# MONTHLY INVESTMENT INCOME REPORT

JUNE 1999

The Office of Financial Management
and Economic Analysis

Date: 6/30/99

# PORTFOLIO SUMMARY
# POOLS

| | TYPE | MARKET VALUE | MARKET YIELD (%) | DURATION (Years) | PERCENT of TOTAL | STATUTORY LIMIT |
|---|---|---|---|---|---|---|
| Treasuries | | | | | | |
| | Bills | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Treasury Notes | 577,425,818.00 | 5.44 | 1.83 | 17.01 | |
| Sub-total | | 577,425,818.00 | 5.44 | 1.83 | 17.01 | |
| Agencies | Notes | 1,051,715,964.00 | 5.93 | 2.14 | 31.18 | |
| | Discounts | 14,925,000.00 | 4.94 | 0.13 | 0.44 | |
| Sub-total | | 1,066,640,964.00 | 5.91 | 2.09 | 31.62 | |
| Municipals | | 135,861,416.00 | 6.26 | 2.29 | 3.94 | |
| Corporates | | 393,674,274.00 | 6.02 | 1.78 | 11.53 | 25% |
| Mortgages | Pools | 80,508,819.00 | 6.52 | 2.63 | 2.54 | |
| | CMO's | 254,632,981.00 | 6.30 | 2.10 | 7.40 | |
| Sub-total | | 335,141,800.00 | 6.35 | 2.23 | 9.94 | 25% |
| Asset Backs | | 141,178,094.00 | 6.12 | 1.33 | 3.63 | 20% |
| Repurchase Agreements | | | | | | |
| | Overnight | 593,000,000.00 | 5.08 | | 17.59 | |
| | < 30 days | 64,902,076.00 | 4.79 | | 1.92 | |
| | < 60 days | 162,443.00 | 4.45 | | 0.00 | |
| | < 90 days | 344,930.00 | 4.50 | | 0.01 | |
| | < 1 year | 4,943,816.00 | 4.26 | | 0.15 | |
| | < 2 years | 2,500,000.00 | 5.76 | | 0.07 | |
| | > 2 years | 3,109,296.00 | 5.62 | | 0.09 | |
| | Flex Repos | | | | | |
| Sub-total | | 668,962,561.00 | 5.05 | | 19.84 | |
| Money Market Securities | | | | | | |
| | Commercial Paper | 62,250,000.00 | 4.92 | 0.19 | 1.85 | A1-P1 |
| | Bankers Acceptances | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Certificates of Deposit | 1,123,797.00 | 4.37 | 0.68 | 0.03 | |
| Sub-total | | 63,373,797.00 | 4.92 | 0.19 | 1.85 | 20% |
| **TOTALS** | | 3,382,258,724.00 | 5.72 | 1.56 | 100.00 | |

Date: 6/30/99

# PORTFOLIO SUMMARY
# SHORT TERM POOL

| | | TYPE | MARKET VALUE | MARKET YIELD (%) | DURATION (Years) | PERCENT of TOTAL | STATUTORY LIMIT |
|---|---|---|---|---|---|---|---|
| Treasuries | | | | | | | |
| | | Bills | 0.00 | 0.00 | 0 | 0.00 | |
| | | Treasury Notes | 0.00 | 0.00 | 0 | 0.00 | |
| | Sub-total | | 0.00 | 0.00 | 0 | 0.00 | |
| Agencies | | Notes | 53,600,000.00 | 4.98 | 135 | 8.85 | |
| | | Discounts | 10,000,000.00 | 4.79 | 40 | 1.65 | |
| | Sub-total | | 63,600,000.00 | 4.95 | 120 | 10.50 | |
| Corporates | | | 26,640,000.00 | 5.18 | 193 | 4.40 | |
| Municipals | | | 0.00 | 0.00 | 0 | 0.00 | |
| Repurchase Agreements | | | | | | | |
| | | Overnight | 453,192,000.00 | 5.08 | | 74.82 | |
| | | < 30 days | 0.00 | 0.00 | | 0.00 | |
| | | < 60 days | 0.00 | 0.00 | | 0.00 | |
| | | < 90 days | 0.00 | 0.00 | | 0.00 | |
| | | < 1 year | 0.00 | 0.00 | | 0.00 | |
| | | < 2 years | 0.00 | 0.00 | | 0.00 | |
| | | > 2 years | 0.00 | 0.00 | | 0.00 | |
| | | Flex Repos | | | | | |
| | Sub-total | | 453,192,000.00 | 5.08 | 1 | 74.82 | |
| Money Market Securities | | | | | | | |
| | | Commercial Paper | 62,250,000.00 | 4.92 | 69 | 10.28 | A1-P1 |
| | | Bankers Acceptances | 0.00 | 0.00 | 0 | 0.00 | |
| | | Certificates of Deposit | 0.00 | 0.00 | 0 | 0.00 | |
| | Sub-total | | 62,250,000.00 | 4.92 | 69 | 10.28 | |
| **TOTALS** | | | 605,682,000.00 | 5.05 | 29 | 100.00 | |

Date: 6/30/99

# PORTFOLIO SUMMARY
## INTERMEDIATE TERM POOL

| | TYPE | MARKET VALUE | MARKET YIELD (%) | DURATION (Years) | PERCENT of TOTAL | STATUTORY LIMIT |
|---|---|---|---|---|---|---|
| Treasuries | | | | | | |
| | Bills | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Treasury Notes | 444,213,322.00 | 5.42 | 1.71 | 20.29 | |
| Sub-total | | 444,213,322.00 | 5.42 | 1.71 | 20.29 | |
| Agencies | Notes | 806,462,563.00 | 5.96 | 2.09 | 36.91 | |
| | Discounts | 0.00 | 0.00 | 0.00 | 0.00 | |
| Sub-total | | 806,462,563.00 | 5.96 | 2.09 | 36.91 | |
| Municipals | | 111,976,193.00 | 6.24 | 2.22 | 5.02 | |
| Corporates | | 326,985,474.00 | 6.08 | 1.83 | 14.82 | 25% |
| Mortgages | Pools | 54,673,732.00 | 6.44 | 2.18 | 2.51 | |
| | CMO's | 196,147,981.00 | 6.24 | 1.88 | 9.01 | |
| Sub-total | | 250,821,713.00 | 6.28 | 1.95 | 11.53 | 25% |
| Asset Backs | | 121,178,094.00 | 6.16 | 1.28 | 4.71 | 20% |
| Repurchase Agreements | | | | | | |
| | Overnight | 49,078,000.00 | 5.08 | | 2.26 | |
| | < 30 days | 64,902,076.00 | 4.79 | | 2.98 | |
| | < 60 days | 162,443.00 | 4.45 | | 0.01 | |
| | < 90 days | 344,930.00 | 4.50 | | 0.02 | |
| | < 1 year | 4,943,816.00 | 4.26 | | 0.23 | |
| | < 2 years | 2,500,000.00 | 5.76 | | 0.11 | |
| | > 2 years | 3,109,296.00 | 5.62 | | 0.14 | |
| | Flex Repos | | | | | |
| Sub-total | | 125,040,561.00 | 4.92 | | 5.75 | |
| Money Market Securities | | | | | | |
| | Commercial Paper | 0.00 | 0.00 | 0.00 | 0.00 | A1-P1 |
| | Bankers Acceptances | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Certificates of Deposit | 1,123,797.00 | 4.37 | 0.68 | 0.05 | |
| Sub-total | | 1,123,797.00 | 0.00 | 0.00 | 0.00 | 20% |
| **TOTALS** | | 2,187,801,717.00 | 5.87 | 1.81 | 100.00 | |

