



February 2014  
**MONTHLY**  
**INVESTMENT INCOME REPORT**



**Commonwealth of Kentucky**  
**Lori H. Flanery, Secretary**  
**FINANCE AND ADMINISTRATION CABINET**



2/28/2014

**PORTFOLIO SUMMARY  
POOLS**

	<b>TYPE</b>	<b>MARKET VALUE</b>	<b>MARKET YIELD (%)</b>	<b>DURATION (Years)</b>	<b>PERCENT of TOTAL</b>	<b>STATUTORY LIMIT</b>
Treasuries						
	Bills	194,990,656.98	0.06	0.09	6%	
	Treasury Notes	789,697,808.18	0.23	1.17	24%	
	Sub-total	984,688,465.16	0.19	0.96	30%	
Agencies						
	Notes	493,071,382.32	0.73	1.58	15%	
	Discounts	132,045,633.63	0.11	0.18	4%	
	Sub-total	625,117,015.95	0.60	1.29	19%	
Municipals		55,720,672.98	0.89	0.75	2%	
Corporates		251,758,778.26	0.87	2.07	7%	25%
Mortgages						
	Pools	163,273,080.94	1.27	0.38	5%	
	CMO's	209,090,794.12	1.29	2.31	6%	
	Sub-total	372,363,875.06	1.28	1.46	11%	25%
Asset Backed Securities		109,301,176.09	0.44	1.30	3%	20%
Repurchase Agreements						
	Overnight	457,002,189.99	0.06	0.00	14%	
	< 30 days	12,000,507.00	0.06	0.08	1%	
	< 60 days	0.00	0.00	0.00	0%	
	< 90 days	0.00	0.00	0.00	0%	
	< 1 year	1,501,076.25	0.00	0.00	0%	
	Flex Repos	0.00	0.00	0.00	0%	
	Sub-total	470,503,773.24	0.06	0.00	15%	
Money Market Securities						
	Commercial Paper	236,991,397.22	0.11	0.10	7%	A1-P1
	Money Mkt Fund	140,000,000.00	0.03	0.01	4%	
	Certificates of Deposit	60,013,202.91	0.14	0.03	2%	
	Sub-total	437,004,600.13	0.09	0.06	13%	35%
Derivatives						
	Swaps	0.00	0.00	0.00	0%	
	OTC Options	0.00	0.00	0.00	0%	
	Sub-total	0.00	0.00	0.00	0%	
<b>TOTALS</b>		<b>3,306,458,356.87</b>	<b>0.43</b>	<b>0.92</b>	<b>100%</b>	

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**PORTFOLIO SUMMARY  
LIMITED TERM POOL**

	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL
Treasuries					
	Bills	194,990,656.98	0.06	0.09	20%
	Treasury Notes	0.00	0.00	0.00	0%
	Sub-total	194,990,656.98	0.00	0.00	20%
Agencies					
	Notes	5,002,207.22	0.14	0.15	1%
	Discounts	129,847,094.28	0.09	0.18	13%
	Sub-total	134,849,301.50	0.10	0.18	14%
Corporates		20,080,946.83	0.45	0.49	2%
Municipals		3,517,577.78	0.80	0.23	0%
Mortgages	CMOs	0.00	0.00	0.00	0%
ABS		8,188,177.55	0.22	0.69	1%
Repurchase Agreements					
	Overnight	247,886,850.16	0.06	0.00	25%
	< 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%
	Flex Repos	0.00	0.00	0.00	0%
	Sub-total	247,886,850.16	0.06	0.00	25%
Money Market Securities					
	Commercial Paper	214,494,397.14	0.11	0.10	22%
	Money Mkt Fund	140,000,000.00	0.03	0.01	14%
	Certificates of Deposit	25,004,895.83	0.15	0.04	2%
	Sub-total	379,499,292.97	0.08	0.06	38%
TOTALS		989,012,803.77	0.08	0.08	100%

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**PORTFOLIO SUMMARY  
SHORT TERM POOL**

