June 2003

Monthly Investment Income Report

Commonwealth of Kentucky

Gordon C. Duke, **Secretary**
Finance and Administration Cabinet

George Burgess, **Executive Director**
Office of Financial Management

Date: 06/30/03

PORTFOLIO SUMMARY
POOLS

	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL	STATUTORY LIMIT
Treasuries						
	Bills	0.00	0.00	0.00	0%	
	Treasury Notes	515,793,242.60	1.70	2.58	19%	
Sub-total		515,793,242.60	1.70	2.58	19%	
Agencies	Notes	955,473,686.58	1.54	1.63	35%	
	Discounts	0.00	0.00	0.00	0%	
Sub-total		955,473,686.58	1.54	1.63	35%	
Municipals		127,716,910.18	2.23	2.06	5%	
Corporates		222,504,447.67	2.15	1.91	8%	25%
Mortgages	Pools	31,230,101.71	1.45	0.33	1%	
	CMO's	160,392,384.02	3.38	2.67	6%	
Sub-total		191,622,485.73	3.07	2.29	7%	25%
Asset Backs		63,849,974.17	2.35	2.25	2%	20%
Repurchase Agreements						
	Overnight	318,450,000.00	1.24	0.02	12%	
	< 30 days	25,508,437.00	1.00	0.06	1%	
	< 60 days	6,215.00	4.25	0.11	0%	
	< 90 days	2,500,000.00	3.13	0.22	0%	
	< 1 year	2,535,455.53	4.75	0.96	0%	
	< 2 years	2,613,438.00	3.63	1.29	0%	
	> 2 years	7,366,840.06	2.36	4.92	0%	
	Flex Repos	225,874.89	11.24	5.54	0%	
Sub-total		359,206,260.48	1.31	0.14	13%	
Money Market Securities						
	Commercial Paper	49,996,500.00	1.72	0.13	2%	A1-P1
	Money Mkt Fund	242,000,000.00	1.13	0.02	9%	
	Certificates of Deposit	944,580.00	2.44	4.79	0%	
Sub-total		292,941,080.00	1.23	0.05	11%	20%
TOTALS		2,729,108,087.41	1.71	1.55	100%	

Date: 06/30/03

PORTFOLIO SUMMARY
SHORT TERM POOL

	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION	PERCENT of TOTAL	STATUTOI LIMIT
Treasuries						
	Bills	0.00	0.00	0.0000	0%	
	Treasury Notes	0.00	0.00	0.0000	0%	
Sub-total		0.00	0.00	0.0000	0%	
Agencies	Notes	10,016,270.00	1.05	0.0600	2%	
	Discounts	0.00	0.00	0.0000	0%	
Sub-total		10,016,270.00	0.00	0.0000	2%	
Corporates		0.00	0.000	0.0000	0%	25%
Municipals		0.00	0.00	0.0000	0%	
Mortgages	CMOs	0.00	0.00	0.0000	0%	25%
ABS		0.00	0.00	0.0000	0%	
Repurchase Agreements						
	Overnight	276,444,000.00	1.24	0.0200	52%	
	< 30 days	0.00	0.00		0%	
	< 60 days	0.00	0.00		0%	
	< 90 days	0.00	0.00		0%	
	< 1 year	0.00	0.00		0%	
	< 2 years	0.00	0.00		0%	
	> 2 years	0.00	0.00		0%	
	Flex Repos				0%	
Sub-total		276,444,000.00	1.24	0.02	52%	
Money Market Securities						
	Commercial Paper	0.00	0.00	0.00	0%	A1-P1
	Money Mkt Fund	242,000,000.00	1.13	0.02	46%	
	Certificates of Deposit	0.00	0.00	0.00	0%	
Sub-total		242,000,000.00	0.00	0.00	46%	
TOTALS		528,460,270.00	1.19	0.02	100%	

Date: 06/30/03

PORTFOLIO SUMMARY
INTERMEDIATE TERM POOL

	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL	STATUTOI LIMIT
Treasuries						
	Bills	0.00	0.00	0.00	0%	
	Treasury Notes	314,011,406.60	1.70	251.00	20%	
Sub-total		314,011,406.60	1.70	251.00	20%	
Agencies	Notes	611,881,754.78	1.60	1.75	39%	
	Discounts	0.00	0.00	0.00	0%	
Sub-total		611,881,754.78	1.60	1.75	39%	
Municipals		113,532,695.58	2.21	2.00	7%	
Corporates		198,958,756.69	2.05	1.70	13%	25%
Mortgages	Pools	31,230,101.71	1.45	0.33	2%	
	CMO's	142,427,161.35	3.37	2.56	9%	
Sub-total		173,657,263.06	3.02	2.16	11%	25%
Asset Backs		63,849,974.17	2.35	2.25	4%	20%
Repurchase Agreements						
	Overnight	14,450,000.00	1.19	0.01	1%	
	< 30 days	25,508,437.00	1.00	0.06	2%	
	< 60 days	6,215.00	4.25	0.11	0%	
	< 90 days	2,500,000.00	3.13	0.22	0%	
	< 1 year	2,535,455.53	4.75	0.96	0%	
	< 2 years	2,613,438.00	3.63	1.29	0%	
	> 2 years	7,366,840.06	2.36	4.92	0%	
	Flex Repos	225,874.89	11.24	5.54	0%	
Sub-total		55,206,260.48	1.67	0.82	3%	
Money Market Securities						
	Commercial Paper	49,996,500.00	1.72	0.13	3%	A1-P1
	Money Mkt Fund	0.00	0.00	0.00	0%	
	Certificates of Deposit	944,580.00	2.44	4.79	0%	
Sub-total		50,941,080.00	1.73	0.22	3%	20%
TOTALS		1,582,039,191.36	1.92	1.89	100%	

Date: 06/30/03

PORTFOLIO SUMMARY
LONG TERM POOL

	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL	STATUTORY LIMIT
Treasuries						
	Bills	0.00	0.00	0.00	0%	
	Treasury Notes	85,056,636.00	1.75	2.83	41%	
Sub-total		85,056,636.00	1.75	2.83	41%	
Agencies	Notes	63,044,107.50	2.14	2.99	30%	
	Discounts	0.00	0.00	0.00	0%	
Sub-total		63,044,107.50	2.14	2.99	30%	
Municipals		14,184,214.60	2.33	2.57	7%	
Corporates		23,545,690.98	3.01	3.73	11%	25%
Mortgages	Pools	0.00	0.00	0.00	0%	
	CMO's	17,965,222.67	3.45	3.57	9%	
Sub-total		17,965,222.67	3.45	3.57	9%	25%
Asset Backs		0.00	0.00	0.00	0%	20%
Repurchase Agreements						
	Overnight	5,252,000.00	1.24	0.0200	2%	
	< 30 days	0.00	0.00		0%	
	< 60 days	0.00	0.00		0%	
	< 90 days	0.00	0.00		0%	
	< 1 year	0.00	0.00		0%	
	< 2 years	0.00	0.00		0%	
	> 2 years	0.00	0.00		0%	
	Flex Repos				0%	
Sub-total		5,252,000.00	0.00	0.02	2%	
Money Market Securities						
	Commercial Paper	0.00	0.00	0.00	0%	A1-P1
	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%	20%
TOTALS		209,047,871.75	2.18	2.96	100%	