Date: 6/30/99

# 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 | | |
| | Treasury Notes | 77,181,424.00 | 5.71 | 3.02 | 21.91 | |
| Sub-total | | 77,181,424.00 | 5.71 | 3.02 | 21.91 | |
| Agencies | Notes | 98,863,657.00 | 6.19 | 3.10 | 28.89 | |
| | Discounts | 0.00 | 0.00 | 0.00 | 0.00 | |
| Sub-total | | 98,863,657.00 | 6.19 | 3.10 | 28.89 | |
| Municipals | | 23,885,223.00 | 6.35 | 2.60 | 6.77 | |
| Corporates | | 40,048,800.00 | 6.01 | 2.23 | 11.24 | 25% |
| Mortgages | Pools | 25,835,087.00 | 6.70 | 3.57 | 8.78 | |
| | CMO's | 58,485,000.00 | 6.48 | 2.84 | 15.22 | |
| Sub-total | | 84,320,087.00 | 6.55 | 3.06 | 24.00 | 25% |
| Asset Backs | | 20,000,000.00 | 5.87 | 1.61 | 5.69 | 20% |
| Repurchase Agreements | | | | | | |
| | Overnight | 5,254,000.00 | 5.08 | | 1.50 | |
| | < 30 days | 0.00 | 0.00 | | 0.00 | |
| | < 60 days | 0.00 | 0.00 | | 0.00 | |
| | < 90 days | 0.00 | 0.00 | | 0.00 | |
| | < 1 year | 0.00 | 0.00 | | 0.00 | |
| | < 2 years | 0.00 | 0.00 | | 0.00 | |
| | > 2 years | 0.00 | 0.00 | | 0.00 | |
| | Flex Repos | | | | | |
| Sub-total | | 5,254,000.00 | 5.08 | | 1.50 | |
| Money Market Securities | | | | | | |
| | Commercial Paper | 0.00 | 0.00 | 0.00 | 0.00 | A1-P1 |
| | Bankers Acceptances | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Certificates of Deposit | 0.00 | 0.00 | 0.00 | 0.00 | |
| Sub-total | | 0.00 | 0.00 | 0.00 | 0.00 | 20% |
| **TOTALS** | | 349,553,191.00 | 6.14 | 2.82 | 100.00 | |

Date: 6/30/99

# 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 | | |
| | Treasury Notes | 56,031,073.00 | 5.27 | 1.01 | 23.05 | |
| Sub-total | | 56,031,073.00 | 5.27 | 1.01 | 23.05 | |
| Agencies | Notes | 92,789,474.00 | 5.98 | 2.34 | 39.03 | |
| | Discounts | 4,952,000.00 | 5.25 | 0.18 | 2.10 | |
| Sub-total | | 97,741,474.00 | 5.97 | 2.30 | 41.12 | |
| Municipals | | 0.00 | 0.00 | 0.00 | 0.00 | |
| Mortgages | Pools | 0.00 | 0.00 | 0.00 | 0.00 | |
| | CMO's | 0.00 | 0.00 | 0.00 | 0.00 | |
| Sub-total | | 0.00 | 0.00 | 0.00 | 0.00 | |
| Asset Backs | | 0.00 | 0.00 | | 0.00 | |
| Repurchase Agreements | | | | | | |
| | Overnight | 85,476,000.00 | 5.08 | | 35.82 | |
| | < 30 days | 0.00 | 0.00 | | 0.00 | |
| | < 60 days | 0.00 | 0.00 | | 0.00 | |
| | < 90 days | 0.00 | 0.00 | | 0.00 | |
| | < 1 year | 0.00 | 0.00 | | 0.00 | |
| | < 2 years | 0.00 | 0.00 | | 0.00 | |
| | > 2 years | 0.00 | 0.00 | | 0.00 | |
| | Flex Repos | | | | - | |
| Sub-total | | 85,476,000.00 | 5.08 | | 35.82 | |
| Money Market Securities | | | | | | |
| | Commercial Paper | 0.00 | 0.00 | 0.00 | 0.00 | NONE ALLOWED |
| | Bankers Acceptances | 0.00 | 0.00 | 0.00 | 0.00 | |
| | Certificates of Deposit | 0.00 | 0.00 | 0.00 | 0.00 | |
| Sub-total | | 0.00 | 0.00 | 0.00 | 0.00 | |
| **TOTALS** | | 239,248,547.00 | 5.48 | 1.26 | 100.00 | |

# Investable Balances

For the Month of June, 1999

| | Average Daily Balances | |
|---|---|---|
| Pool | Month | Fiscal Year to Date |
| Long Term | 350,778,473 | 313,708,308 |
| Short Term | 545,241,811 | 387,952,825 |
| Intermediate | 2,219,353,505 | 2,276,317,109 |
| Bond Proceeds | 232,532,700 | 190,897,340 |
| Previous Investments | 151,289,324 | 213,778,016 |
| **Grand Total** | **3,499,195,813** | **3,382,653,598** |

# Investment Income

Through June, 1999

| Pool | Month Amount | Month Yield * | Fiscal Year to Date Amount | Fiscal Year to Date Yield ** |
|---|---|---|---|---|
| **Long Term** | 796,502 | 2.76% | 14,346,901 | 4.57% |
| **Short Term** | 2,235,855 | 4.99% | 20,388,596 | 5.26% |
| **Intermediate** | 4,563,989 | 2.50% | 109,056,104 | 4.79% |
| **Bond Proceeds** | 935,369 | 4.89% | 8,636,590 | 4.52% |
| **Grand Total** | **8,531,716** | **3.10%** | **152,428,191** | **4.81%** |

* 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 to market value. Total return, divided by average daily balance, divided by actual days, multiplied by actual number of 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 to market value. Total return (fiscal YTD), divided by the weighted average of the monthly average daily balances, divided by the actual days (fiscal YTD), multiplied by the actual number of days in the fiscal year.

# CASH DISTRIBUTION

June 1999

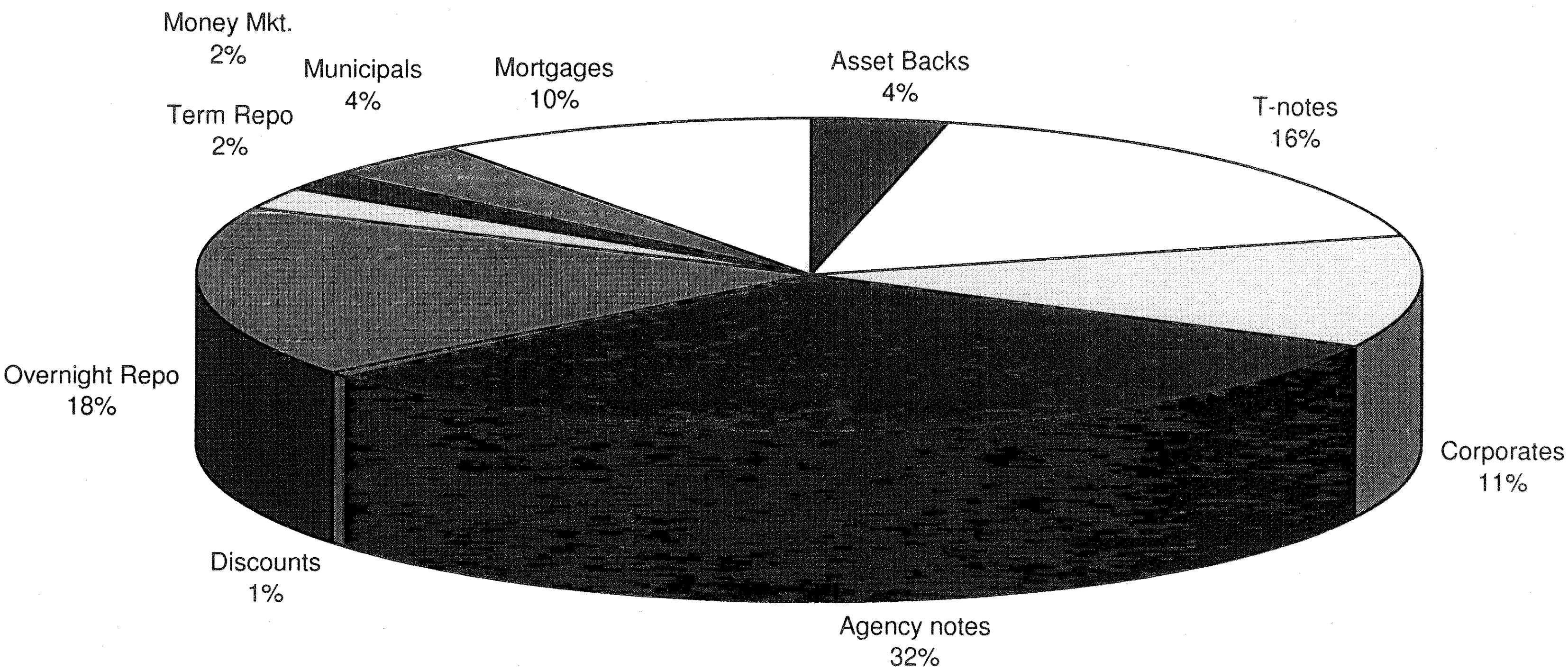
| | Month | | YTD | |
|---|---|---|---|---|
| | Actual | Budget | Actual | Budget |
| General Fund | 2,254,638 | 1,381,967 | 33,735,456 | 16,583,604 |
| Capital Con. | 1,453,092 | 853,125 | 17,734,993 | 16,335,417 |
| Agency | 188,634 | 350,000 | 9,258,239 | 4,744,791 |
| T&R | 324,455 | 65,625 | 2,927,833 | 948,961 |
| Transportation | 2,124,233 | | 35,589,594 | |

