January 2005

Monthly Investment Income Report

Commonwealth of Kentucky

Robert Rudolph, Secretary
Finance and Administration Cabinet

Charles F. Bell, Jr., Executive Director
Office of Financial Management

Date: 01/31/05

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	344,476,436.96	3.18	1.75	11%	
	Sub-total		344,476,436.96	3.18	1.75	11%	
Agencies		Notes	814,526,282.79	3.17	1.55	26%	
		Discounts	0.00	0.00	0.00	0%	
	Sub-total		814,526,282.79	3.17	1.55	26%	
Municipals			173,724,654.60	3.21	1.22	5%	
Corporates			260,624,818.00	2.81	1.33	8%	25%
Mortgages		Pools	56,772,986.51	3.84	1.43	2%	
		CMO's	196,663,613.38	3.20	0.35	6%	
	Sub-total		253,436,599.89	3.34	0.59	8%	25%
Asset Backs			356,589,613.57	2.48	0.33	11%	20%
Repurchase Agreements							
		Overnight	671,046,466.39	2.49	0.00	21%	
		< 30 days	16,484,079.84	2.15	0.03	1%	
		< 60 days	10,504,143.32	2.30	0.08	0%	
		< 90 days	15,008.33	2.00	0.22	0%	
		< 1 year	2,568,543.59	1.90	0.63	0%	
		< 2 years	2,711,225.69	2.74	1.64	0%	
		> 2 years	7,555,410.38	2.54	3.43	0%	
		Flex Repos	253,494.27	11.28	4.70	0%	
	Sub-total		711,138,371.81	2.48	0.05	22%	
Money Market Securities							
		Commercial Paper	236,969,410.95	3.11	0.31	7%	A1-P1
		Money Mkt Fund	40,000,000.00	2.16	0.00	2%	
		Certificates of Deposit	981,426.34	2.30	3.94	0%	
	Sub-total		277,950,837.29	2.97	0.28	9%	20%
Derivatives							
		Swaptions	766,782.00	0.00	2.16	0%	
		OTC Options	0.00	0.00	0.00	0%	
	Sub-total		766,782.00	0.00	2.16	0%	
TOTALS			3,193,234,396.91	2.91	0.88	100%	

Date: 01/31/05

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	8,004,716.29	2.68	0.29	1%	
	Discounts	0.00	0.00	0.00	0%	
Sub-total		8,004,716.29	2.68	0.29	1%	
Corporates		19,570,285.99	2.15	0.79	3%	25%
Municipals		30,433,383.34	2.50	0.08	4%	
Mortgages	CMOs	60,490,891.70	2.77	0.05	8%	25%
ABS		74,124,548.26	2.20	0.08	10%	
Repurchase Agreements						
	Overnight	405,762,096.86	2.49	0.00	54%	
	< 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		405,762,096.86	2.49	0.00	54%	
Money Market Securities						
	Commercial Paper	114,982,362.45	3.16	0.09	15%	A1-P1
	Money Mkt Fund	40,000,000.00	2.16	0.00	5%	
	Certificates of Deposit	0.00	0.00	0.00	0%	
Sub-total		154,982,362.45	2.90	0.07	20%	
TOTALS		753,368,284.89	2.56	0.05	100%	

Date: 01/31/05

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	224,027,067.87	3.20	1.85	15%	
	Sub-total		224,027,067.87	3.20	1.85	15%	
Agencies		Notes	452,939,442.23	3.30	1.77	30%	
		Discounts	0.00	0.00	0.00	0%	
	Sub-total		452,939,442.23	3.30	1.77	30%	
Municipals			112,359,879.07	3.59	1.83	7%	
Corporates			186,997,937.22	3.32	1.64	12%	25%
Mortgages		Pools	56,772,986.51	3.84	1.43	4%	
		CMO's	85,846,157.10	3.72	0.77	6%	
	Sub-total		142,619,143.61	3.77	1.03	10%	25%
Asset Backs			34,657,732.37	2.87	2.91	2%	20%
Repurchase Agreements							
		Overnight	206,572,304.03	2.49	0.00	14%	
		< 30 days	16,484,079.84	2.15	0.03	1%	
		< 60 days	10,504,143.32	2.30	0.08	1%	
		< 90 days	15,008.33	2.00	0.22	0%	
		< 1 year	2,568,543.59	1.90	0.63	0%	
		< 2 years	2,711,225.69	2.74	1.64	0%	
		> 2 years	7,555,410.38	2.54	3.43	0%	
		Flex Repos	253,494.27	11.28	4.70	0%	
	Sub-total		246,664,209.45	2.47	0.14	16%	
Money Market Securities							
		Commercial Paper	121,987,048.50	3.05	0.51	8%	A1-P1
		Money Mkt Fund	0.00	0.00	0.00	0%	
		Certificates of Deposit	981,426.34	2.30	3.94	0%	
	Sub-total		122,968,474.84	3.05	0.54	8%	20%
Derivatives							
		Swaption	766,782.00	0.00	2.16	0%	
		OTC Options	0.00	0.00	0.00	0%	
	Sub-total		766,782.00	0.00	2.16	0%	
TOTALS			1,524,000,668.66	3.19	1.36	100%	