Date: 06/30/03

PORTFOLIO SUMMARY
BOND PROCEEDS POOL

	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL	STATUTORY LIMIT
Treasuries						
	Bills	0.00	0.00	0.00	0%	
	Treasury Notes	116,725,200.00	1.66	2.59	29%	
Sub-total		116,725,200.00	1.66	2.59	29%	
Agencies	Notes	270,531,554.30	1.26	1.10	66%	
	Discounts	0.00	0.00	0.00	0%	
Sub-total		270,531,554.30	1.26	1.10	66%	
Municipals		0.00	0.00	0.00	0%	
Mortgages	Pools	0.00	0.00	0.00	0%	
	CMO's	0.00	0.00	0.00	0%	
Sub-total		0.00	0.00	0.00	0%	
Asset Backs		0.00	0.00		0%	
Repurchase Agreements						
	Overnight	22,304,000.00	1.24	0.0200	5%	
	< 30 days	0.00	0.00		0%	
	< 60 days	0.00	0.00		0%	
	< 90 days	0.00	0.00		0%	
	< 1 year	0.00	0.00		0%	
	< 2 years	0.00	0.00		0%	
	> 2 years	0.00	0.00		0%	
	Flex Repos				0%	
Sub-total		22,304,000.00	1.24	0.02	5%	
Money Market Securities						
	Commercial Paper	0.00	0.00	0.00	0%	NONE ALLOWED
	Money Mkt Fund	0.00	0.00	0.0000	0%	
	Certificates of Deposit	0.00	0.00	0.00	0%	
Sub-total		0.00	0.00	0.00	0%	
TOTALS		409,560,754.30	138.00	1.47	100%	

Investment Income

As of 06/30/2003

	Month		Fiscal Year to Date	
Pool	**Amount**	**Yield ***	**Amount**	**Yield****
Intermediate	1,423,209.58	1.01%	100,346,548.96	4.85%
Short Term	218,430.88	1.23%	(3,607,602.59)	1.39%
Long Term	125,192.34	7.60%	18,852,582.88	9.36%
Bond Proceeds	340134.36	1.00%	27,617,170.02	4.90%
Tran	662883.38	1.85%	5,547,253.17	1.69%
Grand Total	**2,769,850.54**		**148,755,952.44**	

***Yield is calculated on a total return basis. Total return consists of the accrual of interest and the gain or loss incurred from valuing the securities in market value. Total return, divided by average daily balance, divided by actual days, multiplied by actual days in the fiscal year.**

****Yield is calculated on a total return basis. Total return consists of the accrual of interest and the gain or loss incurred from valuing the securities in market value. Total return, (fiscal YTD) divided by the weighted average of the monthly average daily balances, divided by the actual days (fiscal YTD) mulitplied by the actual number of days in the fiscal year.**

Investable Balances

As of 06/30/2003

	Average Daily Balances	
	AvgBal	**Fiscal Year to Date**
Intermediate	1,710,901,491.27	2,069,060,598.08
Short Term	215,629,137.75	(259,529,695.80)
Long Term	201,355,889.16	201,317,664.47
Bond Proceeds	414,296,186.74	563,264,298.23
Tran	436,423,101.23	329,103,985.43
	2,978,605,806.15	**2,903,216,850.41**

CASH DISTRIBUTION

May 2003

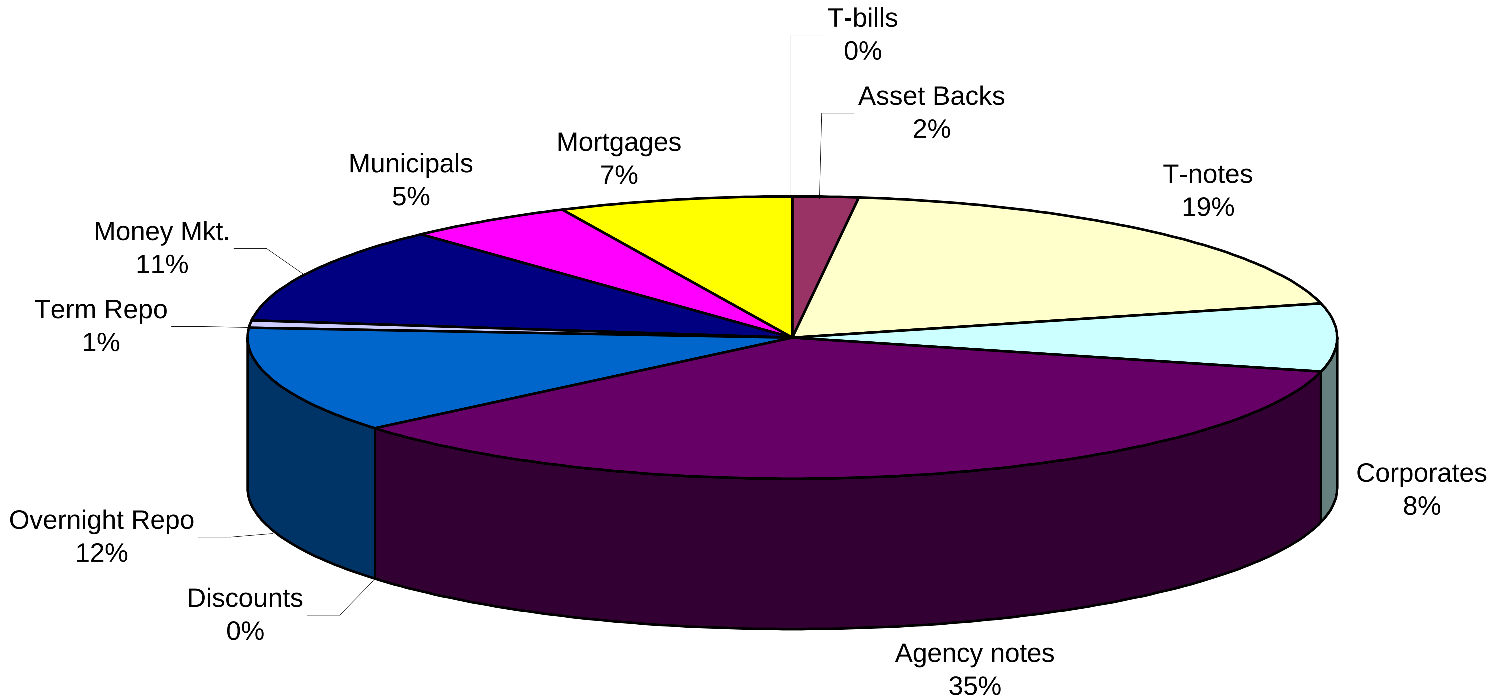
	Month		YTD	
	Actual	Budget	Actual	Budget
General Fund	0	0	0	0
Capital Con.	826,938	316,667	7,242,339	5,669,234
Agency	1,469,687	590,000	12,347,290	10,042,971
T&R	279,308	216,667	2,870,048	3,251,053

