



December 2016
MONTHLY
INVESTMENT INCOME REPORT



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



12/31/2016

**PORTFOLIO SUMMARY
POOLS**

	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL	STATUTORY LIMIT
Government						
	Bills	149,857,571.50	0.46	0.20	4%	
	Treasury Notes	1,229,058,603.23	0.97	1.32	31%	
	Supranational	24,952,289.01	1.06	0.61	1%	
	Sovereign	9,869,877.78	1.61	2.66	0%	
	Sub-total	1,413,738,341.52	0.89	1.17	36%	
Agencies						
	Notes	135,265,831.74	1.20	1.20	3%	
	Discounts	49,951,111.00	0.43	0.23	1%	
	Sub-total	185,216,942.74	0.99	0.94	4%	
Municipals						
		45,288,164.96	1.20	0.76	1%	
Corporates						
		271,233,382.84	1.60	1.58	7%	35%
Mortgages						
	Pools	192,486,474.49	2.01	1.15	5%	
	CMO's	195,024,431.85	1.80	1.99	5%	
	Sub-total	387,510,906.34	1.90	1.57	10%	25%
Asset Backed Securities						
		33,820,099.90	1.04	0.34	1%	20%
Repurchase Agreements						
	Overnight	300,021,551.37	0.52	0.00	8%	
	< 30 days	115,194,601.13	0.42	0.01	3%	
	< 60 days	0.00	0.00	0.00	0%	
	< 90 days	0.00	0.00	0.00	0%	
	< 1 year	1,502,493.75	0.63	0.50	0%	
	Flex Repos	0.00	0.00	0.00	0%	
	Sub-total	416,718,646.25	0.49	0.00	11%	
Money Market Securities						
	Commercial Paper	174,664,791.50	0.78	0.20	4%	A1-P1
	Money Mkt Fund	875,184,999.00	0.75	0.07	22%	
	Certificates of Deposit	100,251,819.45	1.02	0.21	3%	
	Sub-total	1,150,101,609.95	0.78	0.10	29%	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						
		3,903,628,094.50	0.97	0.78	100%	

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**PORTFOLIO SUMMARY
INTERMEDIATE TERM POOL**

	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL
Government					
	Bills	0.00	0.00	0.00	0%
	Treasury Notes	1,179,012,725.37	0.99	1.36	51%
	Supranational	24,952,289.01	1.06	0.61	2%
	Sovereign	9,869,877.78	1.61	2.66	0%
	Sub-total	1,213,834,892.16	0.96	1.32	53%
Agencies					
	Notes	135,265,831.74	1.20	1.20	6%
	Discounts	0.00	0.00	0.00	0%
	Sub-total	135,265,831.74	1.20	1.20	6%
Municipals		44,581,975.08	1.21	0.77	2%
Corporates		271,233,382.84	1.60	1.58	12%
Mortgages					
	Pools	192,486,474.49	2.01	1.15	8%
	CMO's	195,024,431.85	1.80	1.99	8%
	Sub-total	387,510,906.34	1.90	1.57	16%
Asset Backed Securities		33,820,099.90	1.04	0.34	1%
Repurchase Agreements					
	Overnight	-55,266,907.84	0.52	0.00	-2%
	< 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	-55,266,907.84	0.52	0.00	-2%
Money Market Securities					
	Commercial Paper	0.00	0.00	0.00	0%
	Money Mkt Fund	275,064,999.00	0.77	0.07	12%
	Certificates of Deposit	0.00	0.00	0.00	0%
	Sub-total	275,064,999.00	0.77	0.07	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		2,306,045,179.22	1.20	1.25	100%

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**PORTFOLIO SUMMARY
LIMITED TERM POOL**

