February 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: 02/28/05

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	342,168,117.18	3.46	1.68	11%	
	Sub-total		342,168,117.18	3.46	1.68	11%	
Agencies		Notes	857,549,058.14	3.40	1.58	27%	
		Discounts	0.00	0.00	0.00	0%	
	Sub-total		857,549,058.14	3.40	1.58	27%	
Municipals			200,146,856.48	3.30	1.01	6%	
Corporates			264,098,673.76	3.31	1.22	9%	25%
Mortgages		Pools	55,788,706.00	3.83	1.38	2%	
		CMO's	190,251,362.43	3.44	0.48	6%	
	Sub-total		246,040,068.43	3.53	0.68	8%	25%
Asset Backs			421,494,708.83	2.87	0.40	13%	20%
Repurchase Agreements							
		Overnight	511,037,300.53	2.57	0.00	16%	
		< 30 days	26,990,730.23	2.34	0.04	1%	
		< 60 days	15,031.67	2.00	0.14	0%	
		< 90 days	0.00	0.00	0.00	0%	
		< 1 year	2,687,107.78	1.90	0.57	0%	
		< 2 years	2,659,331.82	2.75	1.58	0%	
		> 2 years	7,495,987.84	2.55	3.35	0%	
		Flex Repos	253,494.27	11.29	4.57	0%	
	Sub-total		551,138,984.14	2.56	0.06	17%	
Money Market Securities							
		Commercial Paper	234,945,631.80	2.44	0.01	8%	A1-P1
		Money Mkt Fund	35,000,000.00	2.37	0.01	1%	
		Certificates of Deposit	956,567.66	2.31	3.85	0%	
	Sub-total		270,902,199.46	2.43	0.02	9%	20%
Derivatives							
		Swaptions	816,000.00	0.00	-2.02	0%	
		OTC Options	0.00	0.00	0.00	0%	
	Sub-total		816,000.00	0.00	-2.02	0%	
TOTALS			3,154,354,666.42	3.10	0.90	100%	

Date: 02/28/05

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	18,221,454.00	2.87	0.27	3%	
	Discounts	0.00	0.00	0.00	0%	
Sub-total		18,221,454.00	2.87	0.27	3%	
Corporates		19,617,264.49	2.16	0.69	3%	25%
Municipals		58,014,418.88	2.65	0.10	9%	
Mortgages	CMOs	59,630,107.46	2.98	0.03	9%	25%
ABS		105,652,850.41	2.91	0.17	17%	
Repurchase Agreements						
	Overnight	171,502,517.94	2.57	0.01	27%	
	< 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		171,502,517.94	2.57	0.01	27%	
Money Market Securities						
	Commercial Paper	164,970,699.90	2.44	0.01	26%	A1-P1
	Money Mkt Fund	35,000,000.00	2.37	0.01	6%	
	Certificates of Deposit	0.00	0.00	0.00	0%	
Sub-total		199,970,699.90	2.43	0.01	32%	
TOTALS		632,609,313.08	2.63	0.08	100%	

Date: 02/28/05

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	222,231,507.82	3.48	1.78	14%	
	Sub-total		222,231,507.82	3.48	1.78	14%	
Agencies		Notes	487,049,576.53	3.54	1.78	30%	
		Discounts	0.00	0.00	0.00	0%	
	Sub-total		487,049,576.53	3.54	1.78	30%	
Municipals			111,089,940.12	3.82	1.75	7%	
Corporates			190,432,942.18	3.65	1.59	12%	25%
Mortgages		Pools	55,788,706.00	3.83	1.38	3%	
		CMO's	82,249,835.70	4.03	1.10	5%	
	Sub-total		138,038,541.70	3.95	1.22	8%	25%
Asset Backs			48,414,070.84	3.37	2.76	3%	20%
Repurchase Agreements							
		Overnight	320,769,412.91	2.57	0.00	20%	
		< 30 days	26,990,730.23	2.34	0.04	2%	
		< 60 days	15,031.67	2.00	0.14	0%	
		< 90 days	0.00	0.00	0.00	0%	
		< 1 year	2,687,107.78	1.90	0.57	0%	
		< 2 years	2,659,331.82	2.75	1.58	0%	
		> 2 years	7,495,987.84	2.55	3.35	0%	
		Flex Repos	253,494.27	11.29	4.57	0%	
	Sub-total		360,871,096.52	2.56	0.09	22%	
Money Market Securities							
		Commercial Paper	69,974,931.90	2.45	0.01	4%	A1-P1
		Money Mkt Fund	0.00	0.00	0.00	0%	
		Certificates of Deposit	956,567.66	2.31	3.85	0%	
	Sub-total		70,931,499.56	2.45	0.07	4%	20%
Derivatives							
		Swaption	816,000.00	0.00	-2.02	0%	
		OTC Options	0.00	0.00	0.00	0%	
	Sub-total		816,000.00	0.00	-2.02	0%	
TOTALS			1,629,875,175.27	3.33	1.29	100%	

