December 2013

MONTHLY INVESTMENT INCOME REPORT

Commonwealth of Kentucky

Lori H. Flanery, Secretary

FINANCE AND ADMINISTRATION CABINET

12/31/2013

PORTFOLIO SUMMARY
POOLS

	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL	STATUTORY LIMIT
Treasuries						
	Bills	49,992,835.35	0.06	0.22	2%	
	Treasury Notes	677,098,914.94	0.23	0.96	22%	
Sub-total		727,091,750.29	0.22	0.91	24%	
Agencies	Notes	722,441,831.37	0.96	2.08	23%	
	Discounts	251,240,100.32	0.10	0.12	8%	
Sub-total		973,681,931.69	0.74	1.58	31%	
Municipals		64,719,289.80	0.82	0.75	2%	
Corporates		151,649,564.04	0.98	1.80	5%	25%
Mortgages	Pools	138,302,191.71	1.44	1.93	4%	
	CMO's	222,448,611.47	1.63	3.05	7%	
Sub-total		360,750,803.18	1.56	2.62	11%	25%
Asset Backed Securities		35,366,739.51	0.64	0.89	1%	20%
Repurchase Agreements						
	Overnight	277,000,726.67	0.08	0.00	9%	
	< 30 days	13,500,477.92	0.13	0.11	1%	
	< 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		290,501,204.59	0.08	0.01	10%	
Money Market Securities						
	Commercial Paper	239,986,026.45	0.13	0.10	8%	A1-P1
	Money Mkt Fund	203,000,000.00	0.04	0.00	6%	
	Certificates of Deposit	65,012,409.64	0.21	0.17	2%	
Sub-total		507,998,436.09	0.10	0.07	16%	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		3,111,759,719.19	0.56	1.13	100%	

12/31/2013

PORTFOLIO SUMMARY
LIMITED TERM POOL

	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL
Treasuries					
	Bills	49,992,835.35	0.06	0.22	6%
	Treasury Notes	0.00	0.00	0.00	0%
Sub-total		49,992,835.35	0.00	0.00	6%
Agencies	Notes	45,009,642.21	0.11	0.25	5%
	Discounts	249,045,133.07	0.09	0.11	30%
Sub-total		294,054,775.28	0.09	0.14	35%
Corporates		9,602,999.25	0.35	0.38	1%
Municipals		3,512,833.33	0.80	0.29	0%
Mortgages	CMOs	0.00	0.00	0.00	0%
ABS		2,338,647.92	0.28	0.28	0%
Repurchase Agreements					
	Overnight	89,282,630.10	0.08	0.00	11%
	< 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		89,282,630.10	0.08	0.00	11%
Money Market Securities					
	Commercial Paper	214,989,915.45	0.13	0.10	26%
	Money Mkt Fund	123,000,000.00	0.04	0.00	15%
	Certificates of Deposit	50,004,659.72	0.11	0.03	6%
Sub-total		387,994,575.17	0.10	0.06	47%
TOTALS		836,779,296.40	0.10	0.09	100%

