



October 2016  
**MONTHLY**  
**INVESTMENT INCOME REPORT**



Commonwealth of Kentucky  
William M. Landrum III, Secretary  
FINANCE AND ADMINISTRATION CABINET



10/31/2016

**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>
<b>Government</b>						
	Bills	49,925,504.00	0.47	0.31	1%	
	Treasury Notes	1,108,340,095.25	0.73	1.27	28%	
	Supranational	25,022,645.39	0.82	0.74	1%	
	Sovereign	9,956,455.56	1.20	2.82	0%	
	Sub-total	1,193,244,700.20	0.69	1.20	30%	
<b>Agencies</b>						
	Notes	160,505,044.03	0.64	0.66	4%	
	Discounts	49,912,611.00	0.44	0.39	1%	
	Sub-total	210,417,655.03	0.60	0.60	5%	
<b>Municipals</b>						
		36,782,347.61	0.99	0.75	1%	
<b>Corporates</b>						
		242,717,947.60	1.29	1.63	6%	35%
<b>Mortgages</b>						
	Pools	205,193,706.63	1.56	0.84	5%	
	CMO's	210,075,979.78	1.50	1.90	5%	
	Sub-total	415,269,686.41	1.53	1.38	11%	25%
<b>Asset Backed Securities</b>						
		39,977,121.54	0.89	0.44	1%	20%
<b>Repurchase Agreements</b>						
	Overnight	300,000,000.01	0.33	0.00	8%	
	< 30 days	208,684,201.54	0.51	0.03	5%	
	< 60 days	0.00	0.00	0.00	0%	
	< 90 days	0.00	0.00	0.00	0%	
	< 1 year	1,500,840.00	0.63	0.66	0%	
	Flex Repos	0.00	0.00	0.00	0%	
	Sub-total	510,185,041.55	0.40	0.01	13%	
<b>Money Market Securities</b>						
	Commercial Paper	244,765,051.40	0.72	0.12	6%	A1-P1
	Money Mkt Fund	935,070,000.00	0.54	0.06	24%	
	Certificates of Deposit	100,293,493.05	0.97	0.19	3%	
	Sub-total	1,280,128,544.45	0.61	0.08	33%	35%
<b>Derivatives</b>						
	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>3,928,723,044.39</b>	<b>0.75</b>	<b>0.68</b>	<b>100%</b>	

\* Excludes Bridges Pool

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**PORTFOLIO SUMMARY  
INTERMEDIATE TERM POOL**

	<b>TYPE</b>	<b>MARKET VALUE</b>	<b>MARKET YIELD (%)</b>	<b>DURATION (Years)</b>	<b>PERCENT of TOTAL</b>
Government					
	Bills	0.00	0.00	0.00	0%
	Treasury Notes	1,058,336,821.12	0.74	1.31	41%
	Supranational	25,022,645.39	0.82	0.74	1%
	Sovereign	9,956,455.56	1.20	2.82	0%
	Sub-total	1,093,315,922.07	0.71	1.27	42%
Agencies					
	Notes	160,505,044.03	0.64	0.66	6%
	Discounts	0.00	0.00	0.00	0%
	Sub-total	160,505,044.03	0.64	0.66	6%
Municipals		36,074,987.03	1.00	0.76	1%
Corporates		242,717,947.60	1.29	1.63	9%
Mortgages					
	Pools	205,193,706.63	1.56	0.84	8%
	CMO's	210,075,979.78	1.50	1.90	8%
	Sub-total	415,269,686.41	1.53	1.38	16%
Asset Backed Securities		39,977,121.54	0.89	0.44	2%
Repurchase Agreements					
	Overnight	105,867,849.38	0.33	0.00	4%
	< 30 days	93,498,709.46	0.62	0.06	4%
	< 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	199,366,558.84	0.46	0.03	8%
Money Market Securities					
	Commercial Paper	0.00	0.00	0.00	0%
	Money Mkt Fund	400,035,000.00	0.54	0.06	15%
	Certificates of Deposit	0.00	0.00	0.00	0%
	Sub-total	400,035,000.00	0.54	0.06	15%
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>2,587,262,267.52</b>	<b>0.85</b>	<b>0.98</b>	<b>100%</b>

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**PORTFOLIO SUMMARY  
LIMITED TERM POOL**

