September 2014

MONTHLY INVESTMENT INCOME REPORT

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

9/30/2014

PORTFOLIO SUMMARY
POOLS*

	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL	STATUTORY LIMIT
Treasuries						
	Bills	99,995,854.00	0.01	0.14	3%	
	Treasury Notes	1,069,533,249.68	0.25	1.01	33%	
Sub-total		1,169,529,103.68	0.23	0.94	36%	
Agencies	Notes	212,008,530.74	0.77	1.50	7%	
	Discounts	0.00	0.00	0.00	0%	
Sub-total		212,008,530.74	0.77	1.50	7%	
Municipals		39,001,439.32	0.86	0.71	1%	
Corporates		200,261,003.00	1.06	1.93	6%	25%
Mortgages	Pools	210,130,383.41	1.19	0.76	6%	
	CMO's	181,226,377.38	1.38	2.16	6%	
Sub-total		391,356,760.79	1.28	1.41	12%	25%
Asset Backed Securities		157,655,292.36	0.44	0.58	5%	20%
Repurchase Agreements						
	Overnight	146,000,000.01	0.00	0.00	5%	
	< 30 days	112,001,867.20	0.04	0.02	3%	
	< 60 days	6,900,000.00	0.06	0.08	1%	
	< 90 days	0.00	0.00	0.00	0%	
	< 1 year	1,500,014.58	0.00	0.00	0%	
	Flex Repos	0.00	0.00	0.00	0%	
Sub-total		266,401,881.79	0.02	0.01	9%	
Money Market Securities						
	Commercial Paper	183,915,114.80	0.17	0.19	6%	A1-P1
	Money Mkt Fund	400,000,000.00	0.05	0.00	12%	
	Certificates of Deposit	190,077,145.67	0.22	0.36	6%	
Sub-total		773,992,260.47	0.12	0.13	24%	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%	
TOTALS		3,210,206,272.15	0.42	0.80	100%	

* Excludes Bridges Pool

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PORTFOLIO SUMMARY
LIMITED TERM POOL

	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL
Treasuries					
	Bills	99,995,854.00	0.01	0.14	8%
	Treasury Notes	101,647,656.39	0.16	0.11	9%
Sub-total		201,643,510.39	0.09	0.12	17%
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		10,243,549.67	0.45	0.17	1%
Municipals		0.00	0.00	0.00	0%
Mortgages	CMOs	0.00	0.00	0.00	0%
ABS		21,645,989.95	0.19	0.16	2%
Repurchase Agreements					
	Overnight	360,493,246.06	0.00	0.00	30%
	< 30 days	100,001,000.00	0.04	0.01	8%
	< 60 days	6,900,000.00	0.06	0.08	1%
	< 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		467,394,246.06	0.01	0.00	39%
Money Market Securities					
	Commercial Paper	158,915,531.55	0.18	0.22	13%
	Money Mkt Fund	230,000,000.00	0.05	0.00	19%
	Certificates of Deposit	107,507,468.13	0.15	0.25	9%
Sub-total		496,422,999.68	0.11	0.12	41%
TOTALS		1,197,350,295.75	0.07	0.08	100%

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PORTFOLIO SUMMARY
SHORT TERM POOL

	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL
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	-302,489,512.35	0.00	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		-302,489,512.35	0.00	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%
TOTALS		-302,489,512.35	0.00	0.00	100%