ACCRUED EARNINGS

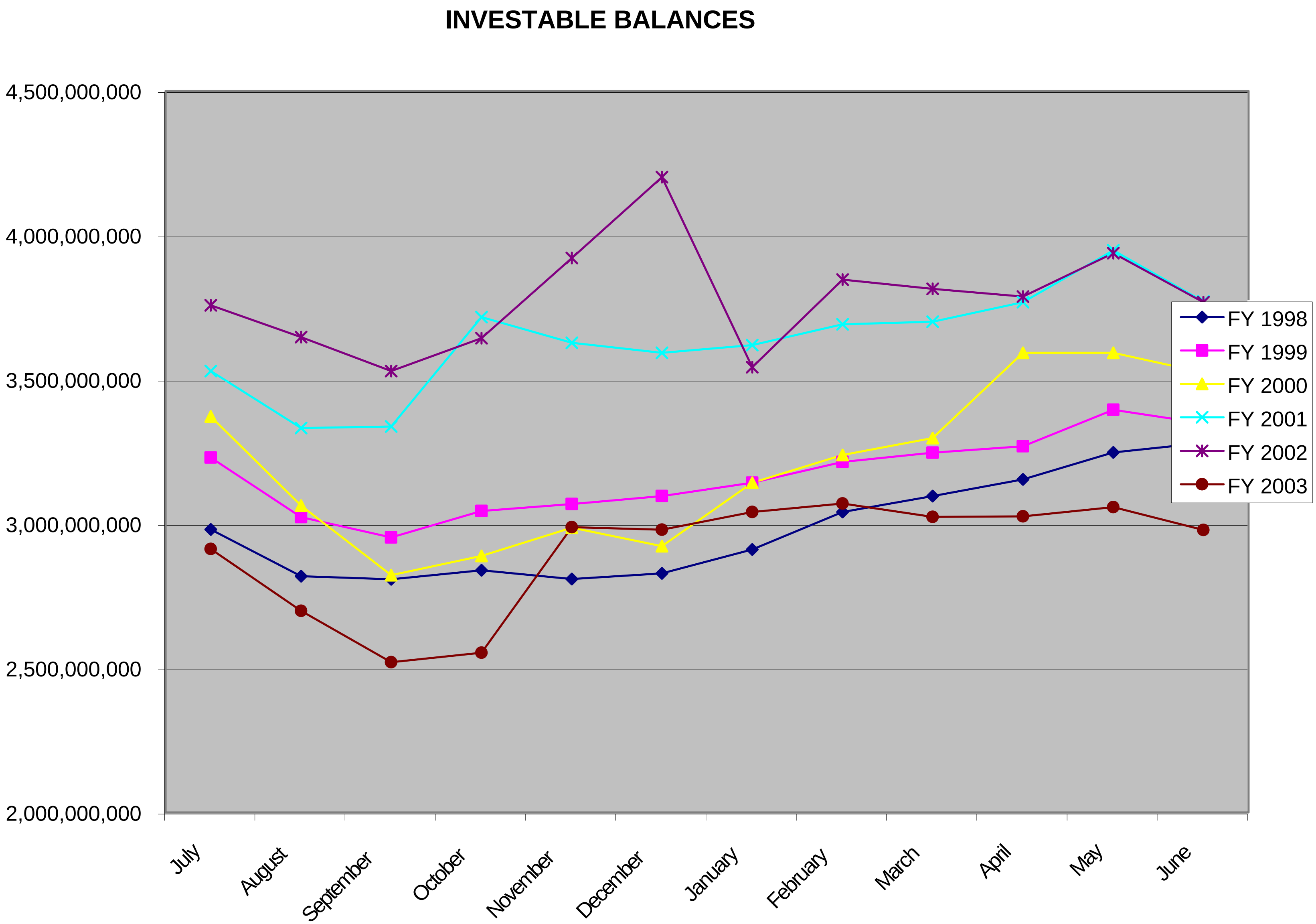
May 2003

	Month		YTD	
	Actual	Budget	Actual	Budget
General Fund	-60,120	0	4,414,121	0
Capital Con.	206,492	316,667	9,642,743	5,669,234
Agency	155,758	590,000	14,419,241	10,042,971
T&R	40,860	216,667	2,962,065	3,251,053