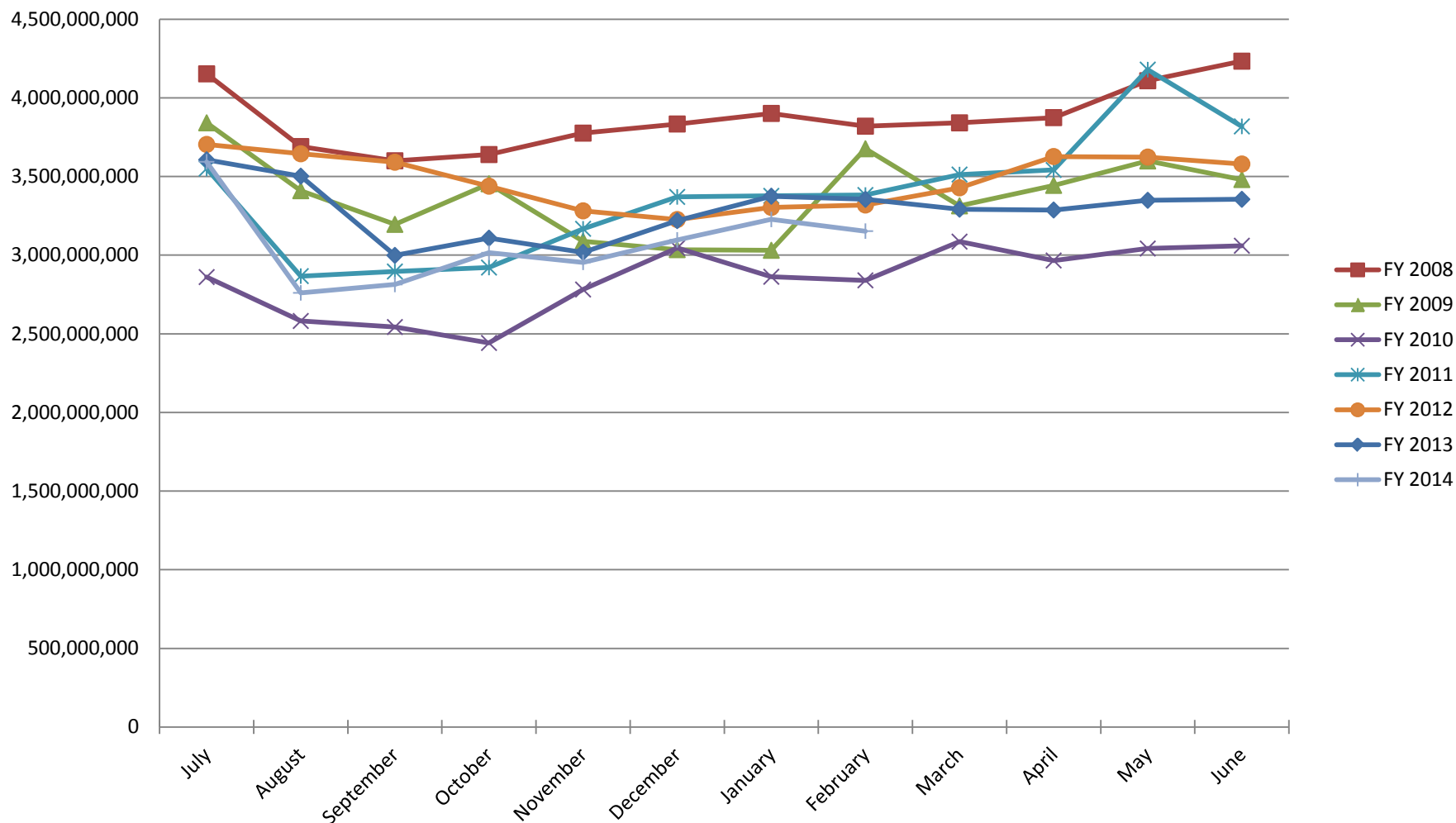
	<b>TYPE</b>	<b>MARKET VALUE</b>	<b>MARKET YIELD (%)</b>	<b>DURATION (Years)</b>	<b>PERCENT of TOTAL</b>
Treasuries					
	Bills	0.00	0.00	0.00	0%
	Treasury Notes	0.00	0.00	0.00	0%
	Sub-total	0.00	0.00	0.00	0%
Agencies					
	Notes	0.00	0.00	0.00	0%
	Discounts	0.00	0.00	0.00	0%
	Sub-total	0.00	0.00	0.00	0%
Corporates		0.00	0.00	0.00	0%
Municipals		0.00	0.00	0.00	0%
Mortgages	CMOs	0.00	0.00	0.00	0%
ABS		0.00	0.00	0.00	0%
Repurchase Agreements					
	Overnight	-222,119,892.08	0.06	0.00	100%
	< 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%
	Flex Repos	0.00	0.00	0.00	0%
	Sub-total	-222,119,892.08	0.06	0.00	100%
Money Market Securities					
	Commercial Paper	0.00	0.00	0.00	0%
	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%
<b>TOTALS</b>		<b>-222,119,892.08</b>	<b>0.06</b>	<b>0.00</b>	<b>100%</b>