12/31/2013

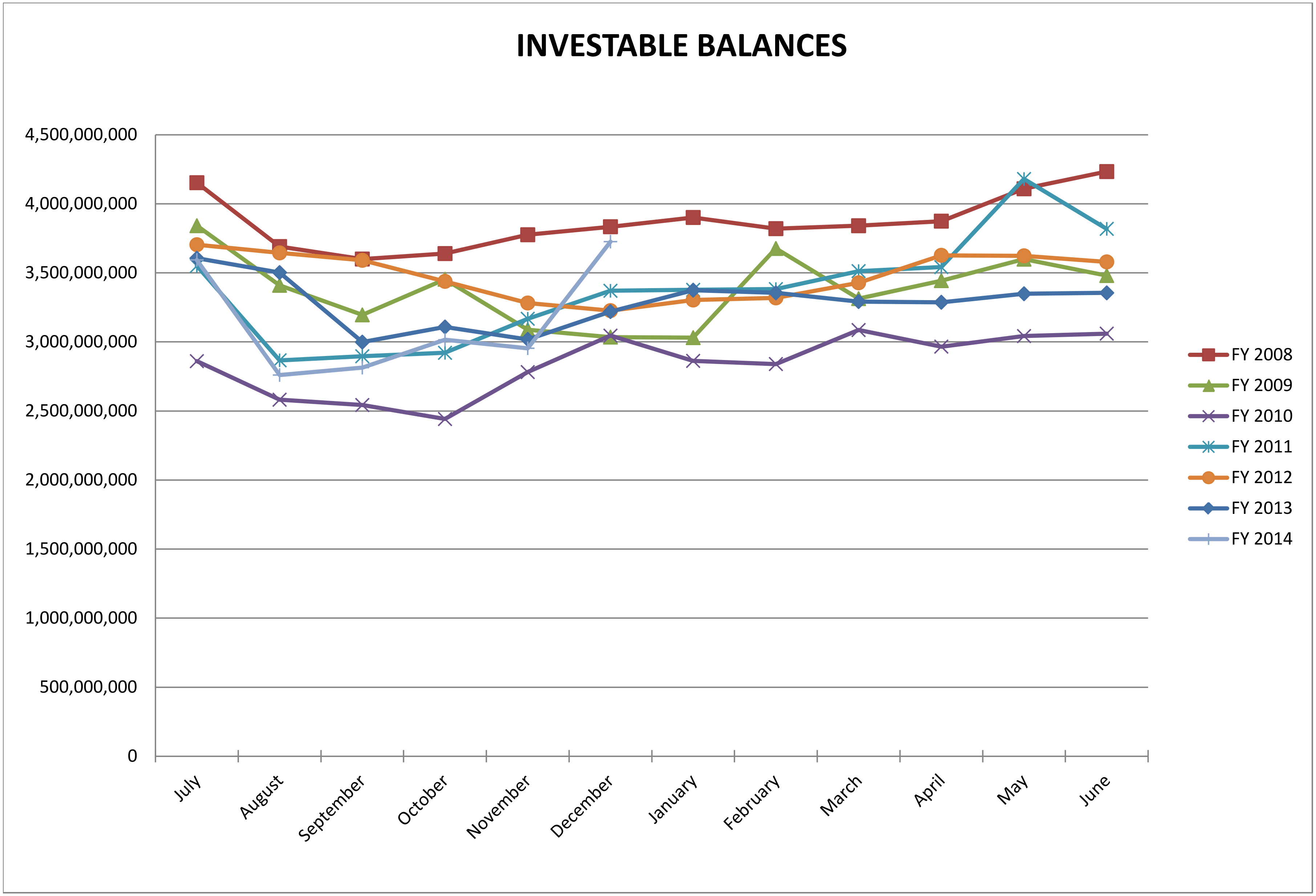
PORTFOLIO SUMMARY
SHORT TERM POOL

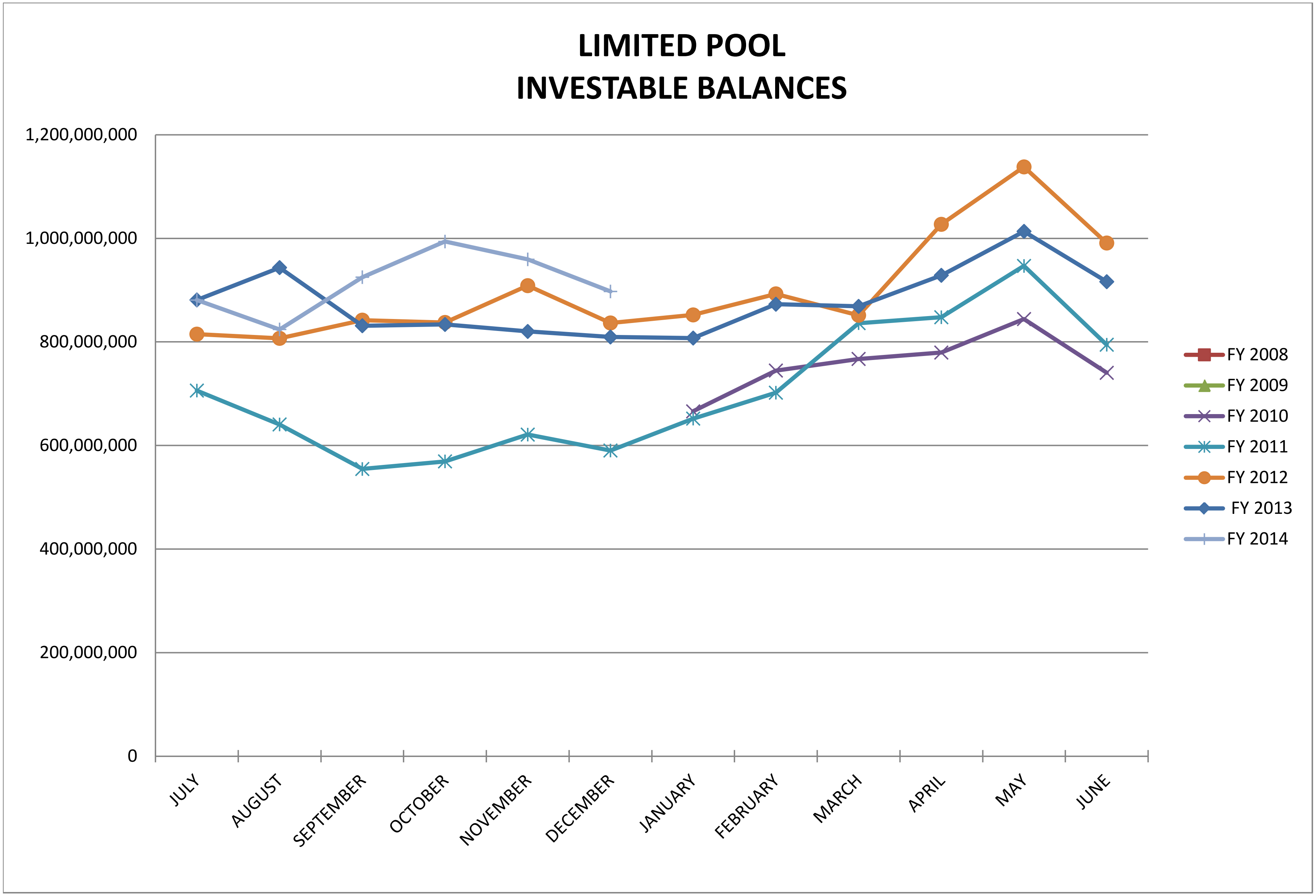
	TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL
Treasuries					
	Bills	0.00	0.00	0.00	0%
	Treasury Notes	0.00	0.00	0.00	0%
Sub-total		0.00	0.00	0.00	0%
Agencies	Notes	0.00	0.00	0.00	0%
	Discounts	0.00	0.00	0.00	0%
Sub-total		0.00	0.00	0.00	0%
Corporates		0.00	0.00	0.00	0%
Municipals		300,052.25	0.73	0.05	-1%
Mortgages	CMOs	0.00	0.00	0.00	0%
ABS		0.00	0.00	0.00	0%
Repurchase Agreements					
	Overnight	-20,408,975.82	0.08	0.00	101%
	< 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		-20,408,975.82	0.08	0.00	101%
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		-20,108,923.57	0.07	0.00	100%