Date: 02/28/05

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	100,637,759.64	2.32	0.08	20%	
		Discounts	0.00	0.00	0.00	0%	
	Sub-total		100,637,759.64	2.32	0.08	20%	
Corporates			54,048,467.09	2.56	0.08	11%	25%
Municipals			31,042,497.48	2.65	0.10	6%	
Mortgages		CMOs	48,371,419.27	2.99	-0.04	9%	25%
ABS			267,427,787.58	2.77	0.07	53%	
Repurchase Agreements							
		Overnight	4,900,357.68	2.57	0.01	1%	
		< 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		4,900,357.68	2.57	0.01	1%	
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			506,428,288.74	2.67	0.06	100%	

Date: 02/28/05

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	119,936,609.36	3.41	1.48	31%	
	Sub-total		119,936,609.36	3.41	1.48	31%	
Agencies		Notes	251,640,267.97	3.60	1.87	65%	
		Discounts	0.00	0.00	0.00	0%	
	Sub-total		251,640,267.97	3.60	1.87	65%	
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	13,865,012.00	2.57	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		13,865,012.00	2.57	0.00	4%	
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			385,441,889.33	3.50	1.68	100%	

Investment Income

As of 02/28/05

	Month		Fiscal Year to Date	
Pool	**Amount**	**Yield ***	**Amount**	**Yield****
Intermediate	-279,367.83	-0.23%	21,138,328.92	2.30%
Short Term	1,190,765.40	2.69%	6,982,622.79	1.90%
Bond Proceeds	-495,985.04	-1.64%	8,940,732.80	2.77%
Tran	120,167.65	0.03%	358,348.47	0.11%
Grand Total	**535,580.18**		**37,420,032.98**	

***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 02/28/05

	Average Daily Balances	
	AvgBal	**Fiscal Year to Date**
Intermediate	1,568,346,752.55	1,379,088,602.59
Short Term	577,555,404.81	553,238,358.85
Bond Proceeds	395,130,556.28	484,084,661.41
Tran	507,565,772.50	506,056,501.68
	3,048,598,486.14	**2,922,468,124.53**

CASH DISTRIBUTION

February 2005

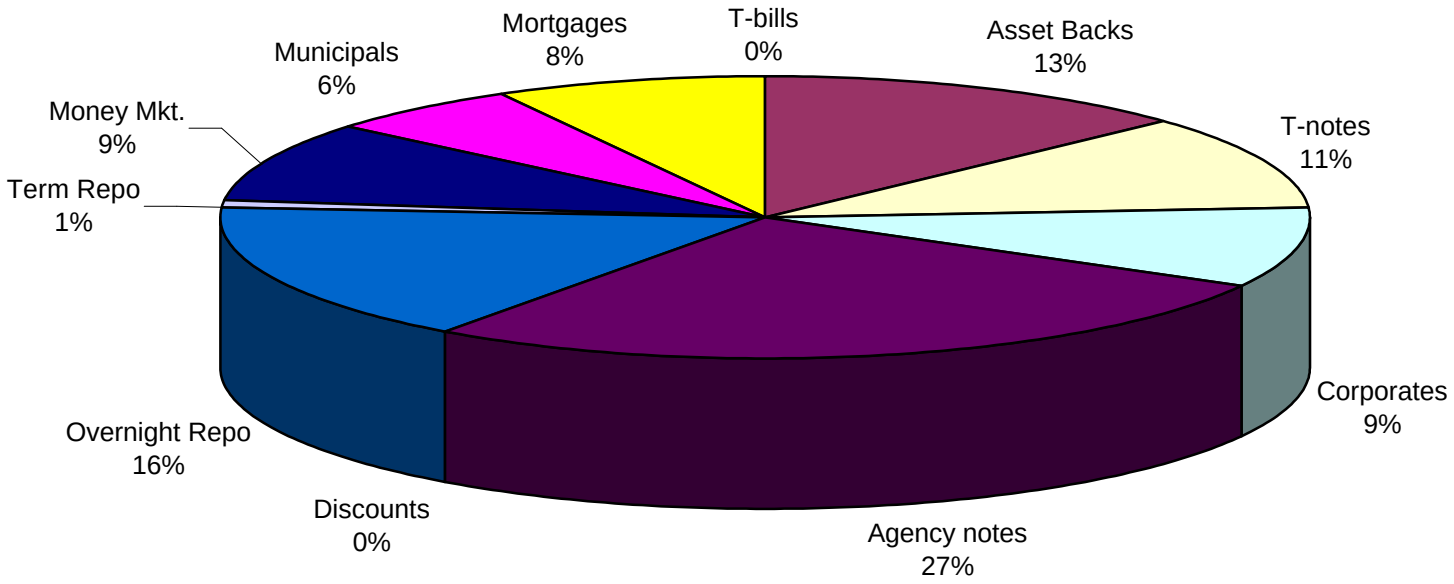
	Month		YTD	
	Actual	Budget	Actual	Budget
General Fund	0	0	0	0
Capital Con.	0	525,000	3,487,014	4,425,000
Agency	0	812,500	4,834,674	6,579,167
T&R	0	125,000	1,113,557	1,148,958