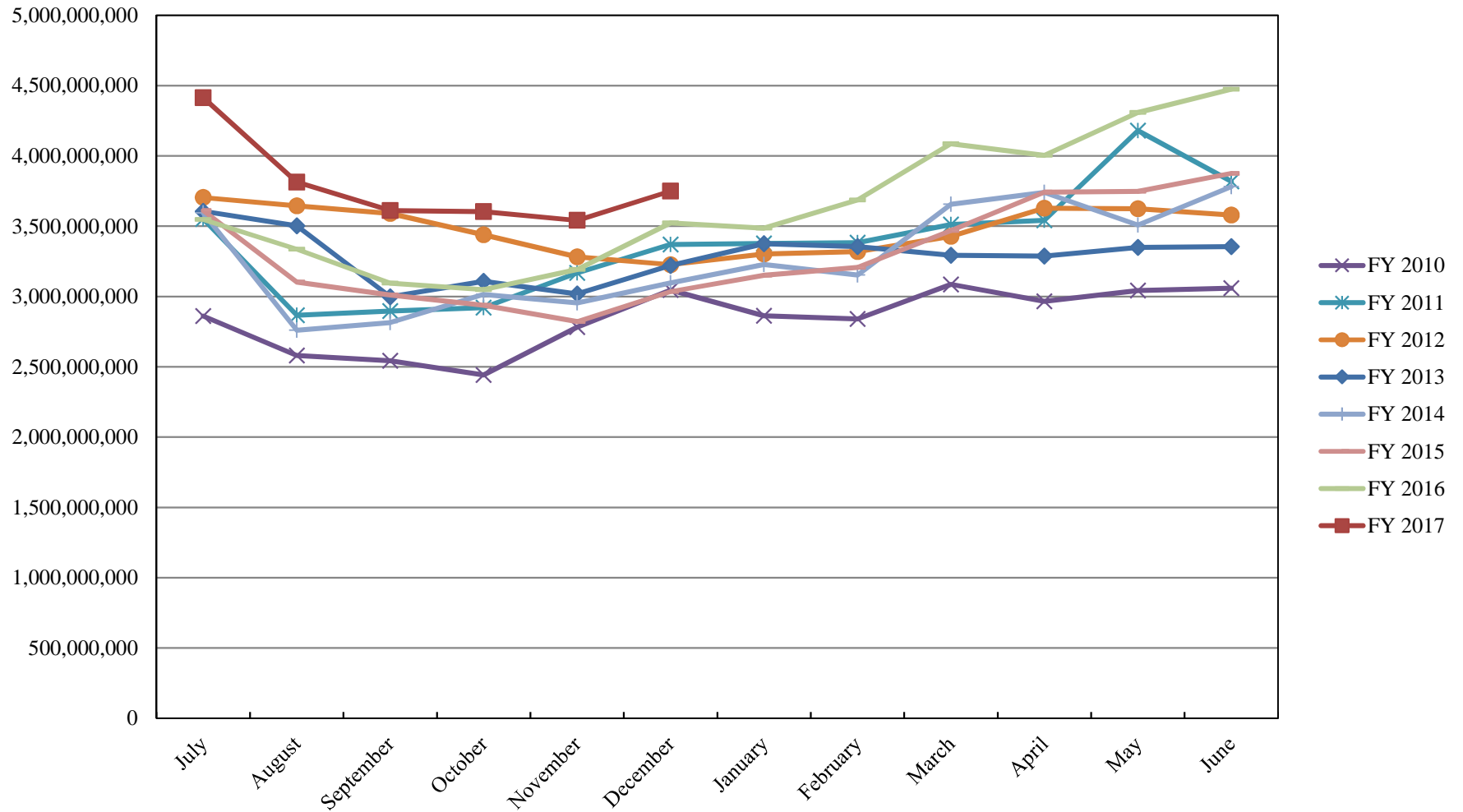
	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL
Government					
	Bills	149,857,571.50	0.46	0.20	9%
	Treasury Notes	50,045,877.86	0.49	0.33	3%
	Supranational	0.00	0.00	0.00	0%
	Sovereign	0.00	0.00	0.00	0%
	Sub-total	199,903,449.36	0.47	0.23	12%
Agencies					
	Notes	0.00	0.00	0.00	0%
	Discounts	49,951,111.00	0.43	0.23	3%
	Sub-total	49,951,111.00	0.43	0.23	3%
Corporates		0.00	0.00	0.00	0%
Municipals		706,189.88	0.98	0.33	0%
Mortgages	CMOs	0.00	0.00	0.00	0%
ABS		0.00	0.00	0.00	0%
Repurchase Agreements					
	Overnight	359,195,069.90	0.52	0.00	22%
	< 30 days	115,194,601.13	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	1,502,493.75	0.63	0.50	0%
	Flex Repos	0.00	0.00	0.00	0%
	Sub-total	475,892,164.78	0.50	0.00	29%
Money Market Securities					
	Commercial Paper	174,664,791.50	0.78	0.20	11%
	Money Mkt Fund	600,120,000.00	0.74	0.06	37%
	Certificates of Deposit	100,251,819.45	1.02	0.21	6%
	Sub-total	875,036,610.95	0.78	0.11	54%
TOTALS		1,601,489,525.97	0.65	0.10	100%