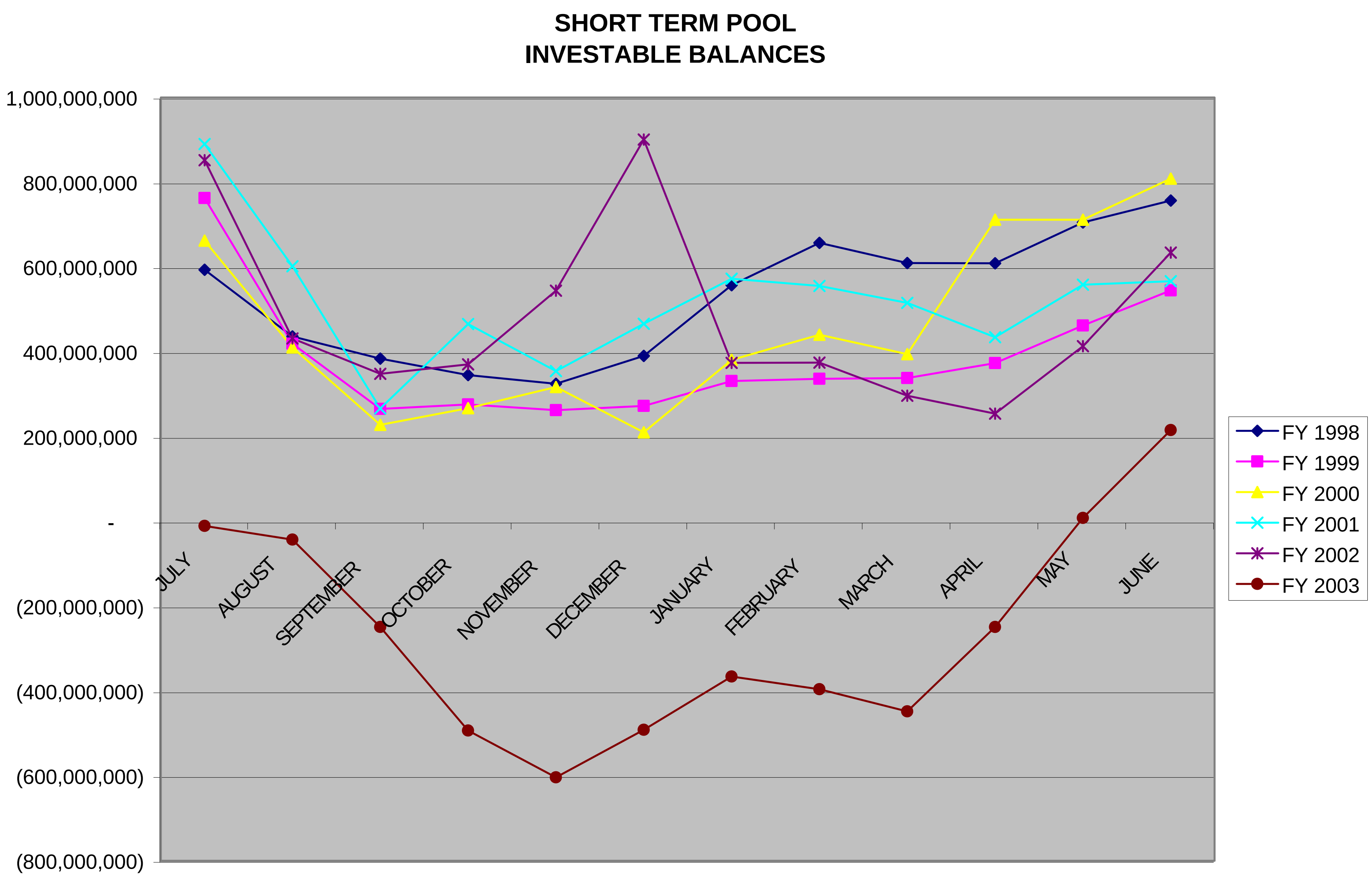
Distribution of Investments for June

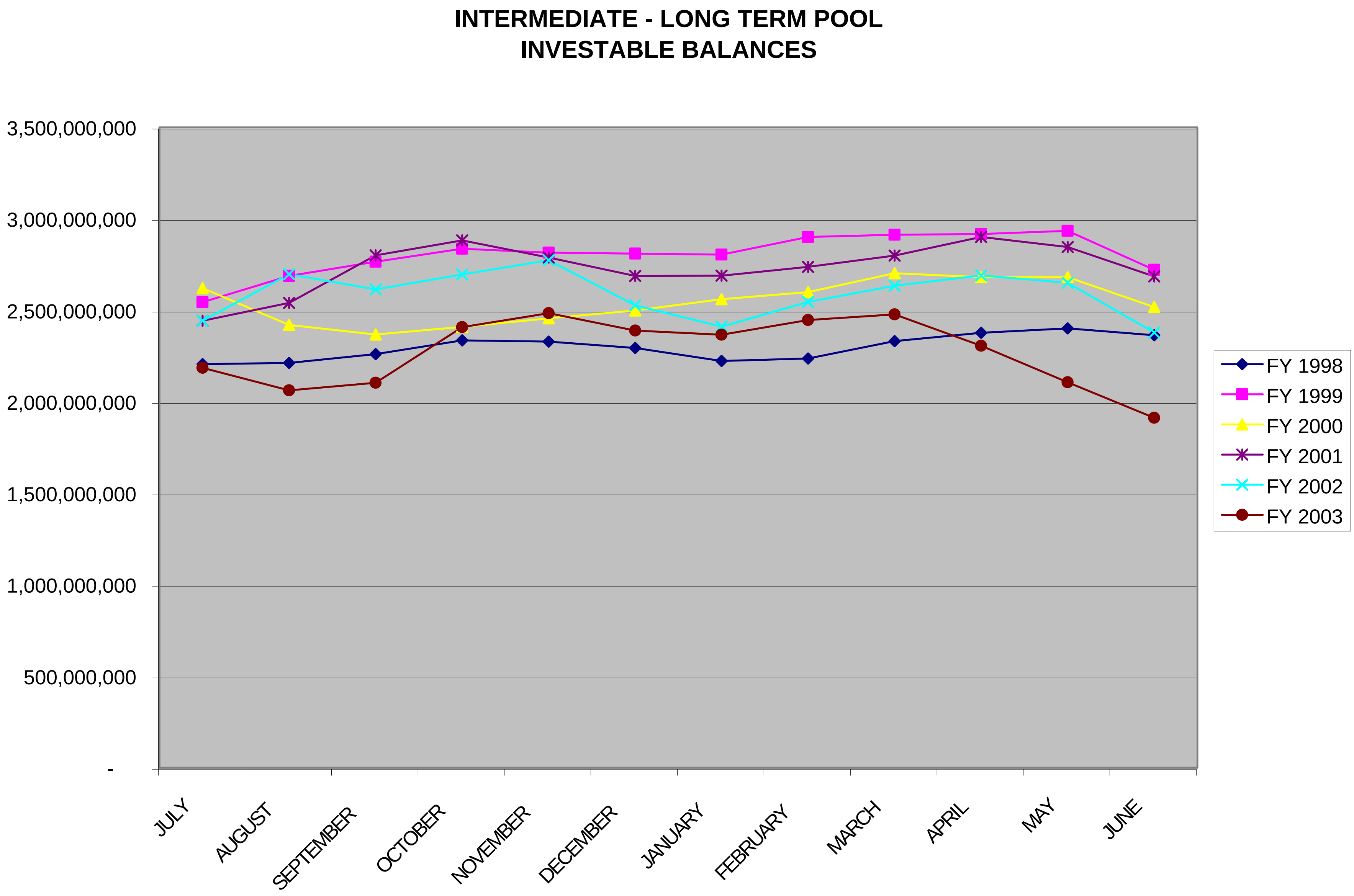


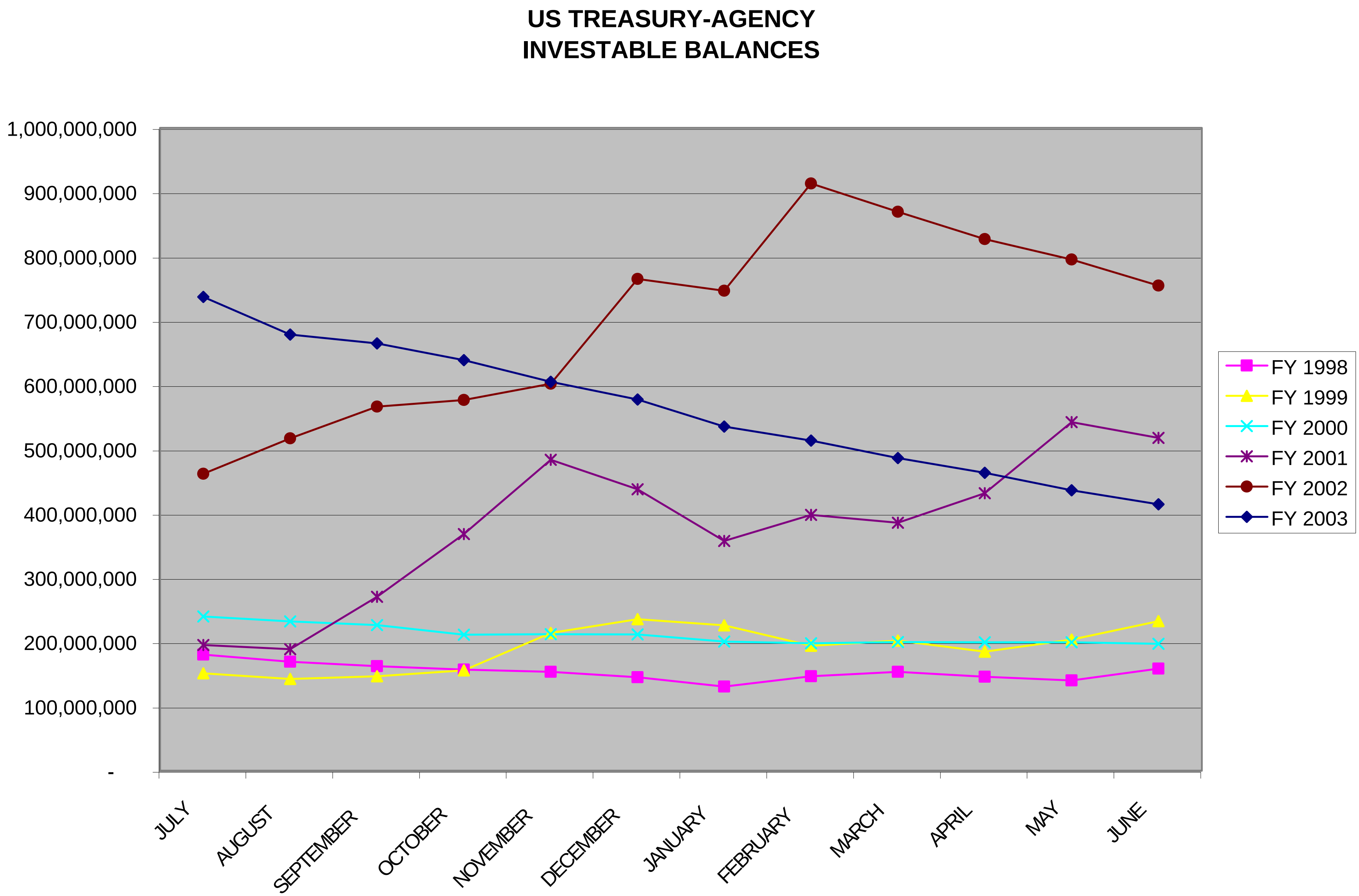
LIMITS
Corporates 25%
Mortgages 25%
Asset Backs 20%
Money Mkt. 20%



INVESTABLE BALANCES
4,500,000,000
4,000,000,000
3,500,000,000
3,000,000,000
2,500,000,000
2,000,000,000
July
August
September
October
November
December
January
February
March
April
May
June
FY 1998
FY 1999
FY 2000
FY 2001
FY 2002
FY 2003


SHORT TERM POOL
INVESTABLE BALANCES
1,000,000,000
800,000,000
600,000,000
400,000,000
200,000,000
-
(200,000,000)
(400,000,000)
(600,000,000)
(800,000,000)
JULY
AUGUST
SEPTEMBER
OCTOBER
NOVEMBER
DECEMBER
JANUARY
FEBRUARY
MARCH
APRIL
MAY
JUNE
FY 1998
FY 1999
FY 2000
FY 2001
FY 2002
FY 2003


INTERMEDIATE - LONG TERM POOL
INVESTABLE BALANCES
3,500,000,000
3,000,000,000
2,500,000,000
2,000,000,000
1,500,000,000
1,000,000,000
500,000,000
-
JULY
AUGUST
SEPTEMBER
OCTOBER
NOVEMBER
DECEMBER
JANUARY
FEBRUARY
MARCH
APRIL
MAY
JUNE
FY 1998
FY 1999
FY 2000
FY 2001
FY 2002
FY 2003