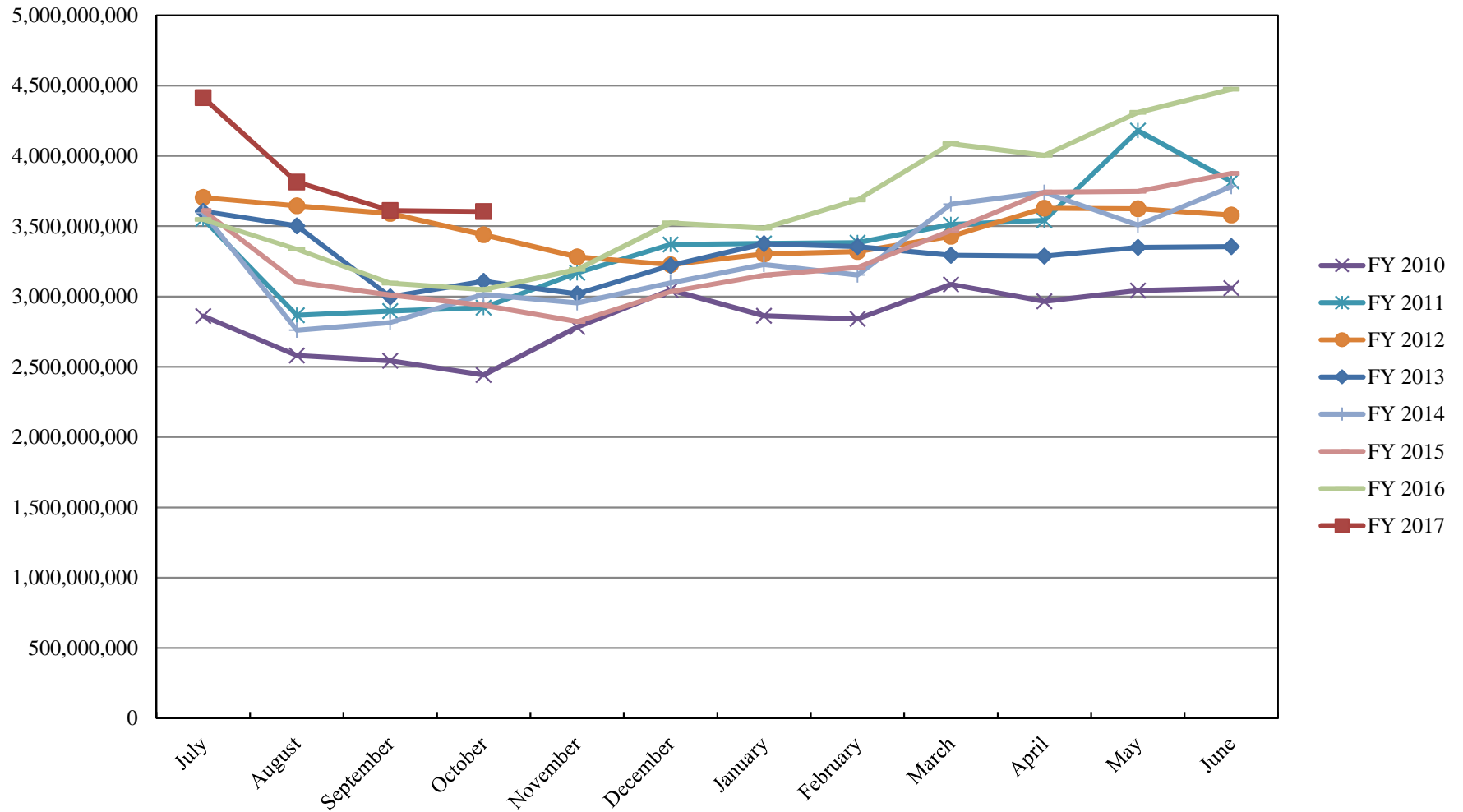
	<b>TYPE</b>	<b>MARKET VALUE</b>	<b>MARKET YIELD (%)</b>	<b>DURATION (Years)</b>	<b>PERCENT of TOTAL</b>
Government					
	Bills	49,925,504.00	0.47	0.31	3%
	Treasury Notes	50,003,274.13	0.49	0.49	3%
	Supranational	0.00	0.00	0.00	0%
	Sovereign	0.00	0.00	0.00	0%
	Sub-total	99,928,778.13	0.48	0.40	6%
Agencies					
	Notes	0.00	0.00	0.00	0%
	Discounts	49,912,611.00	0.44	0.39	3%
	Sub-total	49,912,611.00	0.44	0.39	3%
Corporates		0.00	0.00	0.00	0%
Municipals		707,360.58	0.47	0.49	0%
Mortgages	CMOs	0.00	0.00	0.00	0%
ABS		0.00	0.00	0.00	0%
Repurchase Agreements					
	Overnight	528,396,532.32	0.33	0.00	32%
	< 30 days	115,185,492.08	0.42	0.01	7%
	< 60 days	0.00	0.00	0.00	0%
	< 90 days	0.00	0.00	0.00	0%
	< 1 year	1,500,840.00	0.63	0.66	0%
	Flex Repos	0.00	0.00	0.00	0%
	Sub-total	645,082,864.40	0.35	0.00	38%
Money Market Securities					
	Commercial Paper	244,765,051.40	0.72	0.12	15%
	Money Mkt Fund	535,035,000.00	0.54	0.06	32%
	Certificates of Deposit	100,293,493.05	0.97	0.19	6%
	Sub-total	880,093,544.45	0.64	0.09	53%
<b>TOTALS</b>		1,675,725,158.56	0.51	0.08	100%