Date: 01/31/05

PORTFOLIO SUMMARY
TRAN 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	100,658,698.24	2.16	0.09	20%	
		Discounts	0.00	0.00	0.00	0%	
	Sub-total		100,658,698.24	2.16	0.09	20%	
Corporates			54,056,594.79	1.31	0.47	11%	25%
Municipals			30,931,392.19	2.50	0.08	6%	
Mortgages		CMOs	50,326,564.58	2.83	-0.02	10%	25%
ABS			247,807,332.94	2.51	0.05	49%	
Repurchase Agreements							
		Overnight	22,473,556.18	2.49	0.00	4%	
		< 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		22,473,556.18	2.49	0.00	4%	
Money Market Securities							
		Commercial Paper	0.00	0.00	0.00	0%	A1-P1
		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			506,254,138.92	2.34	0.09	100%	

Date: 01/31/05

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	120,449,369.09	3.13	1.56	29%	
	Sub-total		120,449,369.09	3.13	1.56	29%	
Agencies		Notes	252,923,426.03	3.33	1.78	62%	
		Discounts	0.00	0.00	0.00	0%	
	Sub-total		252,923,426.03	3.33	1.78	62%	
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	36,238,509.32	2.49	0.00	9%	
		< 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		36,238,509.32	2.49	0.00	9%	
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			409,611,304.44	3.20	1.56	100%	

Investment Income

As of 01/31/05

	Month		Fiscal Year to Date	
Pool	**Amount**	**Yield ***	**Amount**	**Yield****
Intermediate	1,419,062.53	1.13%	21,417,696.75	2.68%
Short Term	1,203,660.45	2.42%	5,791,857.39	1.79%
Bond Proceeds	32,311.74	0.09%	9,436,717.84	3.23%
Tran	-39,166.04	-0.09%	238,180.82	0.08%
Grand Total	**2,615,868.68**		**36,884,452.80**	

***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 01/31/05

	Average Daily Balances	
	AvgBal	**Fiscal Year to Date**
Intermediate	1,479,048,384.65	1,354,411,029.58
Short Term	584,487,469.09	550,071,487.75
Bond Proceeds	411,815,027.36	495,669,382.08
Tran	506,313,518.96	505,859,945.48
	2,981,664,400.06	**2,906,011,844.89**

CASH DISTRIBUTION

January 2005

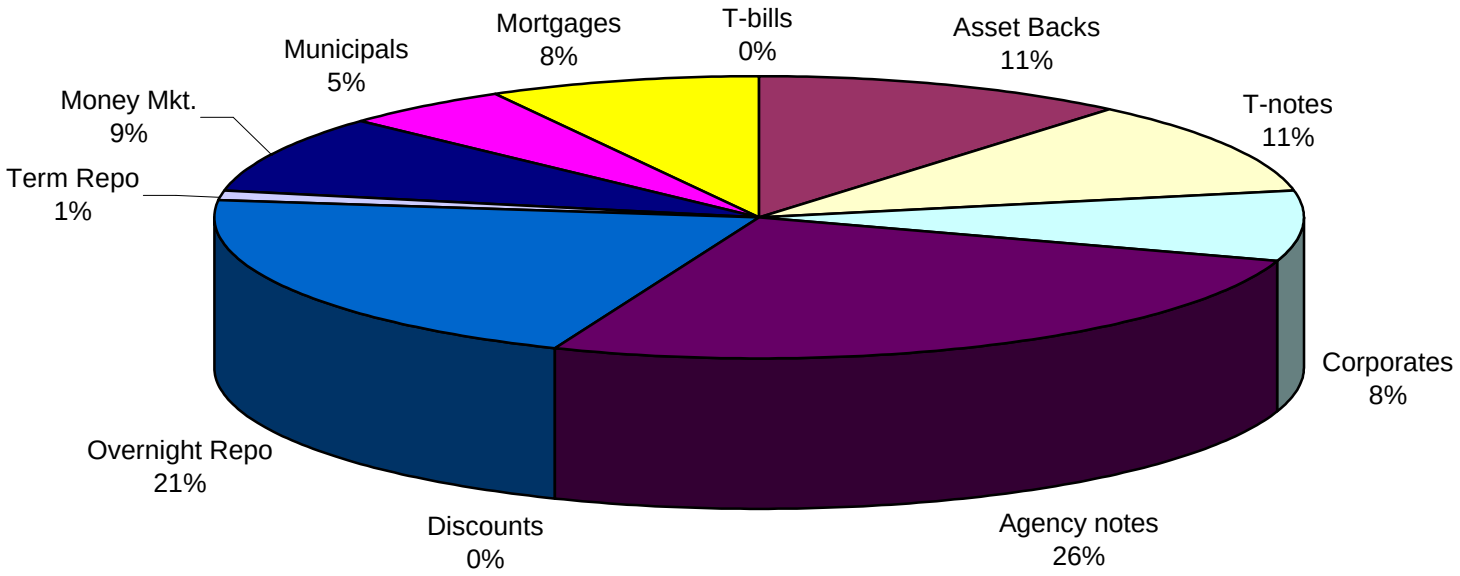
	Month		YTD	
	Actual	Budget	Actual	Budget
General Fund	0	0	0	0
Capital Con.	534,277	537,500	3,487,014	3,900,000
Agency	579,689	812,500	4,834,674	5,766,667
T&R	144,787	137,500	1,113,557	1,023,958