ACCRUED EARNINGS

February 2005

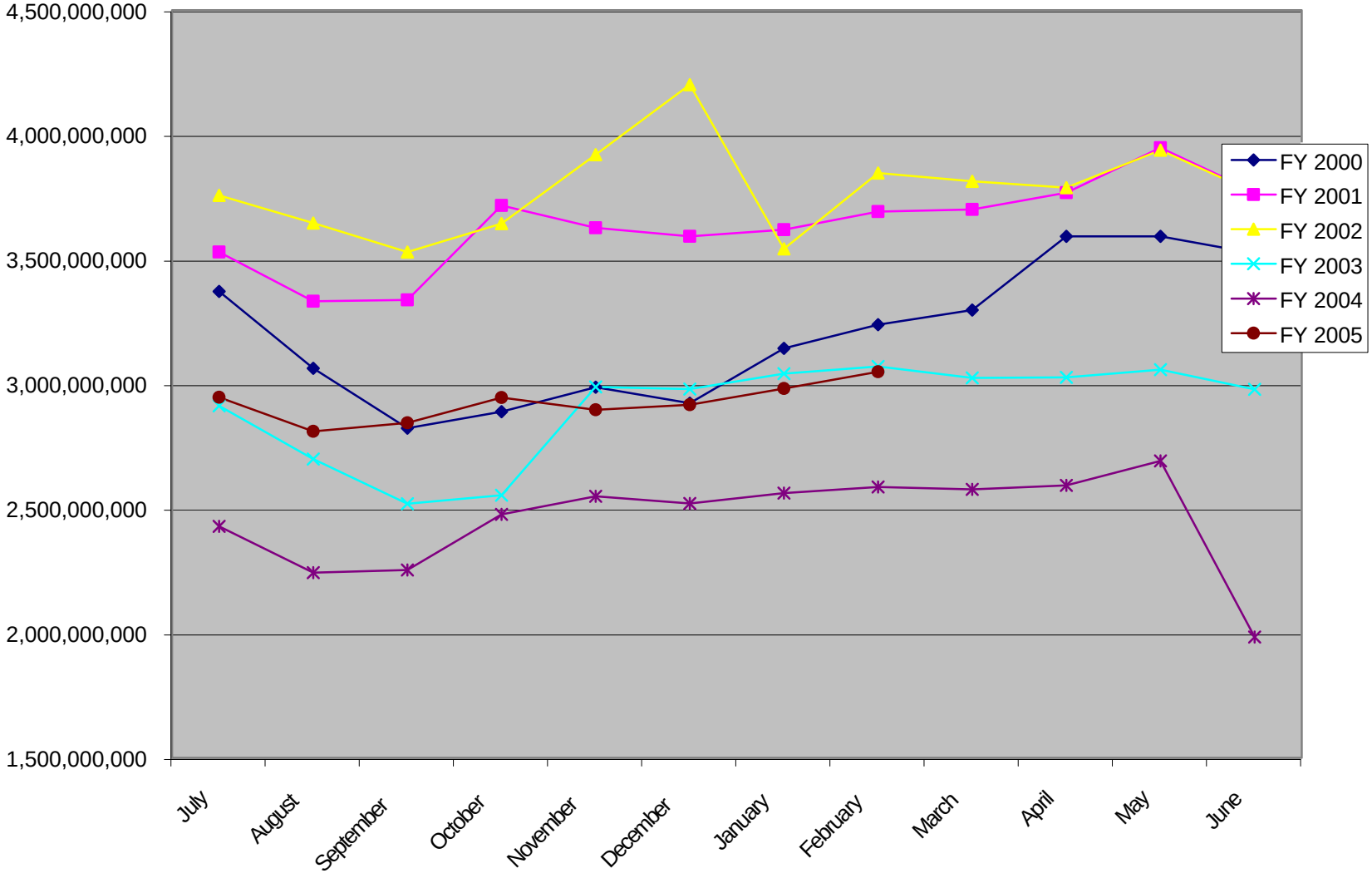
	Month		YTD	
	Actual	Budget	Actual	Budget
General Fund	89,601	0	1,318,571	0
Capital Con.	-103,267	525,000	4,035,162	4,425,000
Agency	-74,654	812,500	4,180,971	6,579,167
T&R	-8,635	125,000	1,049,079	1,148,958