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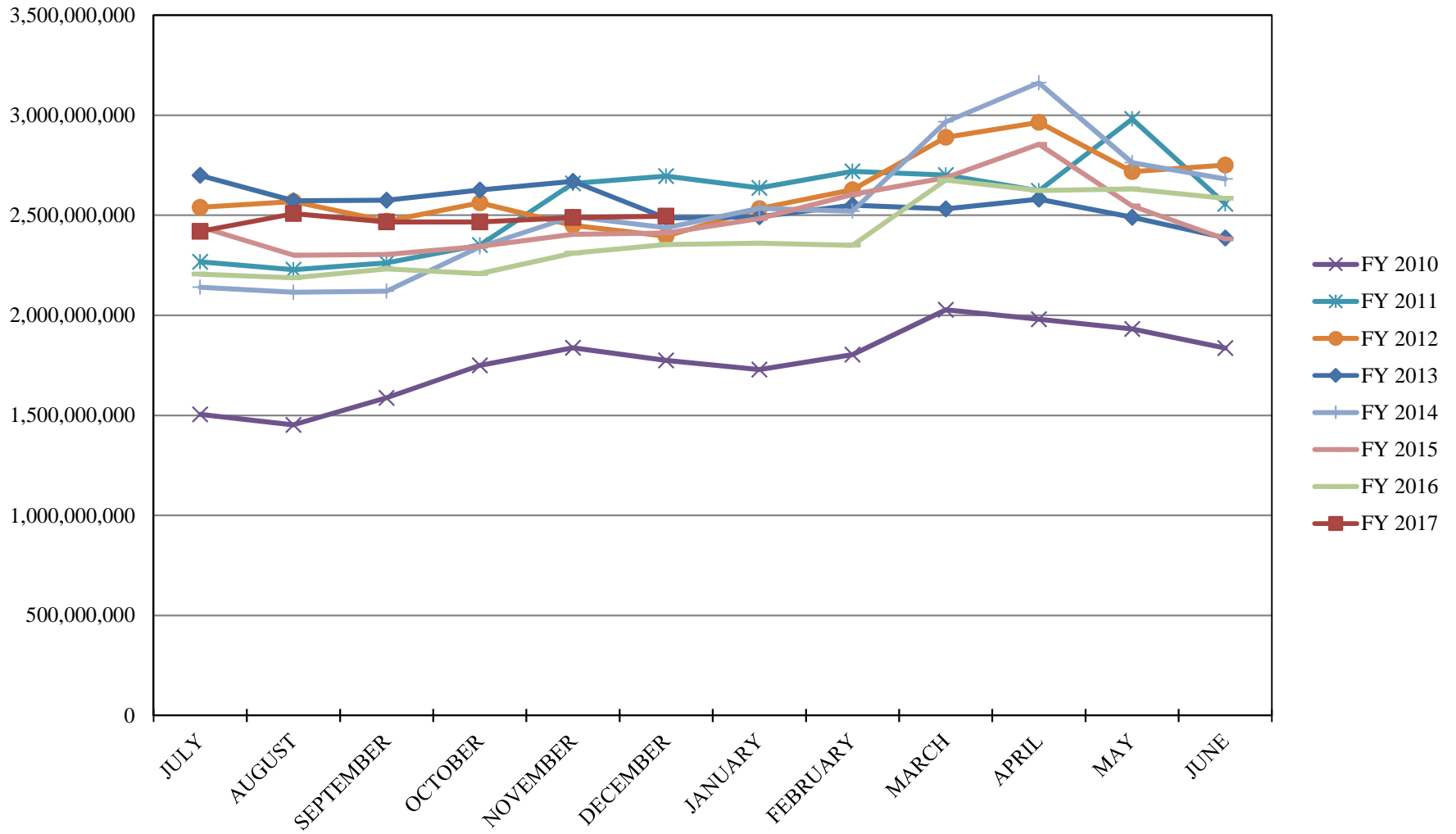
PORTFOLIO SUMMARY
SHORT TERM POOL

