

**CITY OF MELVILLE
STATEMENT OF INVESTMENTS
FOR THE PERIOD ENDING 31 DECEMBER 2011**

SUMMARY BY FUND	PURCHASE PRICE \$	MANAGEMENT VALUE AT 30/06/2011 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
MUNICIPAL RESERVE TRUST CRF	\$ 44,054,311	\$ 44,054,311	\$ 44,054,311	\$ -	0.00%
	\$ 55,177,071	\$ 37,088,114	\$ 41,008,980	\$ 3,920,866	7.11%
	\$ 505,818	\$ 505,818	\$ 505,818	\$ -	0.00%
	\$ 183,184	\$ 183,184	\$ 183,184	\$ -	0.00%
	\$ 99,920,383	\$ 81,831,426	\$ 85,752,293	\$ 3,920,866	3.92%

SUMMARY BY INVESTMENT TYPE	PURCHASE PRICE \$	MANAGEMENT VALUE AT 30/06/2011 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
ADI	\$ 3,500,000	\$ 3,460,825	\$ 3,487,940	\$ 27,115	0.77%
CDO	\$ 19,720,000	\$ 1,670,218	\$ 5,563,969	\$ 3,893,751	19.75%
BOND	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ -	0.00%
FRN	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000	\$ -	0.00%
FRTD	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ -	0.00%
TERM DEPOSIT 11AM	\$ 65,969,738	\$ 65,969,738	\$ 65,969,738	\$ -	0.00%
	\$ -	\$ -	\$ -	\$ -	0.00%
UNITS (Local Govt Hse)	\$ 230,645	\$ 230,645	\$ 230,645	\$ -	0.00%
	\$ 99,920,383	\$ 81,831,426	\$ 85,752,293	\$ 3,920,866	3.92%

SUMMARY BY CREDIT RATING	PURCHASE PRICE \$	MANAGEMENT VALUE AT 30/06/2011 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
AA	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ -	0.00%
AA-	\$ 67,169,738	\$ 67,164,348	\$ 67,178,579	\$ 14,230	0.02%
A+	\$ 6,300,000	\$ 6,300,000	\$ 6,300,000	\$ -	0.00%
A	\$ 2,000,000	\$ 1,969,715	\$ 1,979,261	\$ 9,546	0.48%
A-	\$ 1,000,000	\$ 996,500	\$ 999,839	\$ 3,339	0.33%
BBB+	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ -	0.00%
CCC	\$ -	\$ -	\$ -	\$ -	0.00%
CCC-	\$ -	\$ -	\$ -	\$ -	0.00%
NR	\$ 19,720,000	\$ 1,670,218	\$ 5,563,969	\$ 3,893,751	19.75%
UNITS (Local Govt Hse)	\$ 230,645	\$ 230,645	\$ 230,645	\$ -	0.00%
	\$ 99,920,383	\$ 81,831,426	\$ 85,752,293	\$ 3,920,866	3.92%