US TREASURY-AGENCY
INVESTABLE BALANCES
1,000,000,000
900,000,000
800,000,000
700,000,000
600,000,000
500,000,000
400,000,000
300,000,000
200,000,000
100,000,000
-
JULY
AUGUST
SEPTEMBER
OCTOBER
NOVEMBER
DECEMBER
JANUARY
FEBRUARY
MARCH
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MAY
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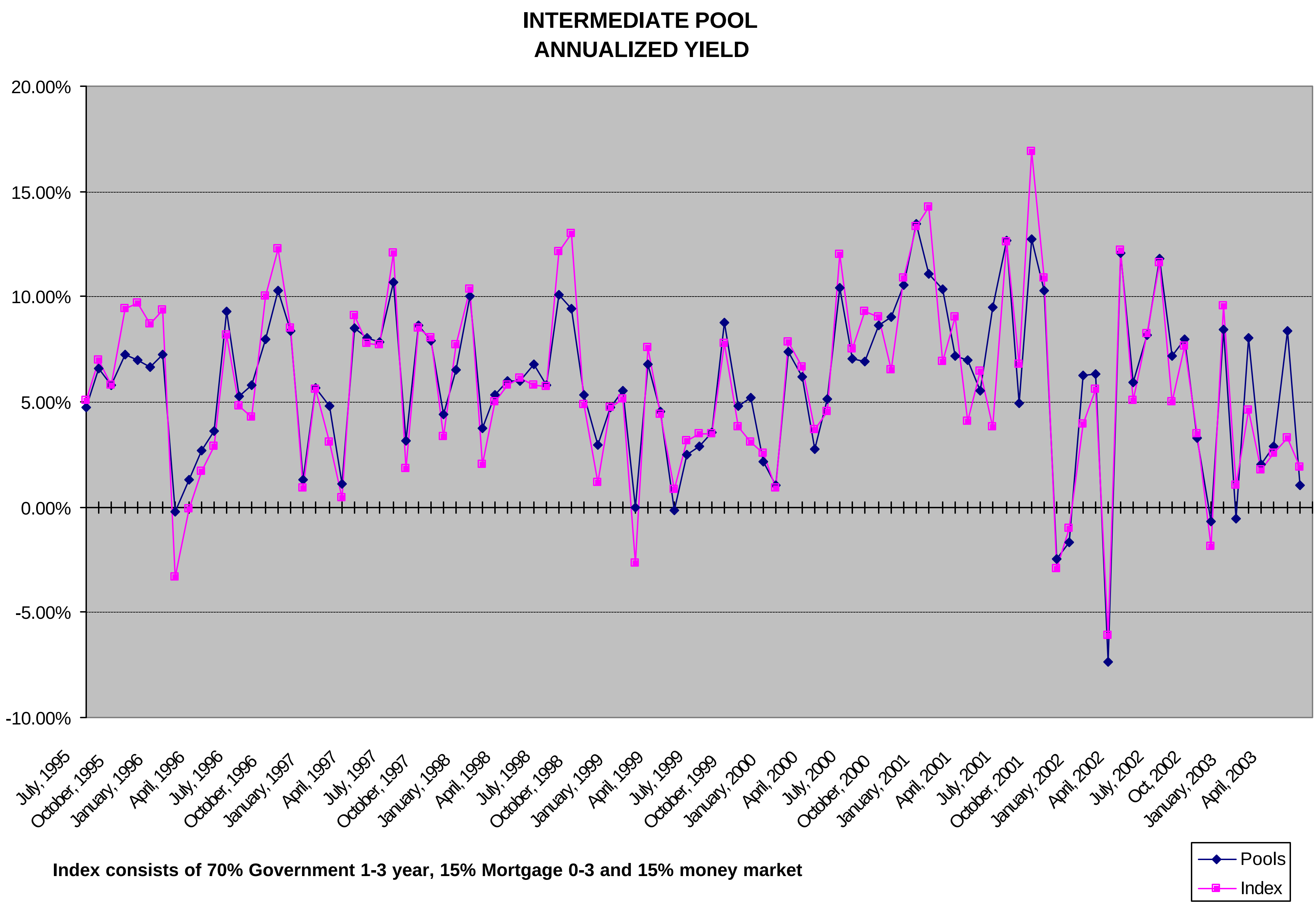
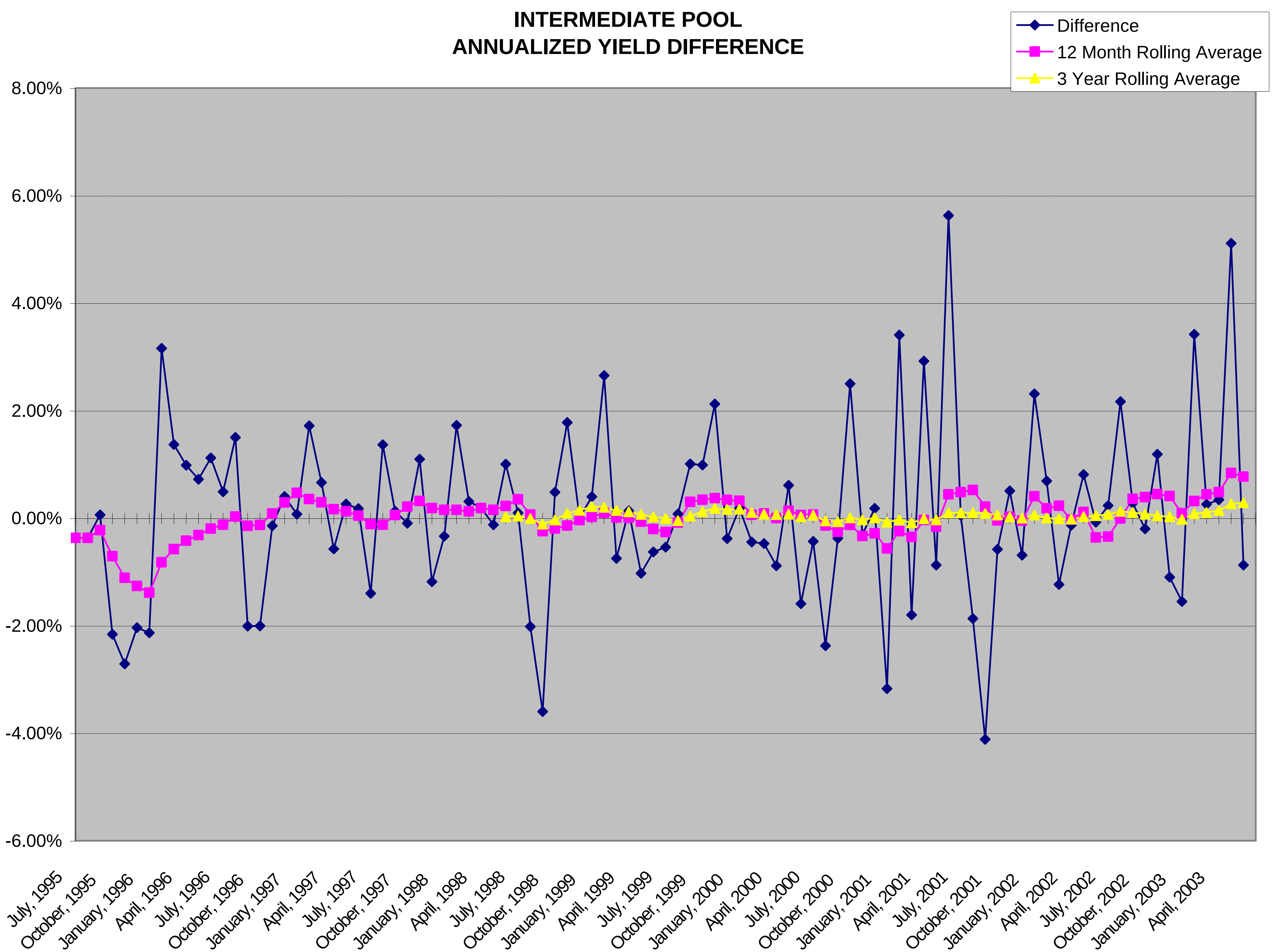
FY 1998
FY 1999
FY 2000
FY 2001
FY 2002
FY 2003