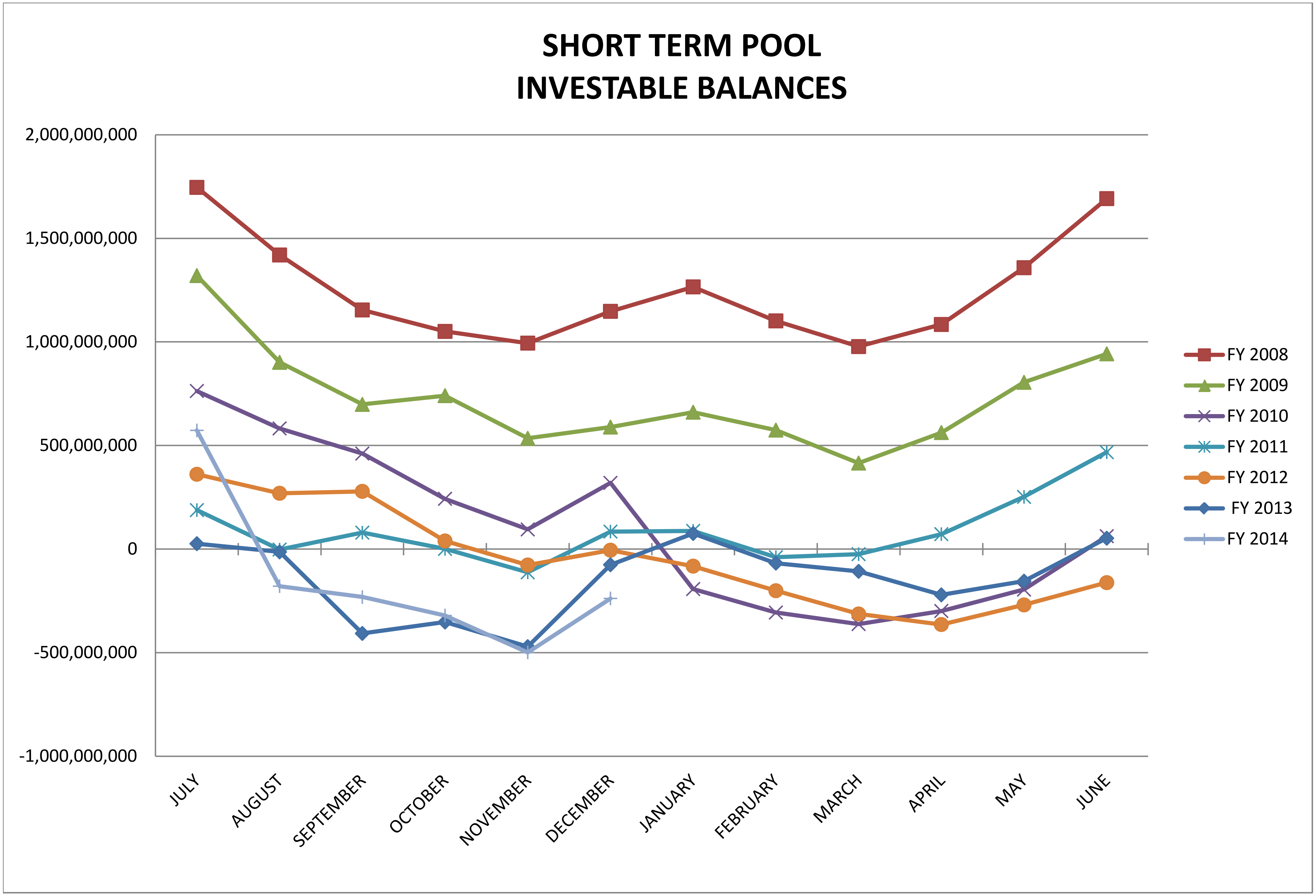
12/31/2013

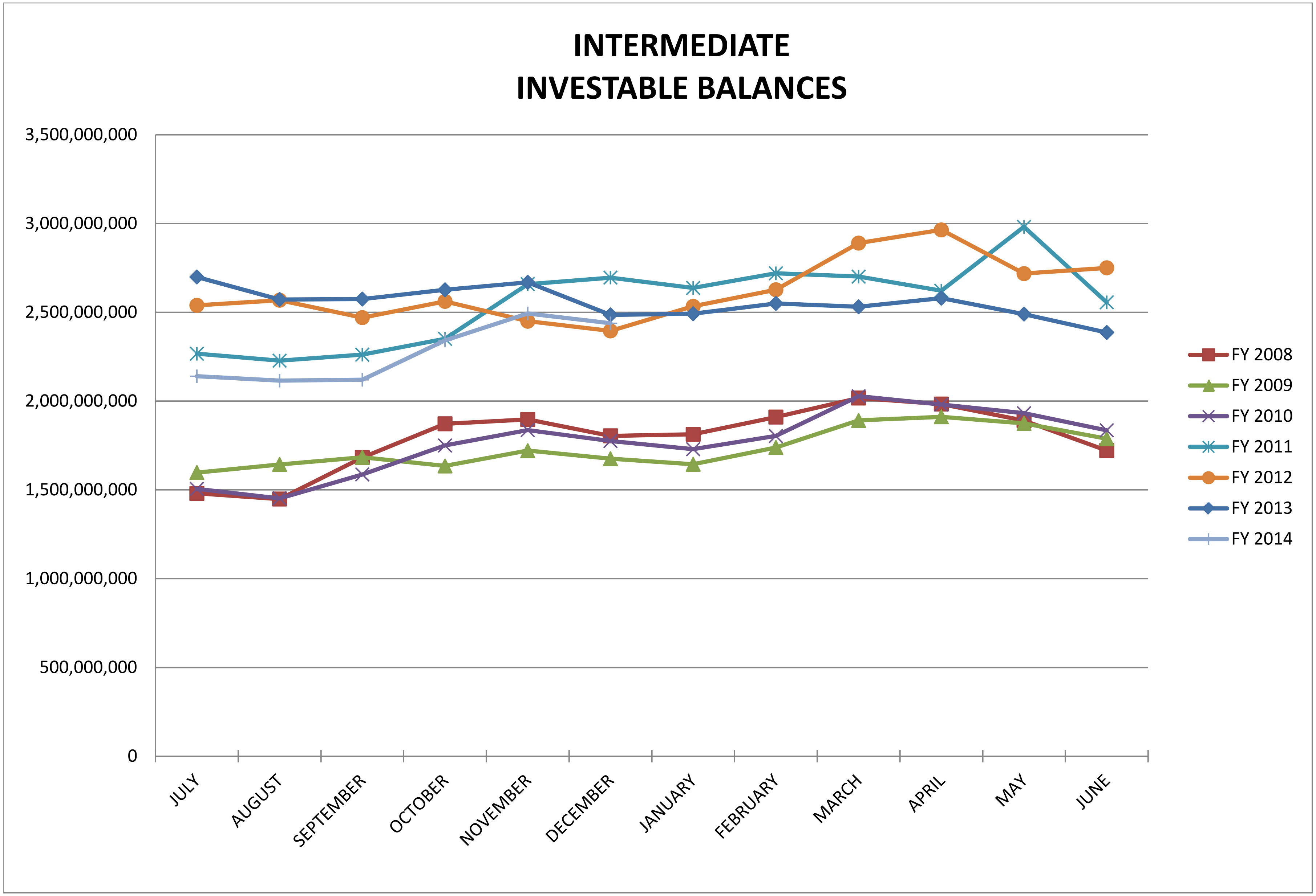
PORTFOLIO SUMMARY
INTERMEDIATE TERM POOL

		TYPE	MARKET VALUE	MARKET YIELD (%)	DURATION (Years)	PERCENT of TOTAL
Treasuries						
		Bills	0.00	0.00	0.00	0%
		Treasury Notes	677,098,914.94	0.23	0.96	29%
	Sub-total		677,098,914.94	0.23	0.96	29%
Agencies		Notes	677,432,189.16	1.02	2.20	30%
		Discounts	2,194,967.25	0.91	0.49	0%
	Sub-total		679,627,156.41	1.02	2.20	30%
Municipals			60,906,404.22	0.82	0.78	3%
Corporates			142,046,564.79	1.02	1.90	6%
Mortgages		Pools	138,302,191.71	1.44	1.93	6%
		CMO's	222,448,611.47	1.63	3.05	10%
	Sub-total		360,750,803.18	1.56	2.62	16%
Asset Backed Securities			33,028,091.59	0.66	0.94	1%
Repurchase Agreements						
		Overnight	208,127,072.39	0.08	0.00	9%
		< 30 days	13,500,477.92	0.13	0.11	1%
		< 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		221,627,550.31	0.08	0.01	10%
Money Market Securities						
		Commercial Paper	24,996,111.00	0.16	0.10	1%
		Money Mkt Fund	80,000,000.00	0.04	0.00	3%
		Certificates of Deposit	15,007,749.92	0.55	0.62	1%
	Sub-total		120,003,860.92	0.13	0.10	5%
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			2,295,089,346.36	0.72	1.50	100%


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
1,500,000,000
1,000,000,000
500,000,000
0
July
August
September
October
November
December
January
February
March
April
May
June
FY 2008
FY 2009
FY 2010
FY 2011
FY 2012
FY 2013
FY 2014

