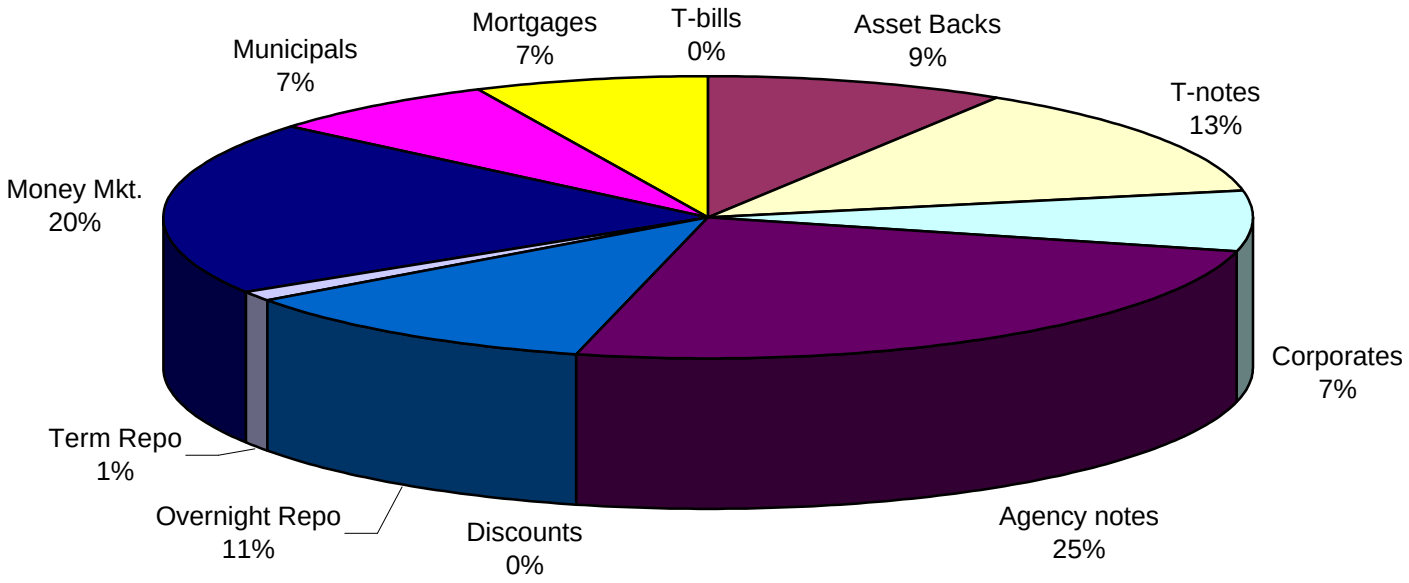
	Month		YTD	
	Actual	Budget	Actual	Budget
General Fund	0	0	0	0
Capital Con.	717,956	496,250	4,858,941	5,933,750
Agency	784,348	787,500	6,863,974	8,966,667
T&R	223,415	112,500	1,678,762	1,498,958