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



INTERMEDIATE POOL
ANNUALIZED YIELD DIFFERENCE
Difference
12 Month Rolling Average
3 Year Rolling Average
8.00%
6.00%
4.00%
2.00%
0.00%
-2.00%
-4.00%
-6.00%
July, 1995
October, 1995
January, 1996
April, 1996
July, 1996
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April, 1997
July, 1997
October, 1997
January, 1998
April, 1998
July, 1998
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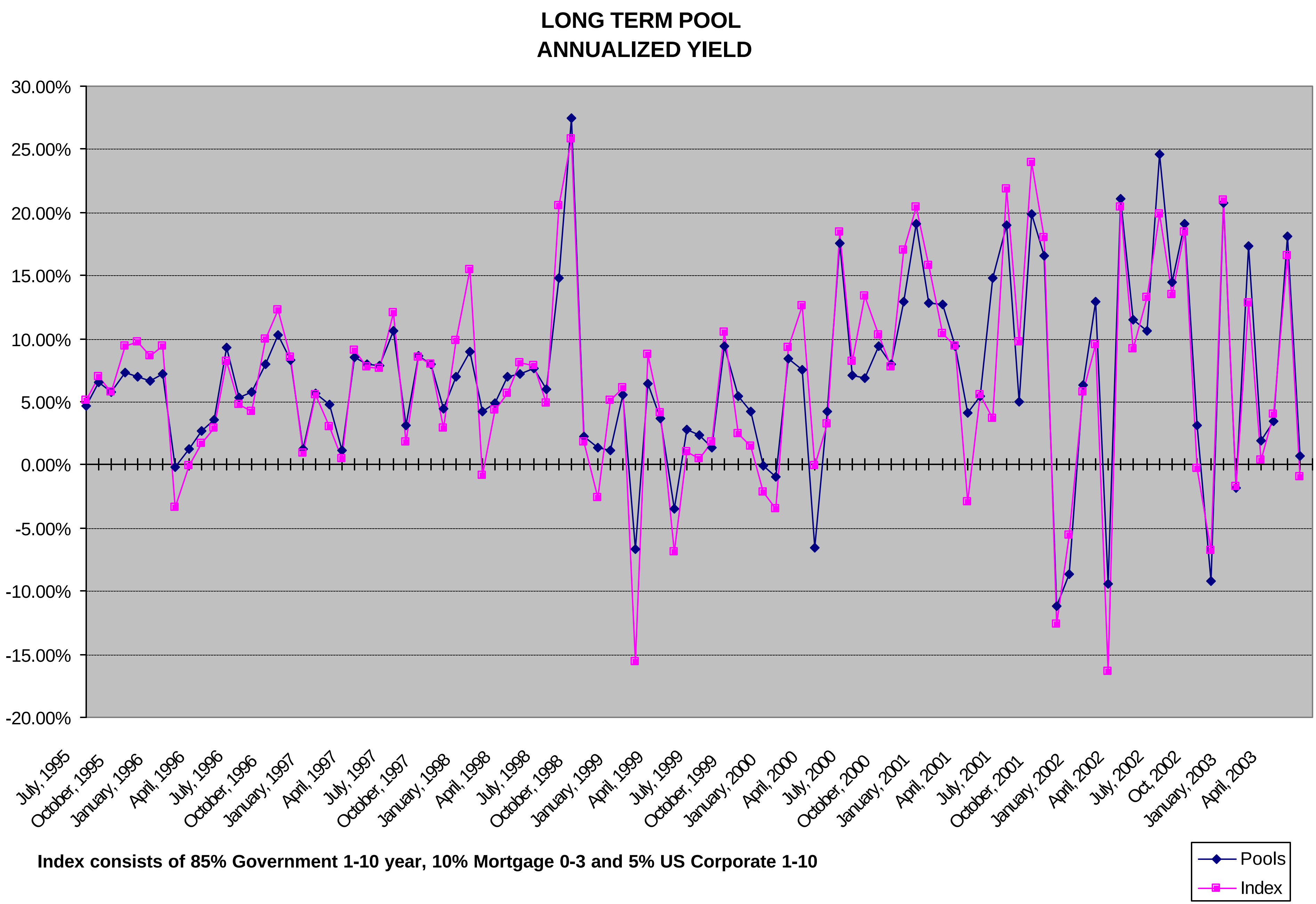
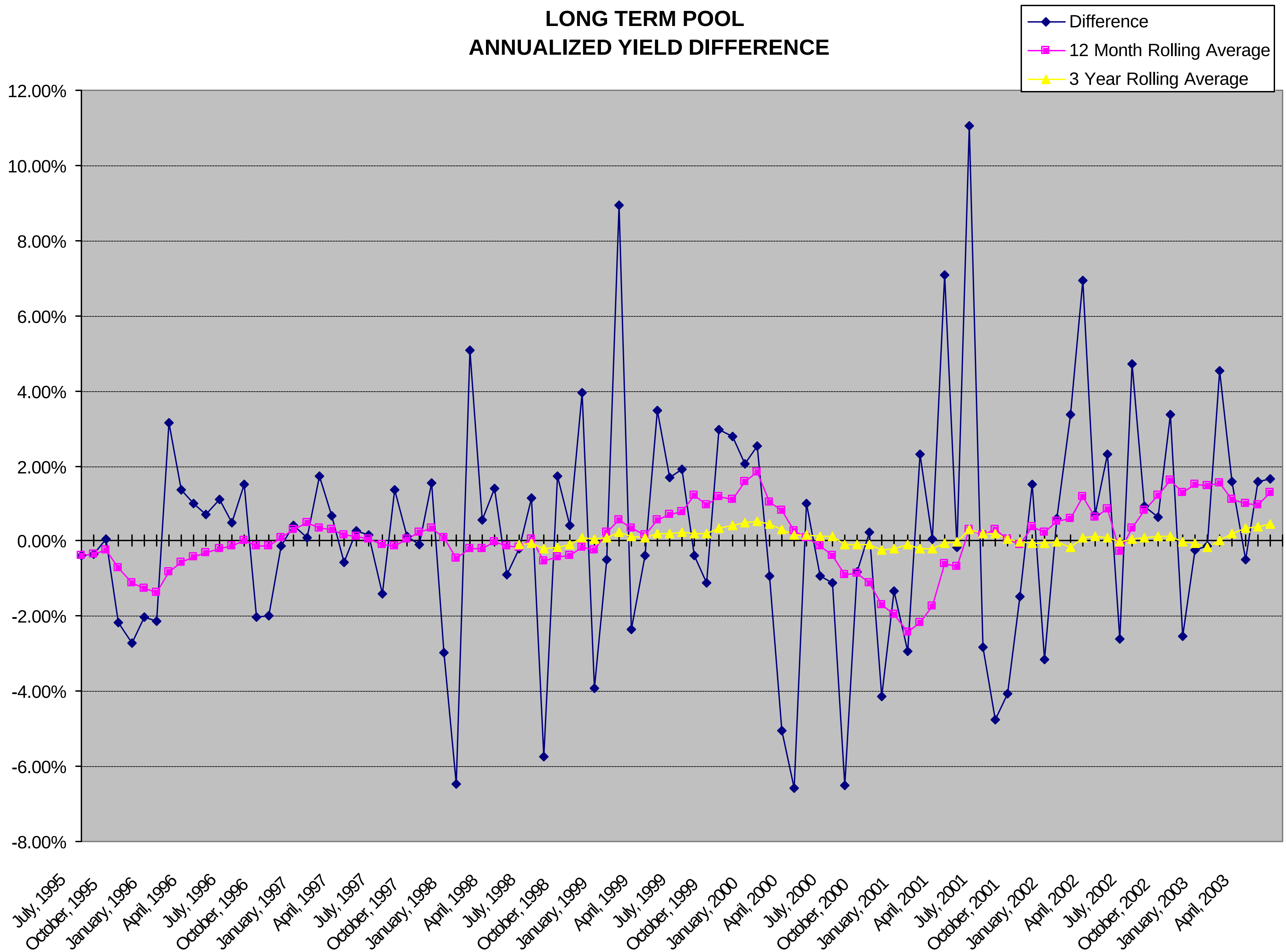
October, 2002
January, 2003
April, 2003



