



December 2014  
**MONTHLY**  
**INVESTMENT INCOME REPORT**



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



12/31/2014

**PORTFOLIO SUMMARY**  
**POOLS\***

	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL	STATUTORY LIMIT
Treasuries						
	Bills	99,999,698.00	0.00	0.02	3%	
	Treasury Notes	864,257,884.03	0.38	1.08	28%	
	Sub-total	964,257,582.03	0.34	0.97	31%	
Agencies						
	Notes	294,739,307.09	0.68	1.29	9%	
	Discounts	169,985,237.60	0.00	0.00	6%	
	Sub-total	464,724,544.69	0.46	0.85	15%	
Municipals						
		34,912,111.93	0.78	1.45	1%	
Corporates						
		186,613,608.20	1.09	1.81	6%	25%
Mortgages						
	Pools	200,574,707.97	1.07	0.63	6%	
	CMO's	183,326,887.19	1.33	2.22	6%	
	Sub-total	383,901,595.16	1.20	1.39	12%	25%
Asset Backed Securities						
		129,583,395.67	0.73	0.74	4%	20%
Repurchase Agreements						
	Overnight	238,003,702.77	0.11	0.00	8%	
	< 30 days	26,900,887.04	0.23	0.06	1%	
	< 60 days	5,100,173.54	0.00	0.00	0%	
	< 90 days	0.00	0.00	0.00	0%	
	< 1 year	1,500,087.50	0.00	0.00	0%	
	Flex Repos	0.00	0.00	0.00	0%	
	Sub-total	271,504,850.85	0.13	0.01	9%	
Money Market Securities						
	Commercial Paper	344,938,198.30	0.12	0.11	11%	A1-P1
	Money Mkt Fund	150,000,000.00	0.07	0.01	5%	
	Certificates of Deposit	185,067,176.56	0.24	0.29	6%	
	Sub-total	680,005,374.86	0.14	0.14	22%	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>						
		3,115,503,063.39	0.47	0.79	100%	

\* Excludes Bridges Pool

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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>
Treasuries					
	Bills	99,999,698.00	0.00	0.02	8%
	Treasury Notes	0.00	0.00	0.00	0%
	Sub-total	99,999,698.00	0.00	0.02	8%
Agencies					
	Notes	0.00	0.00	0.00	0%
	Discounts	169,985,237.60	0.06	0.10	14%
	Sub-total	169,985,237.60	0.00	0.00	14%
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		13,952,555.10	0.19	0.17	1%
Repurchase Agreements					
	Overnight	459,971,097.62	0.11	0.00	39%
	< 30 days	26,900,887.04	0.23	0.06	2%
	< 60 days	5,100,173.54	0.24	0.10	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	491,972,158.20	0.12	0.00	42%
Money Market Securities					
	Commercial Paper	199,957,635.50	0.14	0.12	17%
	Money Mkt Fund	100,000,000.00	0.07	0.01	9%
	Certificates of Deposit	110,033,805.90	0.17	0.14	9%
	Sub-total	409,991,441.40	0.13	0.10	35%
<b>TOTALS</b>		<b>1,185,901,090.30</b>	<b>0.11</b>	<b>0.06</b>	<b>100%</b>

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**PORTFOLIO SUMMARY  
SHORT TERM POOL**