ACCRUED EARNINGS

May 2005

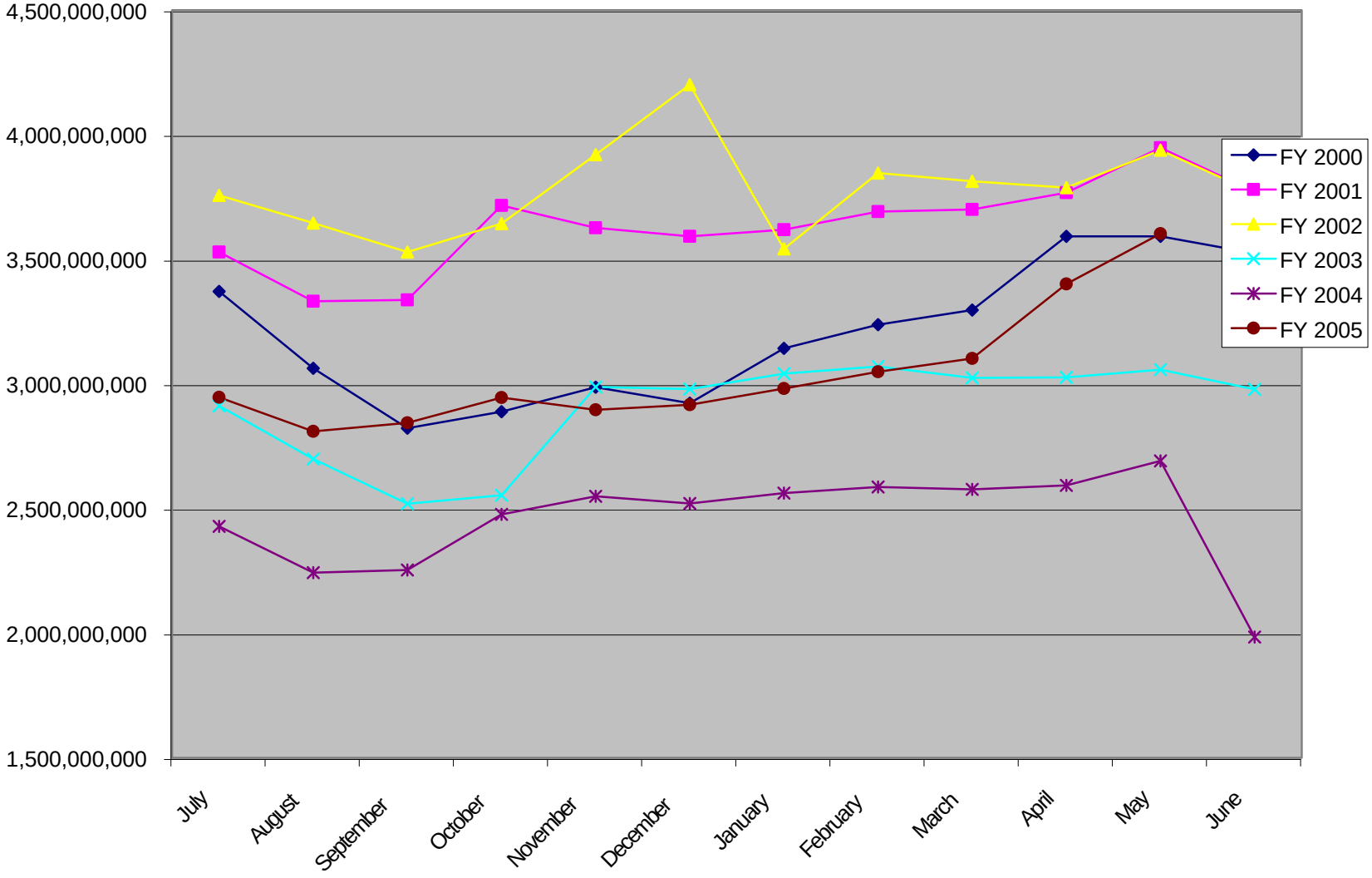
	Month		YTD	
	Actual	Budget	Actual	Budget
General Fund	734,069	0	2,678,099	0
Capital Con.	1,044,177	496,250	16,107,575	5,933,750
Agency	635,511	787,500	5,810,590	8,966,667
T&R	277,434	112,500	1,713,316	1,498,958