Index consists of 85% Government 1-10 year, 10% Mortgage 0-3 and 5% US Corporate 1-10



LONG TERM POOL
ANNUALIZED YIELD DIFFERENCE
Difference
12 Month Rolling Average
3 Year Rolling Average
12.00%
10.00%
8.00%
6.00%
4.00%
2.00%
0.00%
-2.00%
-4.00%
-6.00%
-8.00%
July, 1995
October, 1995
January, 1996
April, 1996
July, 1996
October, 1996
January, 1997
April, 1997
July, 1997
October, 1997
January, 1998
April, 1998
July, 1998
October, 1998
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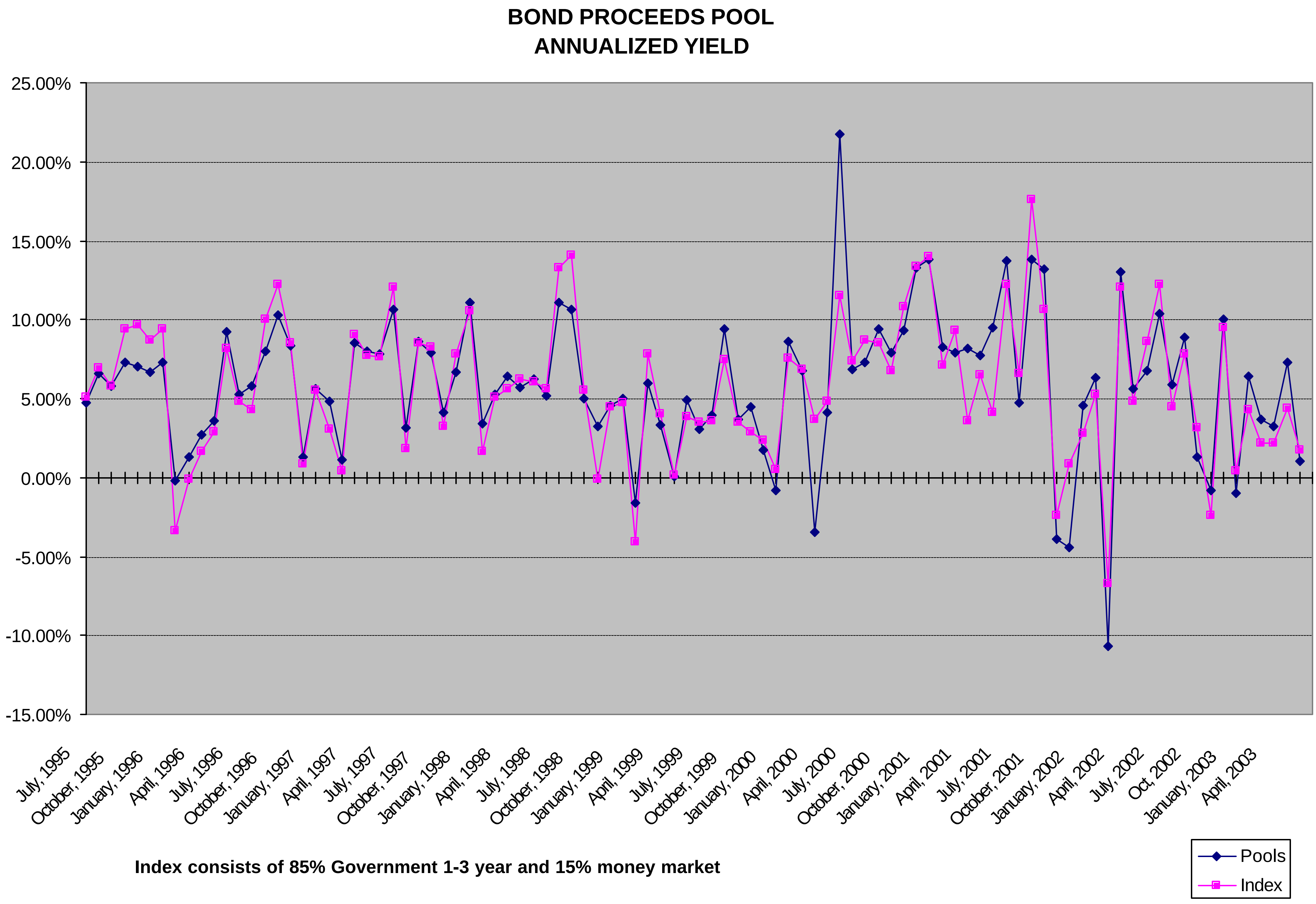
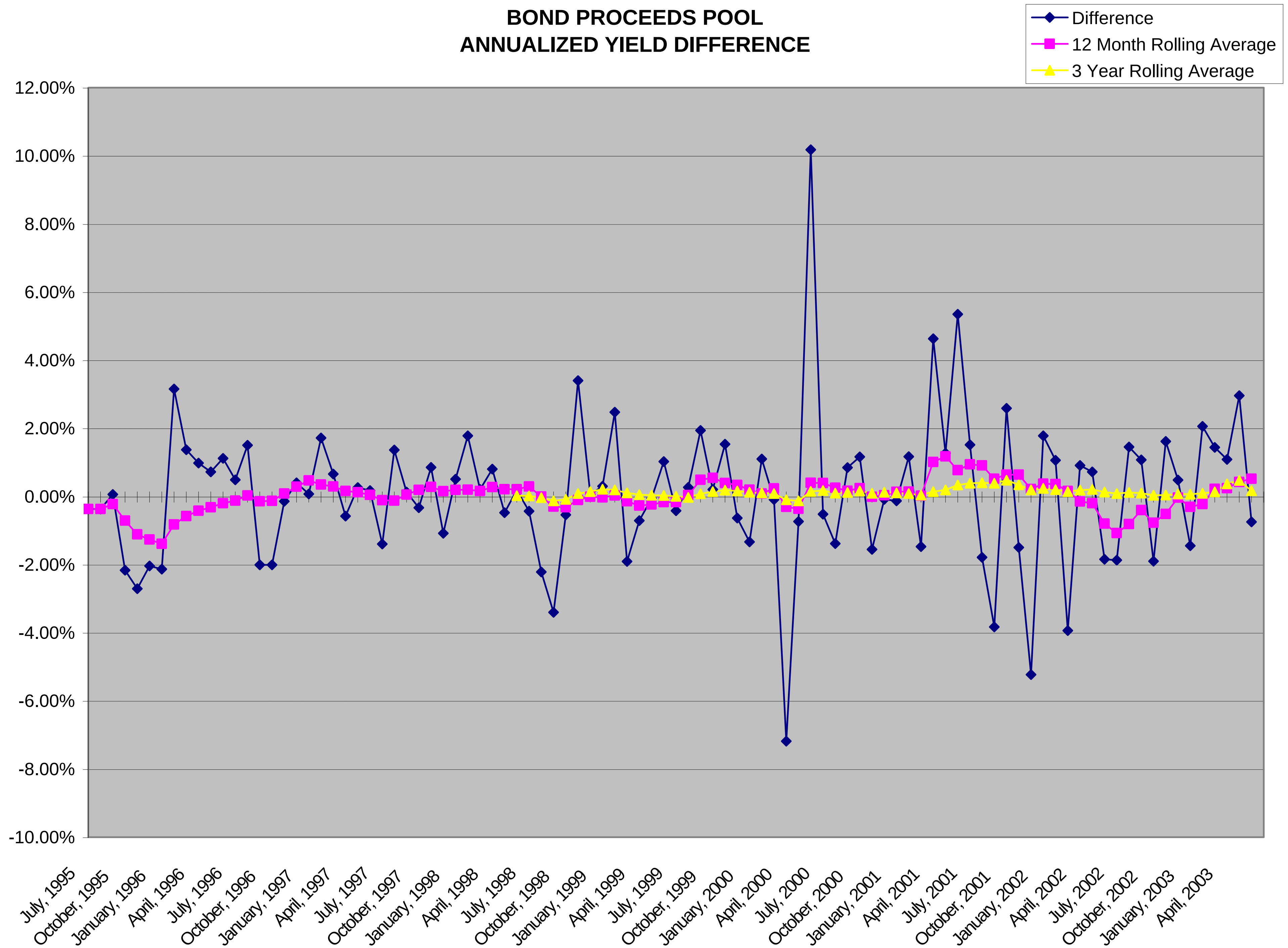
October, 2002
January, 2003
April, 2003