# ACCRUED EARNINGS

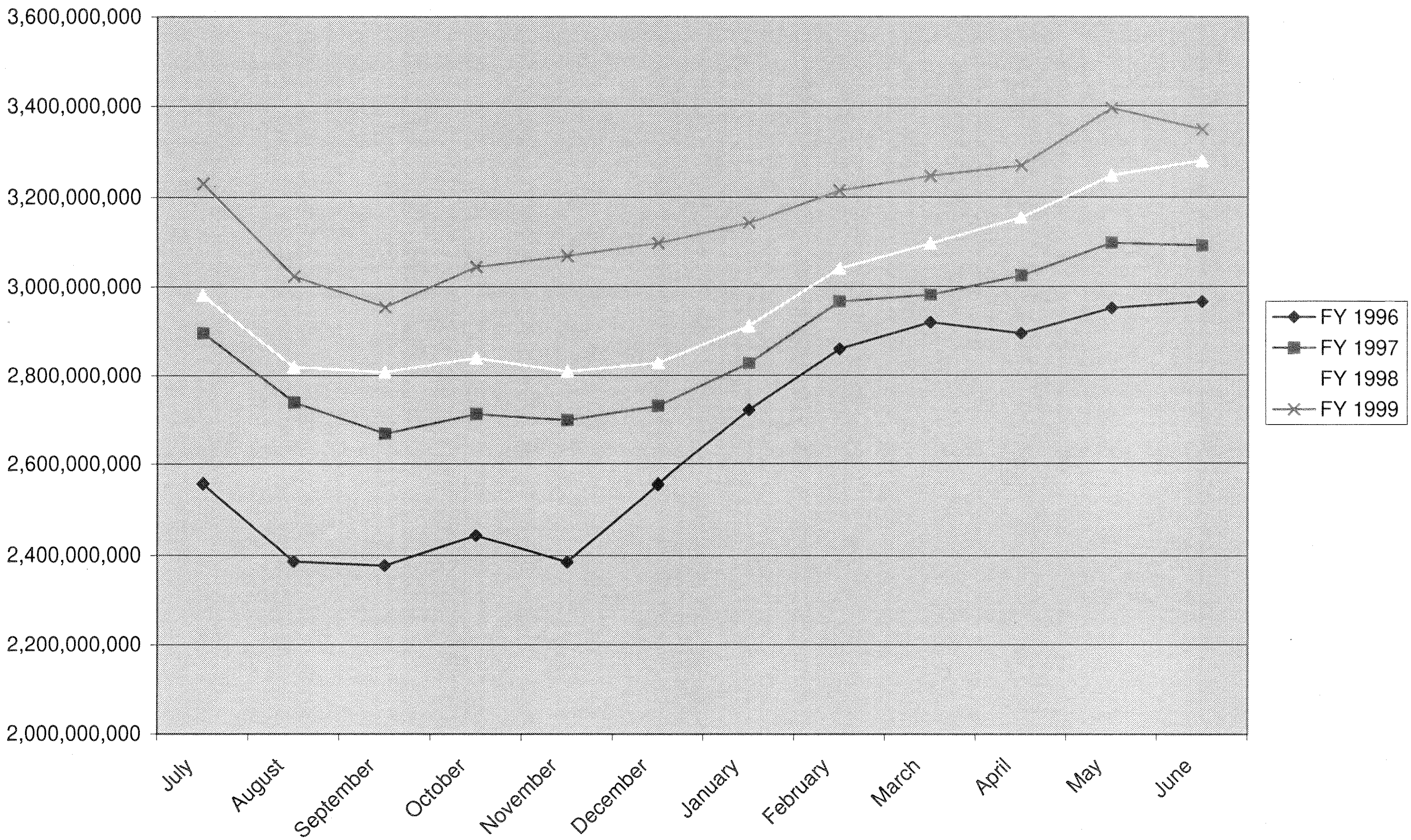
June 1999

| | Month | | YTD | |
|---|---|---|---|---|
| | Actual | Budget | Actual | Budget |
| General Fund | 2,260,705 | 1,381,967 | 30,140,735 | 16,583,604 |
| Capital Con. | 1,274,884 | 853,125 | 18,604,231 | 16,335,117 |
| Agency | 297,319 | 350,000 | 8,073,236 | 4,744,791 |
| T&R | 164,474 | 65,625 | 2,717,079 | 948,961 |
| Transportation | 1,383,350 | | 29,675,469 | |

## DISTRIBUTION OF INVESTMENTS
## JUNE 1999



# INVESTABLE BALANCES

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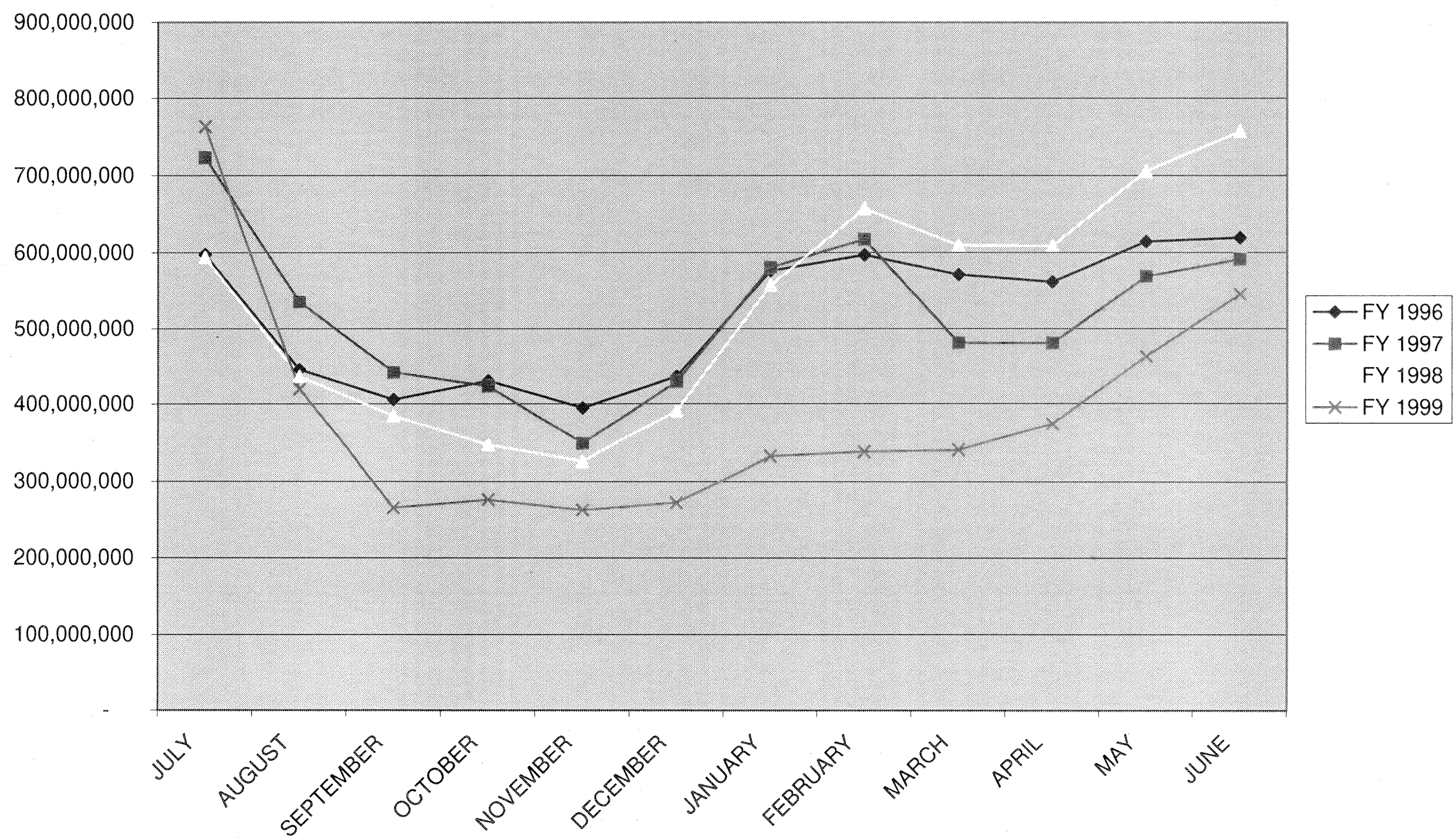
# SHORT TERM POOL
# INVESTABLE BALANCES