	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL
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	-3,906,610.69	0.52	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	-3,906,610.69	0.52	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		-3,906,610.69	0.52	0.00	100%

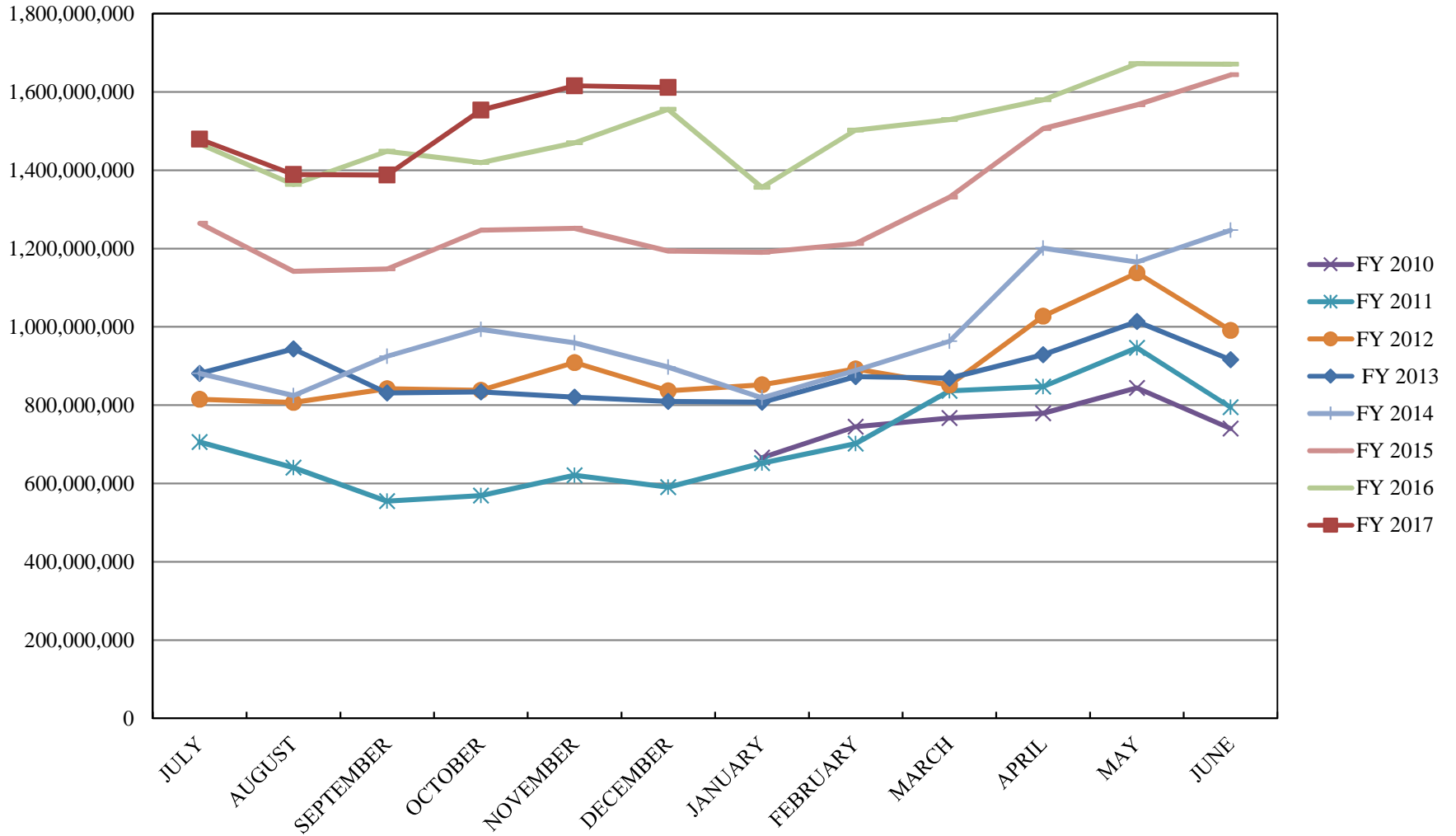
INVESTABLE BALANCES