Index consists of 85% Government 1-3 year and 15% money market


BOND PROCEEDS POOL
ANNUALIZED YIELD DIFFERENCE
Difference
12 Month Rolling Average
3 Year Rolling Average
12.00%
10.00%
8.00%
6.00%
4.00%
2.00%
0.00%
-2.00%
-4.00%
-6.00%
-8.00%
-10.00%
July, 1995
October, 1995
January, 1996
April, 1996
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October, 1996
January, 1997
April, 1997
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January, 1998
April, 1998
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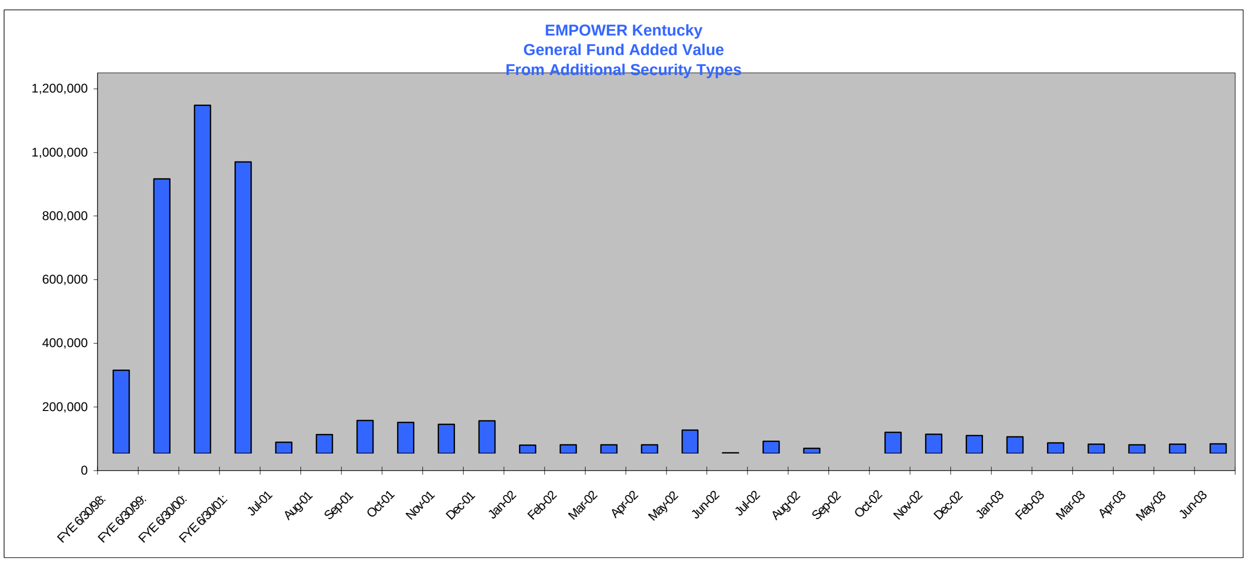
October, 2001
January, 2002
April, 2002
July, 2002
October, 2002
January, 2003
April, 2003

EMPOWER Kentucky
Added Value from Additional Security Types
Cash Basis

	MBS/CMO/ABS	Corporates	Total Added-Value	General Fund Share of Added-Value
FYE 6/30/98:	**1,014,606**	**318,534**	**1,333,140**	**261,195**
FYE 6/30/99:	**2,446,624**	**1,273,240**	**3,782,706**	**862,910**
FYE 6/30/00:	**3,359,269**	**1,813,697**	**5,172,966**	**1,093,701**
FYE 6/30/01:	**3,771,414**	**1,563,657**	**5,335,071**	**915,892**
Jul-01	327,197	176,268	503,465	35,388
Aug-01	315,197	170,633	485,699	59,572
Sep-01	307,697	175,771	483,468	103,533
Oct-01	315,030	184,844	499,874	97,298
Nov-01	319,188	207,984	527,172	91,872
Dec-01	336,043	207,909	543,952	102,750
Jan-02	332,500	217,893	550,393	26,029
Feb-02	326,500	224,406	550,906	27,283
Mar-02	340,000	235,974	575,974	27,589
Apr-02	350,050	241,071	591,121	27,602
May-02	367,550	201,632	569,182	73,352
Jun-02	390,710	158,801	549,511	2,071
FYE 6/30/02 YTD:	**4,027,662**	**2,403,186**	**6,430,717**	**674,339**
Jul-02	368,100	131,000	499,100	38,684
Aug-02	334,600	132,814	467,414	15,757
Sep-02	325,600	128,059	453,659	0
Oct-02	325,600	137,721	463,321	66,276
Nov-02	315,800	127,088	442,888	60,461
Dec-02	330,300	122,042	452,342	56,794
Jan-03	332,050	108,426	440,476	52,044
Feb-03	241,318	101,236	342,554	33,198
Mar-03	235,062	95,707	330,770	29,108
Apr-03	232,475	95,373	327,848	26,874
May-03	227,307	98,801	326,108	29,192
Jun-03	225,950	96,799	322,749	29,783
Since inception	18,444,037	8,869,422	27,376,171	4,303,002



EMPOWER Kentucky
Added Value from New Investment Strategy
Total Return Basis

	BRTF Long-term Pool	General Fund Share of Added-Value
FYE 6/30/98:	**844,071**	**664,615**
FYE 6/30/99:	**474,664**	**795,289**
FYE 6/30/00:	**-4,741,993**	**-2,075,327**
Jul-00	183,751	78,751
Aug-00	(11,978)	(5,311)
Sep-00	243,819	107,152
Oct-00	(35,863)	(15,863)
Nov-00	147,898	64,565
Dec-00	1,667,426	725,759
Jan-01	532,927	234,594
Feb-01	692,576	302,576
Mar-01	665,983	290,983
Apr-01	(826,661)	(358,327)
May-01	(44,437)	(19,437)
Jun-01	1,572,342	685,675
FYE 6/30/01 YTD:	**4,787,783**	**2,091,117**
Jul-01	1,865,960	807,627
Aug-01	11,137	4,470
Sep-01	2,065,496	878,829
Oct-01	1,699,384	656,050
Nov-01	(2,354,069)	(904,069)
Dec-01	(1,888,469)	(720,135)
Jan-02	978,620	368,620
Feb-02	1,777,333	672,333
Mar-02	(548,778)	(208,778)
Apr-02	2,419,397	912,731
May-02	1,379,397	526,469
Jun-02	419,940	13,273
FYE 6/30/02 YTD:	**7,825,348**	**3,007,420**
Jul-02	2,134,138	0
Aug-02	1,220,313	0
Sep-02	1,935,161	0
Oct-02	(24,731)	0
Nov-02	(39,832)	0
Dec-02	2,061,387	0
Jan-03	(213,058)	0
Feb-03	1,590,494	0
Mar-03	(162,664)	0
Apr-03	104,383	0
May-03	1,641,923	0
Jun-03	(40,674)	
Since inception	**19,396,713**	**4,483,114**