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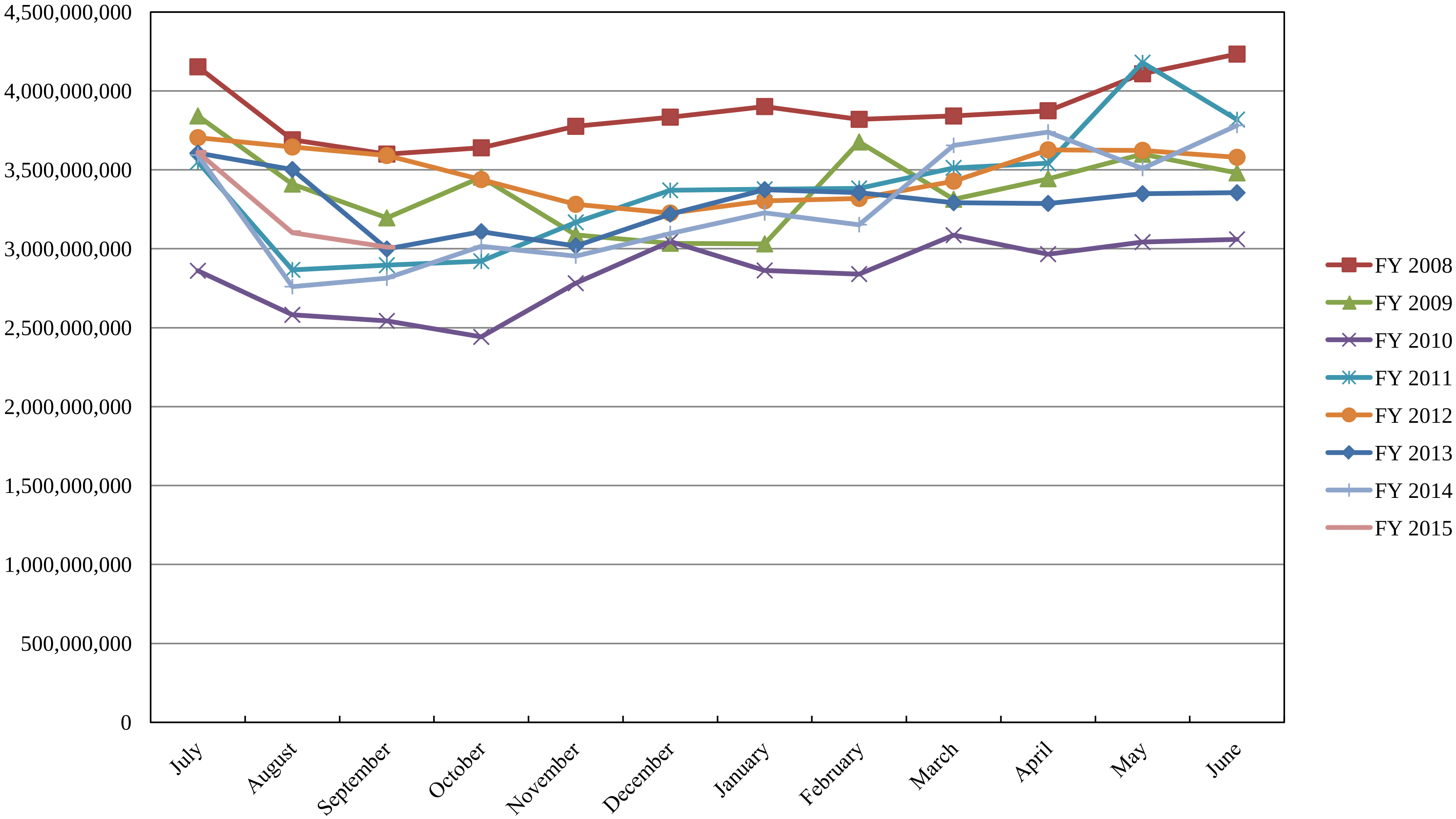