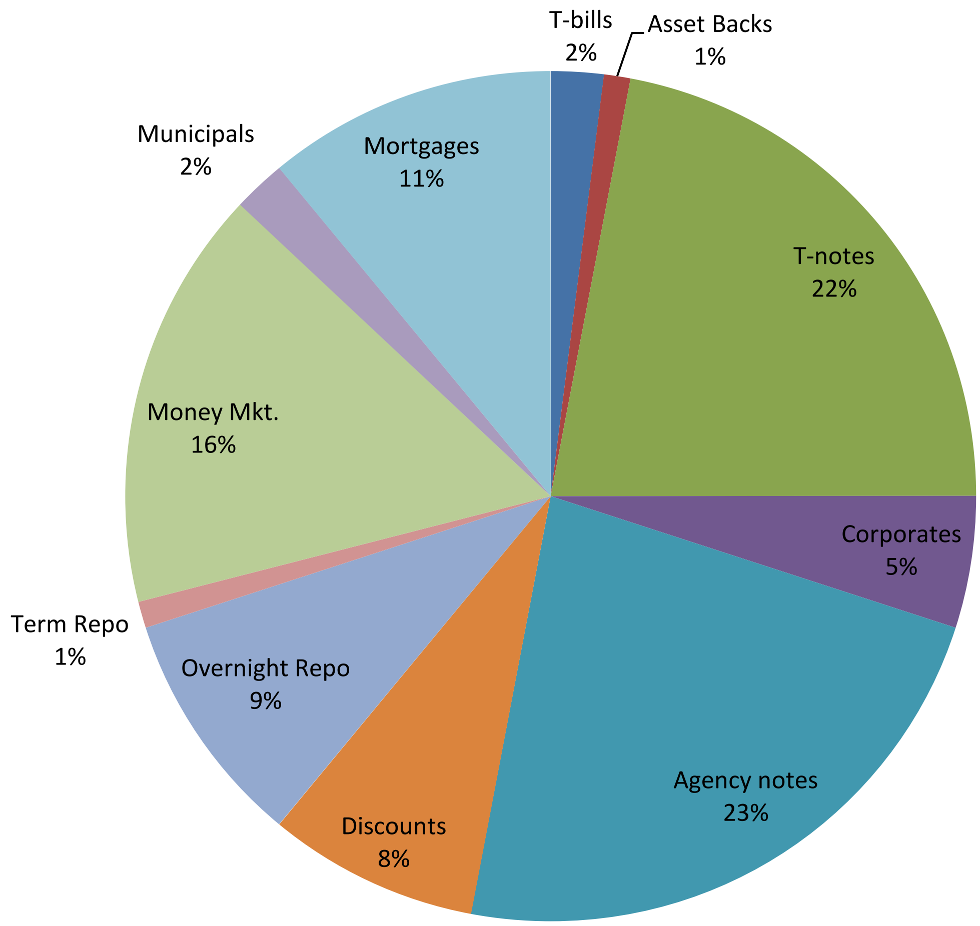

LIMITED POOL
INVESTABLE BALANCES
1,200,000,000
1,000,000,000
800,000,000
600,000,000
400,000,000
200,000,000
0
JULY
AUGUST
SEPTEMBER
OCTOBER
NOVEMBER
DECEMBER
JANUARY
FEBRUARY
MARCH
APRIL
MAY
JUNE
FY 2008
FY 2009
FY 2010
FY 2011
FY 2012
FY 2013
FY 2014


SHORT TERM POOL
INVESTABLE BALANCES
2,000,000,000
1,500,000,000
1,000,000,000
500,000,000
0
-500,000,000
-1,000,000,000
JULY
AUGUST
SEPTEMBER
OCTOBER
NOVEMBER
DECEMBER
JANUARY
FEBRUARY
MARCH
APRIL
MAY
JUNE
FY 2008
FY 2009
FY 2010
FY 2011
FY 2012
FY 2013
FY 2014