ACCRUED EARNINGS

January 2005

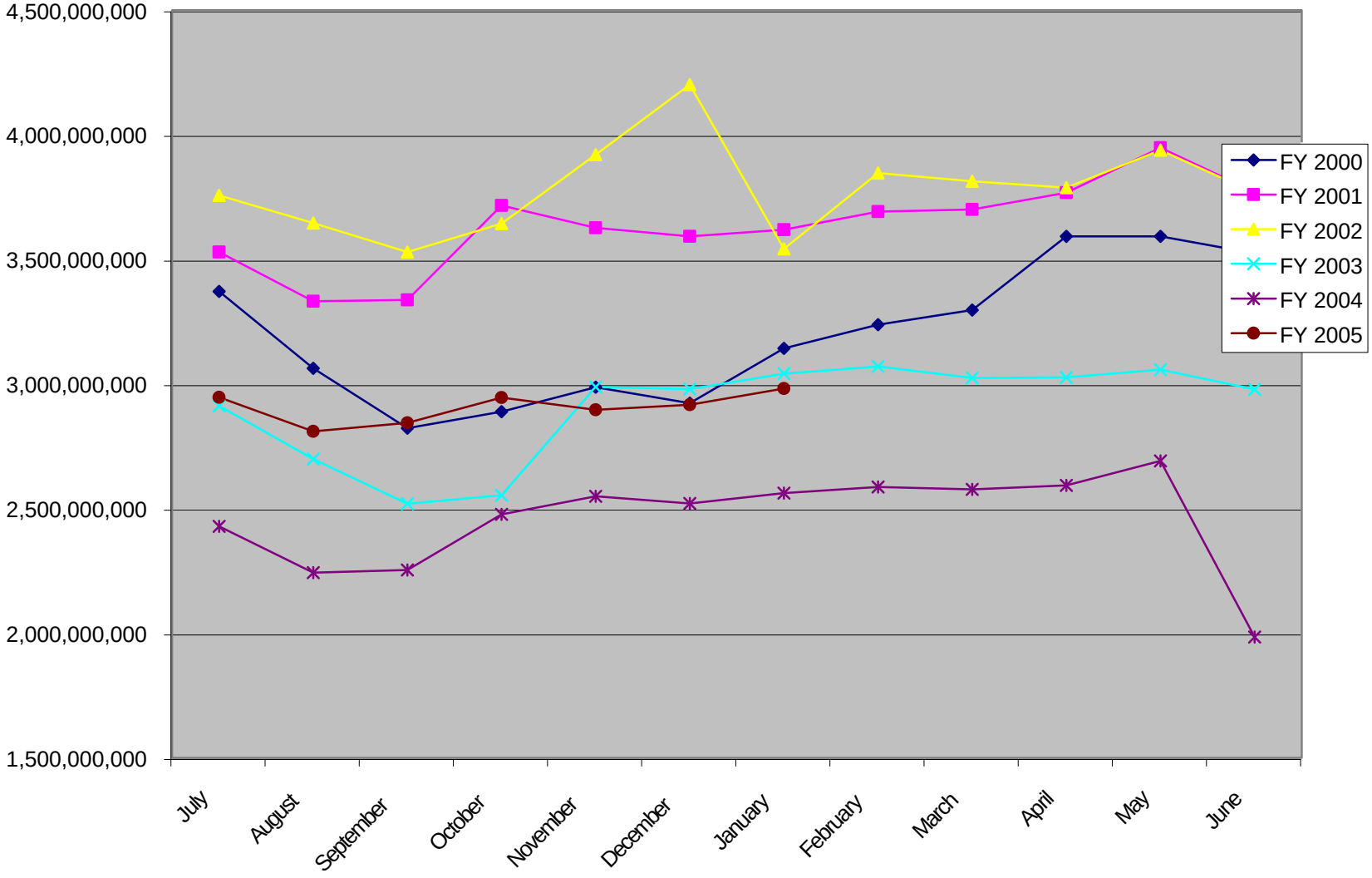
	Month		YTD	
	Actual	Budget	Actual	Budget
General Fund	304,001	0	1,228,970	0
Capital Con.	134,917	537,500	4,138,429	3,900,000
Agency	283,101	812,500	4,255,625	5,766,667
T&R	67,653	137,500	1,057,714	1,023,958