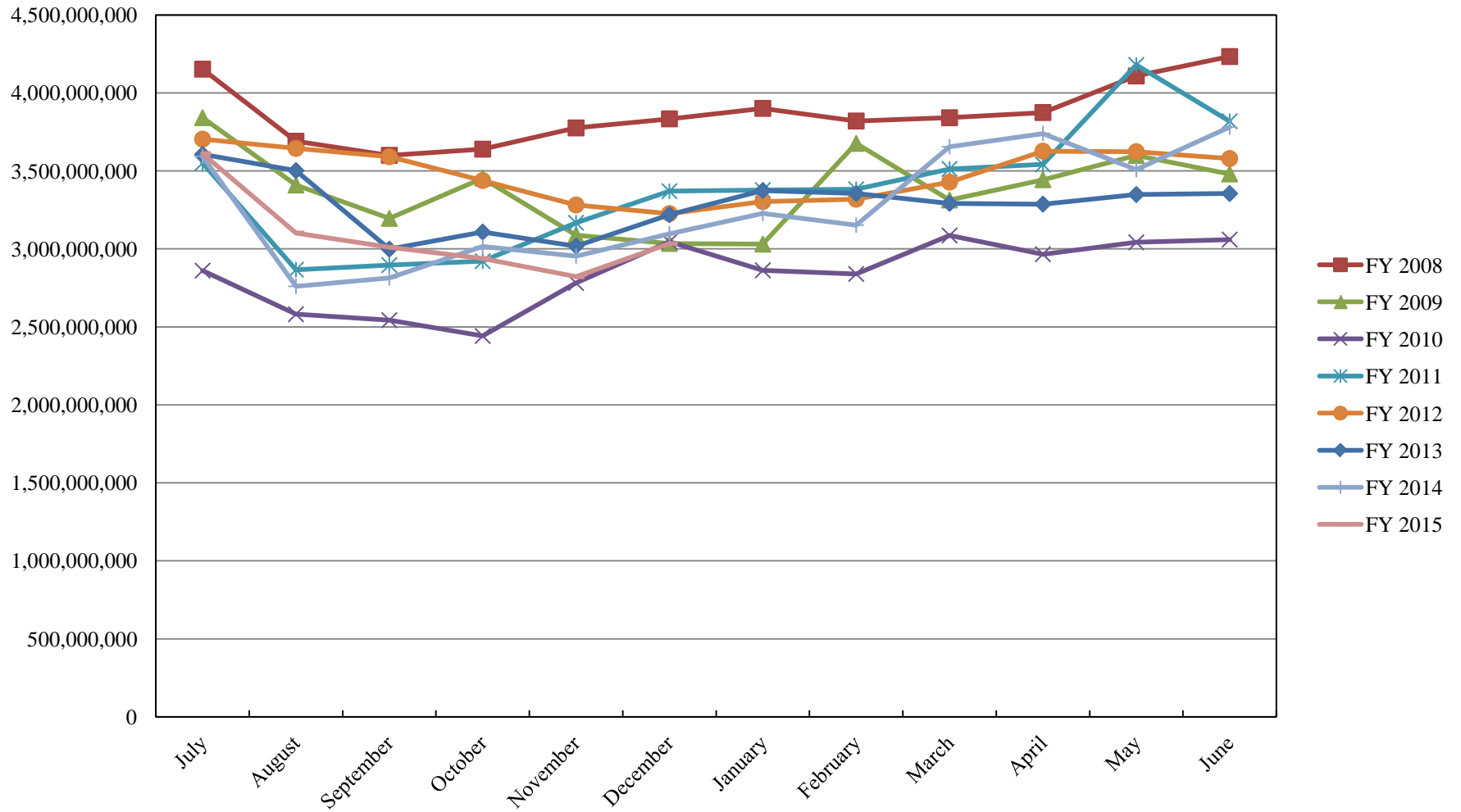
	<b>TYPE</b>	<b>MARKET VALUE</b>	<b>MARKET YIELD (%)</b>	<b>DURATION (Years)</b>	<b>PERCENT of TOTAL</b>
<b>Treasuries</b>					
	Bills	0.00	0.00	0.00	0%
	Treasury Notes	0.00	0.00	0.00	0%
	Sub-total	0.00	0.00	0.00	0%
<b>Agencies</b>					
	Notes	0.00	0.00	0.00	0%
	Discounts	0.00	0.00	0.00	0%
	Sub-total	0.00	0.00	0.00	0%
<b>Corporates</b>					
		0.00	0.00	0.00	0%
<b>Municipals</b>					
		0.00	0.00	0.00	0%
<b>Mortgages</b>					
	CMOs	0.00	0.00	0.00	0%
<b>ABS</b>					
		0.00	0.00	0.00	0%
<b>Repurchase Agreements</b>					
	Overnight	-394,754,906.22	0.11	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	-394,754,906.22	0.11	0.00	100%
<b>Money Market Securities</b>					
	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>		-394,754,906.22	0.11	0.00	100%