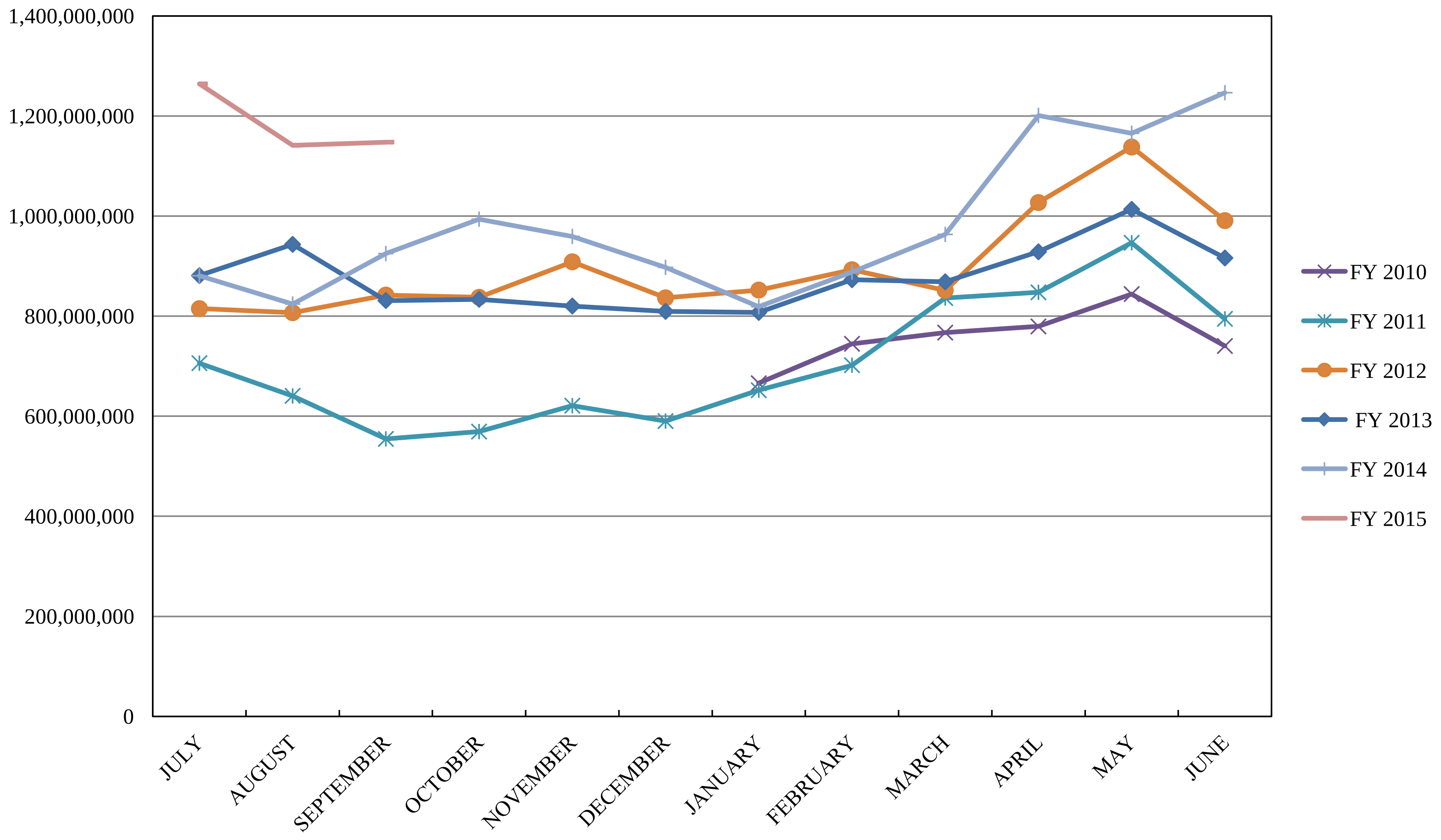
PORTFOLIO SUMMARY
INTERMEDIATE TERM POOL