Distribution of Investments for January

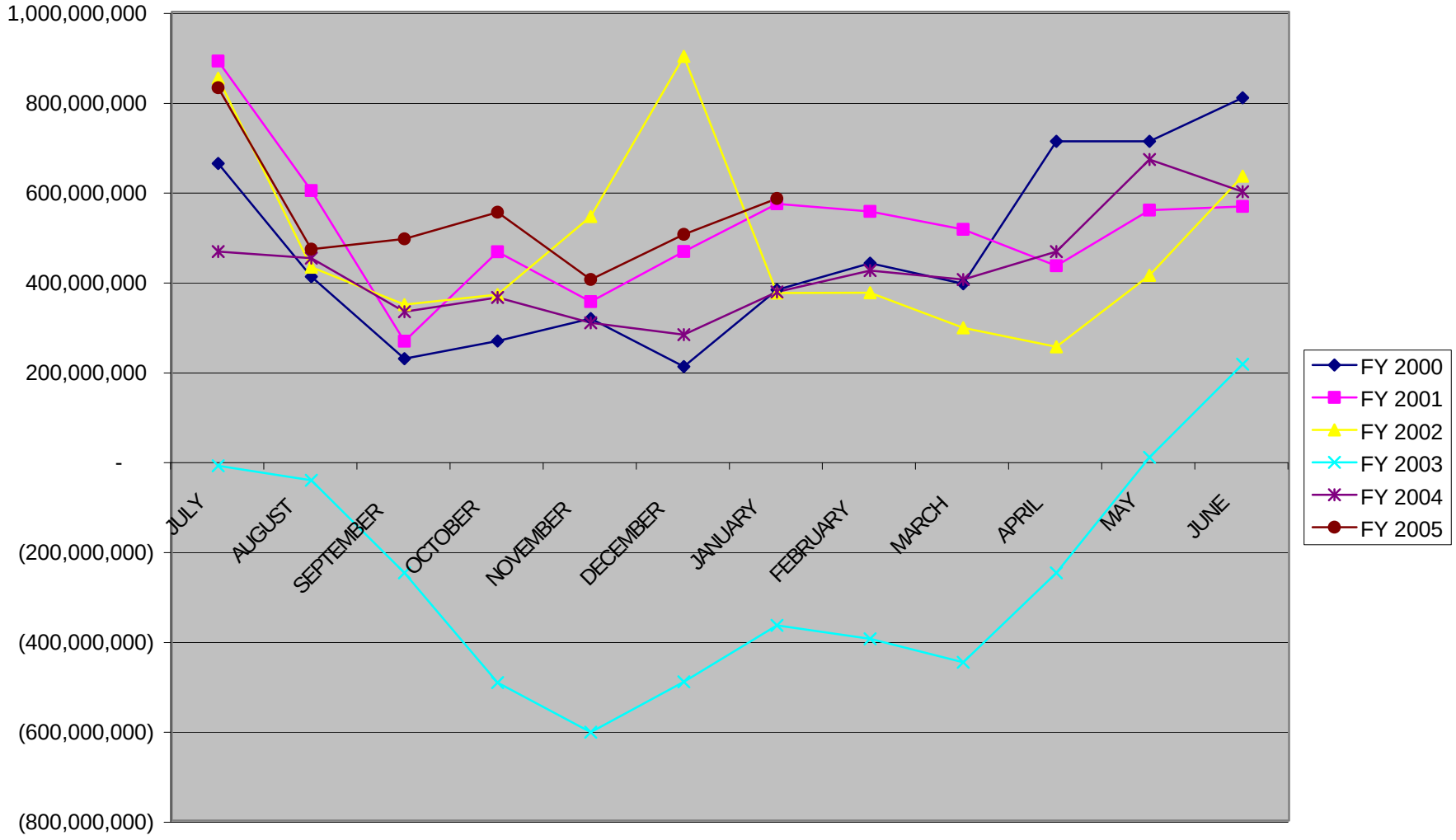


LIMITS
Corporates 25%
Mortgages 25%
Asset Backs 20%
Money Mkt. 20%