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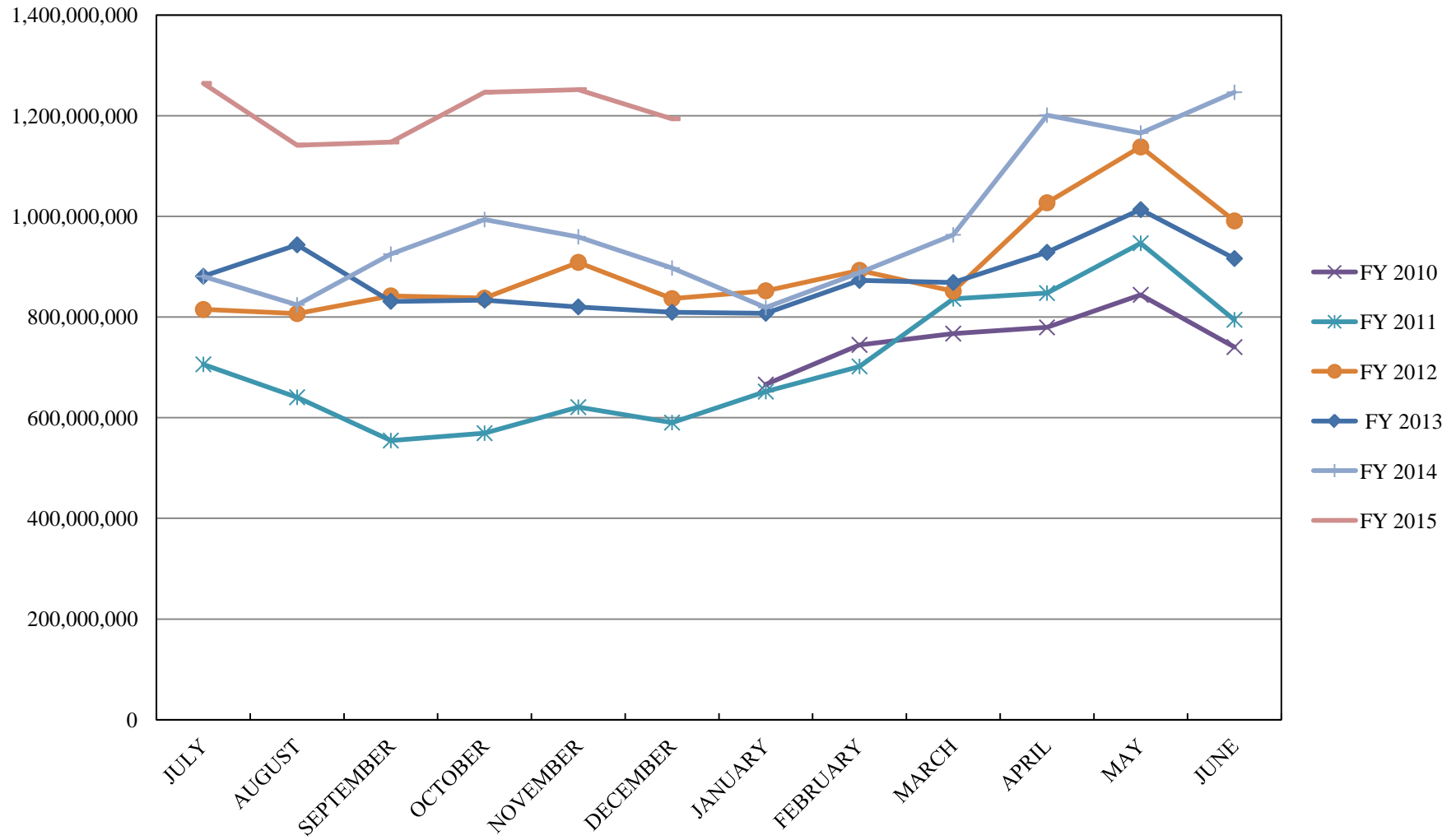
**PORTFOLIO SUMMARY**  
**INTERMEDIATE TERM POOL**