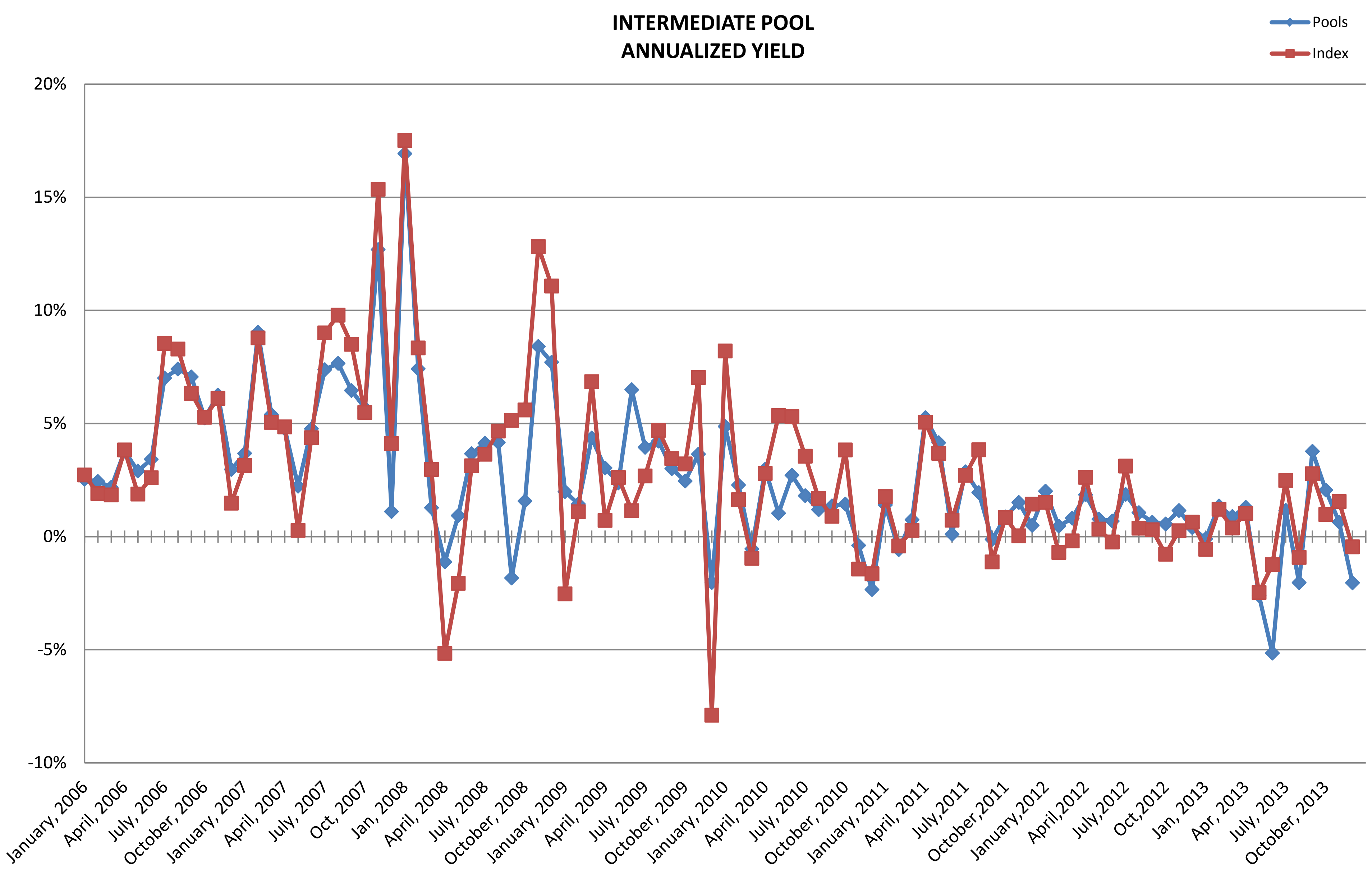


INTERMEDIATE
INVESTABLE BALANCES
3,500,000,000
3,000,000,000
2,500,000,000
2,000,000,000
1,500,000,000
1,000,000,000
500,000,000
0
JULY
AUGUST
SEPTEMBER
OCTOBER
NOVEMBER
DECEMBER
JANUARY
FEBRUARY
MARCH
APRIL
MAY
JUNE
FY 2008
FY 2009
FY 2010
FY 2011
FY 2012
FY 2013
FY 2014