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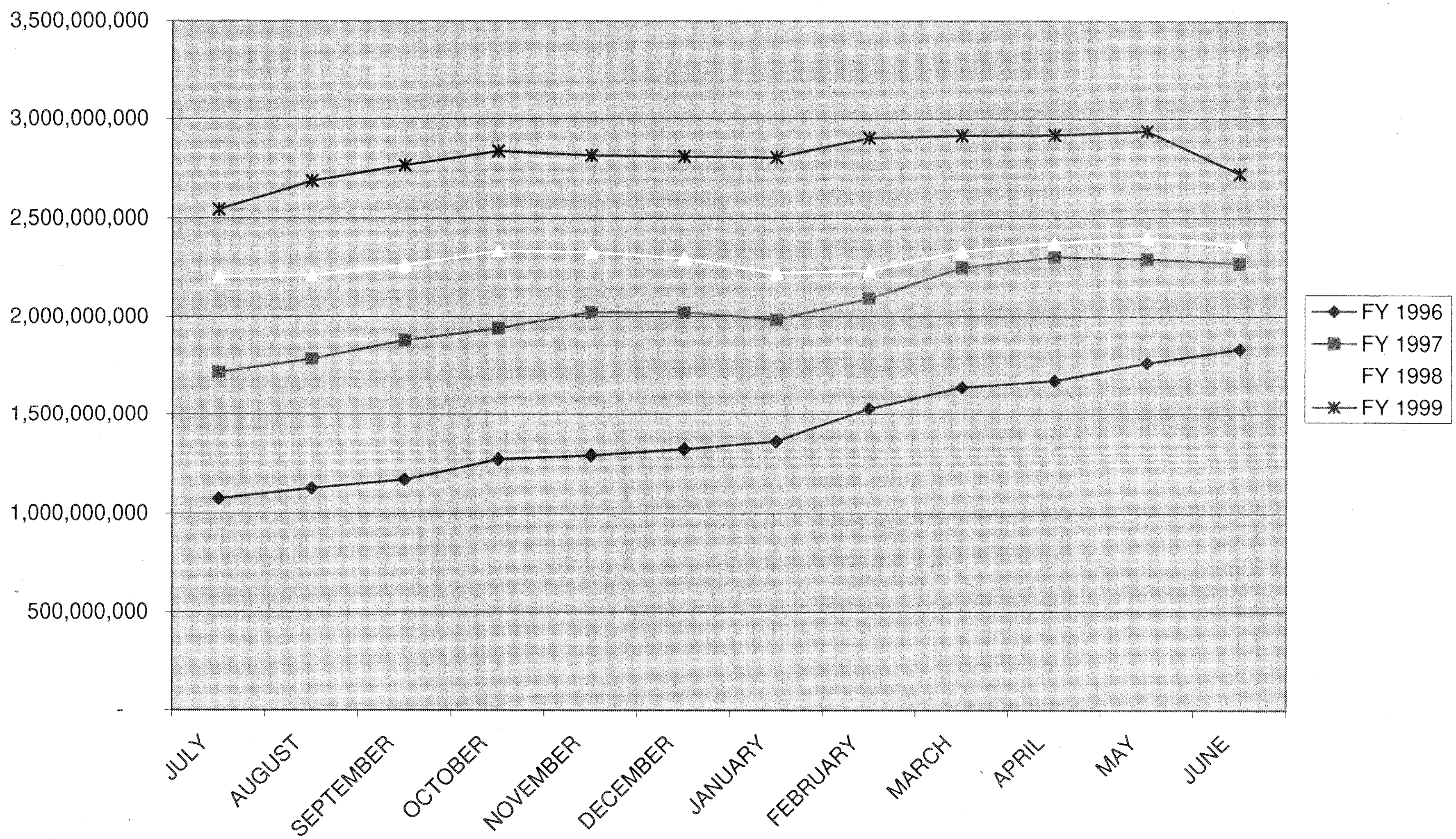
## INTERMEDIATE - LONG TERM POOL
## INVESTABLE BALANCES

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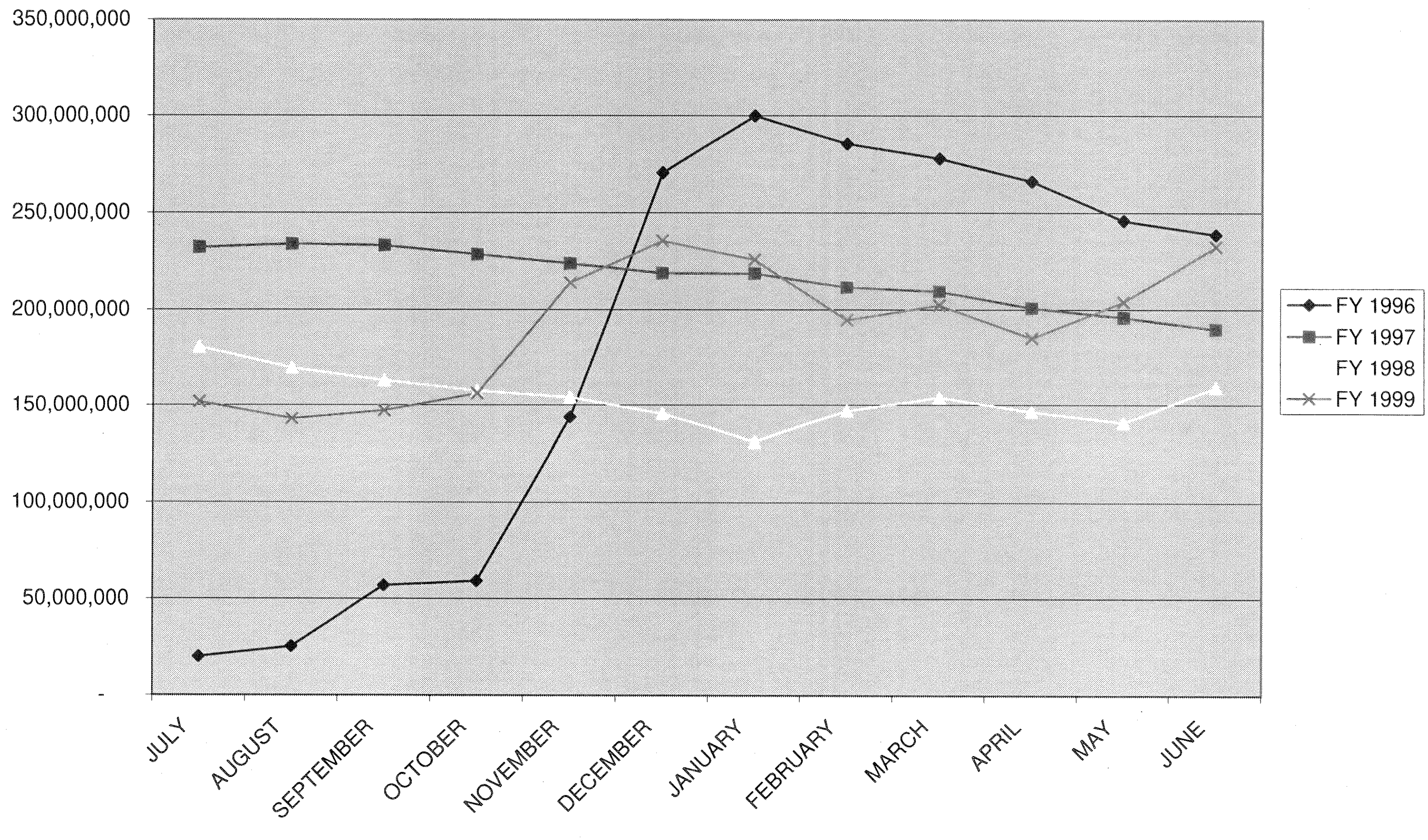
# US TREASURY-AGENCY INVESTABLE BALANCES