	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL
Treasuries					
	Bills	0.00	0.00	0.00	0%
	Treasury Notes	864,257,884.03	0.38	1.08	37%
	Sub-total	864,257,884.03	0.38	1.08	37%
Agencies					
	Notes	294,739,307.09	0.68	1.29	13%
	Discounts	0.00	0.00	0.00	0%
	Sub-total	294,739,307.09	0.68	1.29	13%
Municipals					
		34,912,111.93	0.78	1.45	2%
Corporates					
		186,613,608.20	1.09	1.81	8%
Mortgages					
	Pools	200,574,707.97	1.07	0.63	9%
	CMO's	183,326,887.19	1.33	2.22	8%
	Sub-total	383,901,595.16	1.20	1.39	17%
Asset Backed Securities					
		115,630,840.57	0.79	0.81	5%
Repurchase Agreements					
	Overnight	172,787,511.37	0.11	0.00	7%
	< 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	1,500,087.50	0.35	0.49	0%
	Flex Repos	0.00	0.00	0.00	0%
	Sub-total	174,287,598.87	0.11	0.00	7%
Money Market Securities					
	Commercial Paper	144,980,562.80	0.10	0.08	6%
	Money Mkt Fund	50,000,000.00	0.07	0.01	2%
	Certificates of Deposit	75,033,370.66	0.34	0.50	3%
	Sub-total	270,013,933.46	0.16	0.19	11%
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>					
		2,324,356,879.31	0.59	1.02	100%