Distribution of Investments for February

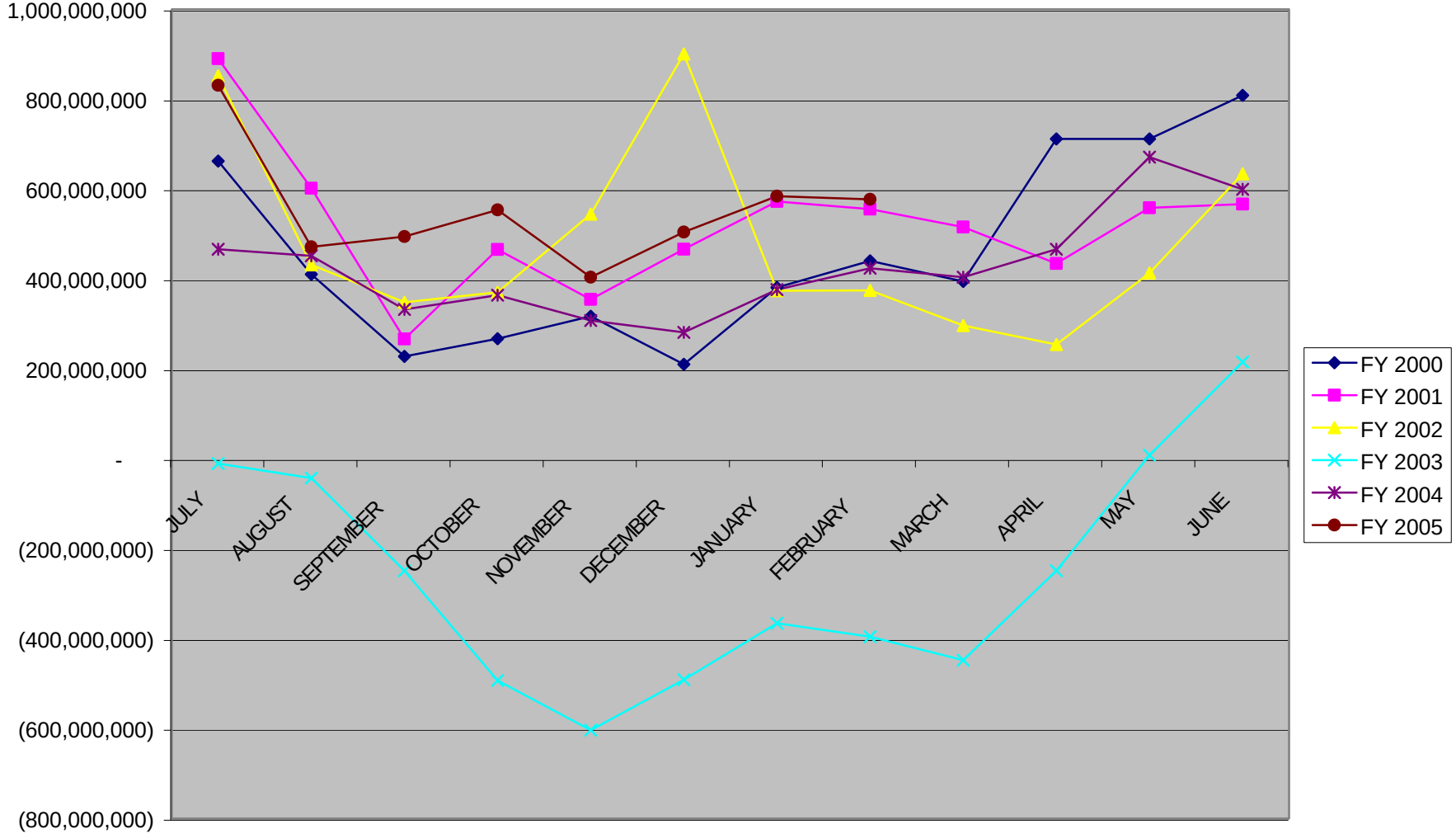


LIMITS
Corporates 25%
Mortgages 25%
Asset Backs 20%
Money Mkt. 20%