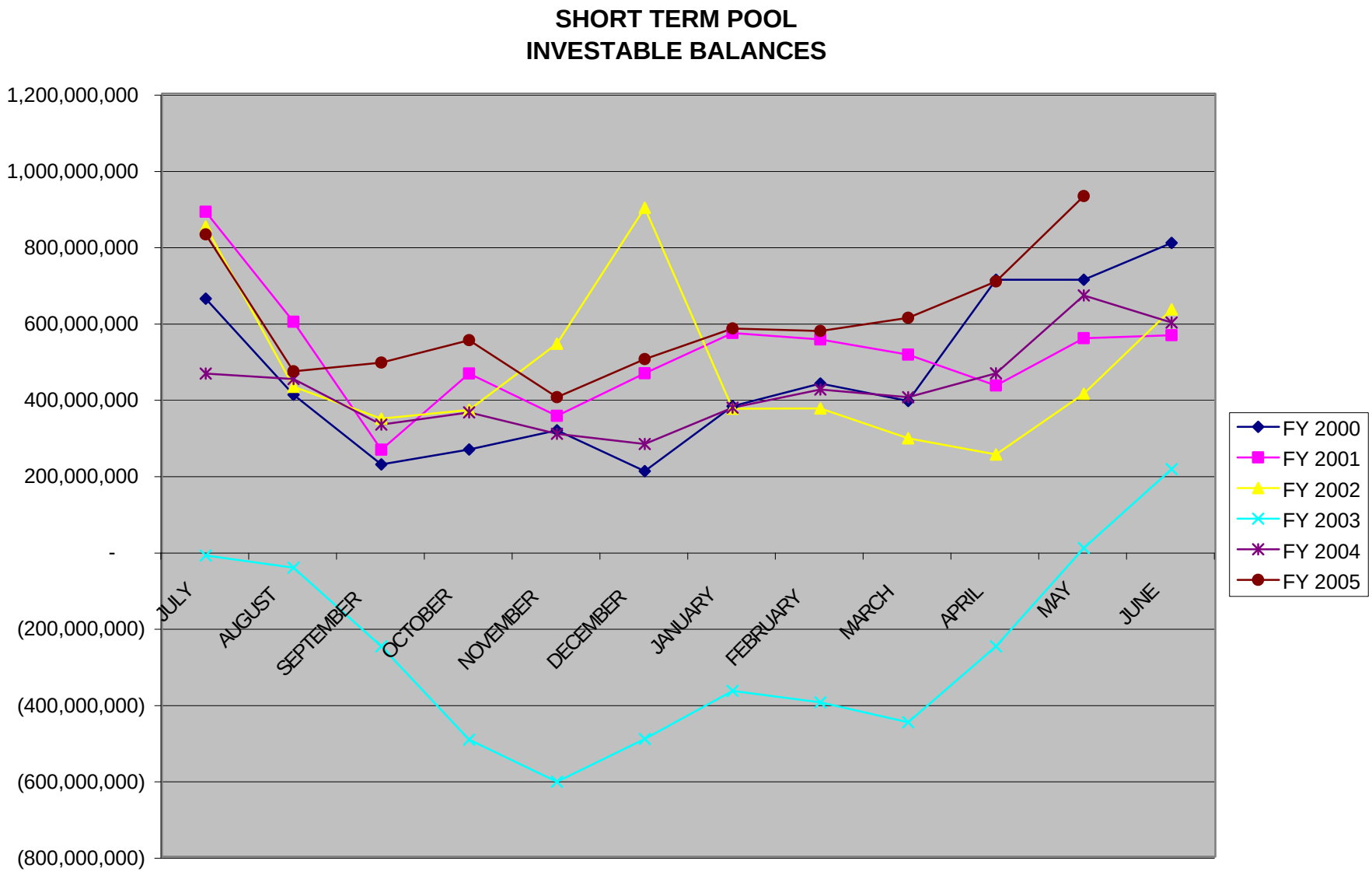
Distribution of Investments for May



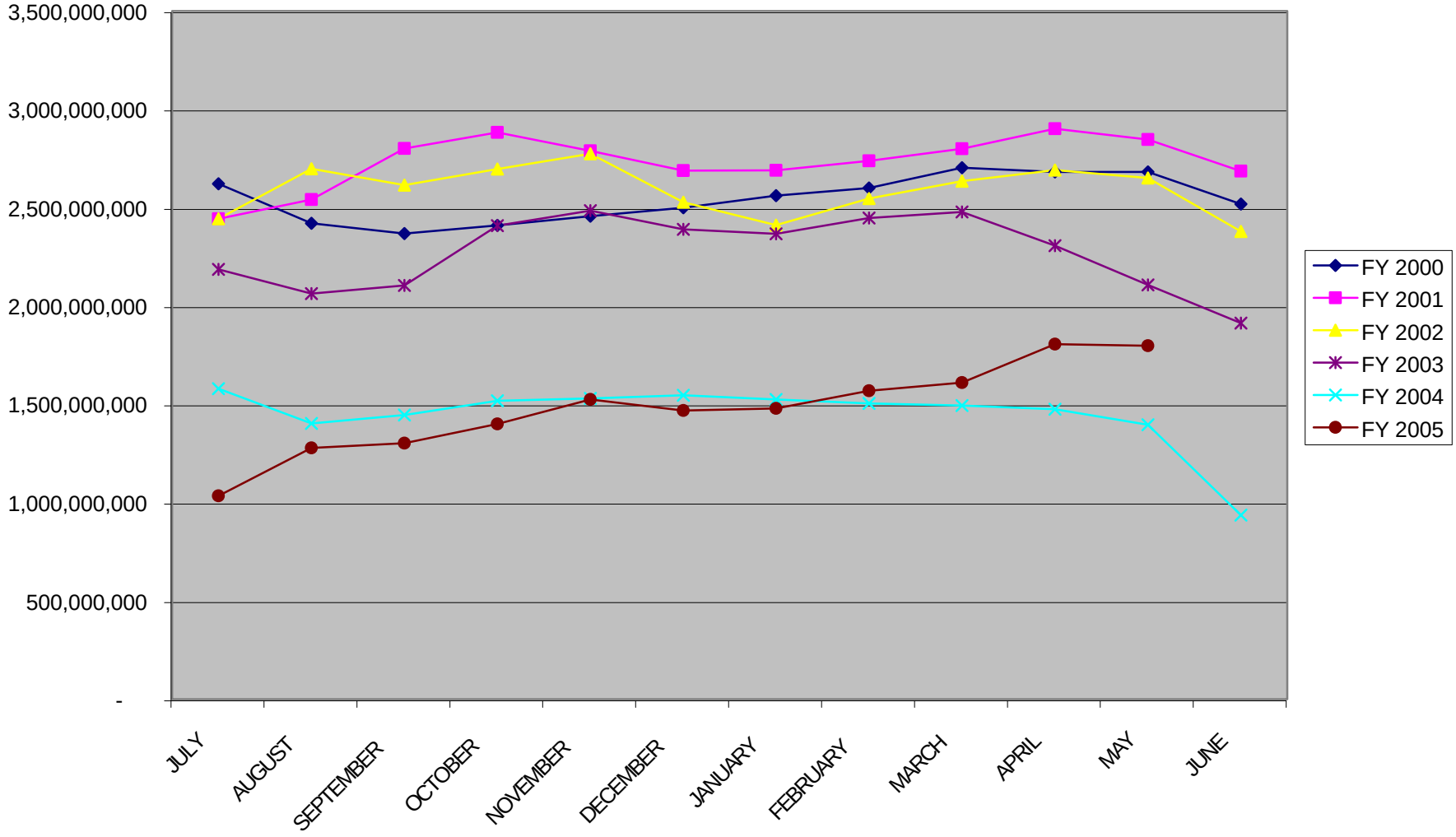
LIMITS
Corporates 25%
Mortgages 25%
Asset Backs 20%
Money Mkt. 20%