**CITY OF MELVILLE
STATEMENT OF INVESTMENTS
FOR THE PERIOD ENDING 31 DECEMBER 2011**

INSTITUTION / INVESTMENT	RISK of IMPAIRMENT	INVESTMENT TYPE	Current Interest Rate %	S & P RATING	PROPORTION	MAX. PER INSTITUTION	FACE VALUE \$	BOOK VALUE AT 30/6/2011 \$	CURRENT EST MARKET VALUE \$	INVESTMENT GAIN / (LOSS) SINCE 30/6/10 \$
BANKWEST (11AM)		11AM	4.20%	AA-	0%	20%	\$0	\$0	\$0	\$0
WESTPAC (MAXI DIRECT)		11AM	4.80%	AA-	0%	20%	\$0	\$0	\$0	\$0
WESTPAC (MAXI BONUS 1)		11AM	5.20%	AA-	0%	20%	\$0	\$0	\$0	\$0
WESTPAC (MAXI BONUS 2)		11AM	5.20%	AA-	0%	20%	\$0	\$0	\$0	\$0
							\$0	\$0	\$0	\$0
BANKWEST (TERM)		TERM	5.60%	AA-	12%	20%	\$11,669,738	\$11,669,738	\$11,669,738	\$0
COMMONWEALTH BANK (TERM)		TERM	5.55%	AA-	7%	20%	\$6,700,000	\$6,700,000	\$6,700,000	\$0
SUNCORP METWAY LTD (TERM)		TERM	5.85%	A+	15%	15%	\$6,300,000	\$6,300,000	\$6,300,000	\$0
NAB (TERM)		TERM	5.82%	AA-	12%	20%	\$12,100,000	\$12,100,000	\$12,100,000	\$0
ST GEORGE BANK (TERM)		TERM	5.68%	AA-	14%	20%	\$13,900,000	\$13,900,000	\$13,900,000	\$0
RABODIRECT (TERM)		TERM	6.00%	AA	2%	15%	\$1,500,000	\$1,500,000	\$1,500,000	\$0
WESTPAC (TERM)		TERM	5.70%	AA-	14%	20%	\$13,800,000	\$13,800,000	\$13,800,000	\$0
							\$65,969,738	\$65,969,738	\$65,969,738	\$0
COMMONWEALTH BANK (BOND)		BOND	6.05%	AA-	2%	20%	\$2,000,000	\$2,000,000	\$2,000,000	\$0
							\$2,000,000	\$2,000,000	\$2,000,000	\$0
BANK OF QUEENSLAND (FLOAT RATE TD)		FRTD	6.42%	BBB+	2%	10%	\$2,000,000	\$2,000,000	\$2,000,000	\$0
ING BANK		FRTD	5.69%	A	1%	15%	\$500,000	\$500,000	\$500,000	\$0
							\$2,500,000	\$2,500,000	\$2,500,000	\$0
COMMONWEALTH BANK (FRN)		FRN	5.79%	AA-	2%	20%	\$2,000,000	\$2,000,000	\$2,000,000	\$0
NAB (FRN)		FRN	5.38%	AA-	4%	20%	\$4,000,000	\$4,000,000	\$4,000,000	\$0
							\$6,000,000	\$6,000,000	\$6,000,000	\$0
ADELAIDE BANK	Very Low	ADI	4.85%	A-	1%	10%	\$1,000,000	\$996,500	\$999,839	\$3,339
MACQUARIE BANK	Very Low	ADI	4.95%	A	2%	15%	\$1,500,000	\$1,469,715	\$1,479,261	\$9,546
WESTPAC BANK	Very Low	ADI	4.99%	AA-	1%	20%	\$1,000,000	\$994,610	\$1,008,840	\$14,230
APHEX (GLENELG)	High	CDO	6.17%	NR	2%	0%	\$2,000,000	\$122,833	\$164,843	\$42,009
BERYL FINANCE GLOBAL BANK NOTE	Early Term.	CDO	0.00%	NR	2%	0%	\$2,000,000	\$1	\$1,200,000	\$1,199,999
BERYL FINANCE GLOBAL BANK NOTE 2	Early Term.	CDO	0.00%	NR	0%	0%	\$450,000	\$75,255	\$270,000	\$269,999
CORSAIR (CAYMAN) KAKADU	High	CDO	5.83%	NR	2%	0%	\$1,500,000	\$75,251	\$186,986	\$111,731
CORSAIR (CAYMAN) TORQUAY	Very High	CDO	6.31%	NR	2%	0%	\$1,885,000	\$22,493	\$2,104	-\$20,389
ETHICAL LIMITED GREEN	High	CDO	5.99%	NR	1%	0%	\$1,000,000	\$10,758	\$53,737	\$42,979
HELIUM CAPITAL (ESPERANCE)	High	CDO	6.69%	NR	2%	0%	\$1,800,000	\$347,317	\$336,686	-\$10,631
HELIUM CAPITAL (SCARBOROUGH)	High	CDO	6.56%	NR	2%	0%	\$1,800,000	\$20,537	\$30,800	-\$20,537
MAGNOLIA FLINDERS	Moderate	CDO	5.93%	NR	2%	20%	\$2,000,000	\$966,372	\$1,908,575	\$942,203
MANAGED ACES CLASS 11A PARKES	Very High	CDO	8.29%	NR	1%	0%	\$1,000,000	\$2,934	\$1,721	-\$1,213
MANAGED ACES CLASS 1A PARKES	High	CDO	6.06%	NR	1%	0%	\$1,050,000	\$10,269	\$27,642	\$17,373
OMEGA CAPITAL CLASS A HENLEY	Moderate	CDO	5.27%	NR	0%	0%	\$385,000	\$90,689	\$321,675	\$240,987
STARTS (CAYMAN) BLUE GUM	Defaulted	CDO	#N/A	NR	0%	0%	\$0	\$0	\$0	\$0
ZIRCON FINANCE COOLANGATTA	Early Term.	CDO	0.00%	NR	2%	0%	\$1,500,000	\$9,095	\$600,000	\$590,905
ZIRCON FINANCE MERIMBULA	Early Term.	CDO	0.00%	NR	1%	0%	\$500,000	\$1,663	\$150,000	\$148,337
ZIRCON FINANCE MIAMI	Early Term.	CDO	0.00%	NR	1%	0%	\$850,000	\$1	\$340,000	\$339,999
							\$23,220,000	\$5,131,043	\$9,051,909	\$3,920,866
UNITS IN LOCAL GOVT HOUSE		UNITS	0.00%				\$230,645	\$230,645	\$230,645	\$0
TOTAL FUNDS INVESTED					100%		\$99,920,383	\$81,831,426	\$85,752,293	\$3,920,866