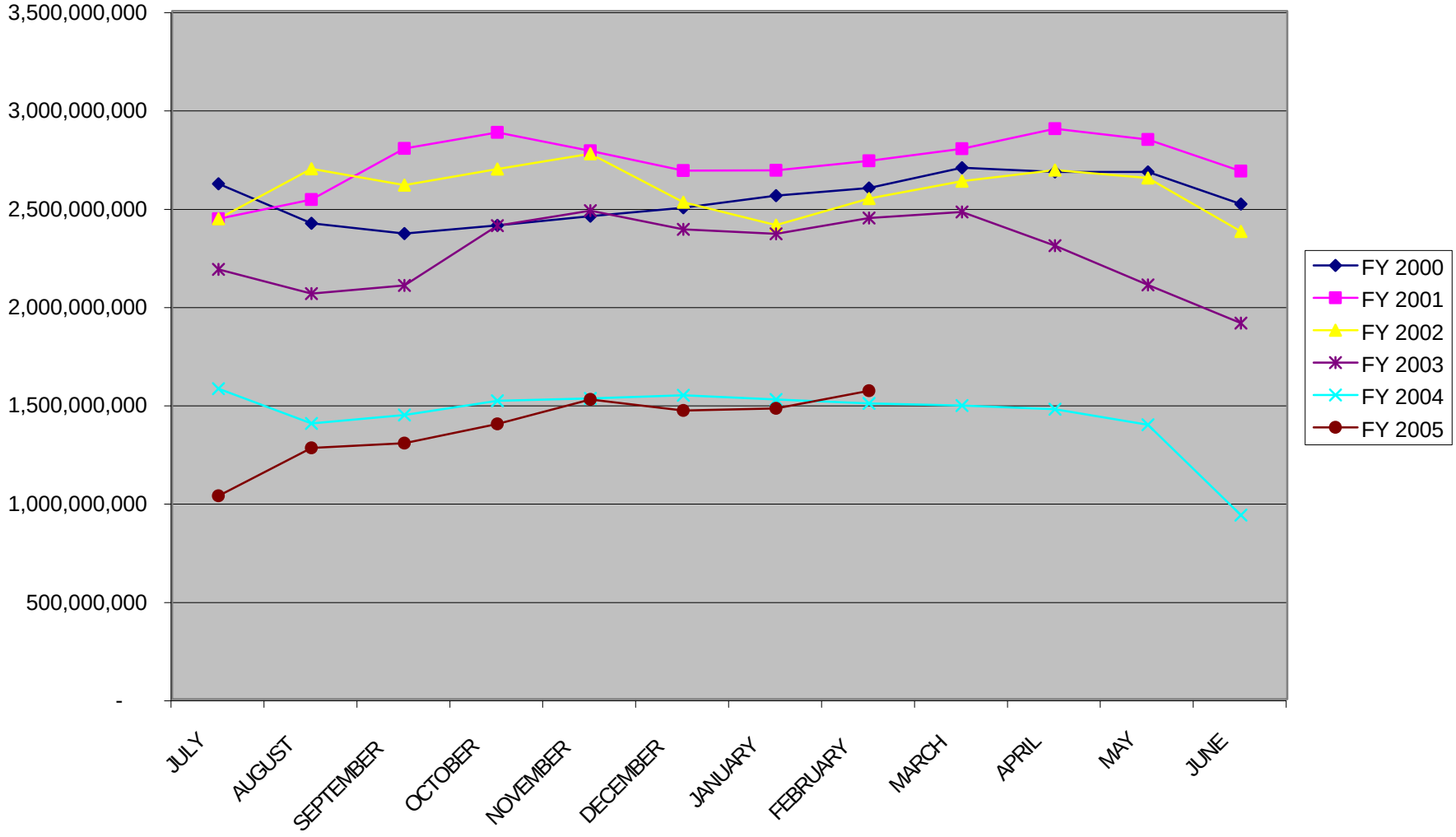
INVESTABLE BALANCES



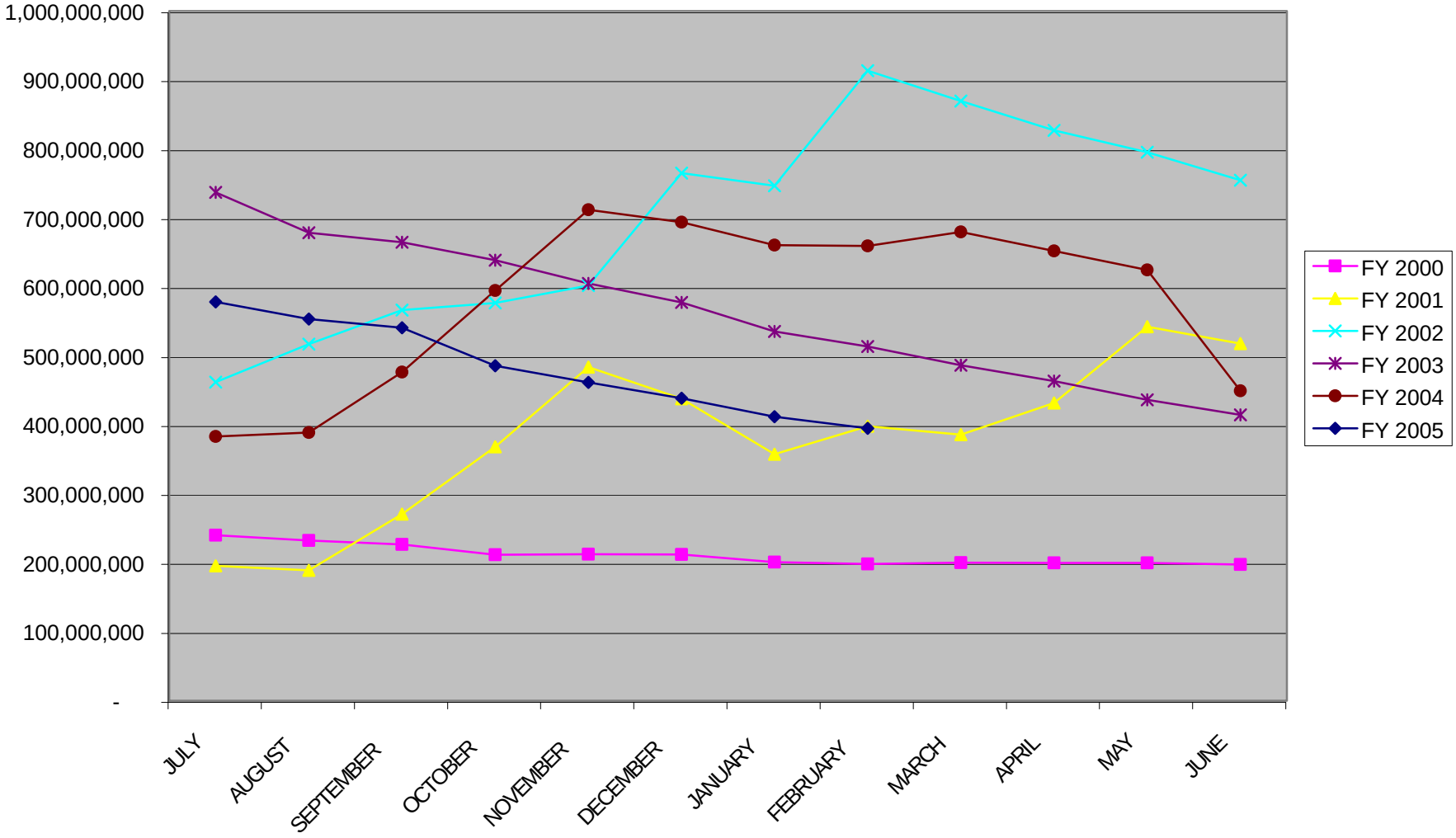
SHORT TERM POOL
INVESTABLE BALANCES