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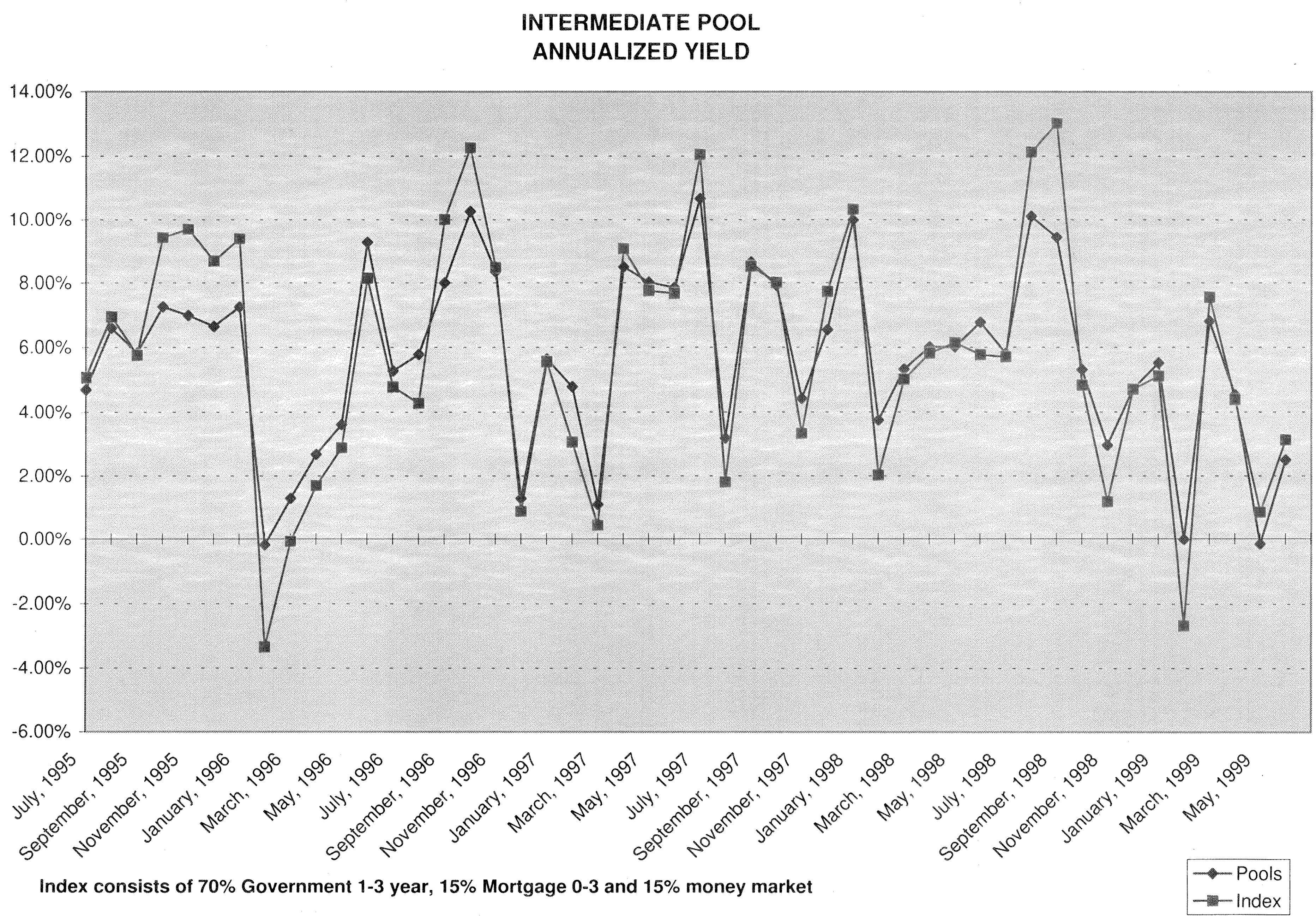
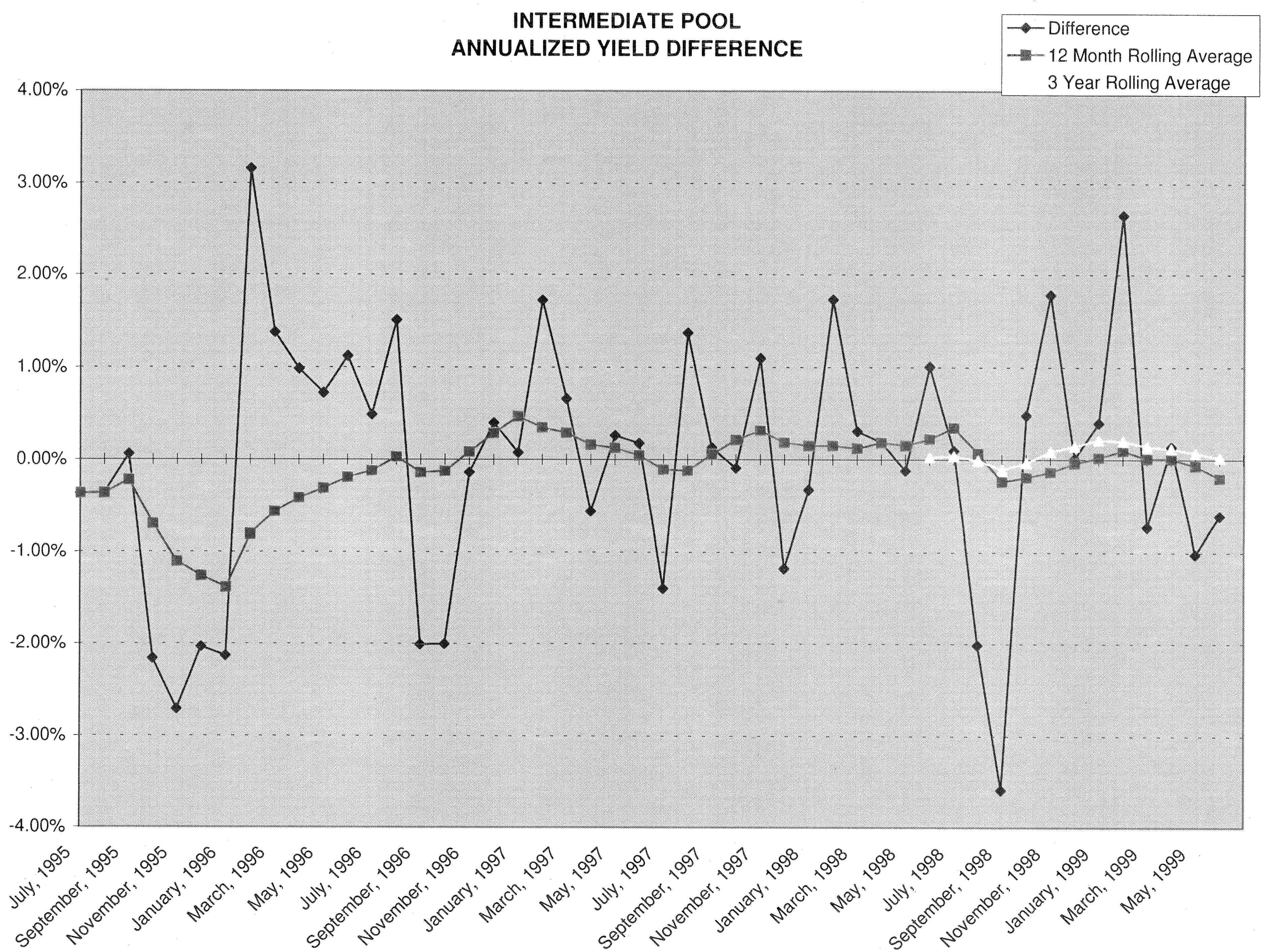
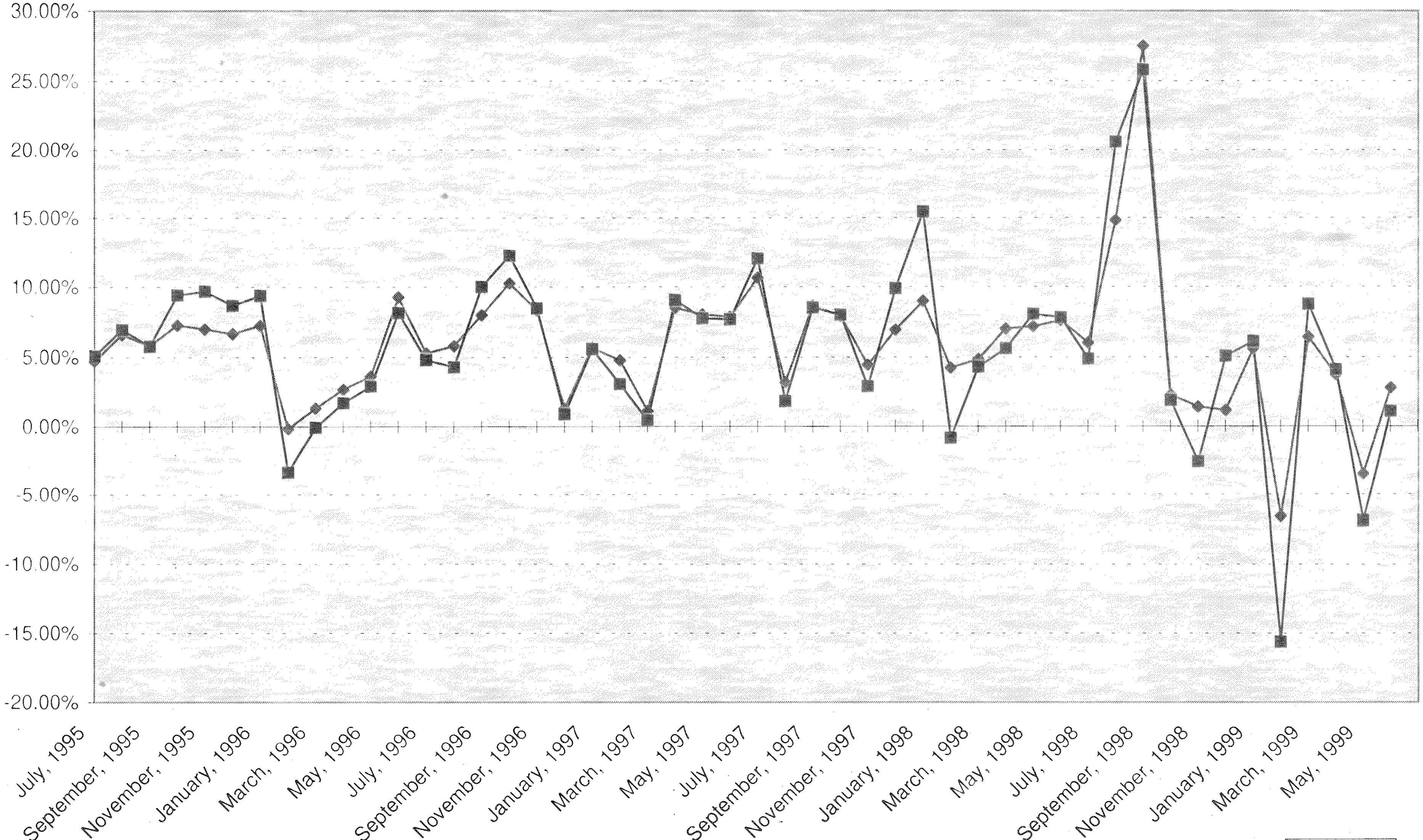