	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL
Treasuries					
	Bills	0.00	0.00	0.00	0%
	Treasury Notes	967,885,593.29	0.26	1.11	42%
Sub-total		967,885,593.29	0.26	1.11	42%
Agencies	Notes	212,008,530.74	0.77	1.50	9%
	Discounts	0.00	0.00	0.00	0%
Sub-total		212,008,530.74	0.77	1.50	9%
Municipals		39,001,439.32	0.86	0.71	2%
Corporates		190,017,453.33	1.09	2.02	8%
Mortgages	Pools	210,130,383.41	1.19	0.76	9%
	CMO's	181,226,377.38	1.38	2.16	8%
Sub-total		391,356,760.79	1.28	1.41	17%
Asset Backed Securities		136,009,302.41	0.47	0.65	6%
Repurchase Agreements					
	Overnight	87,996,266.30	0.00	0.00	4%
	< 30 days	12,000,867.20	0.06	0.08	0%
	< 60 days	0.00	0.00	0.00	0%
	< 90 days	0.00	0.00	0.00	0%
	< 1 year	1,500,014.58	0.35	0.75	0%
	Flex Repos	0.00	0.00	0.00	0%
Sub-total		101,497,148.08	0.01	0.02	4%
Money Market Securities					
	Commercial Paper	24,999,583.25	0.12	0.02	1%
	Money Mkt Fund	170,000,000.00	0.05	0.00	7%
	Certificates of Deposit	82,569,677.54	0.31	0.50	4%
Sub-total		277,569,260.79	0.13	0.15	12%
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%
TOTALS		2,315,345,488.75	0.54	1.07	100%