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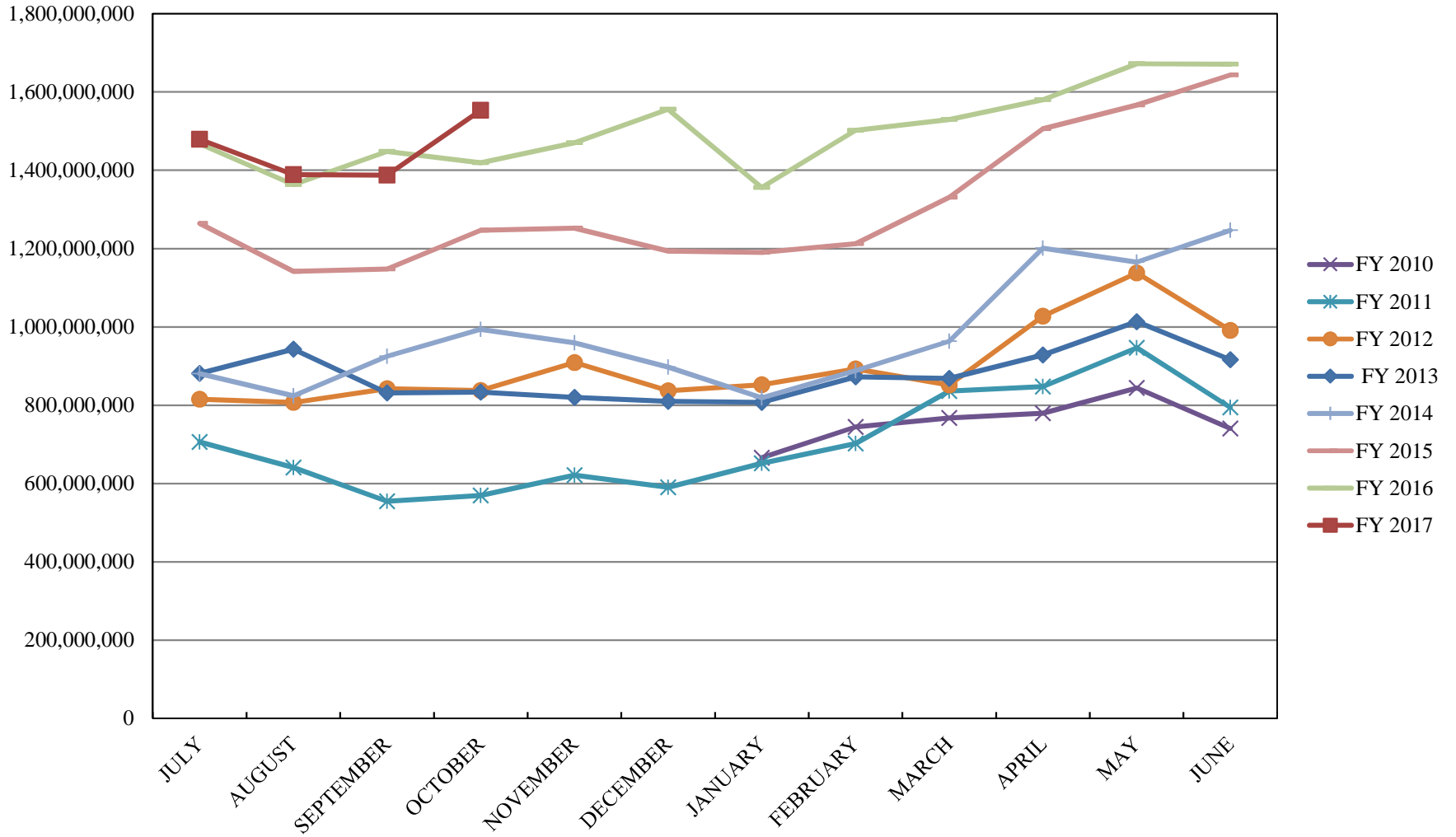
**PORTFOLIO SUMMARY  
SHORT TERM POOL**