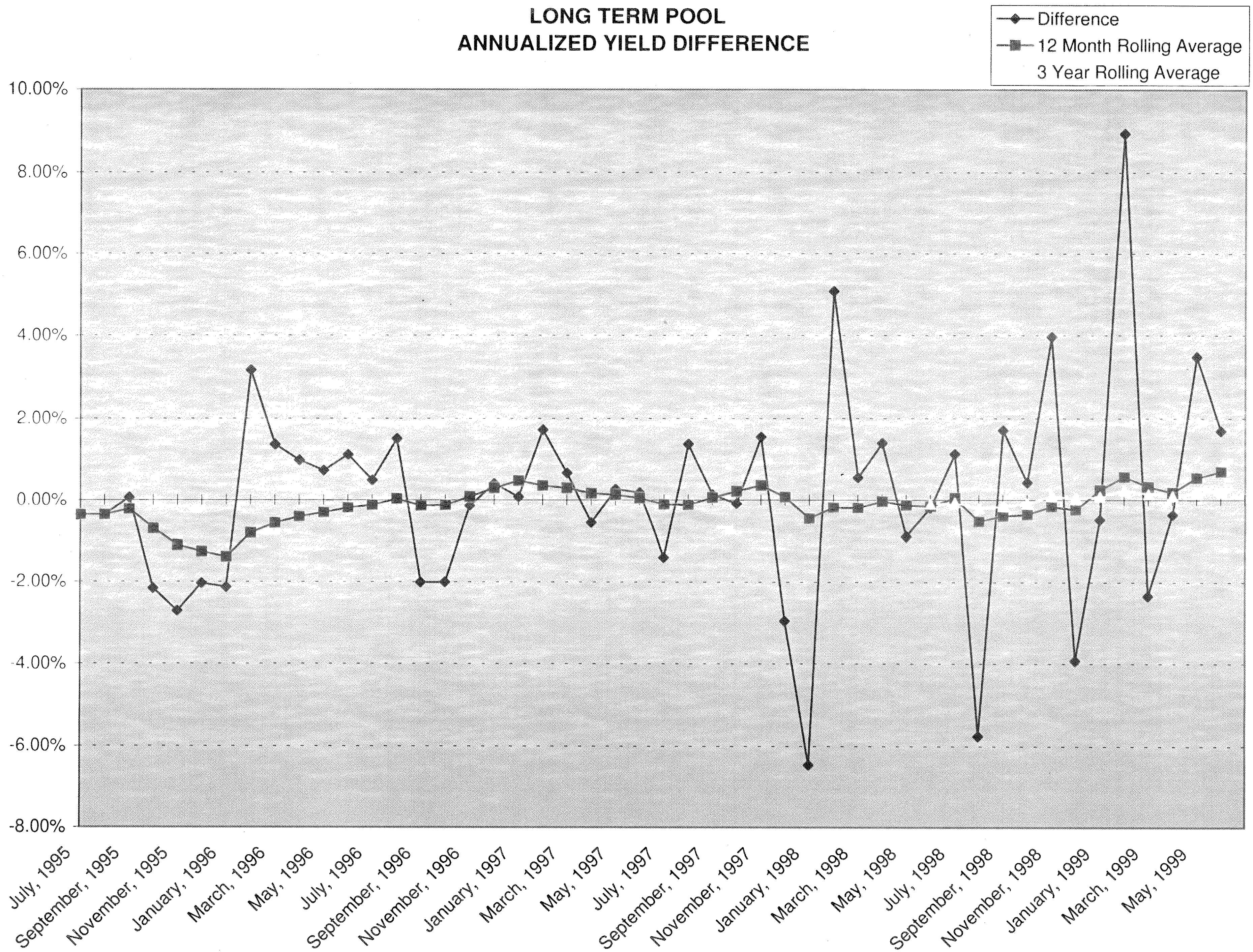

Index consists of 70% Government 1-3 year, 15% Mortgage 0-3 and 15% money market


INTERMEDIATE POOL
ANNUALIZED YIELD DIFFERENCE
Difference
12 Month Rolling Average
3 Year Rolling Average
4.00%
3.00%
2.00%
1.00%
0.00%
-1.00%
-2.00%
-3.00%
-4.00%
July, 1995
September, 1995
November, 1995
January, 1996
March, 1996
May, 1996
July, 1996
September, 1996
November, 1996
January, 1997
March, 1997
May, 1997
July, 1997
September, 1997
November, 1997
January, 1998
March, 1998
May, 1998
July, 1998
September, 1998
November, 1998
January, 1999
March, 1999
May, 1999