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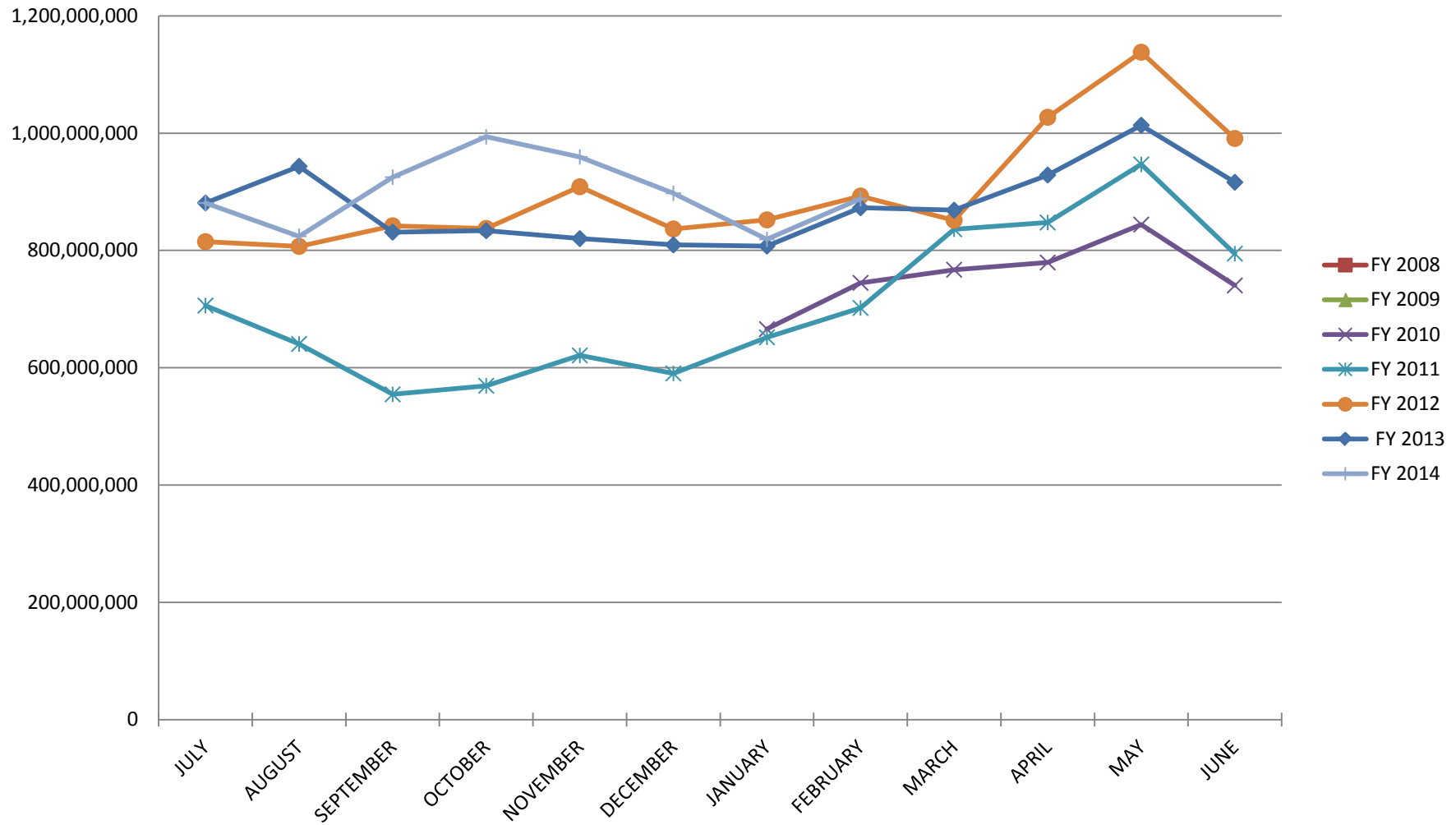
**PORTFOLIO SUMMARY  
INTERMEDIATE TERM POOL**