INVESTABLE BALANCES

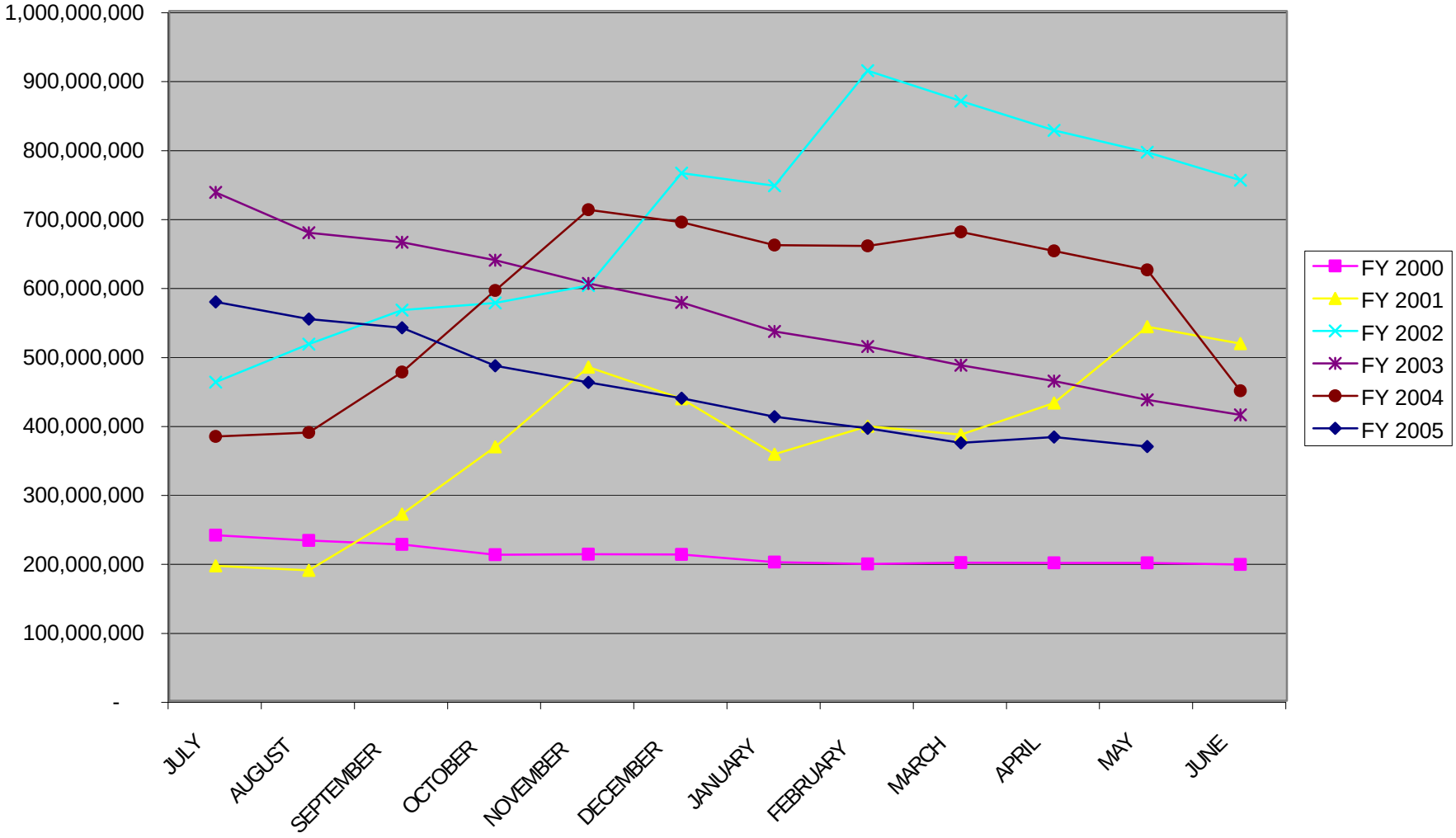


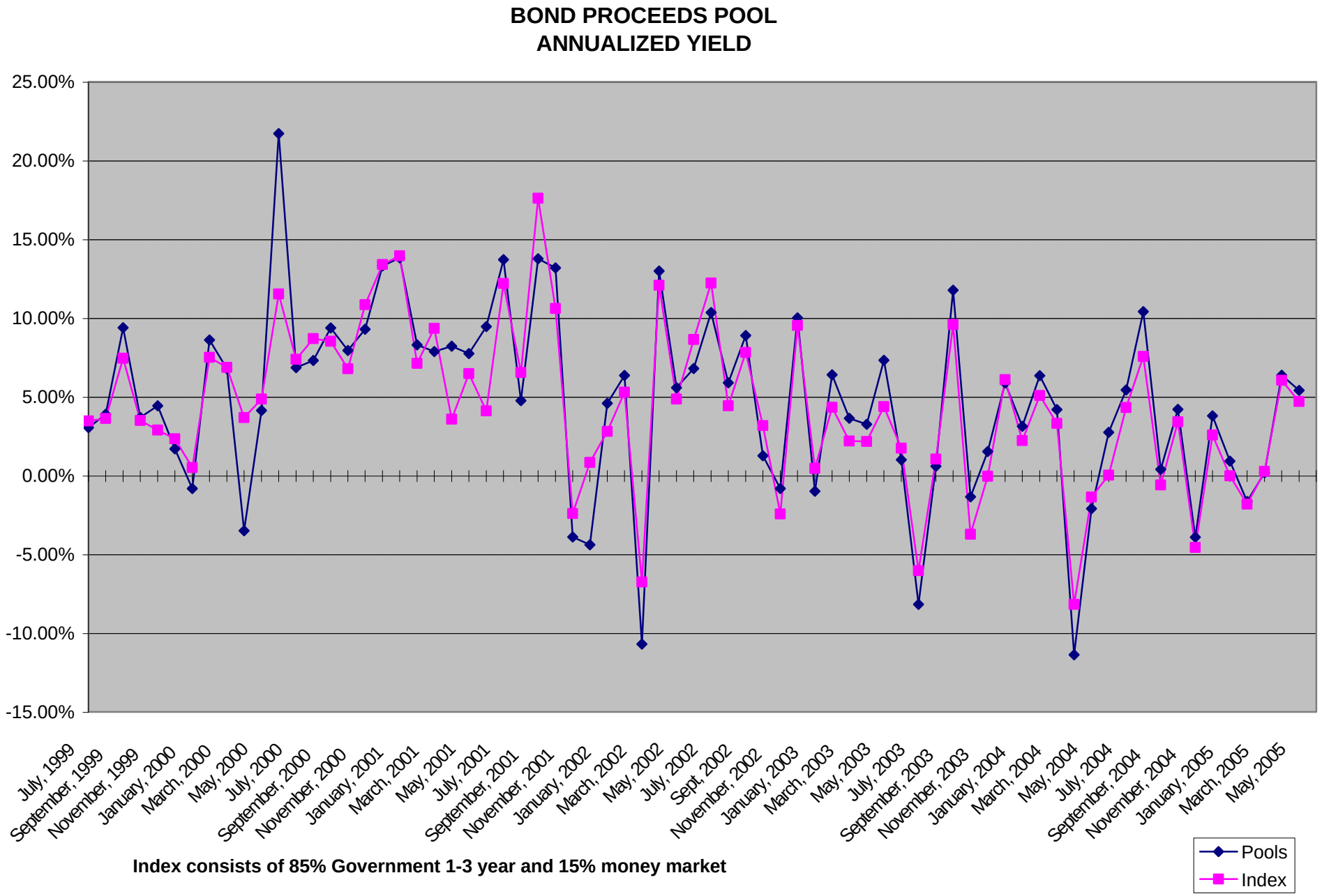

SHORT TERM POOL
INVESTABLE BALANCES
1,200,000,000
1,000,000,000
800,000,000
600,000,000
400,000,000
200,000,000
-
(200,000,000)
(400,000,000)
(600,000,000)
(800,000,000)
JULY
AUGUST
SEPTEMBER
OCTOBER
NOVEMBER
DECEMBER
JANUARY
FEBRUARY
MARCH
APRIL
MAY
JUNE
FY 2000
FY 2001
FY 2002
FY 2003
FY 2004
FY 2005