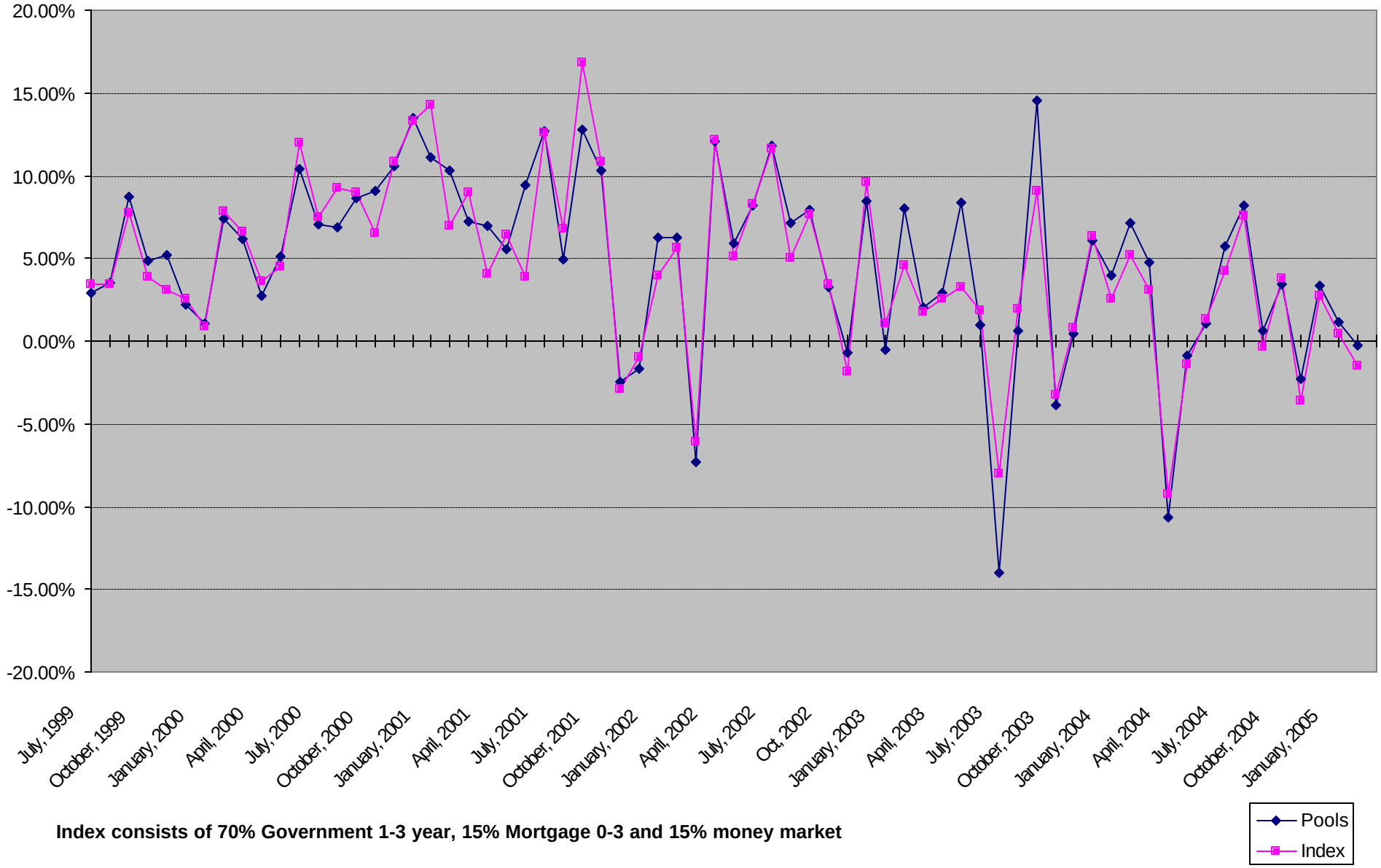
INTERMEDIATE POOL
INVESTABLE BALANCES



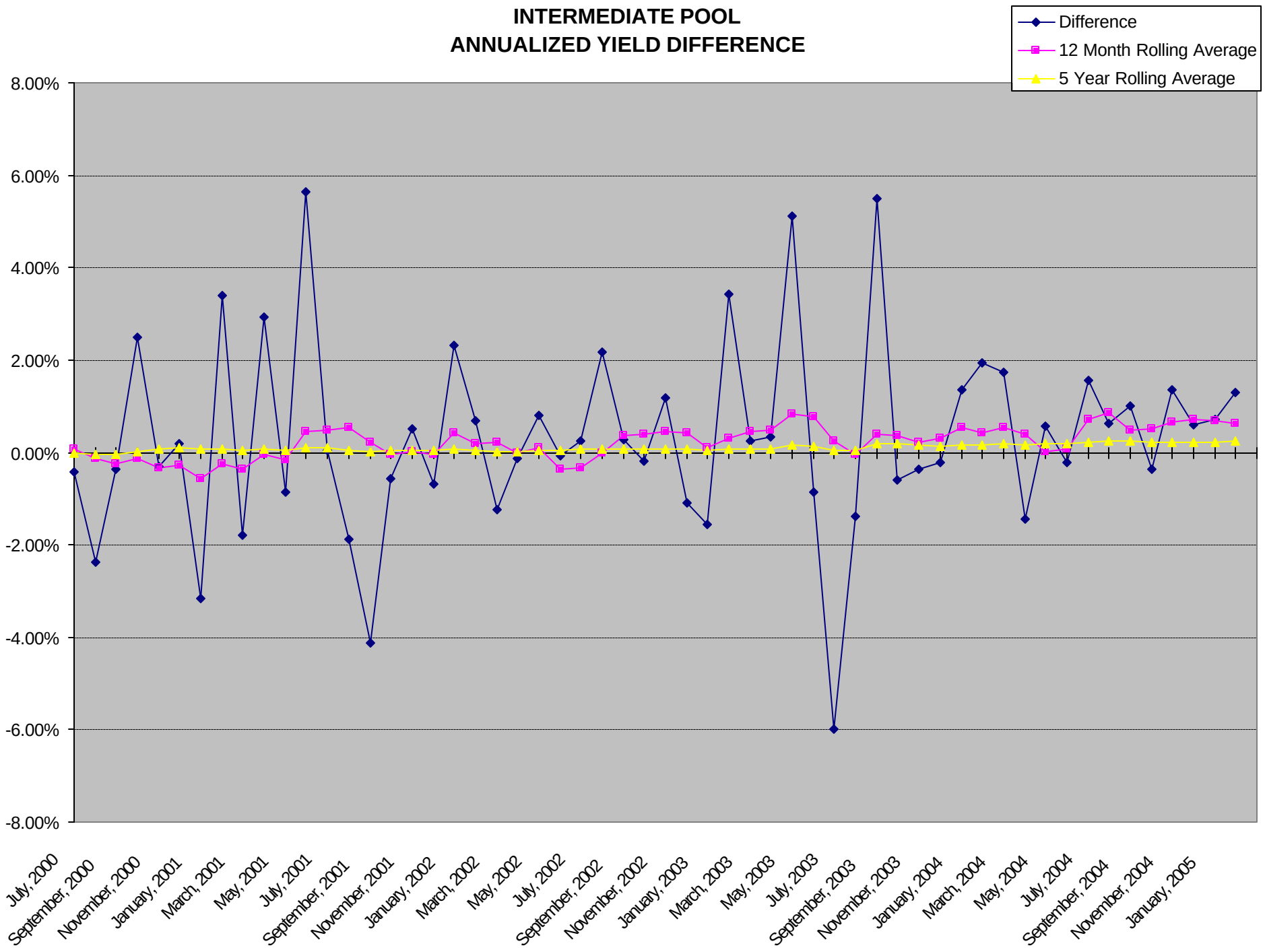
BOND PROCEEDS
INVESTABLE BALANCES