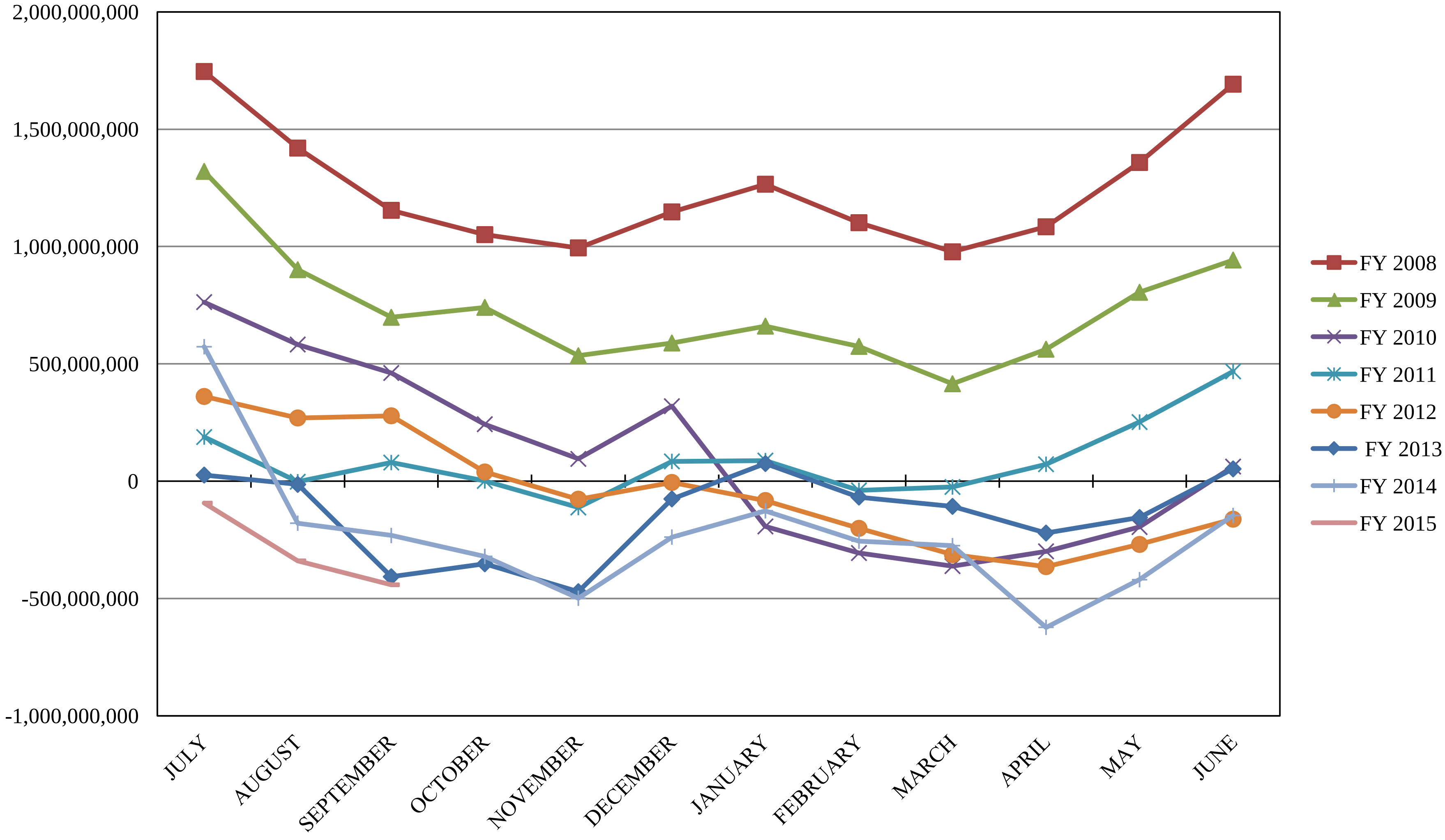
INVESTABLE BALANCES



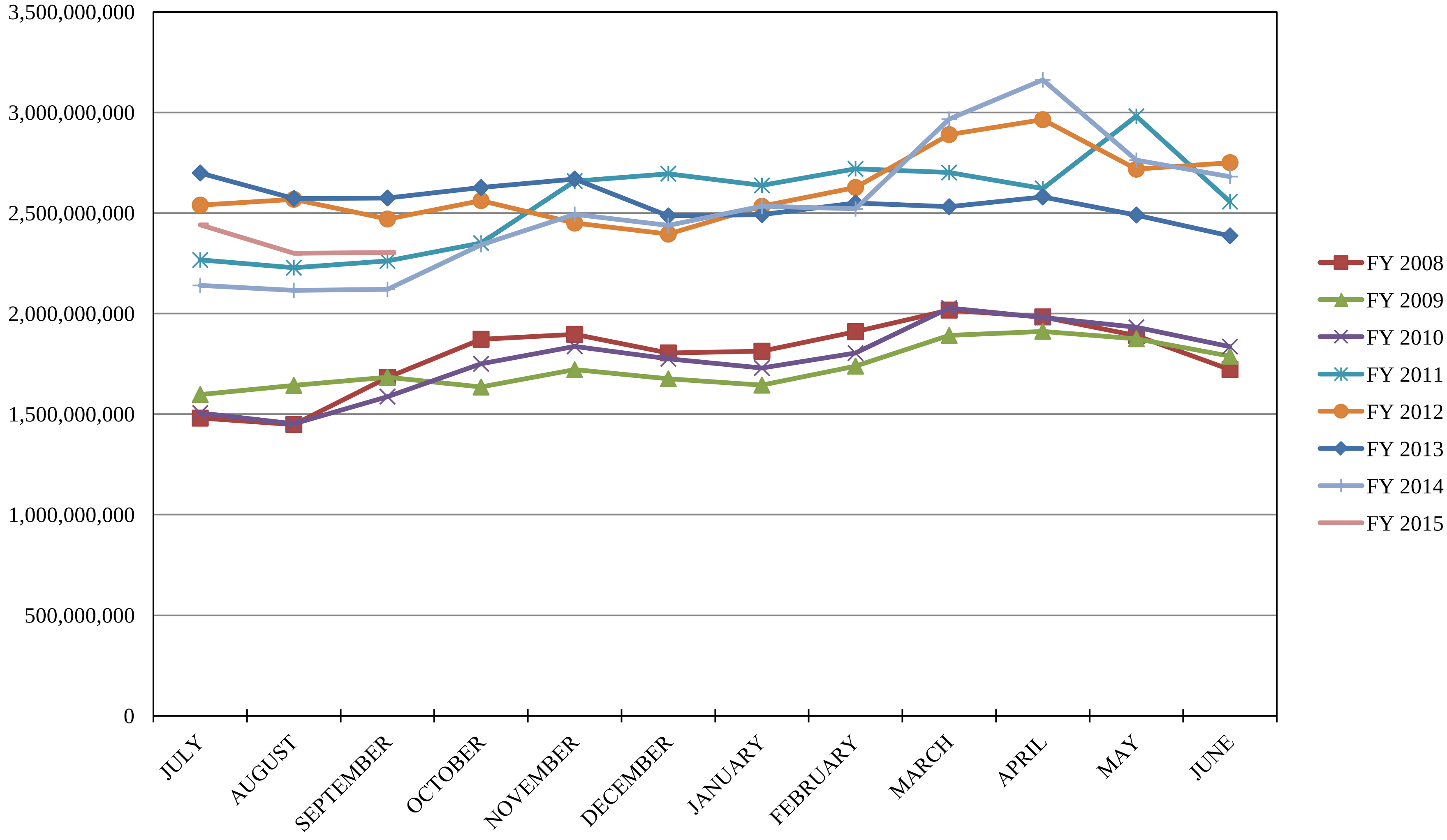
LIMITED POOL
INVESTABLE BALANCES



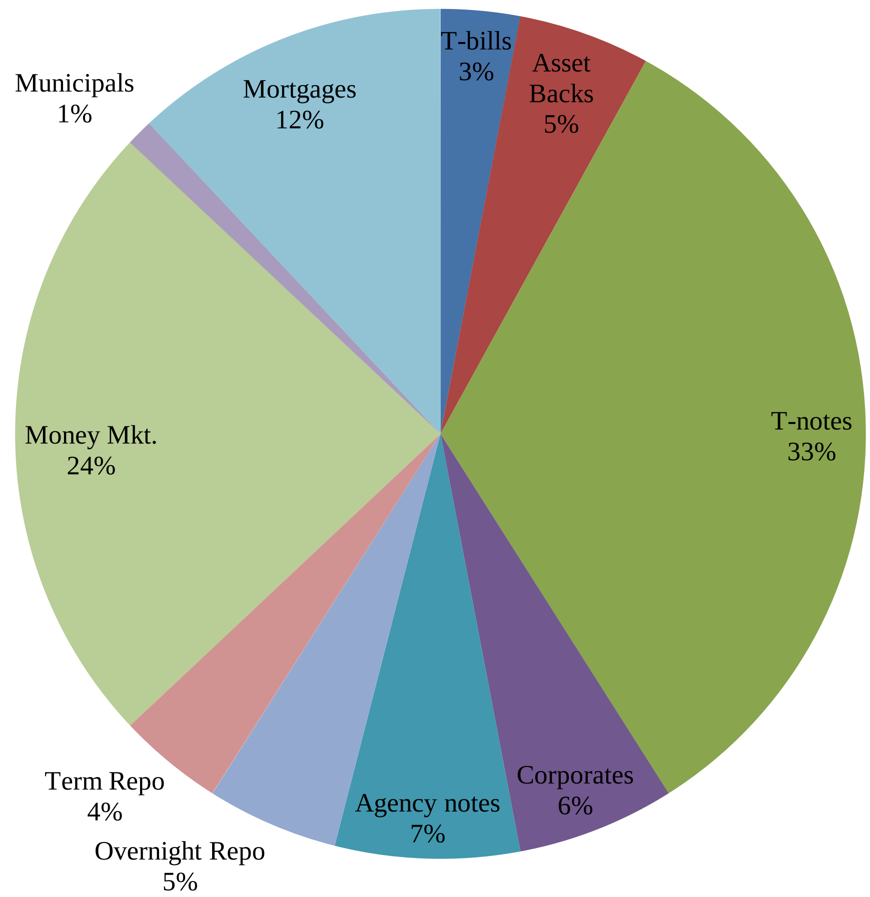
SHORT TERM POOL
INVESTABLE BALANCES



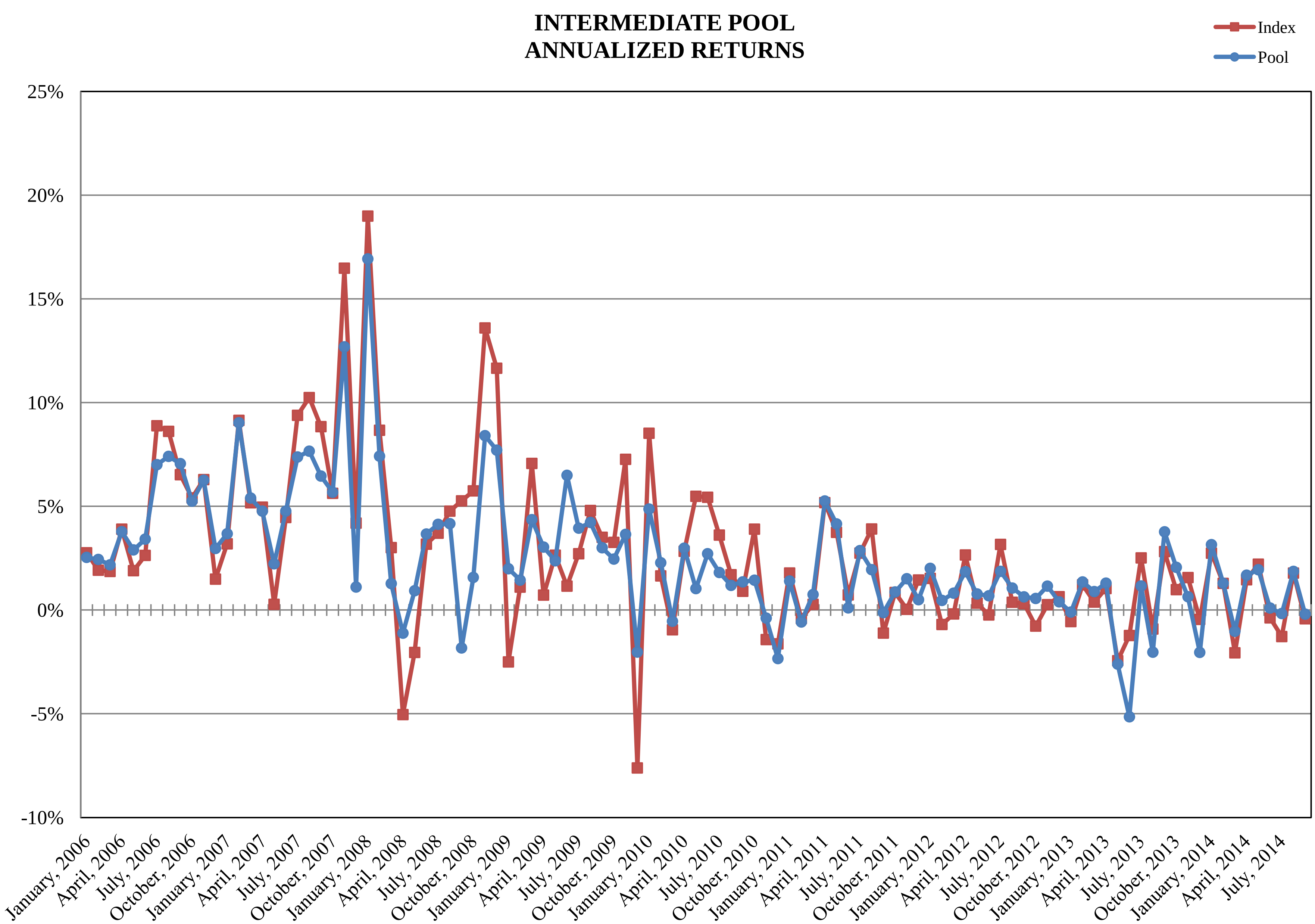
INTERMEDIATE
INVESTABLE BALANCES



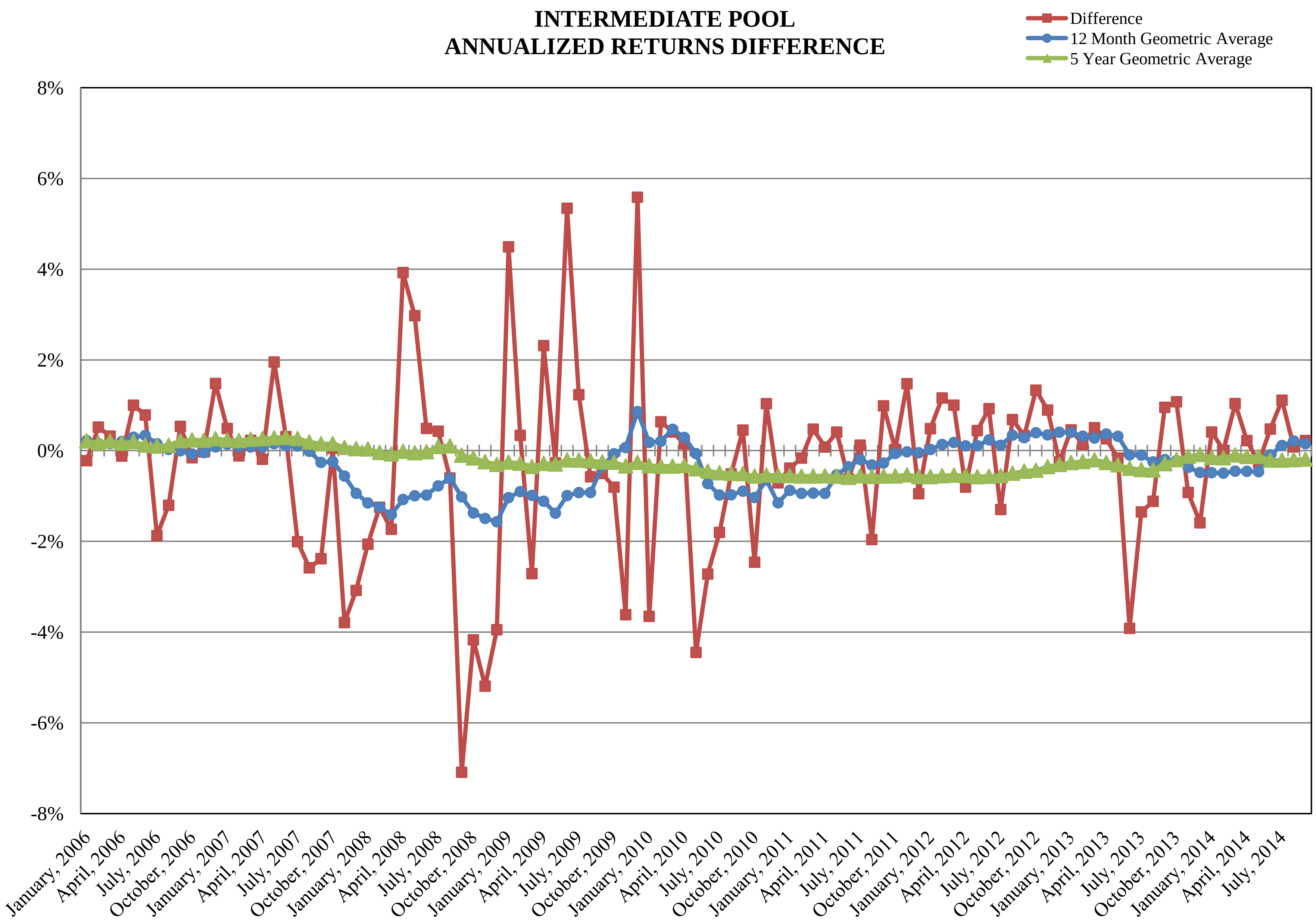
Distribution of Investments for September



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