	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL
Treasuries					
	Bills	0.00	0.00	0.00	0%
	Treasury Notes	789,697,808.18	0.23	1.17	31%
	Sub-total	789,697,808.18	0.23	1.17	31%
Agencies					
	Notes	488,069,175.10	0.73	1.60	19%
	Discounts	2,198,539.35	0.88	0.33	0%
	Sub-total	490,267,714.45	0.73	1.59	19%
Municipals					
		52,203,095.20	0.90	0.79	2%
Corporates					
		231,677,831.43	0.91	2.21	9%
Mortgages					
	Pools	163,273,080.94	1.27	0.38	7%
	CMO's	209,090,794.12	1.29	2.31	8%
	Sub-total	372,363,875.06	1.28	1.46	15%
Asset Backed Securities					
		101,112,998.54	0.45	1.35	4%
Repurchase Agreements					
	Overnight	431,235,231.91	0.06	0.00	17%
	< 30 days	12,000,507.00	0.06	0.08	1%
	< 60 days	0.00	0.00	0.00	0%
	< 90 days	0.00	0.00	0.00	0%
	< 1 year	1,501,076.25	0.41	0.08	0%
	Flex Repos	0.00	0.00	0.00	0%
	Sub-total	444,736,815.16	0.06	0.00	18%
Money Market Securities					
	Commercial Paper	22,497,000.08	0.14	0.09	1%
	Money Mkt Fund	0.00	0.00	0.00	0%
	Certificates of Deposit	35,008,307.08	0.13	0.03	1%
	Sub-total	57,505,307.16	0.14	0.05	2%
Derivatives					
	Swaps	0.00	0.00	0.00	0%
	OTC Options	0.00	0.00	0.00	0%
	Sub-total	0.00	0.00	0.00	0%
<b>TOTALS</b>					
		2,539,565,445.18	0.53	1.16	100%