DIVERSIFICATION / CREDIT RISK COMPARISON

CREDIT RISK	PURCHASE PRICE \$	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	MAX. % AMOUNT IN TOTAL PORTFOLIO	Comments
AA	\$1,500,000	\$1,500,000	2%	80%	
AA-	\$67,169,738	\$67,178,579	78%	80%	
A+	\$6,300,000	\$6,300,000	7%	50%	
A	\$2,000,000	\$1,979,261	2%	50%	
A-	\$1,000,000	\$999,839	1%	50%	
BBB+	\$2,000,000	\$2,000,000	2%	20%	
NR	\$19,720,000	\$5,563,969	6%	0%	Purchased Prior To Policy Change
UNITS IN LOCAL GOVT: HOUSE	\$230,645	\$230,645	0%	0.1%	Council Decision
TOTAL	99,920,383	85,752,293	100%		

DIVERSIFICATION RISK

INSTITUTION	INVESTMENT TYPE	S & P RATING	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	INSTITUTION PROPORTION	MAX. % WITH ANY ONE INSTITUTION	Comments
BANKWEST (11AM)	11AM	AA-	-	0.00%	-	20%	
BANKWEST (TERM)	TERM	AA-	11,669,738	13.61%	13.61%	20%	
BANK OF QUEENSLAND (FLOAT RATE TD)	FRTD	BBB+	2,000,000	2.33%	2.33%	10%	
COMMONWEALTH BANK (TERM)	TERM	AA-	6,700,000	7.81%	-	20%	
COMMONWEALTH BANK (FRN)	FRN	AA-	2,000,000	2.33%	-	20%	
COMMONWEALTH BANK (BOND)	BOND	AA-	2,000,000	2.33%	-	20%	
ING BANK	FRTD	A	500,000	0.58%	0.58%	15%	
MACQUARIE BANK	ADI	A	1,479,261	1.73%	1.73%	15%	
NAB (FRN)	FRN	AA-	4,000,000	4.66%	-	20%	
NAB (TERM)	TERM	AA-	12,100,000	14.11%	18.78%	20%	
RABODIRECT (TERM)	TERM	AA	1,500,000	1.75%	1.75%	15%	
ST GEORGE BANK (TERM)	TERM	AA-	13,900,000	16.21%	16.21%	20%	
SUNCORP METWAY LTD (TERM)	TERM	A+	6,300,000	7.35%	7.35%	15%	
WESTPAC (MAXI BONUS 1)	11AM	AA-	-	0.00%	-	20%	
WESTPAC (MAXI BONUS 2)	11AM	AA-	-	0.00%	-	20%	
WESTPAC (MAXI DIRECT)	11AM	AA-	-	0.00%	-	20%	
WESTPAC (TERM)	TERM	AA-	13,800,000	16.09%	-	20%	
WESTPAC BANK	ADI	AA-	1,008,840	1.18%	17.27%	20%	
ADELAIDE BANK	ADI	A-	999,839	1.17%	1.17%	10%	
CDO - Various	CDO		5,563,969	6.49%	6.49%	0%	Purchased Prior To Policy Change
UNITS IN LOCAL GOVT HOUSE	UNITS		230,645	0.27%	0.27%		
			\$85,752,293	100%	100%		

MATURITY COMPARISON

TERM to MATURITY	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	MAX. % IN ANY ONE YEAR	Comments
MUNICIPAL & TRUST FUNDS				
< 1 year	44,329,484	100%	100%	
< 2 years	-	0%	10%	
< 3 years	-	0%	10%	
< 4 years	-	0%	0%	
< 5 years	-	0%	0%	
> 5 years	-	0%	0%	
	44,329,484	100%		
RESERVE FUNDS				
< 1 year	25,187,160	61%	100%	
< 2 years	2,488,790	6%	80%	
< 3 years	4,475,566	11%	80%	
< 4 years	2,029,362	5%	40%	
< 5 years	4,000,000	10%	40%	
> 5 years	2,828,102	7%	20%	
	41,008,980	100%		