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


INTERMEDIATE POOL
ANNUALIZED RETURNS DIFFERENCE
Difference
12 Month Geometric Average
5 Year Geometric Average
8%
6%
4%
2%
0%
-2%
-4%
-6%
-8%
January, 2006
April, 2006
July, 2006
October, 2006
January, 2007
April, 2007
July, 2007
October, 2007
January, 2008
April, 2008
July, 2008
October, 2008
January, 2009
April, 2009
July, 2009
October, 2009
January, 2010
April, 2010
July, 2010
October, 2010
January, 2011
April, 2011
July, 2011
October, 2011
January, 2012
April, 2012
July, 2012
October, 2012
January, 2013
April, 2013
July, 2013
October, 2013
January, 2014
April, 2014
July, 2014

PERFORMANCE RESULTS JULY 1995 THROUGH SEPTEMBER 2014

	Intermediate Pool	Benchmark*	Difference (pp)
1 Month	-0.017%	-0.035%	0.019
3 Month	0.124%	0.005%	0.119
FYTD	-0.014%	-0.107%	0.093
1 Year	0.766%	0.610%	0.155
3 Year	0.628%	0.546%	0.082
5 Year	0.973%	1.133%	-0.160
10 Year	2.452%	2.625%	-0.173
Since Inception	3.767%	3.804%	-0.037

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

PERFORMANCE RESULTS JULY 2011 THROUGH SEPTEMBER 2014

	Limited Term Pool	Benchmark*	Difference (pp)
1 Month	0.006%	0.004%	0.002
3 Month	0.015%	0.013%	0.002
FYTD	0.009%	0.009%	0.000
1 Year	0.076%	0.051%	0.026
Since Inception	0.130%	0.072%	0.058

*Benchmark is S&P Local Government Investment Pool