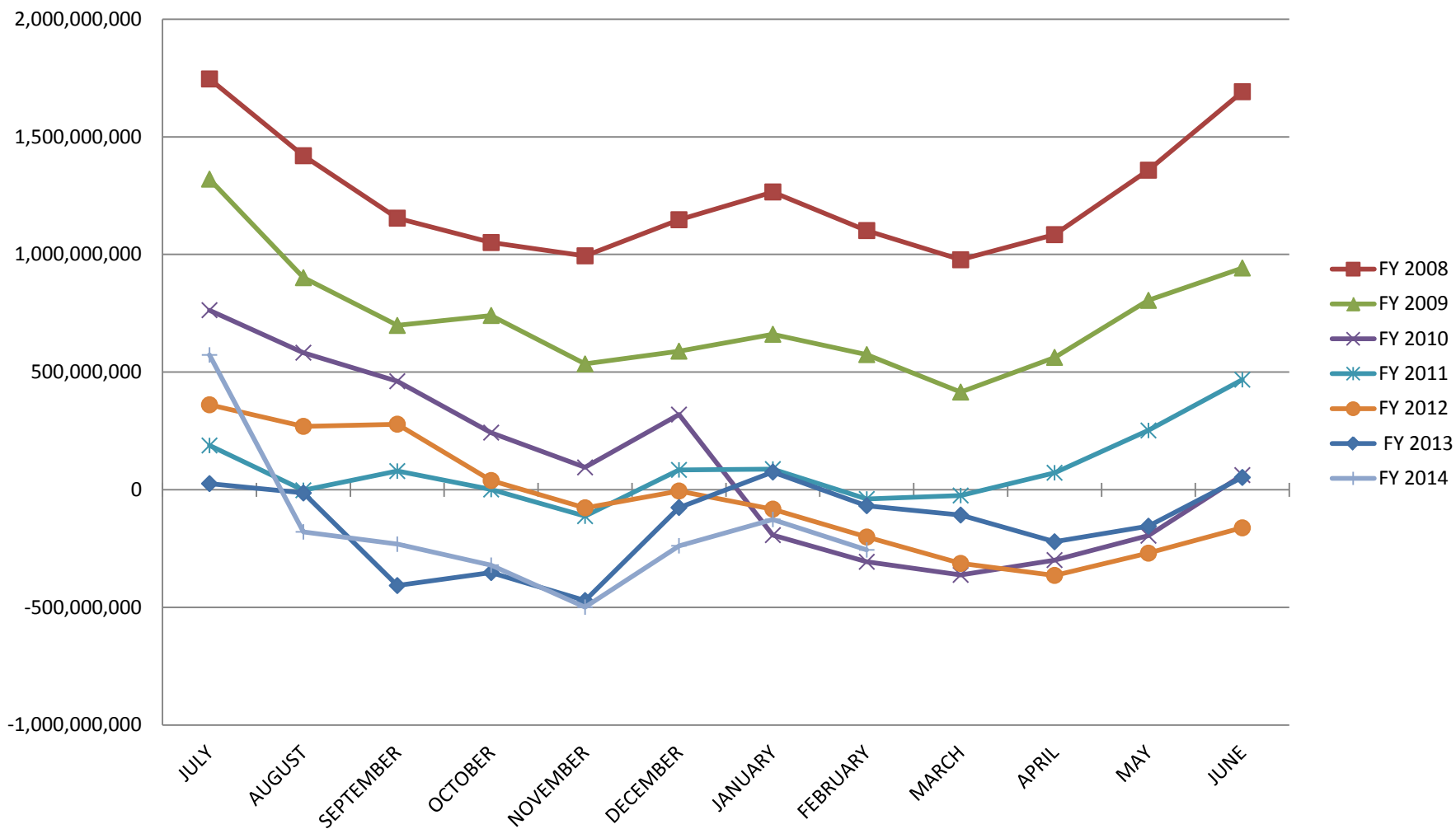
# INVESTABLE BALANCES



## LIMITED POOL INVESTABLE BALANCES

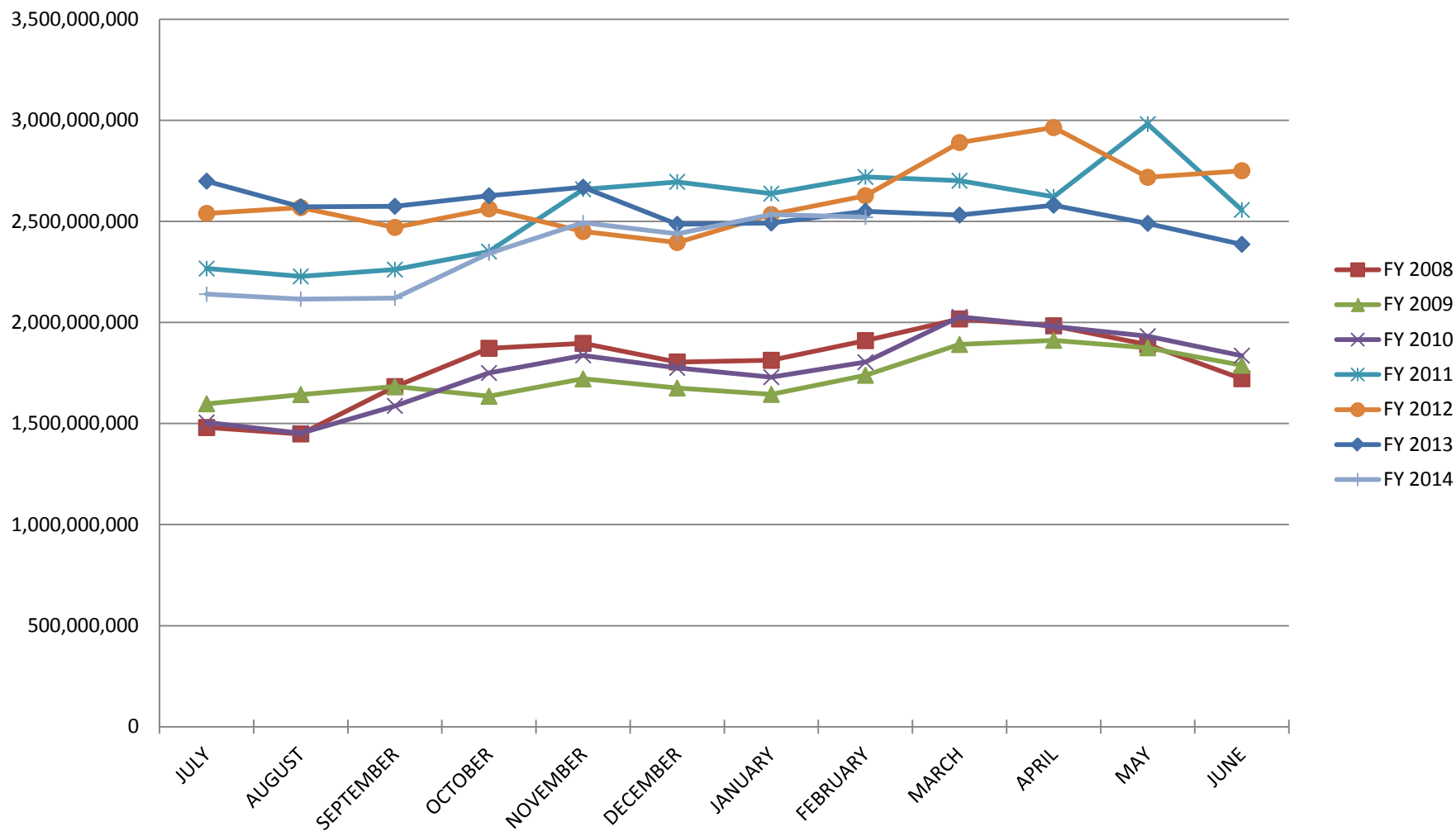


## SHORT TERM POOL INVESTABLE BALANCES

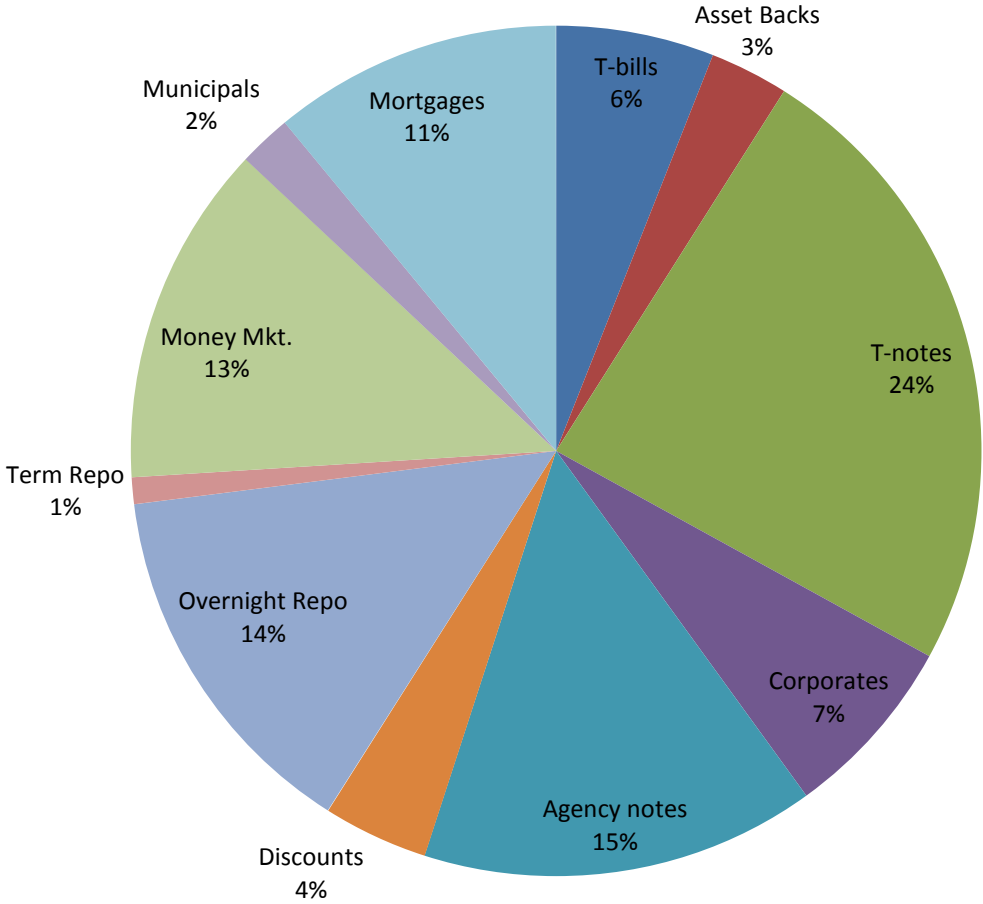




## INTERMEDIATE INVESTABLE BALANCES



# Distribution of Investments for February

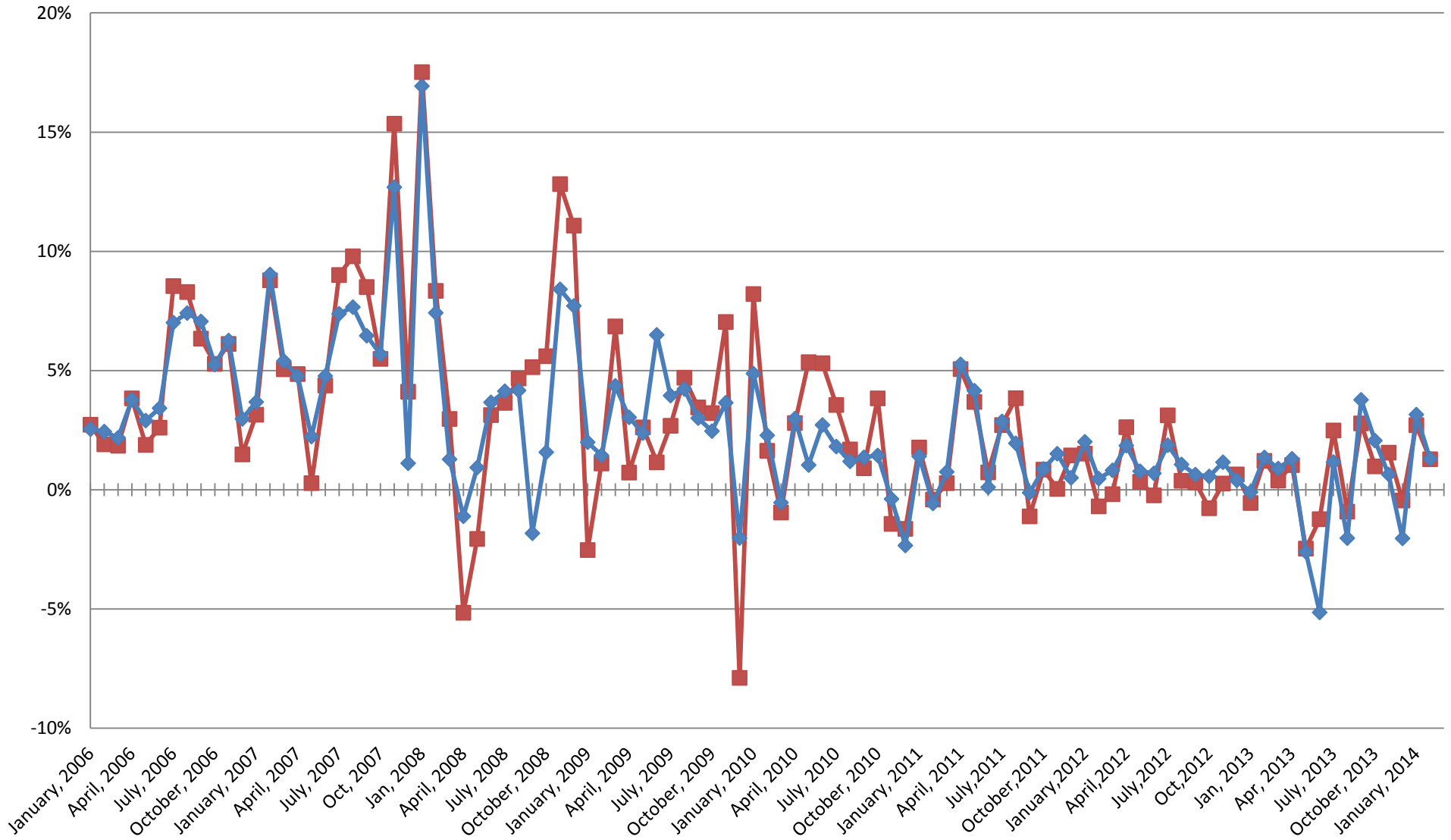


**LIMITS**

- Corporates 25%