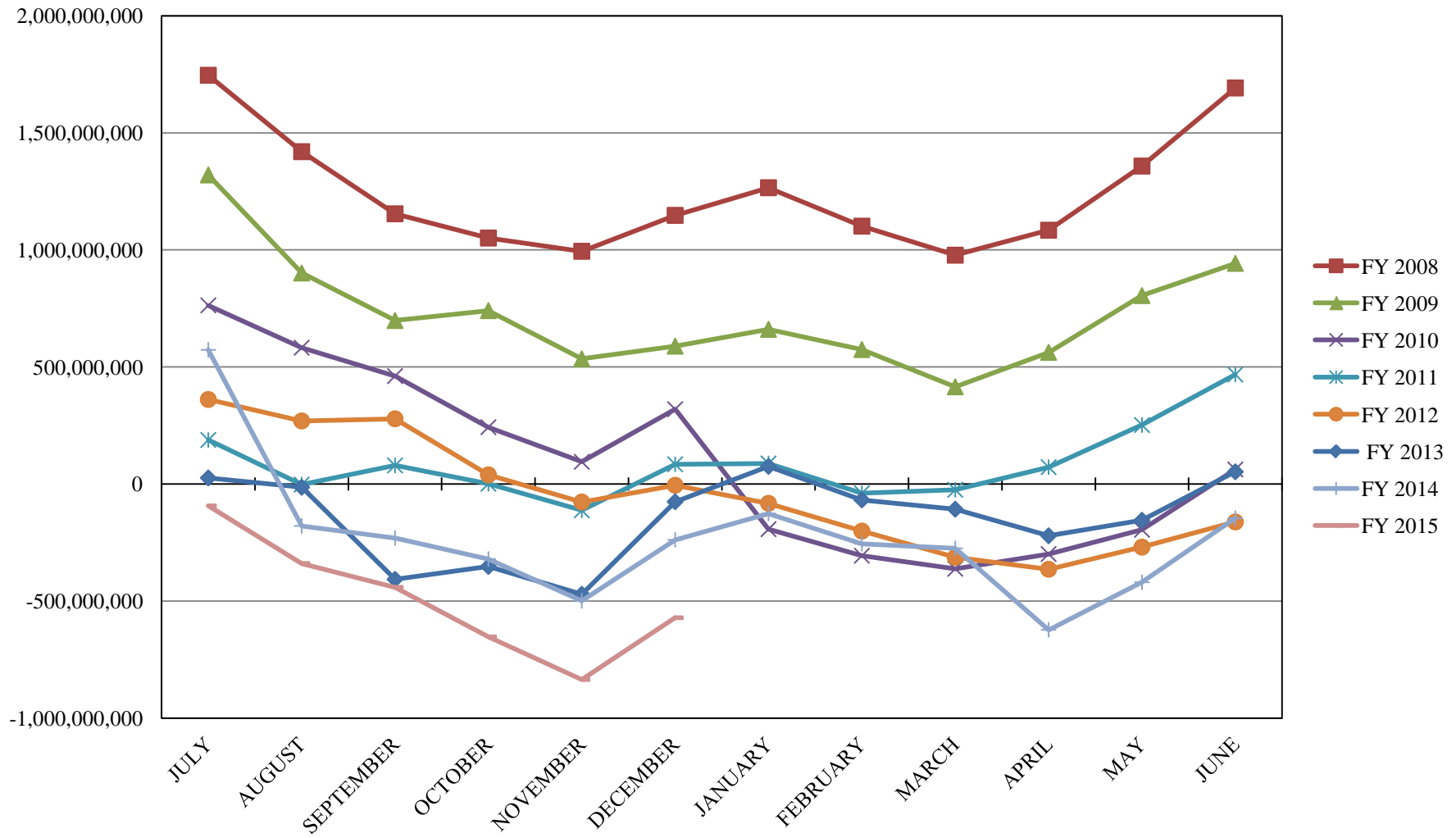
# INVESTABLE BALANCES



# LIMITED POOL INVESTABLE BALANCES

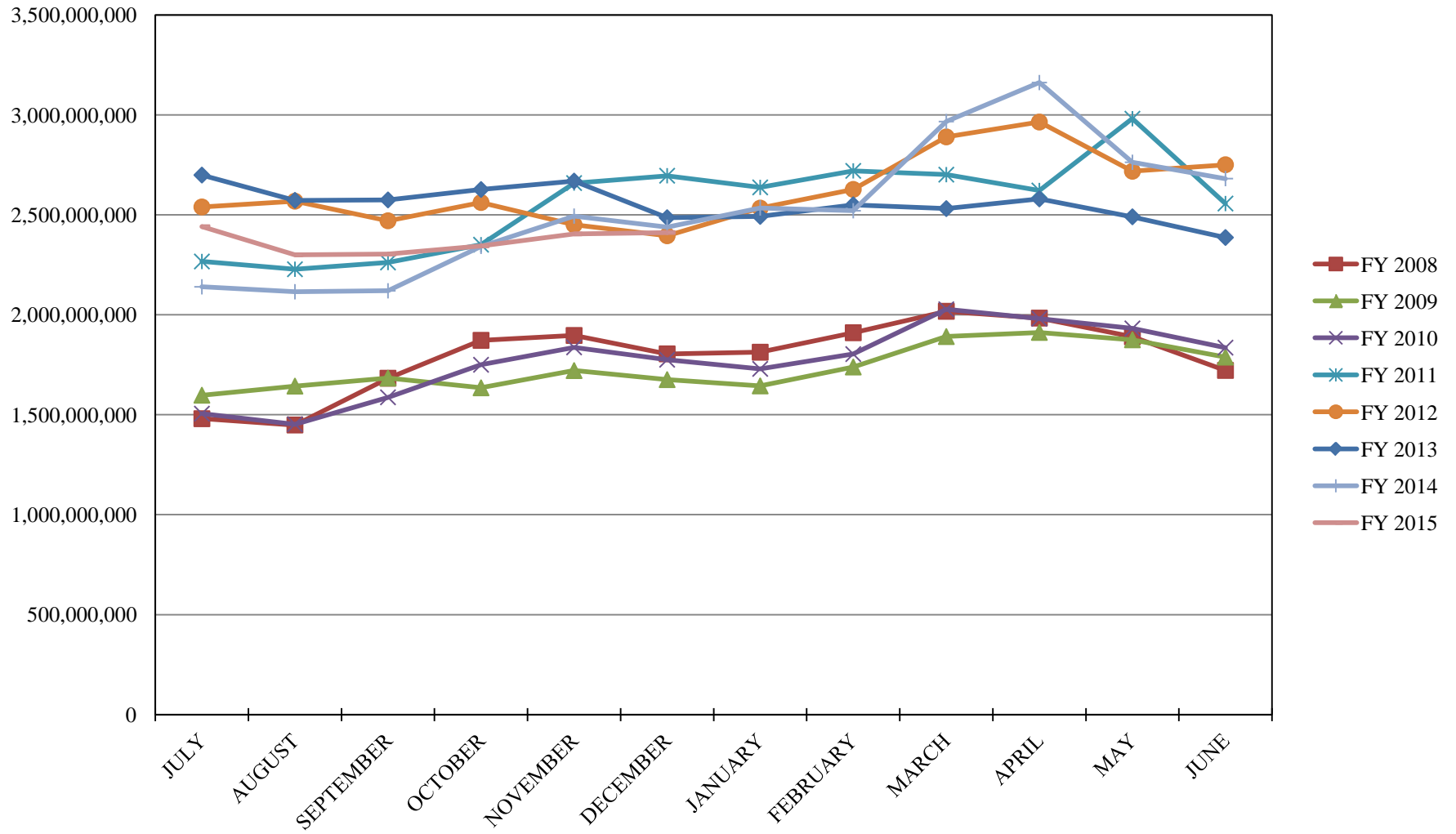


## SHORT TERM POOL INVESTABLE BALANCES

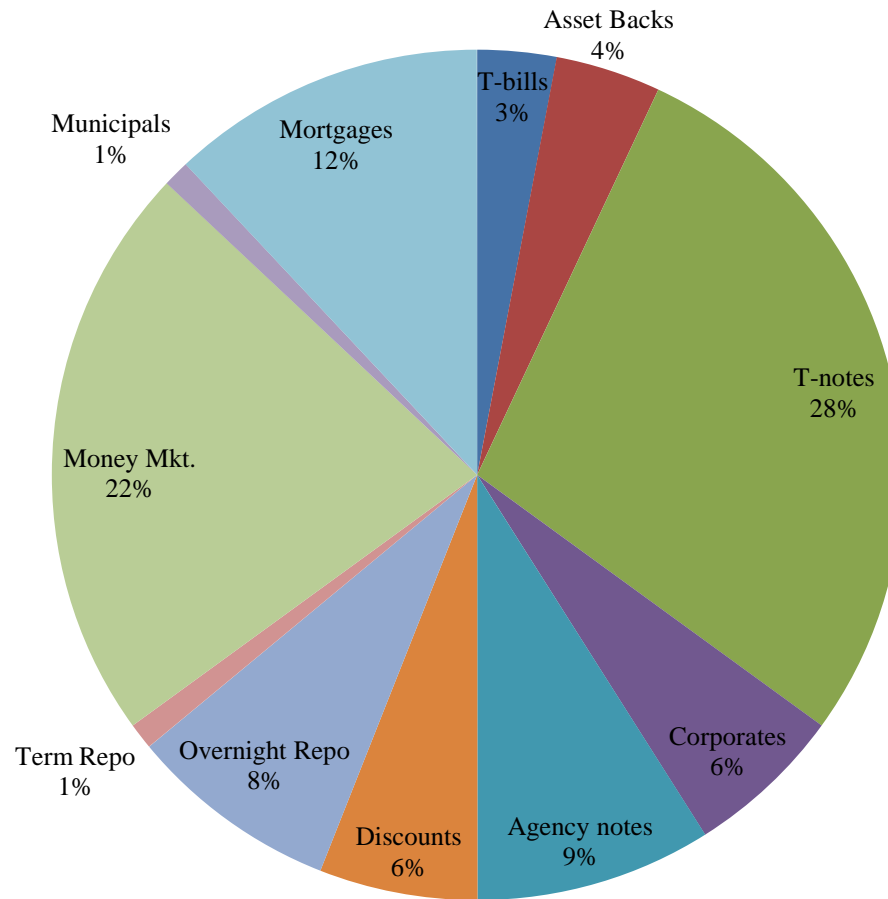




# INTERMEDIATE INVESTABLE BALANCES



## Distribution of Investments for