# LONG TERM POOL
# ANNUALIZED YIELD

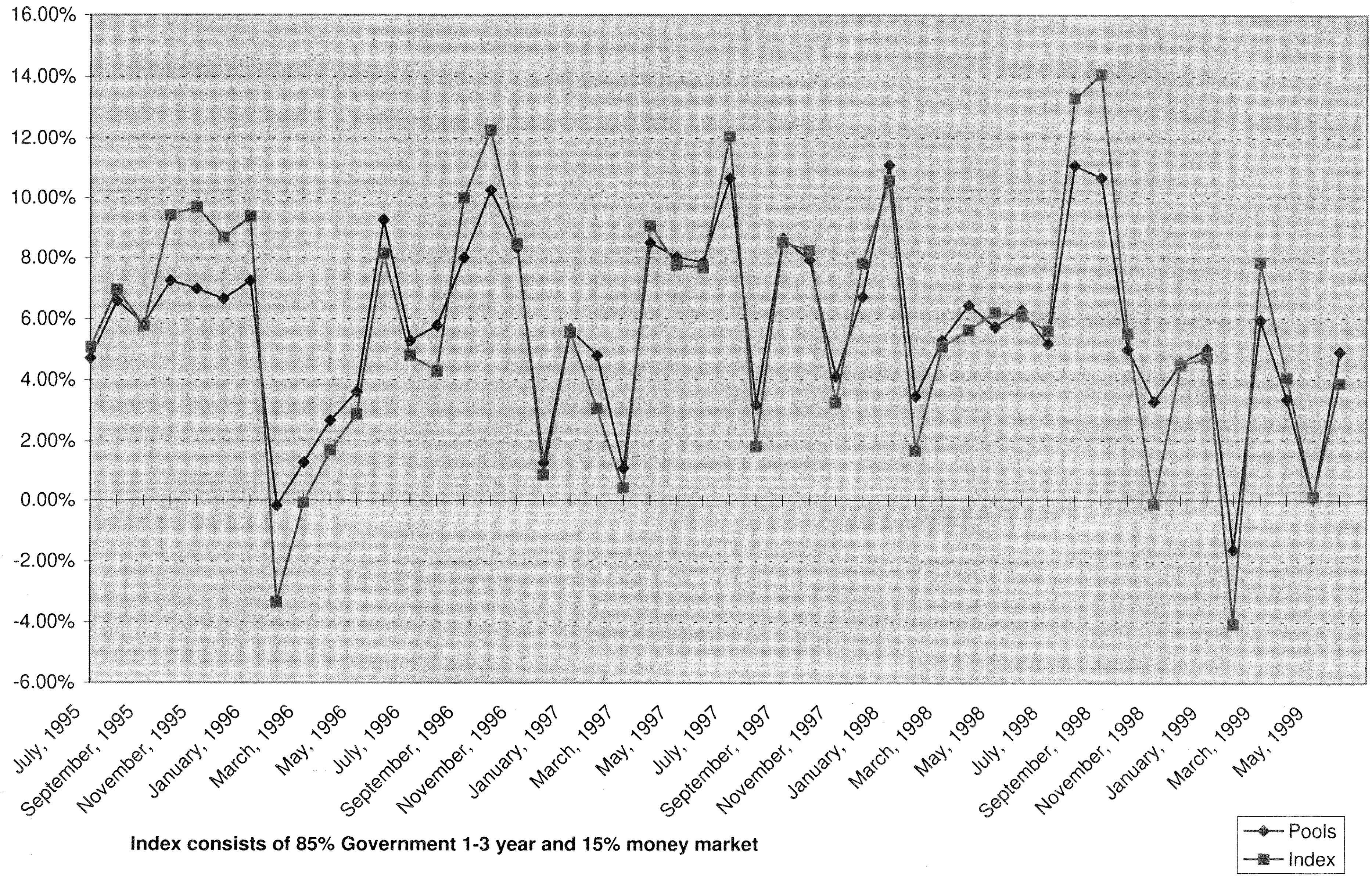



**Index consists of 85% Government 1-10 year, 10% Mortgage 0-3 and 5% US Corporate 1-10**

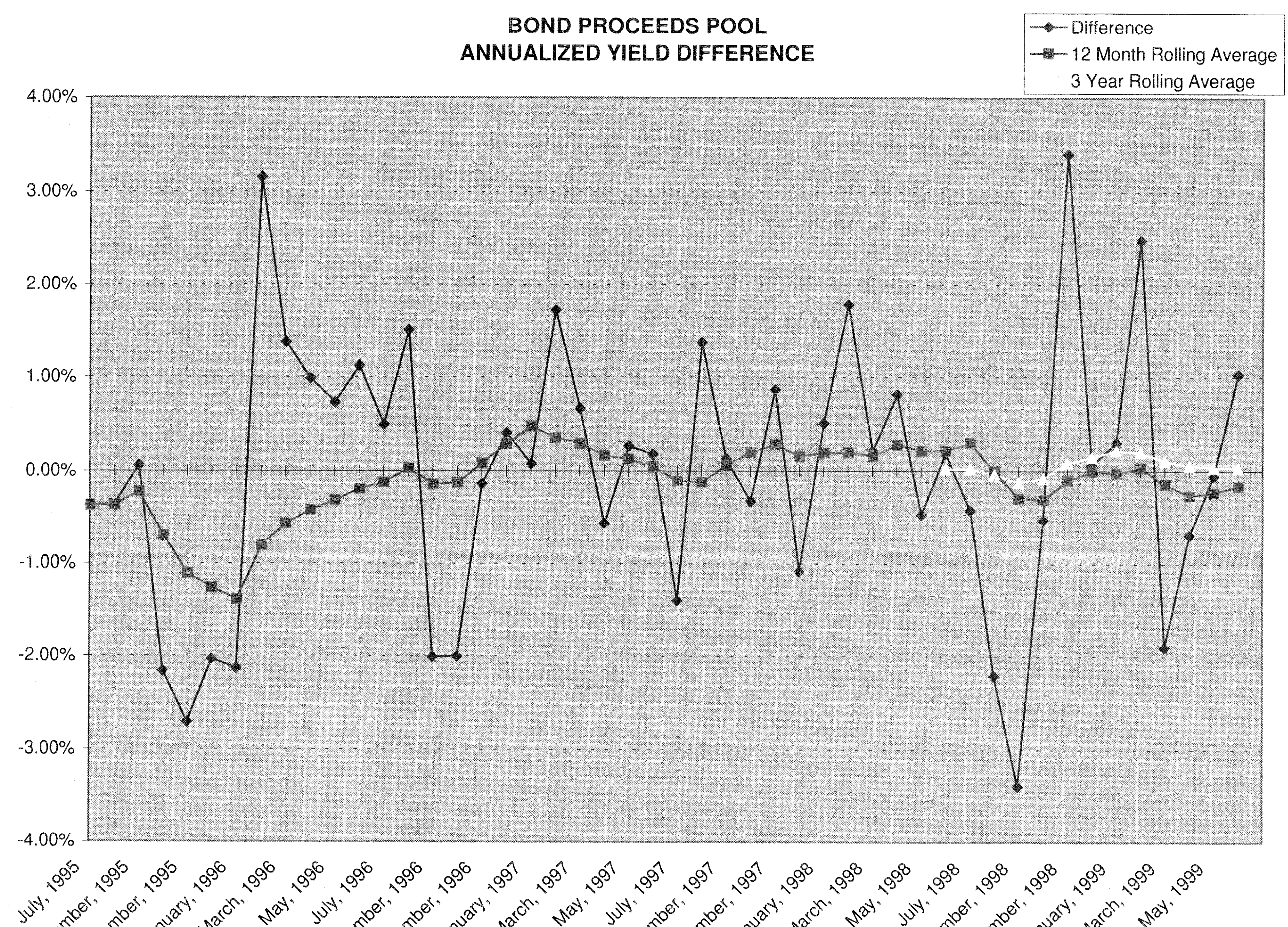


LONG TERM POOL
ANNUALIZED YIELD DIFFERENCE
Difference
12 Month Rolling Average
3 Year Rolling Average
10.00%
8.00%
6.00%
4.00%
2.00%
0.00%
-2.00%
-4.00%
-6.00%
-8.00%
July, 1995
September, 1995
November, 1995
January, 1996
March, 1996
May, 1996
July, 1996
September, 1996
November, 1996
January, 1997
March, 1997
May, 1997
July, 1997
September, 1997
November, 1997
January, 1998
March, 1998
May, 1998
July, 1998
September, 1998
November, 1998
January, 1999
March, 1999
May, 1999