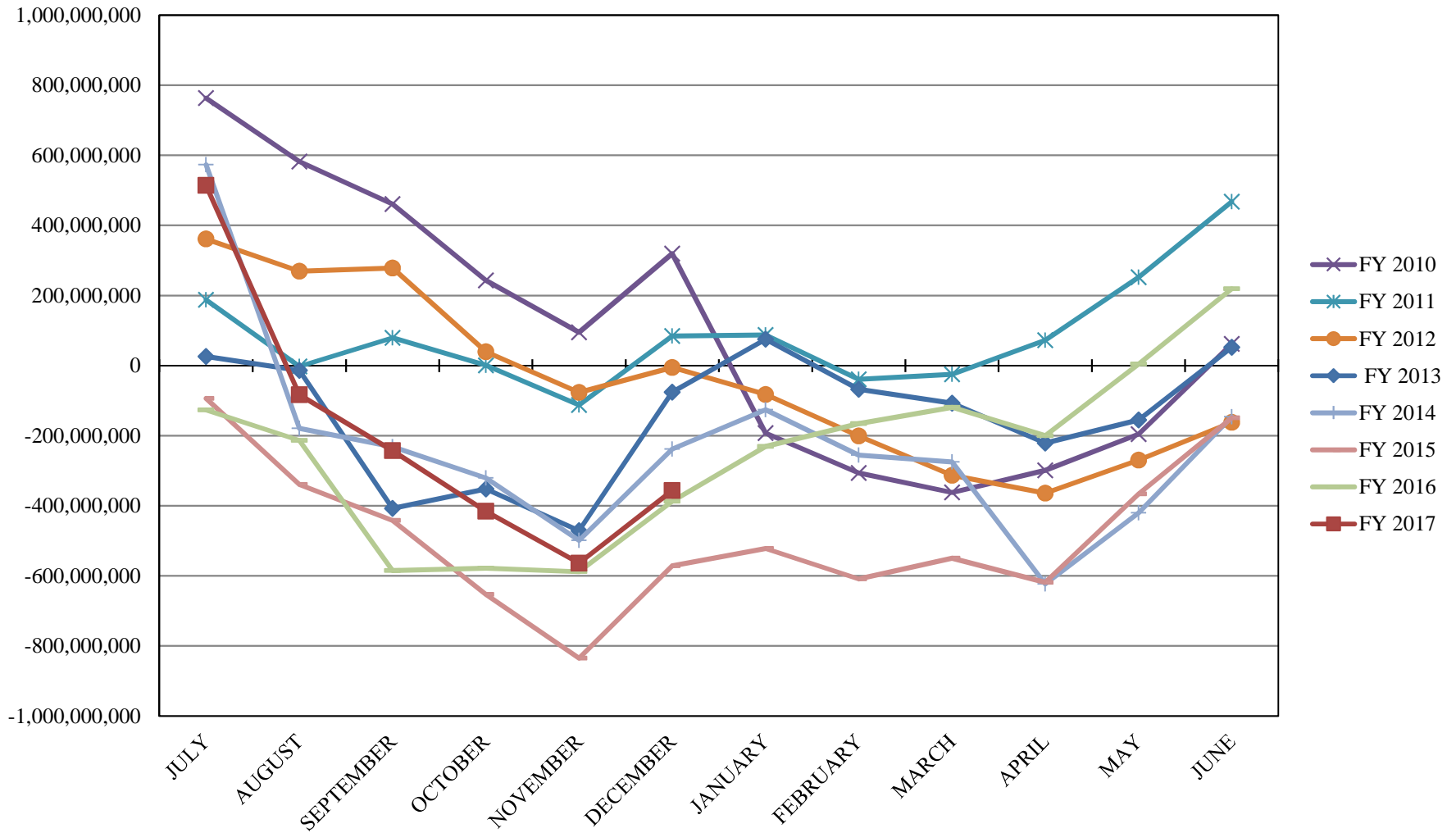
INTERMEDIATE INVESTABLE BALANCES



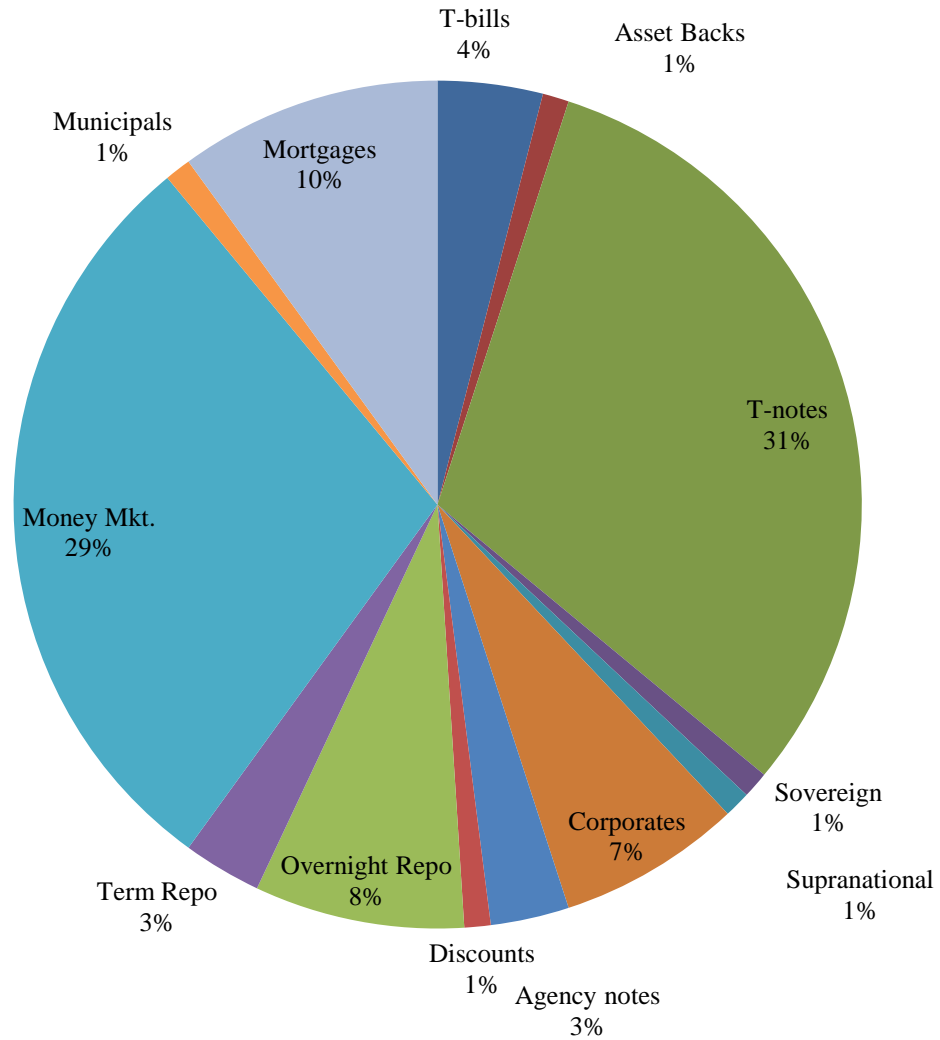
LIMITED POOL INVESTABLE BALANCES



SHORT TERM POOL INVESTABLE BALANCES



Distribution of Investments for December

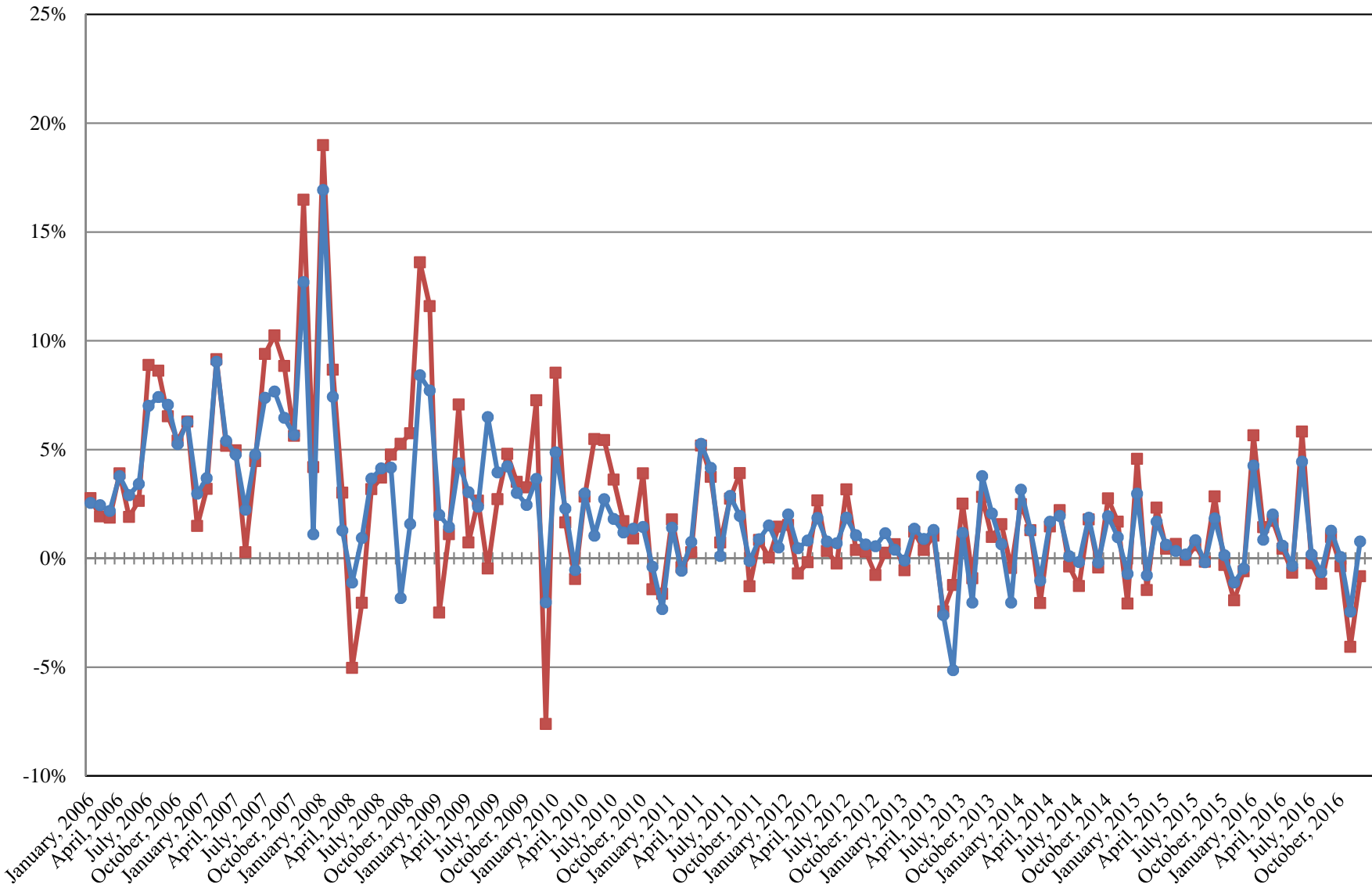


LIMITS

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