- Mortgages 25%
- Asset Backs 20%
- Money Mkt. 35%

# INTERMEDIATE POOL ANNUALIZED YIELD

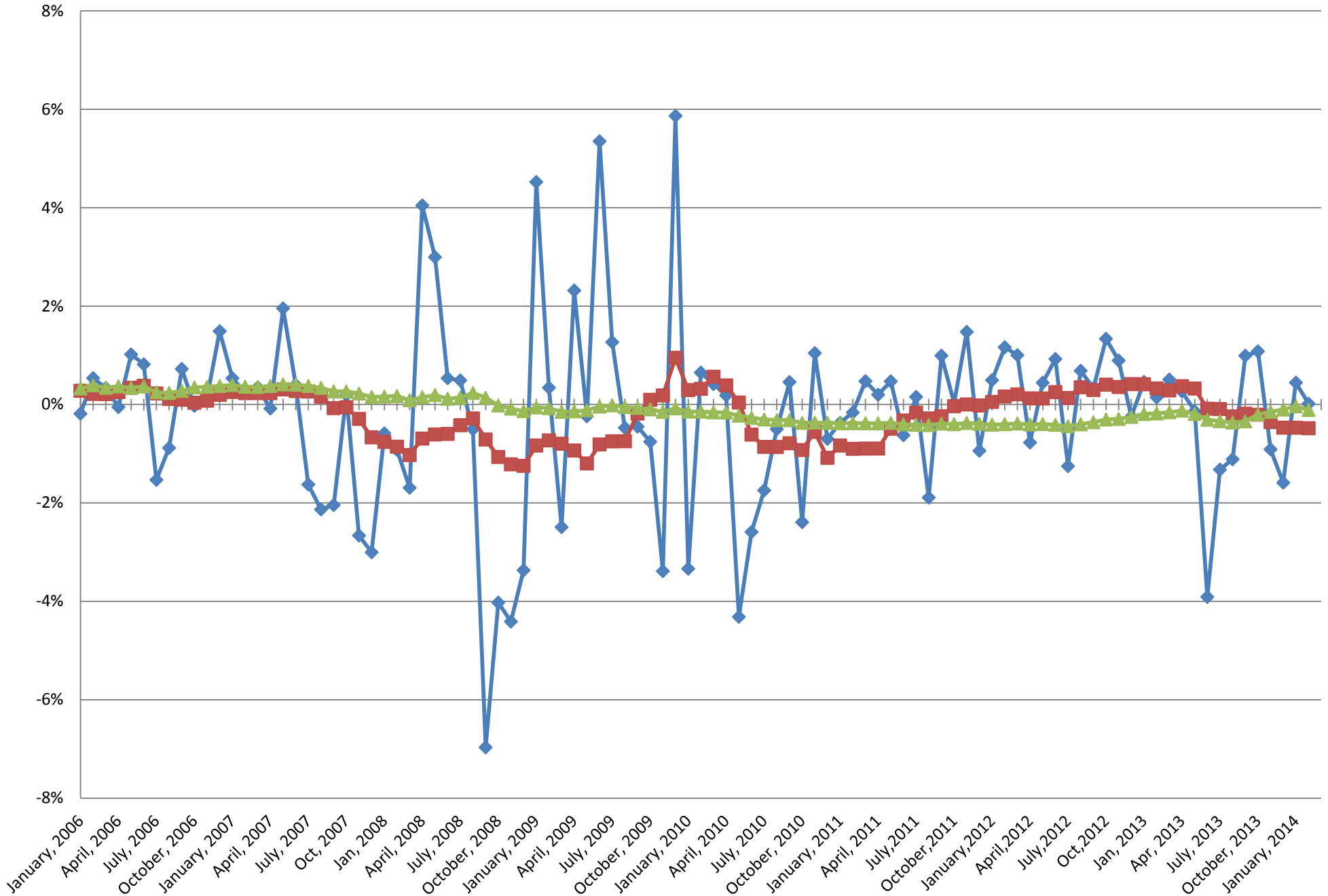
Index  
Pools



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

# INTERMEDIATE POOL ANNUALIZED YIELD DIFFERENCE

- Difference
- 12 Month Geometric Average
- 5 Year Geometric Average



### PERFORMANCE RESULTS JULY 1995 THROUGH FEBRUARY 2014

	Intermediate Pool	Benchmark*	Difference (pp)
1 Month	0.107%	0.106%	0.001
3 Month	0.194%	0.291%	-0.097
FYTD	0.653%	0.861%	-0.207
1 Year	0.172%	0.665%	-0.493
3 Year	0.922%	0.920%	0.003
5 Year	1.356%	1.446%	-0.090
10 Year	2.482%	2.559%	-0.076
Since Inception	3.867%	3.876%	-0.009

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\*Benchmark consists of 70% Government 1-3 year, 15% Mortgage 0-3 and 15% money market.

### PERFORMANCE RESULTS JULY 2011 THROUGH FEBRUARY 2014

	Limited Term Pool	Benchmark*	Difference (pp)
1 Month	0.008%	0.004%	0.004
3 Month	0.023%	0.012%	0.011
FYTD	0.063%	0.033%	0.029
1 Year	0.109%	0.054%	0.055
Since Inception	0.143%	0.077%	0.067

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\*Benchmark is S&P Local Government Investment Pool