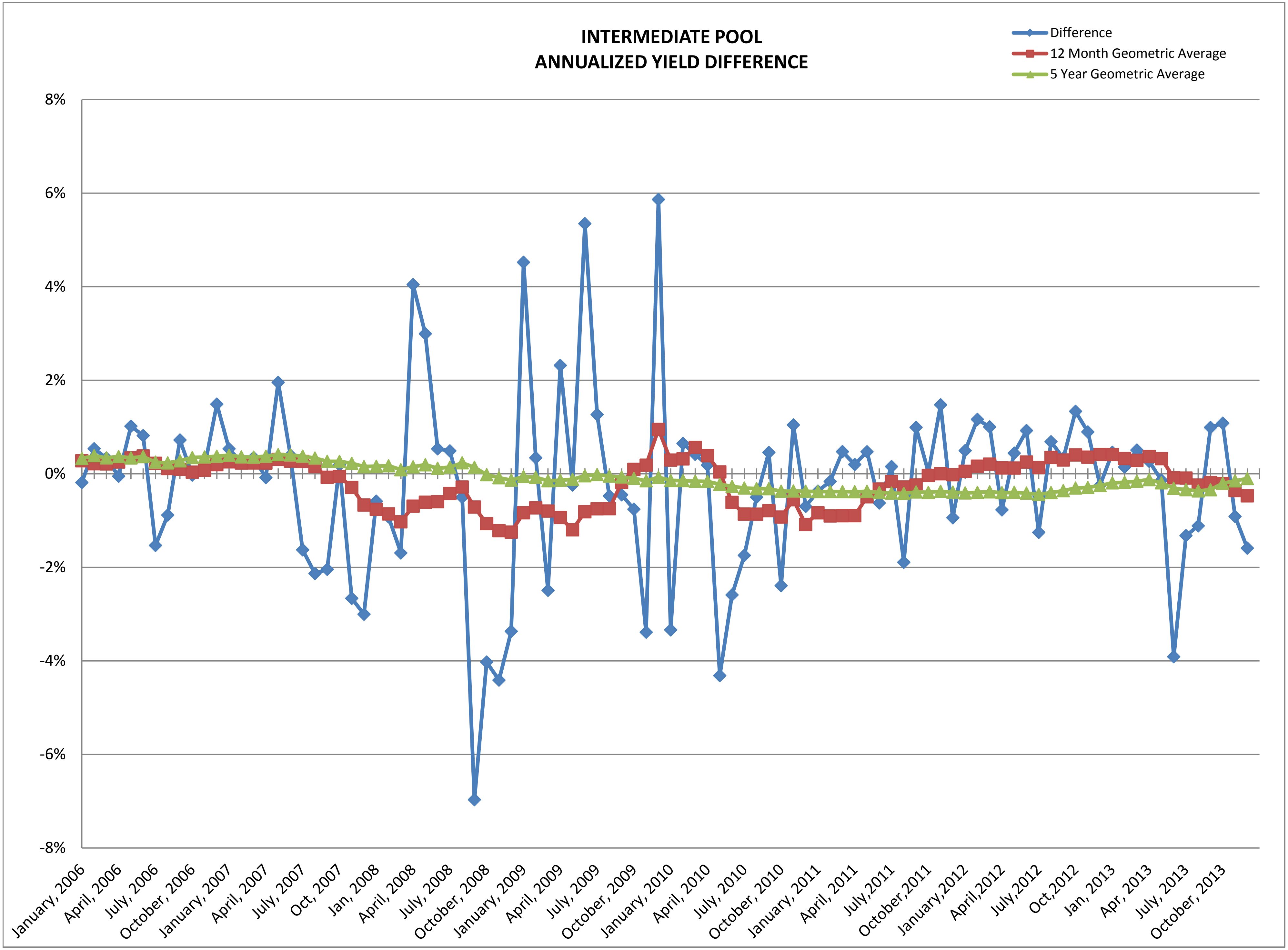
Distribution of Investments for December



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



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


INTERMEDIATE POOL
ANNUALIZED YIELD DIFFERENCE
Difference
12 Month Geometric Average
5 Year Geometric Average
8%
6%
4%
2%
0%
-2%
-4%
-6%
-8%
January, 2006
April, 2006
July, 2006
October, 2006
January, 2007
April, 2007
July, 2007
Oct, 2007
Jan, 2008
April, 2008
July, 2008
October, 2008
January, 2009
April, 2009
July, 2009
October, 2009
January, 2010
April, 2010
July, 2010
October, 2010
January, 2011
April, 2011
July,2011
October,2011
January,2012
April,2012
July,2012
Oct,2012
Jan, 2013
Apr, 2013
July, 2013
October, 2013

PERFORMANCE RESULTS JULY 1995 THROUGH DECEMBER 2013

	Intermediate Pool	Benchmark*	Difference (pp)
1 Month	-0.172%	-0.038%	-0.134
3 Month	0.052%	0.172%	-0.121
FYTD	0.286%	0.530%	-0.244
1 Year	-0.090%	0.389%	-0.478
3 Year	0.822%	0.847%	-0.024
5 Year	1.339%	1.355%	-0.015
10 Year	2.537%	2.590%	-0.053
Since Inception	3.882%	3.893%	-0.011

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

PERFORMANCE RESULTS JULY 2011 THROUGH DECEMBER 2013

	Limited Term Pool	Benchmark*	Difference (pp)
1 Month	0.008%	0.004%	0.003
3 Month	0.021%	0.013%	0.009
FYTD	0.047%	0.026%	0.022
1 Year	0.117%	0.058%	0.059
Since Inception	0.147%	0.079%	0.068

*Benchmark is S&P Local Government Investment Pool