	<b>TYPE</b>	<b>MARKET VALUE</b>	<b>MARKET YIELD (%)</b>	<b>DURATION (Years)</b>	<b>PERCENT of TOTAL</b>
Government					
	Bills	0.00	0.00	0.00	0%
	Treasury Notes	0.00	0.00	0.00	0%
	Supranational	0.00	0.00	0.00	0%
	Sovereign	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	-334,264,381.69	0.33	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	-334,264,381.69	0.33	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>-334,264,381.69</b>	<b>0.33</b>	<b>0.00</b>	<b>100%</b>

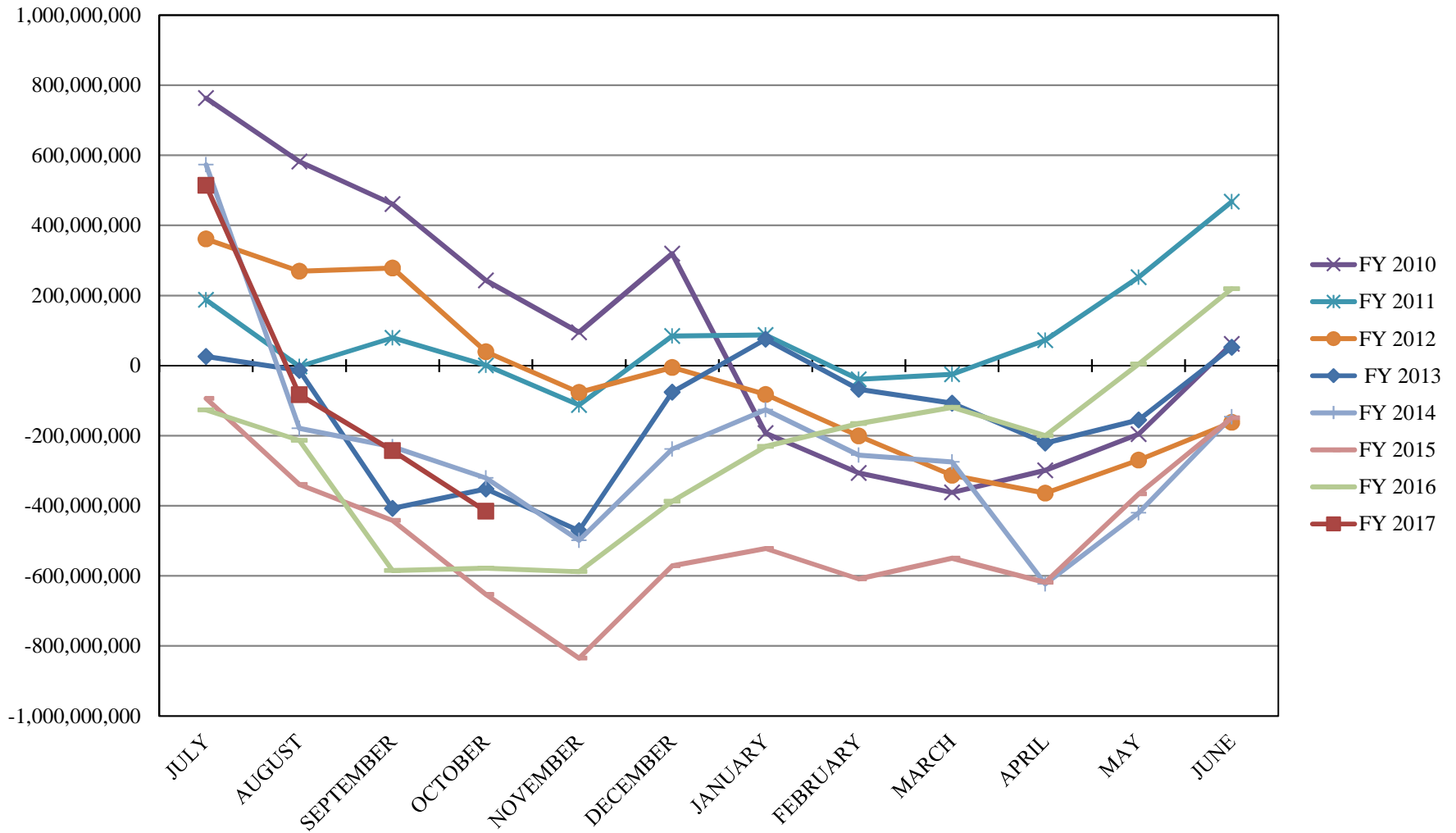
# INVESTABLE BALANCES



# LIMITED POOL INVESTABLE BALANCES

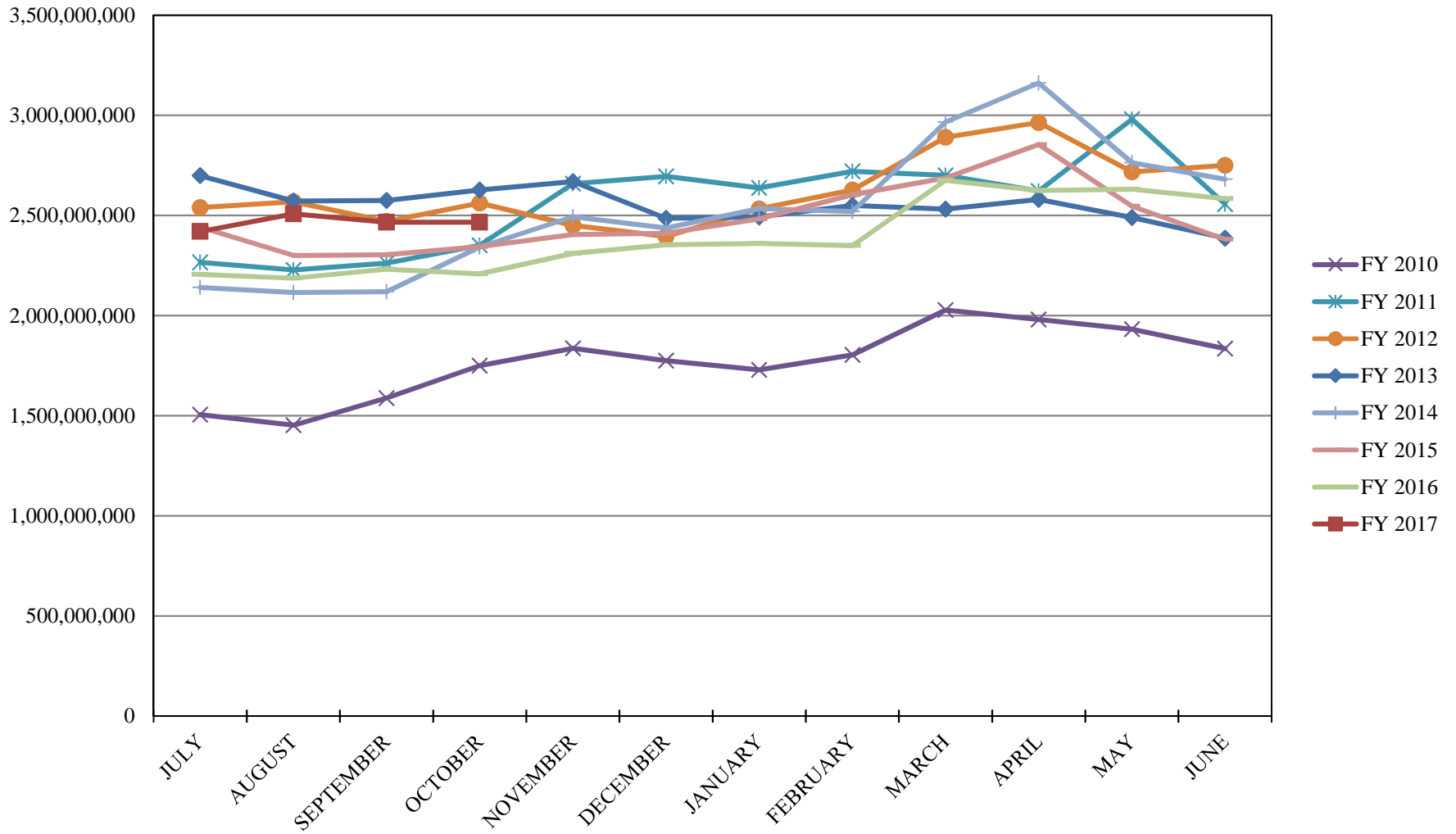


# SHORT TERM POOL INVESTABLE BALANCES

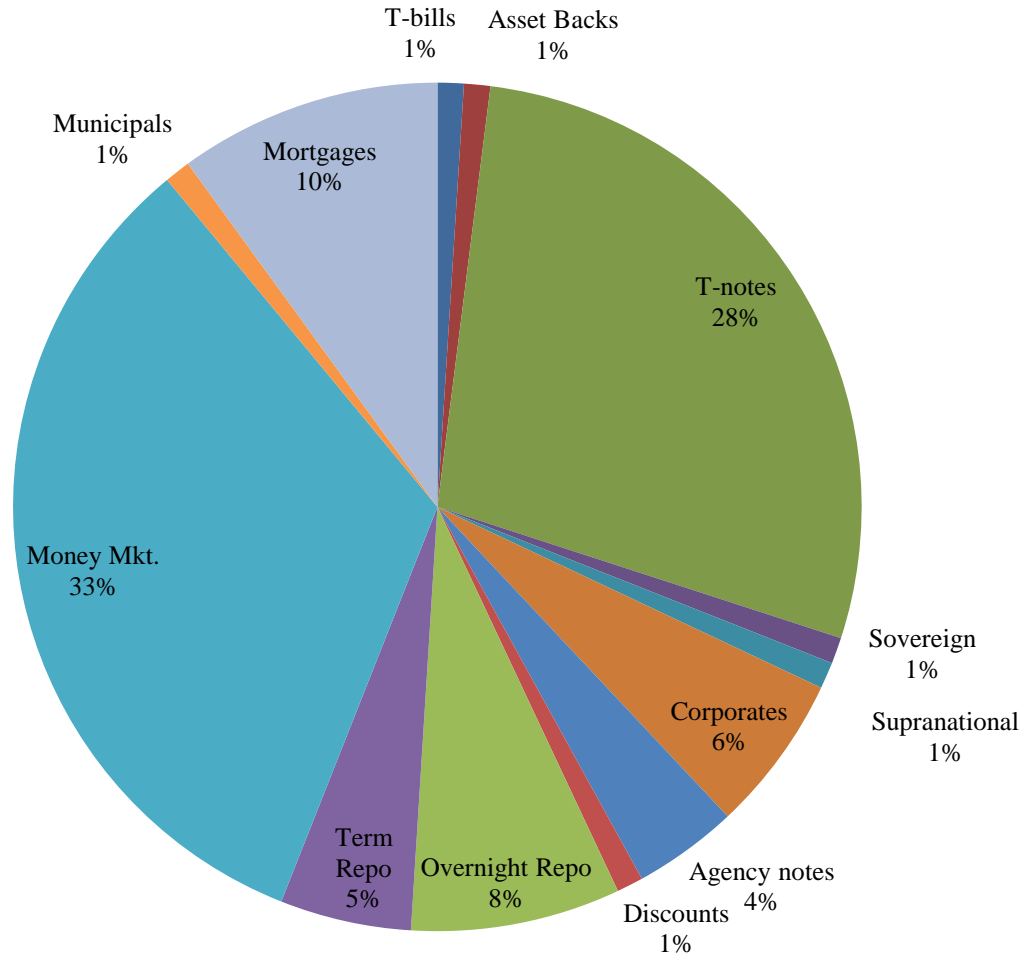




# INTERMEDIATE INVESTABLE BALANCES



# Distribution of Investments for October

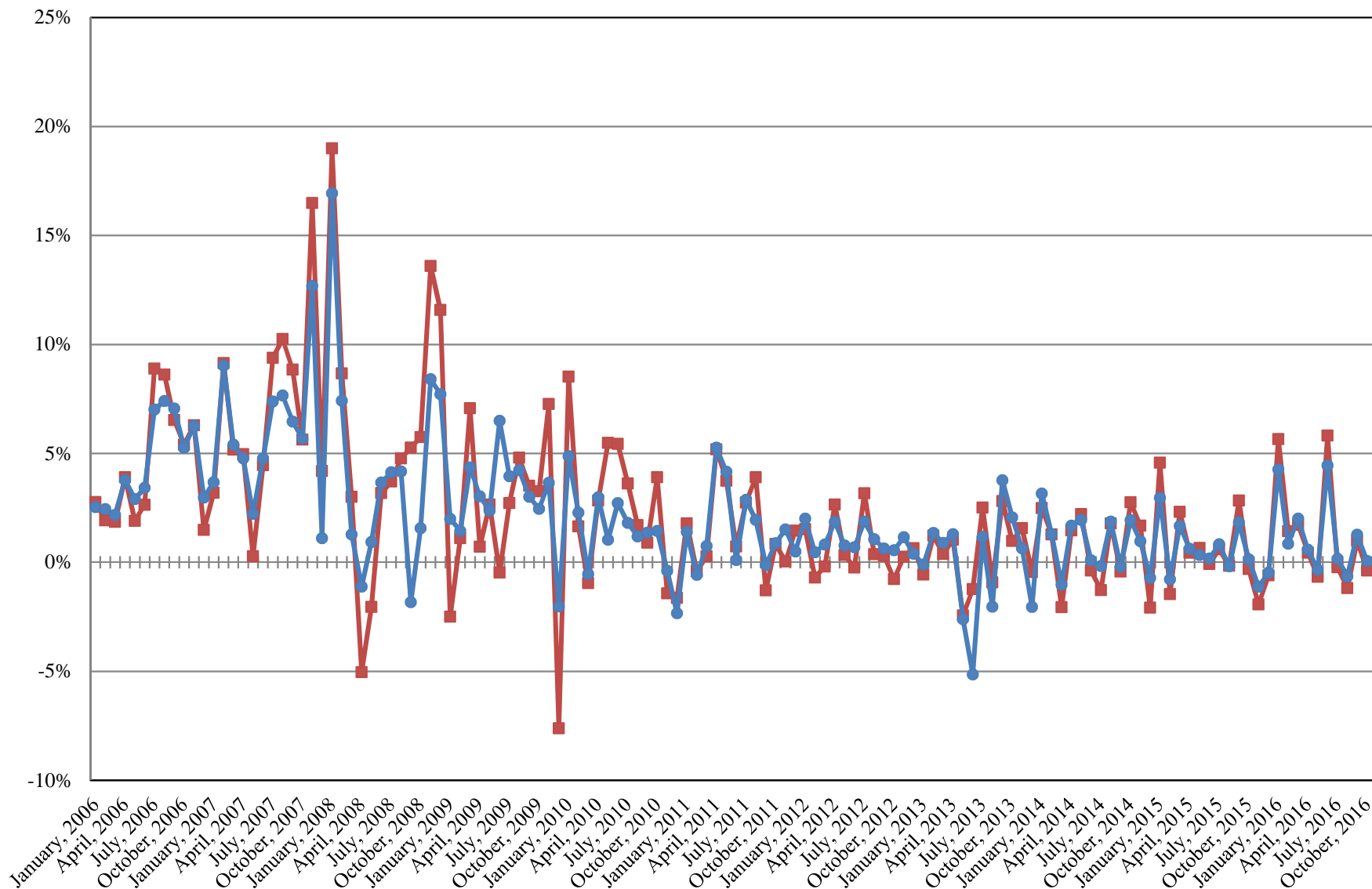