INTERMEDIATE POOL
INVESTABLE BALANCES

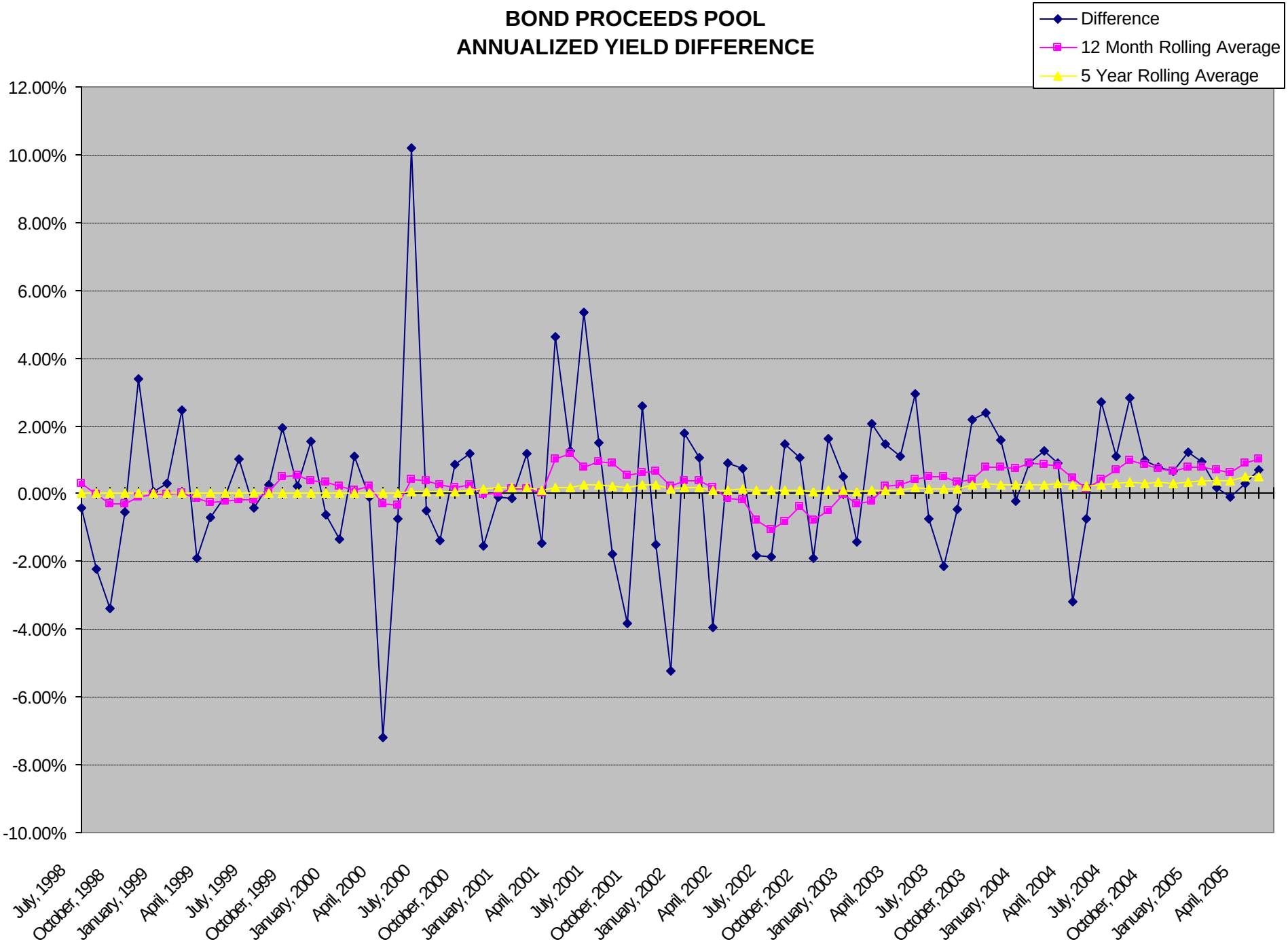


BOND PROCEEDS
INVESTABLE BALANCES

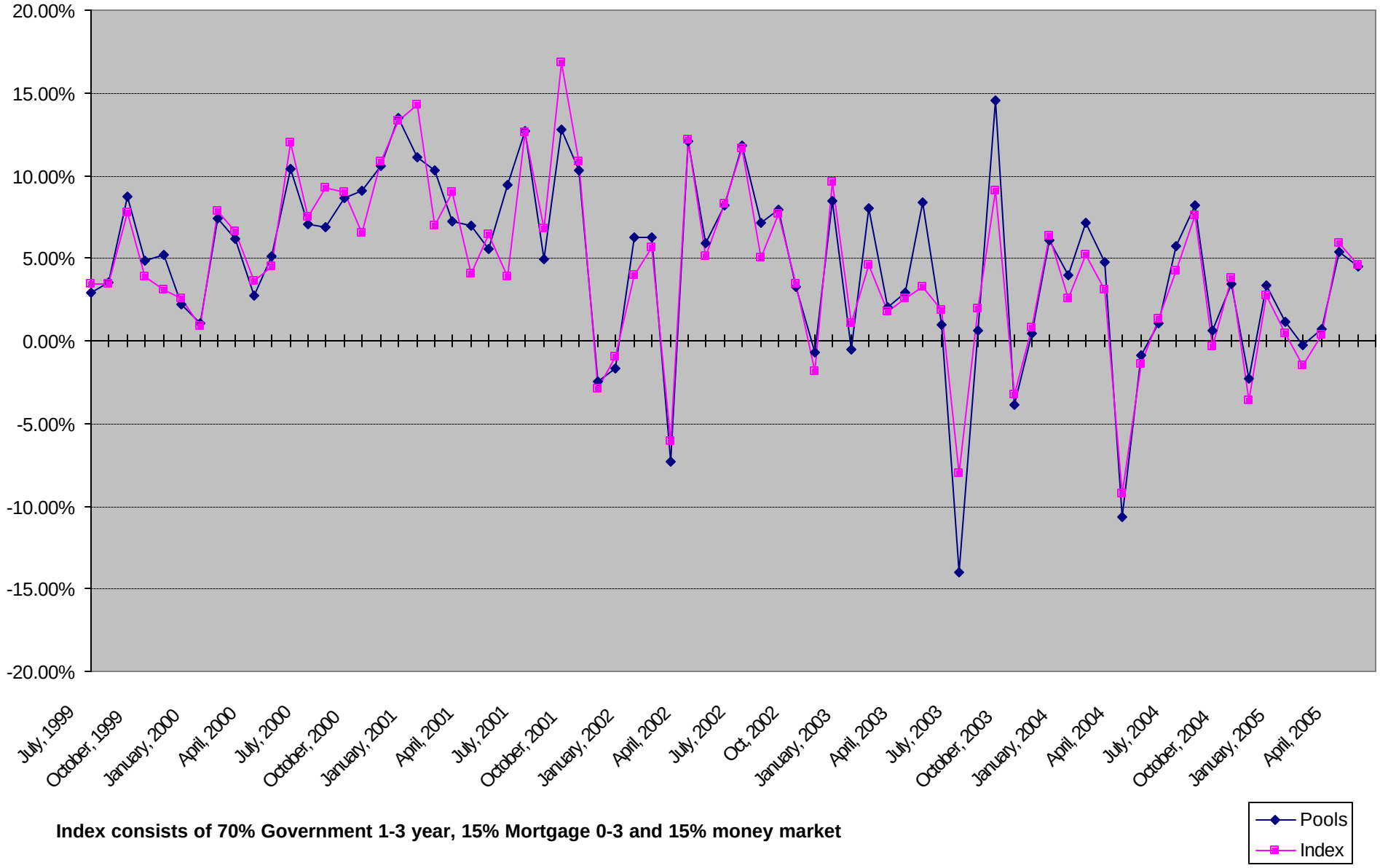




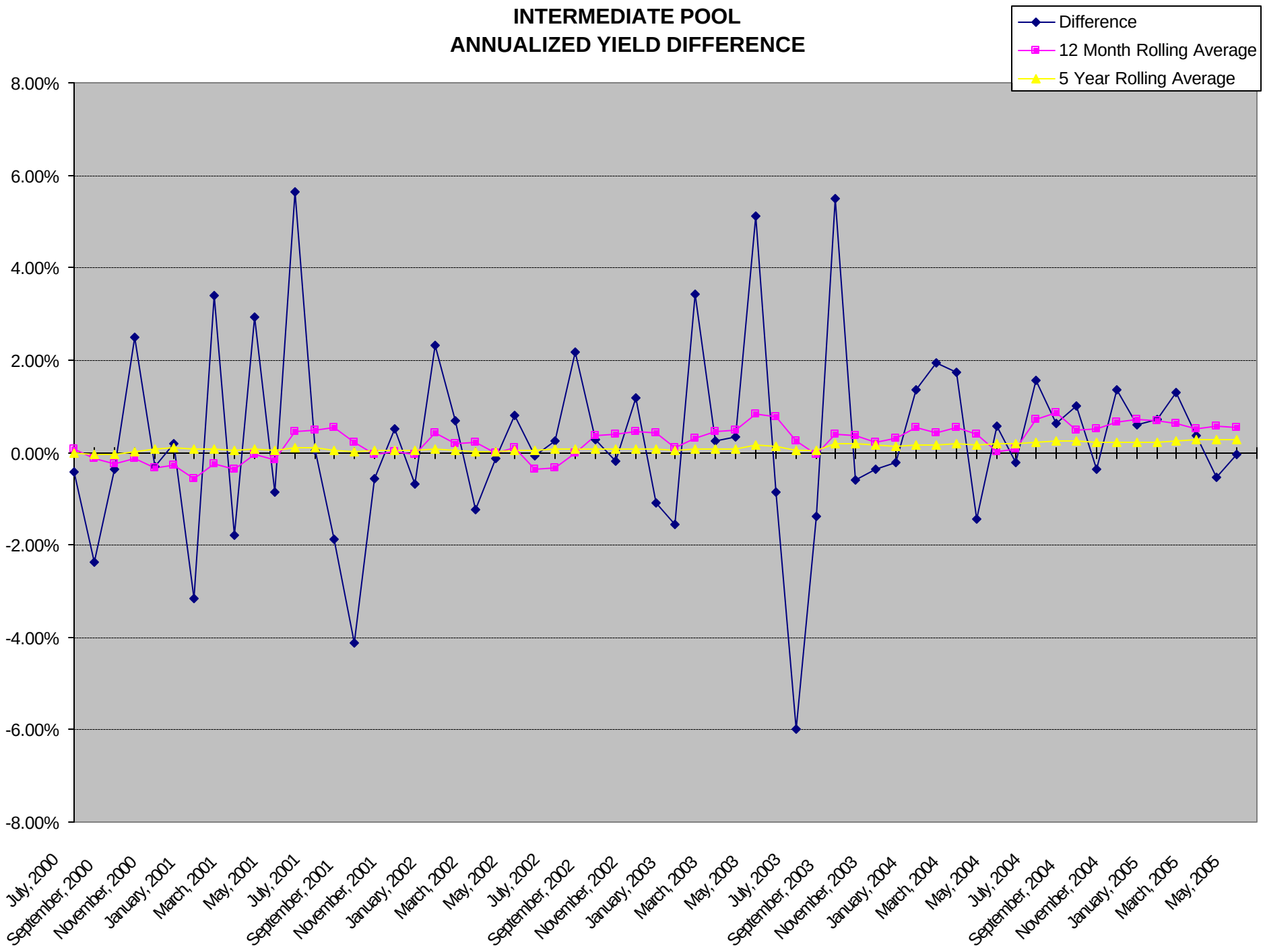
Index consists of 85% Government 1-3 year and 15% money market


BOND PROCEEDS POOL
ANNUALIZED YIELD DIFFERENCE
Difference
12 Month Rolling Average
5 Year Rolling Average
12.00%
10.00%
8.00%
6.00%
4.00%
2.00%
0.00%
-2.00%
-4.00%
-6.00%
-8.00%
-10.00%
July, 1998
October, 1998
January, 1999
April, 1999
July, 1999
October, 1999
January, 2000
April, 2000
July, 2000
October, 2000
January, 2001
April, 2001
July, 2001
October, 2001
January, 2002
April, 2002
July, 2002
October, 2002
January, 2003
April, 2003
July, 2003
October, 2003
January, 2004
April, 2004
July, 2004
October, 2004
January, 2005
April, 2005

INTERMEDIATE POOL
ANNUALIZED YIELD



Index consists of 70% Government 1-3 year, 15% Mortgage 0-3 and 15% money market


INTERMEDIATE POOL
ANNUALIZED YIELD DIFFERENCE
Difference
12 Month Rolling Average
5 Year Rolling Average
8.00%
6.00%
4.00%
2.00%
0.00%
-2.00%
-4.00%
-6.00%
-8.00%
July, 2000
September, 2000
November, 2000
January, 2001
March, 2001
May, 2001
July, 2001
September, 2001
November, 2001
January, 2002
March, 2002
May, 2002
July, 2002
September, 2002
November, 2002
January, 2003
March, 2003
May, 2003
July, 2003
September, 2003
November, 2003
January, 2004
March, 2004
May, 2004
July, 2004
September, 2004
November, 2004
January, 2005
March, 2005
May, 2005