December

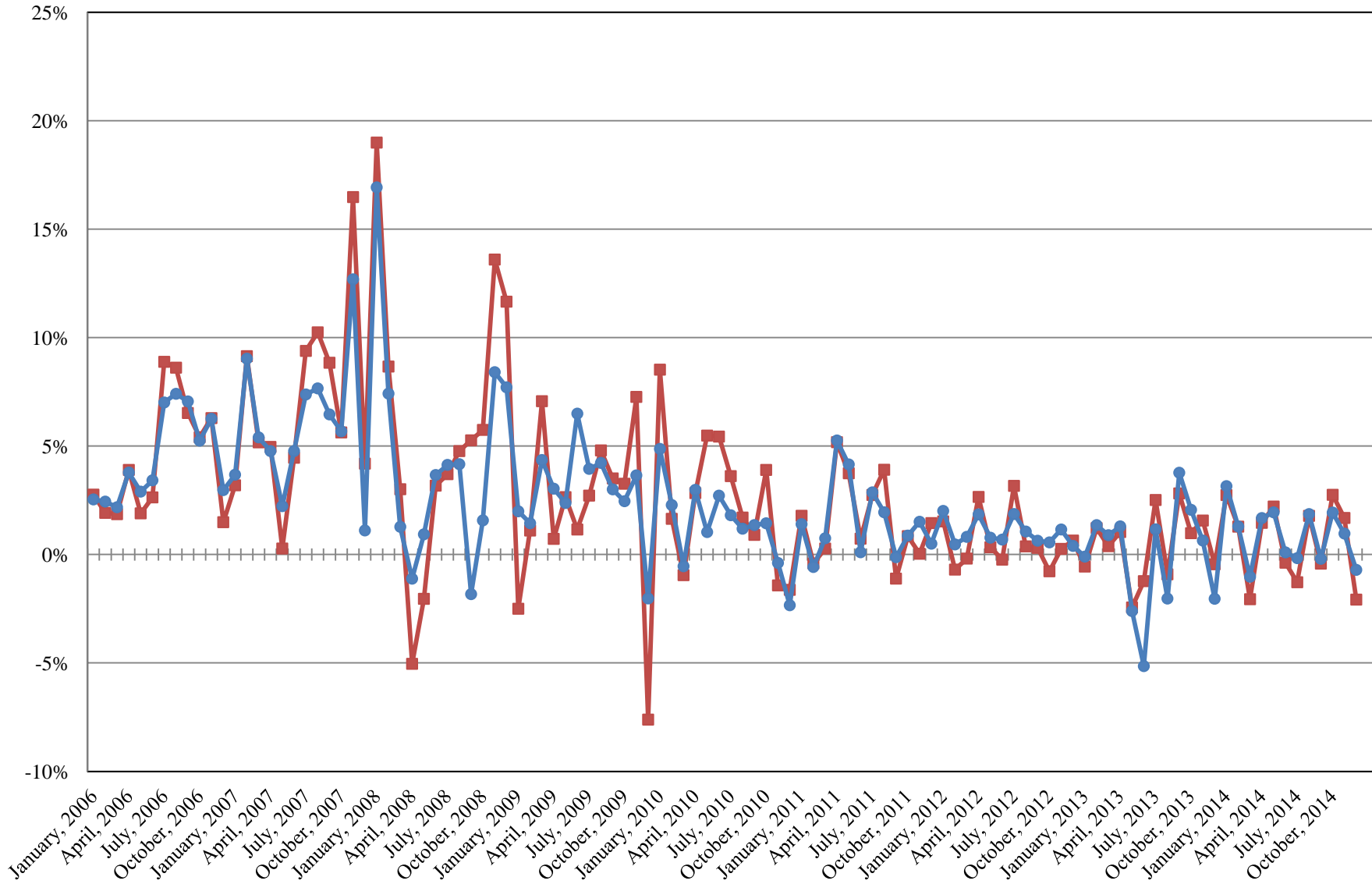


### LIMITS

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

# INTERMEDIATE POOL ANNUALIZED RETURNS

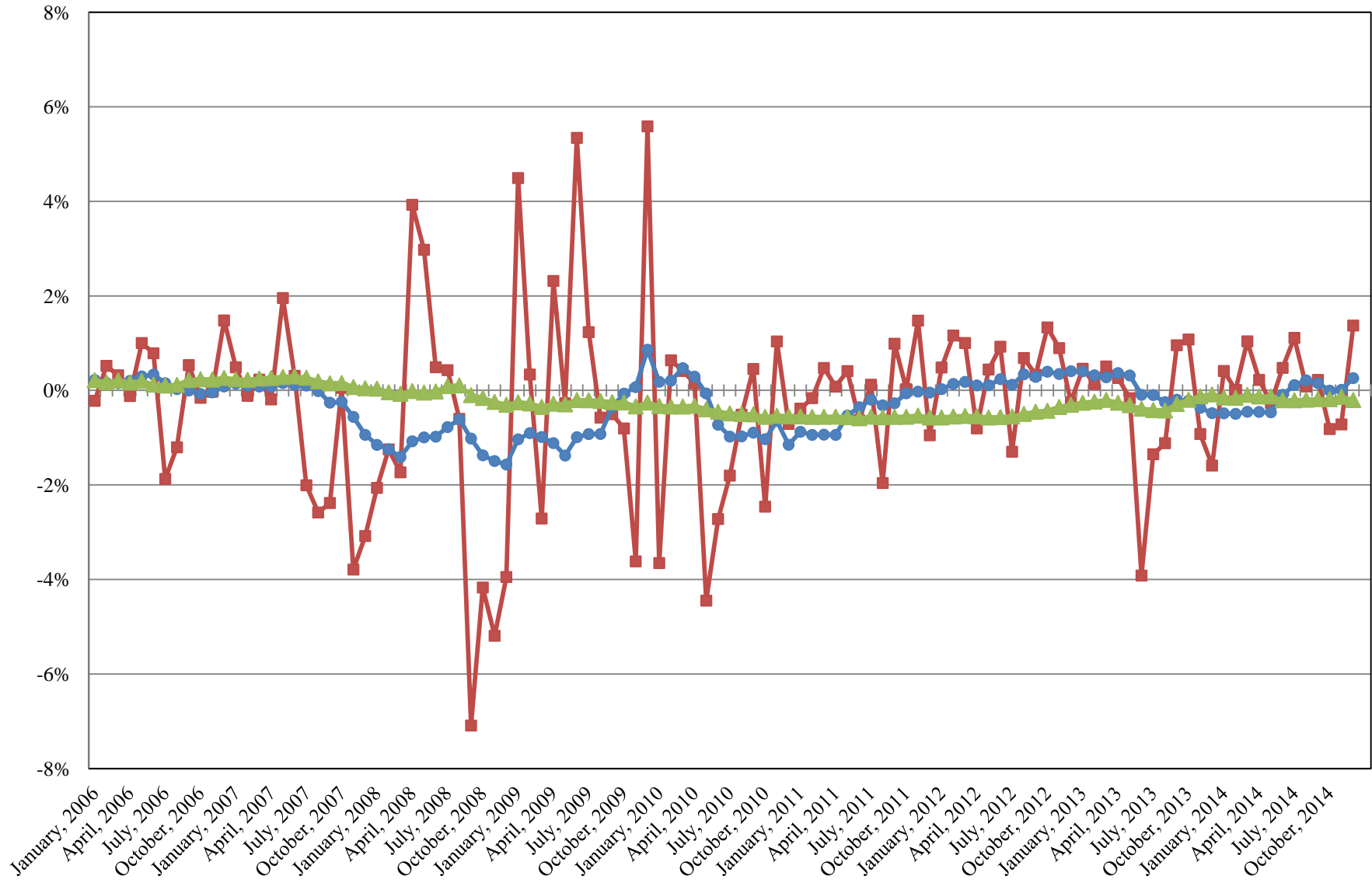
Index  
Pool



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 DECEMBER 2014

	Intermediate Pool	Benchmark*	Difference (pp)
1 Month	-0.059%	-0.175%	0.116
3 Month	0.181%	0.191%	-0.010
FYTD	0.305%	0.196%	0.109
1 Year	0.896%	0.627%	0.268
3 Year	0.608%	0.545%	0.063
5 Year	0.943%	1.133%	-0.190
10 Year	2.434%	2.621%	-0.187
Since Inception	3.727%	3.764%	-0.037

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

## PERFORMANCE RESULTS JULY 2011 THROUGH DECEMBER 2014

	Limited Term Pool	Benchmark*	Difference (pp)
1 Month	0.007%	0.004%	0.003
3 Month	0.021%	0.013%	0.009
FYTD	0.036%	0.026%	0.011
1 Year	0.077%	0.051%	0.026
Since Inception	0.127%	0.071%	0.056

\*Benchmark is S&P Local Government Investment Pool