# BOND PROCEEDS POOL
# ANNUALIZED YIELD




**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
4.00%
3.00%
2.00%
1.00%
0.00%
-1.00%
-2.00%
-3.00%
-4.00%
July, 1995
September, 1995
November, 1995
January, 1996
March, 1996
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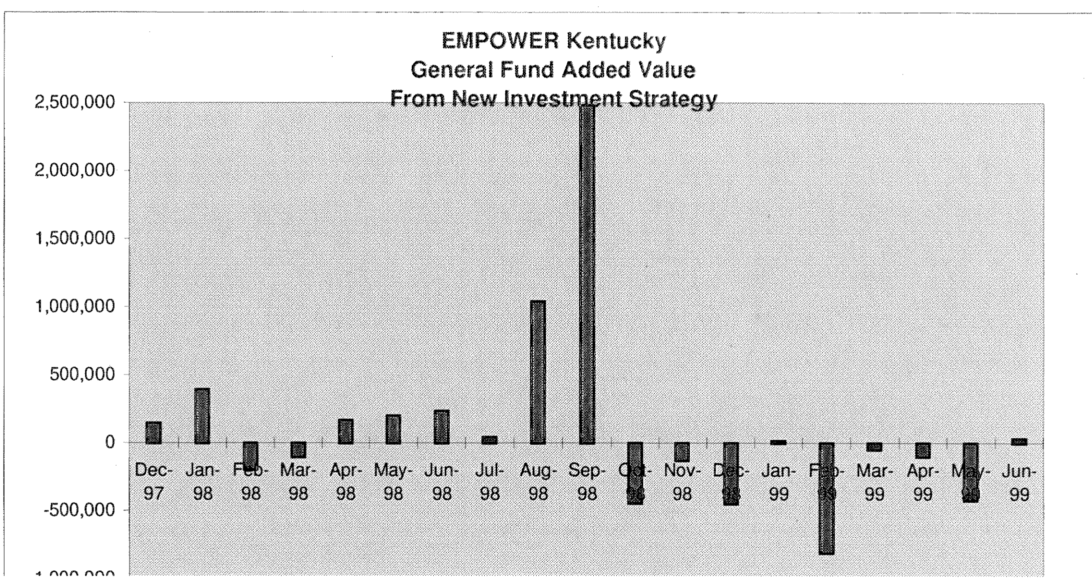
March, 1998
May, 1998
July, 1998
September, 1998
November, 1998
January, 1999
March, 1999
May, 1999

# EMPOWER Kentucky
## Added Value from New Investment Strategy
## Total Return Basis

| | BRTF Long-term Pool | General Fund Share of Added-Value |
|---|---|---|
| **Oct-97** | 0 | 0 |
| **Nov-97** | 0 | 0 |
| **Dec-97** | 145,210 | 145,210 |
| **Jan-98** | 393,663 | 393,663 |
| **Feb-98** | -193,750 | -176,241 |
| **Mar-98** | -103,327 | -62,499 |
| **Apr-98** | 167,730 | 102,154 |
| **May-98** | 200,348 | 121,526 |
| **Jun-98** | 234,197 | 140,802 |
| **FY 98 YTD:** | **844,071** | **664,615** |
| | | |
| **Jul-98** | 42,050 | 25,913 |
| **Aug-98** | 1,040,624 | 640,596 |
| **Sep-98** | 3,986,448 | 2,480,615 |
| **Oct-98** | -696,294 | -442,960 |
| **Nov-98** | -194,794 | -128,580 |
| **Dec-98** | -697,724 | -446,891 |
| **Jan-99** | 24,856 | 14,432 |
| **Feb-99** | -1,786,031 | -809,580 |
| **Mar-99** | -112,994 | -48,446 |
| **Apr-99** | -236,251 | -101,251 |
| **May-99** | -971,228 | -421,228 |
| **Jun-99** | 76,002 | 32,669 |
| **FY 99 YTD:** | **474,664** | **795,289** |

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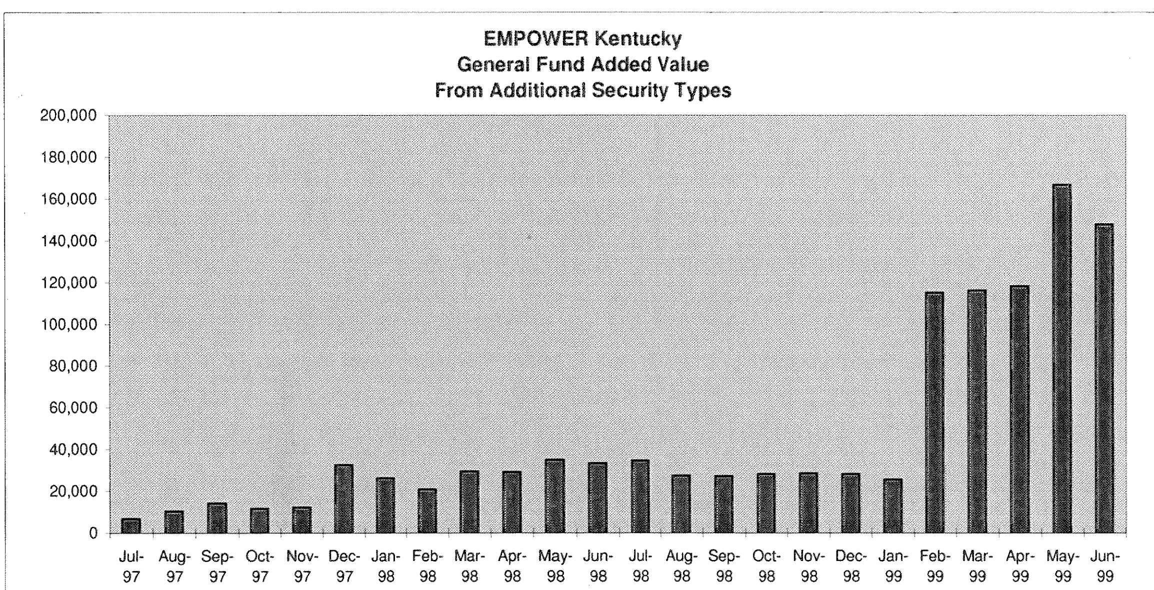
# EMPOWER Kentucky
## Added Value from Additional Security Types
## Cash Basis

| | MBS/CMO/ABS | Corporates | Total Added-Value | General Fund Share of Added-Value |
|---|---|---|---|---|
| **Jul-97** | 30,580 | | 30,580 | 6,744 |
| **Aug-97** | 48,342 | | 48,342 | 10,294 |
| **Sep-97** | 61,551 | 2,338 | 63,889 | 14,161 |
| **Oct-97** | 66,146 | 5,908 | 72,054 | 11,504 |
| **Nov-97** | 74,784 | 8,975 | 83,759 | 12,212 |
| **Dec-97** | 87,924 | 12,736 | 100,660 | 32,485 |
| **Jan-98** | 86,969 | 23,496 | 110,465 | 26,223 |
| **Feb-98** | 86,207 | 29,636 | 115,843 | 20,792 |
| **Mar-98** | 106,452 | 34,397 | 140,849 | 29,421 |
| **Apr-98** | 108,105 | 45,808 | 153,913 | 29,137 |
| **May-98** | 132,753 | 74,026 | 206,779 | 35,000 |
| **Jun-98** | 124,793 | 81,214 | 206,007 | 33,222 |
| **FY 98 YTD:** | **1,014,606** | **318,534** | **1,333,140** | **261,195** |
| **Jul-98** | 127,020 | 26,430 | 153,450 | 34,469 |
| **Aug-98** | 129,029 | 77,567 | 206,596 | 27,436 |
| **Sep-98** | 124,924 | 78,099 | 203,023 | 27,022 |
| **Oct-98** | 128,644 | 86,754 | 215,398 | 28,246 |
| **Nov-98** | 163,960 | 95,811 | 259,771 | 28,449 |
| **Dec-98** | 158,649 | 101,977 | 260,626 | 28,133 |
| **Jan-99** | 156,147 | 102,424 | 258,571 | 25,503 |
| **Feb-99** | 271,156 | 115,822 | 386,978 | 115,078 |
| **Mar-99** | 308,874 | 111,706 | 420,580 | 116,144 |
| **Apr-99** | 256,583 | 118,073 | 437,498 | 118,110 |
| **May-99** | 323,705 | 194,360 | 518,065 | 166,653 |
| **Jun-99** | 297,933 | 164,218 | 462,151 | 147,667 |
| **FY 99 YTD:** | 2,446,624 | 1,273,240 | 3,782,706 | 862,910 |

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