INTERMEDIATE POOL ANNUALIZED RETURNS

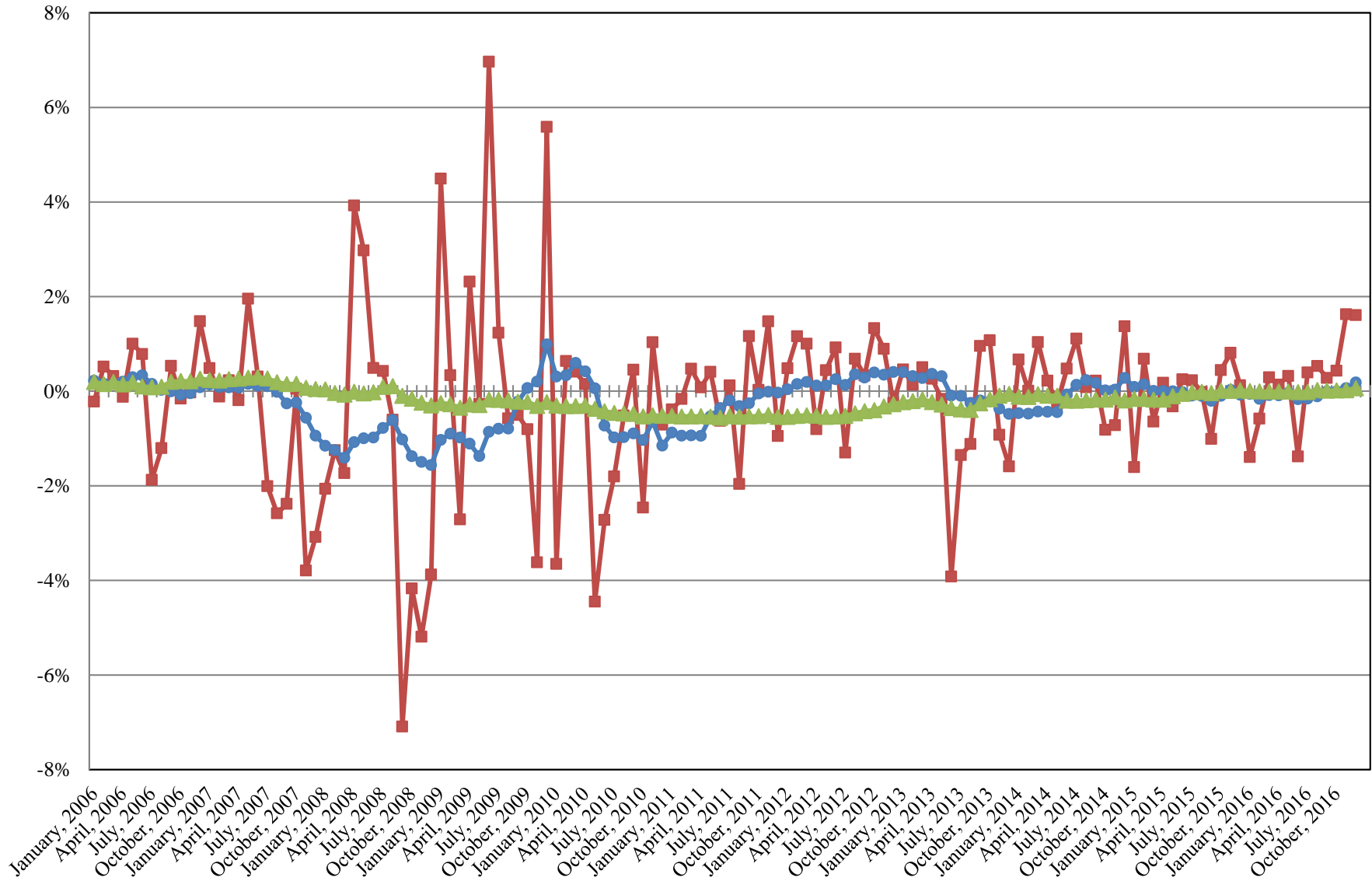
Index
Pool



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 2016

	Intermediate Pool		Benchmark*		Annualized Difference (pp)
	Period Return	Annualized	Period Return	Annualized	
1 Month	0.065%	0.778%	-0.069%	-0.830%	1.6078
3 Month	-0.137%	-0.546%	-0.446%	-1.773%	1.2265
FYTD	-0.072%	-0.144%	-0.482%	-0.962%	0.8175
1 Year		0.898%		0.690%	0.2073
3 Year		0.763%		0.619%	0.1440
5 Year		0.643%		0.573%	0.0707
10 Year		1.905%		2.099%	-0.1940
Since Inception		3.441%		3.570%	-0.1291

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

PERFORMANCE RESULTS JULY 2011 THROUGH DECEMBER 2016

	Limited Term Pool		Benchmark*		Annualized Difference (pp)
	Period Return	Annualized	Period Return	Annualized	
1 Month	0.041%	0.492%	0.045%	0.536%	-0.0438
3 Month	0.121%	0.484%	0.128%	0.512%	-0.0283
FYTD	0.228%	0.456%	0.236%	0.472%	-0.0161
1 Year		0.406%		0.403%	0.0025
3 Year		0.195%		0.178%	0.0167
Since Inception		0.173%		0.133%	0.0402

*Benchmark is S&P Local Government Investment Pool