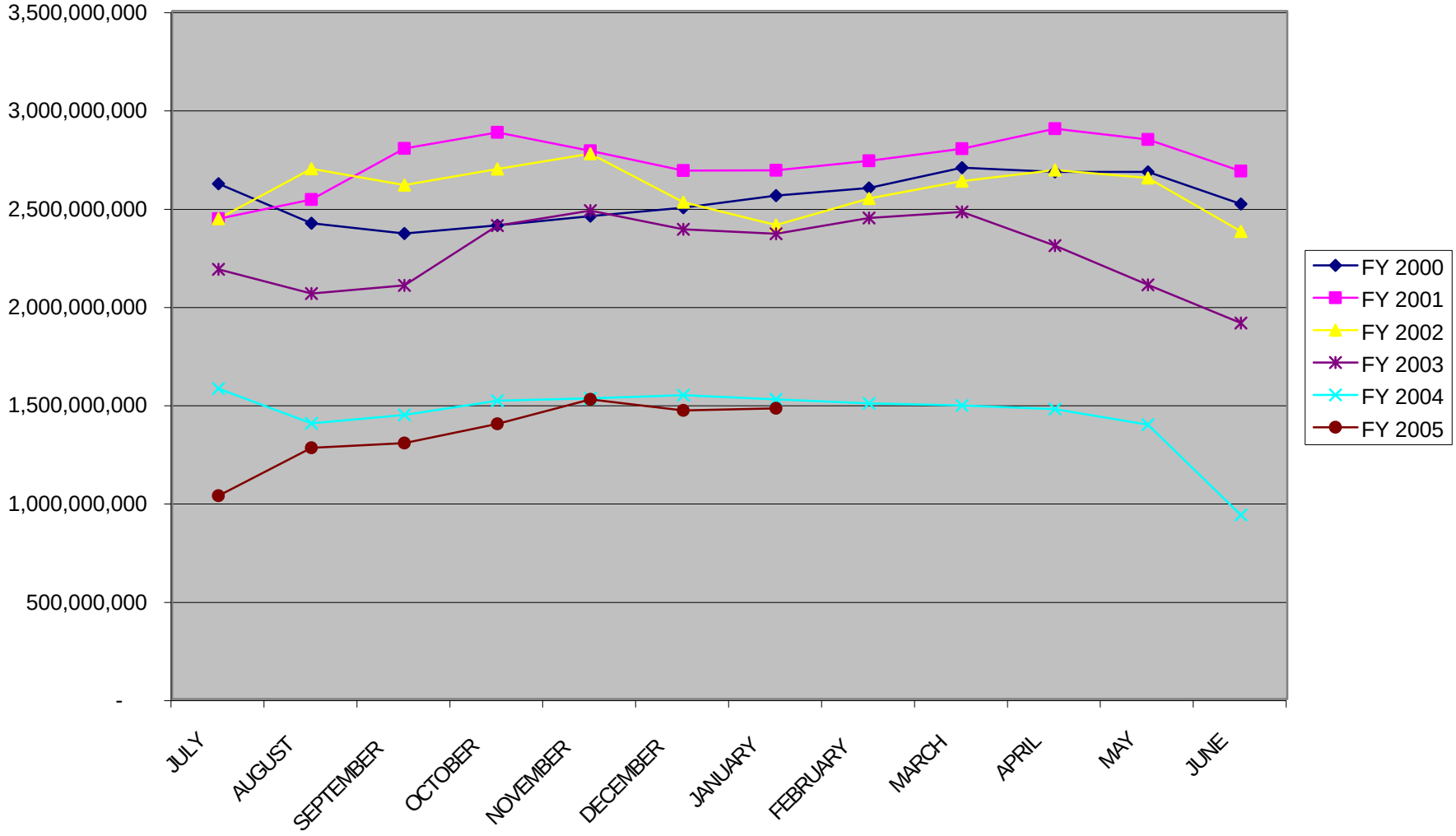
INVESTABLE BALANCES



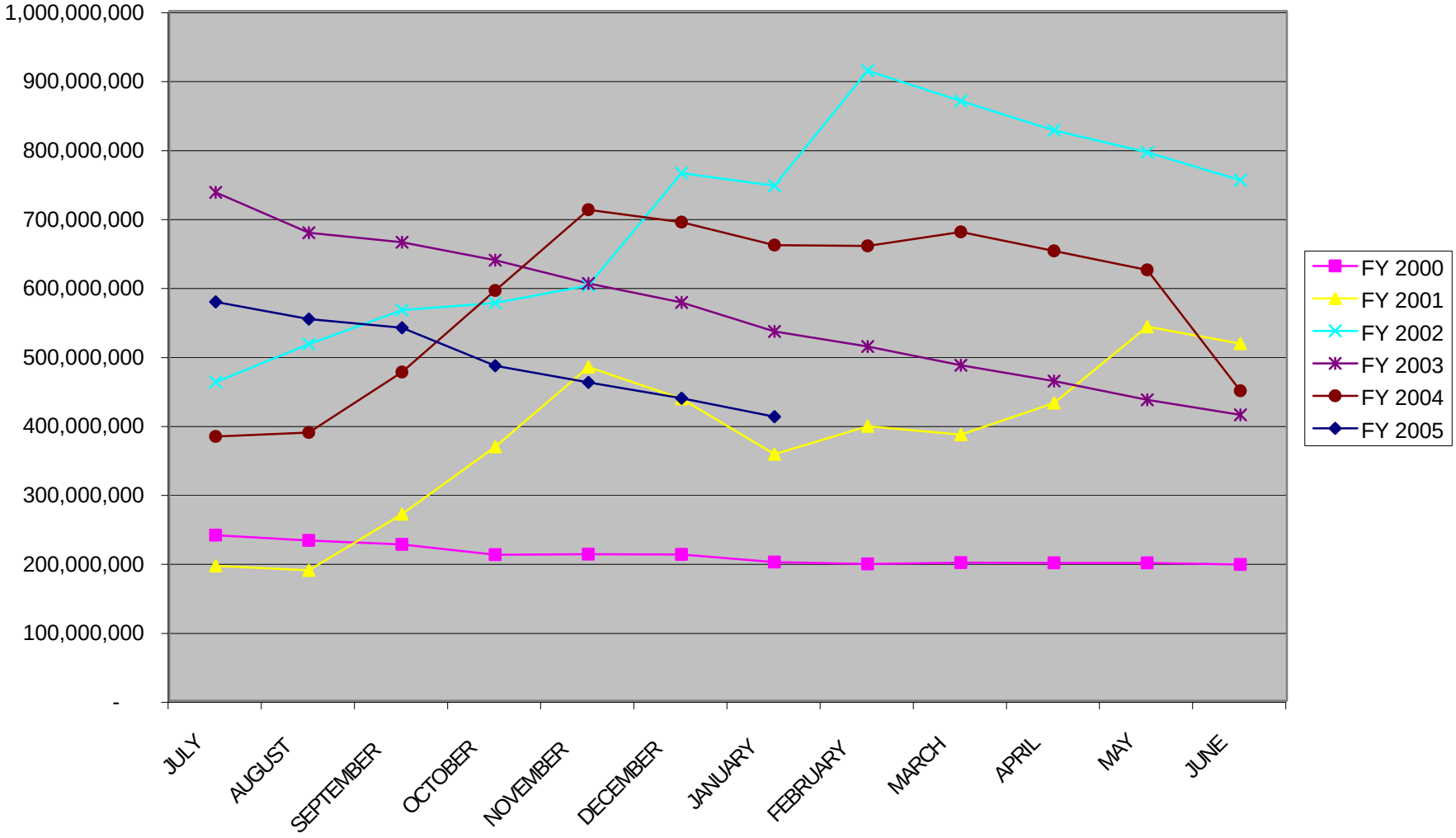
SHORT TERM POOL
INVESTABLE BALANCES