## LIMITS

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

## INTERMEDIATE POOL ANNUALIZED RETURNS

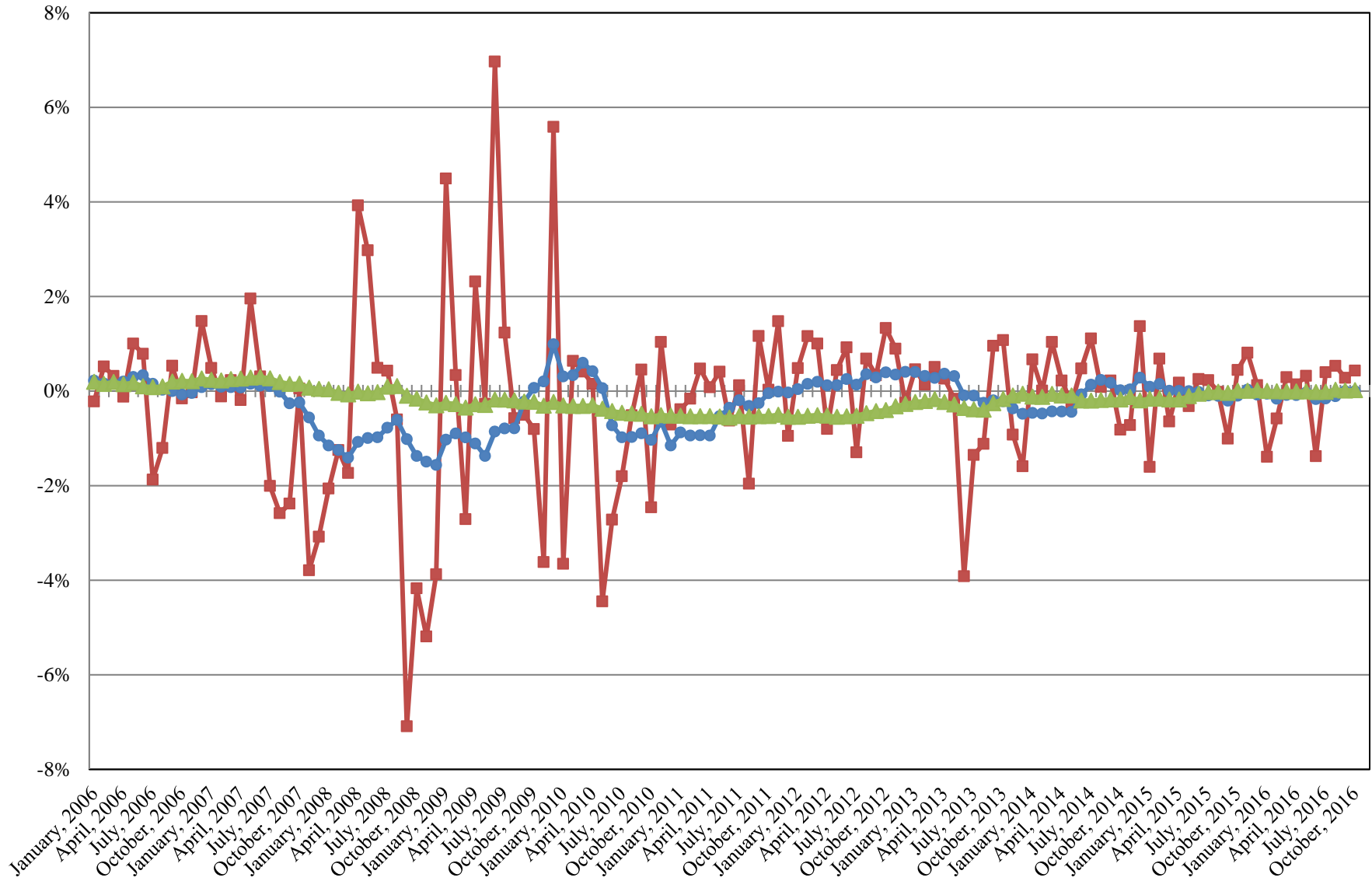
Index  
Pool



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



### PERFORMANCE RESULTS JULY 1995 THROUGH OCTOBER 2016

	Intermediate Pool		Benchmark*		Annualized Difference (pp)
	Period Return	Annualized	Period Return	Annualized	
1 Month	0.005%	0.060%	-0.031%	-0.373%	0.4325
3 Month	0.056%	0.223%	-0.048%	-0.193%	0.4157
FYTD	0.070%	0.210%	-0.067%	-0.201%	0.4108
1 Year		0.907%		0.896%	0.0106
3 Year		0.771%		0.789%	-0.0186
5 Year		0.705%		0.681%	0.0243
10 Year		1.995%		2.206%	-0.2101
Since Inception		3.476%		3.619%	-0.1434

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

### PERFORMANCE RESULTS JULY 2011 THROUGH OCTOBER 2016

	Limited Term Pool		Benchmark*		Annualized Difference (pp)
	Period Return	Annualized	Period Return	Annualized	
1 Month	0.040%	0.476%	0.042%	0.502%	-0.0255
3 Month	0.109%	0.436%	0.115%	0.461%	-0.0258
FYTD	0.146%	0.440%	0.150%	0.449%	-0.0094
1 Year		0.351%		0.340%	0.0113
3 Year		0.172%		0.152%	0.0199
Since Inception		0.163%		0.121%	0.0424

\*Benchmark is S&P Local Government Investment Pool