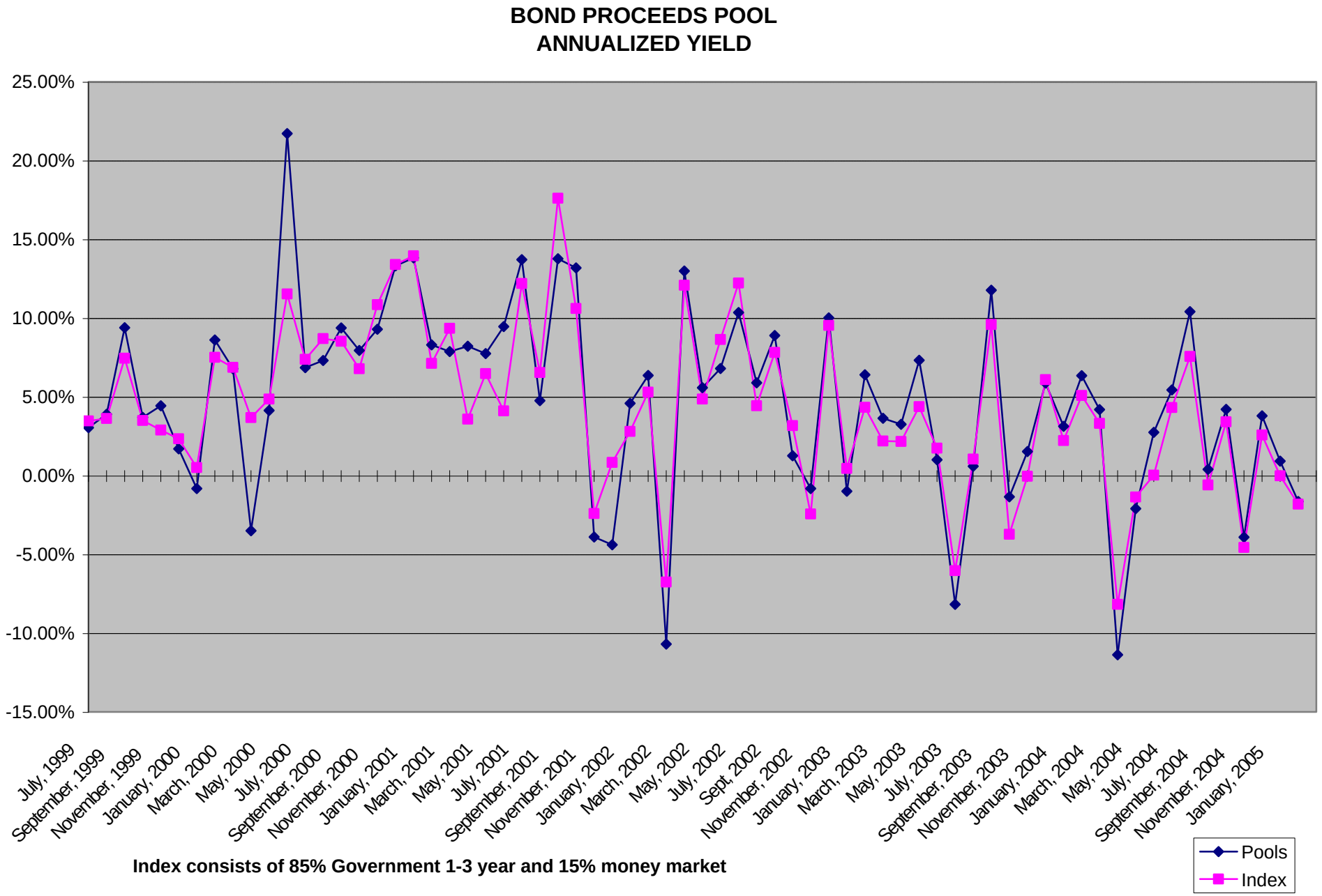


INTERMEDIATE POOL
ANNUALIZED YIELD

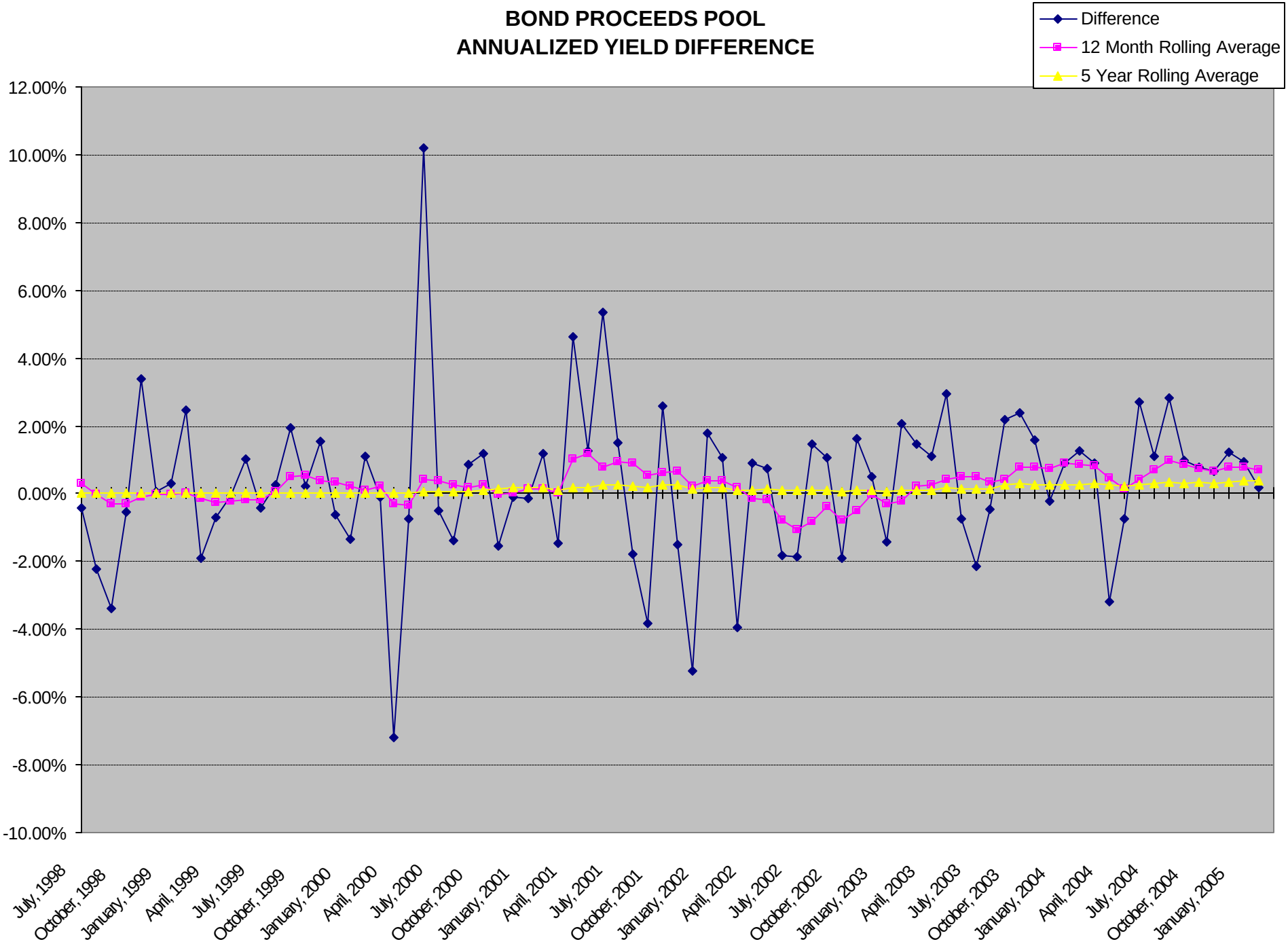


Index consists of 70% Government 1-3 year, 15% Mortgage 0-3 and 15% money market


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



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