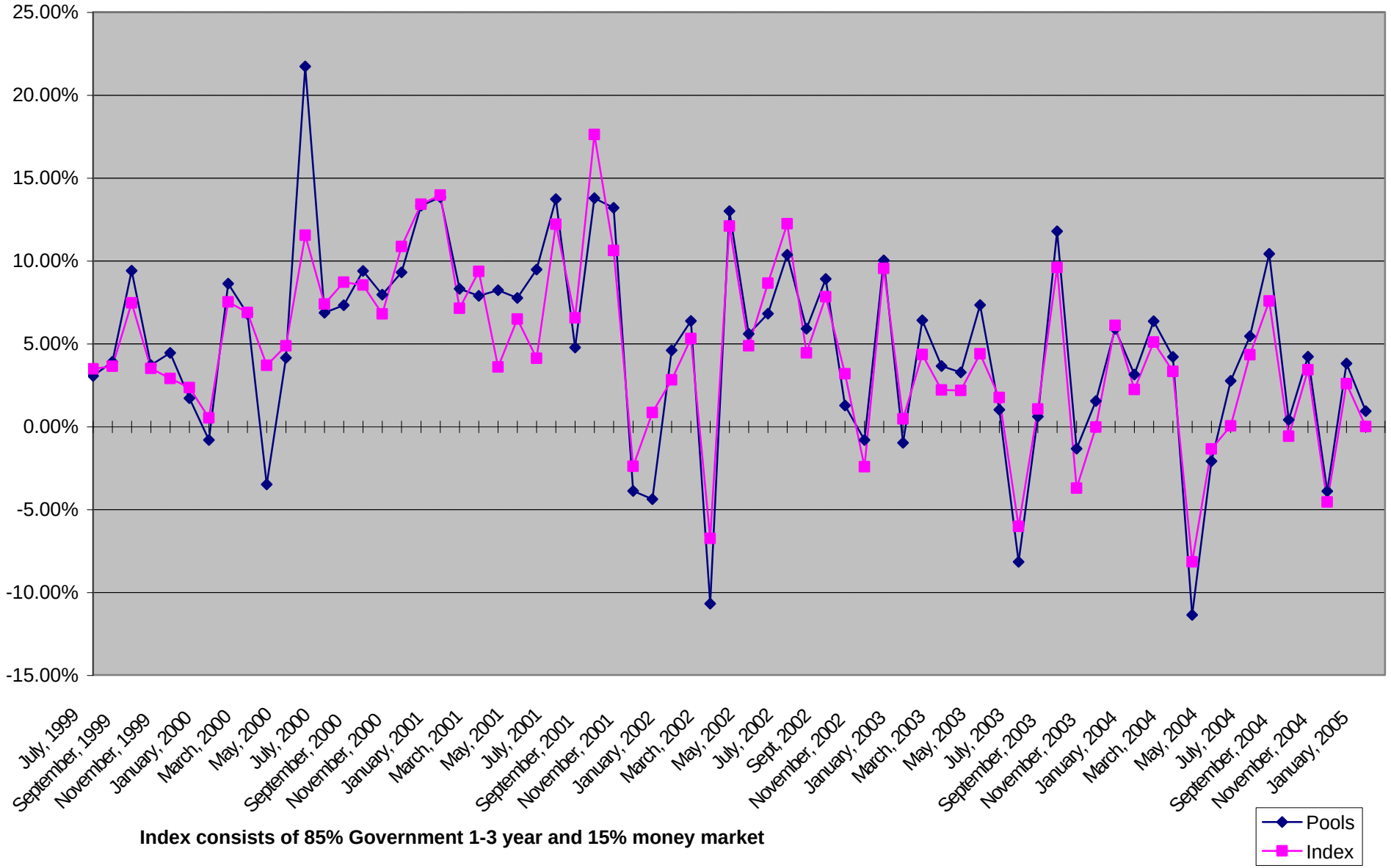
INTERMEDIATE POOL
INVESTABLE BALANCES



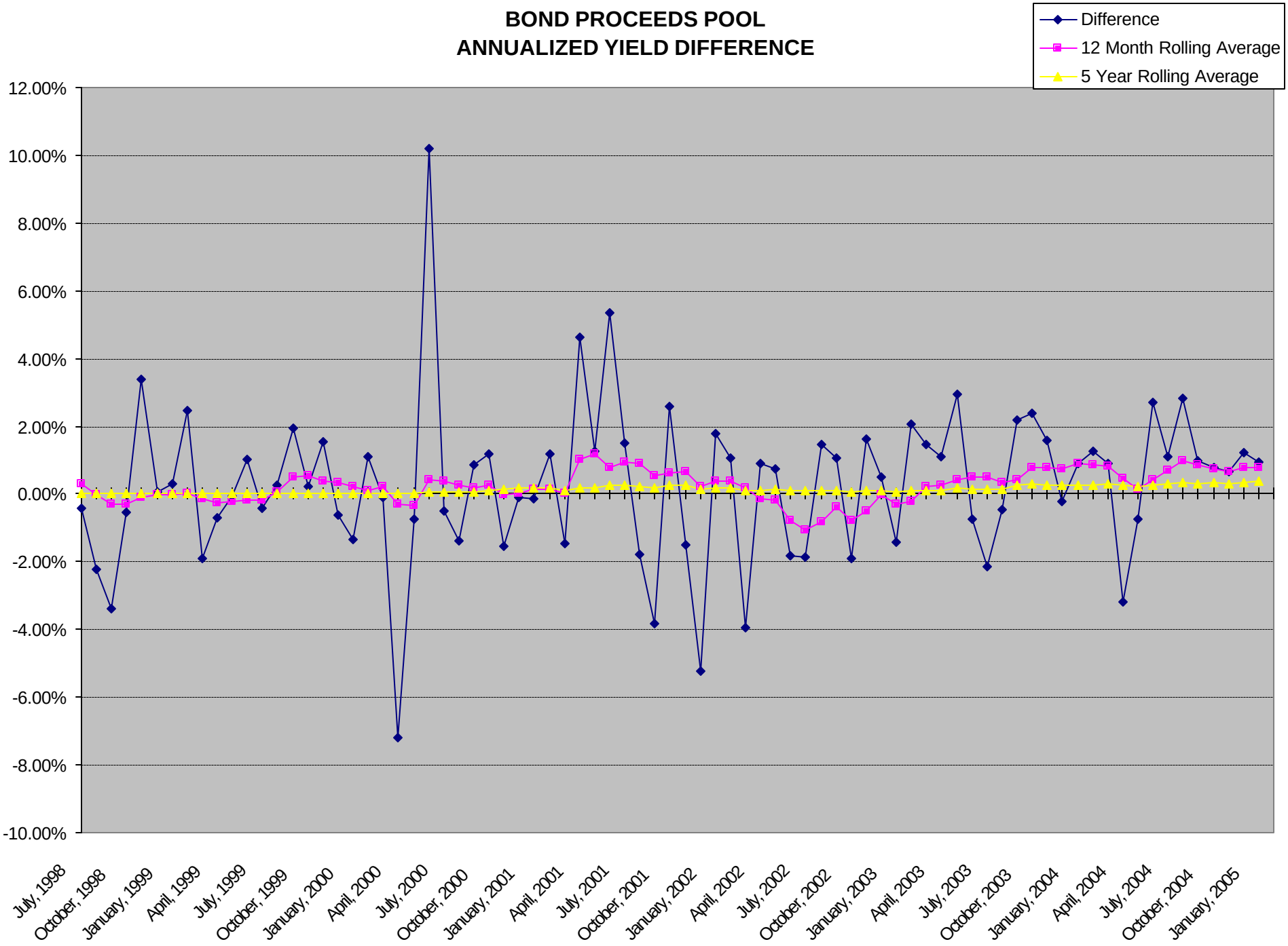
BOND PROCEEDS
INVESTABLE BALANCES



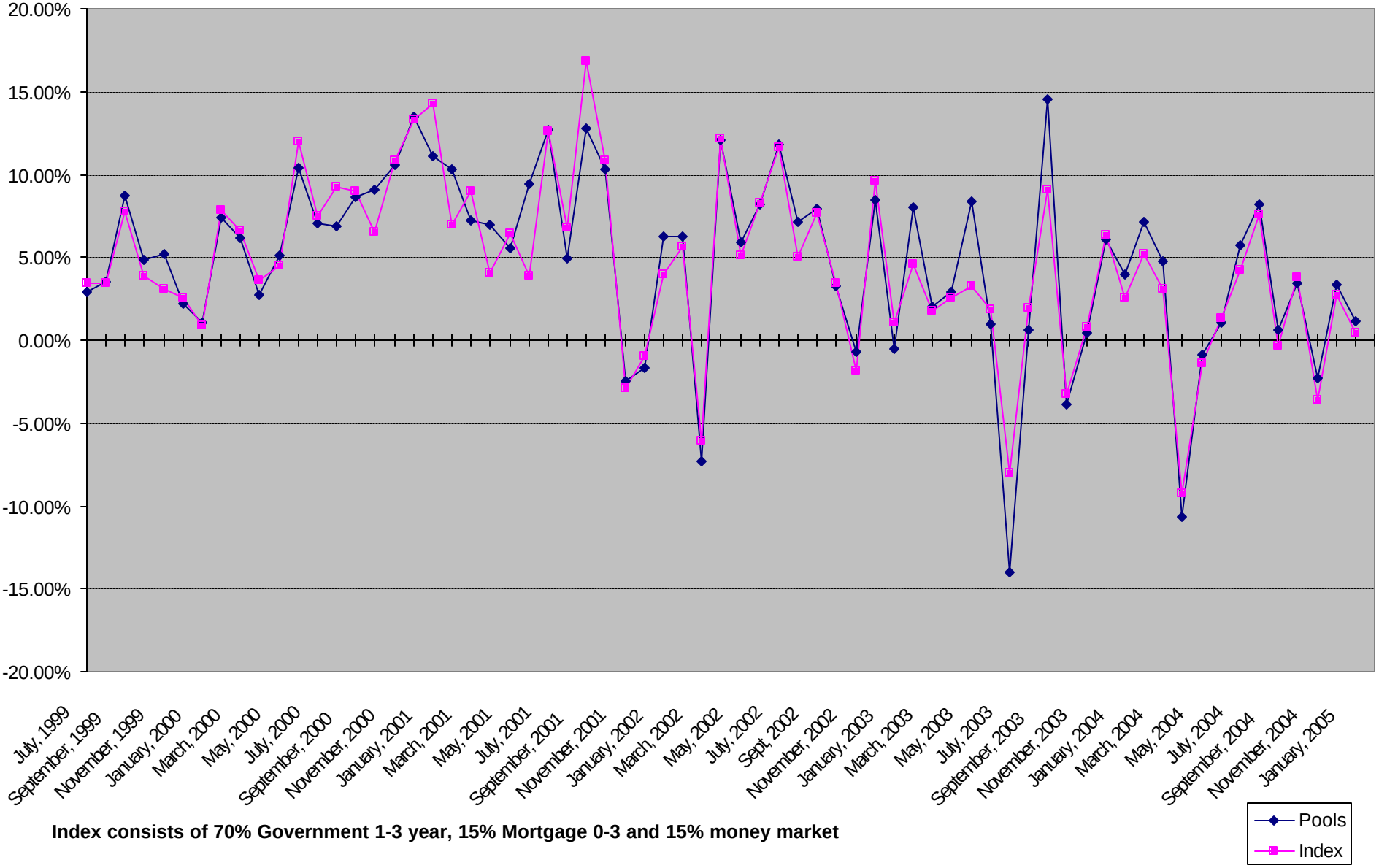
BOND PROCEEDS POOL
ANNUALIZED YIELD



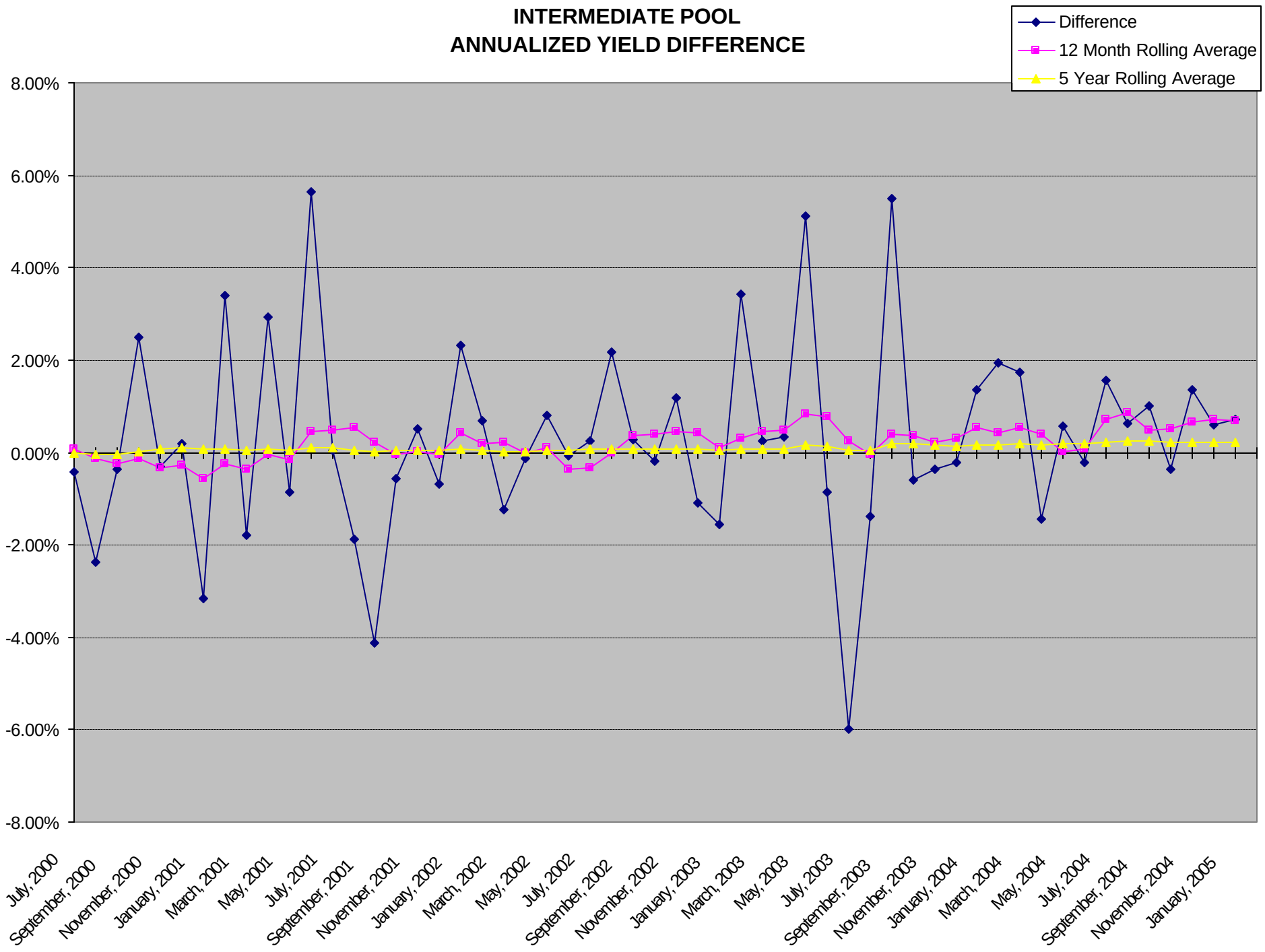
Index consists of 85% Government 1-3 year and 15% money market


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

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