

**CITY OF MELVILLE
STATEMENT OF INVESTMENTS
FOR THE PERIOD ENDING 31 JANUARY 2012**

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	\$ 49,454,798	\$ 49,454,798	\$ 49,454,798	\$ -	0.00%
	\$ 53,376,991	\$ 37,072,887	\$ 41,533,091	\$ 4,460,204	8.36%
	\$ 505,818	\$ 505,818	\$ 505,818	\$ -	0.00%
	\$ 183,184	\$ 183,184	\$ 183,184	\$ -	0.00%
	\$ 103,520,790	\$ 87,216,686	\$ 91,676,890	\$ 4,460,204	4.31%

SUMMARY BY INVESTMENT TYPE	PURCHASE PRICE \$	MANAGEMENT VALUE AT 30/06/2011 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
ADI	\$ 2,500,000	\$ 2,466,215	\$ 2,499,685	\$ 33,470	1.34%
CDO	\$ 17,920,000	\$ 1,649,681	\$ 6,076,415	\$ 4,426,734	24.70%
BOND	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ -	0.00%
FRN	\$ 8,000,000	\$ 8,000,000	\$ 8,000,000	\$ -	0.00%
FRTD	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ -	0.00%
TERM DEPOSIT 11AM	\$ 65,169,738	\$ 65,169,738	\$ 65,169,738	\$ -	0.00%
UNITS (Local Govt Hse)	\$ 5,200,407	\$ 5,200,407	\$ 5,200,407	\$ -	0.00%
	\$ 230,645	\$ 230,645	\$ 230,645	\$ -	0.00%
	\$ 103,520,790	\$ 87,216,686	\$ 91,676,890	\$ 4,460,204	4.31%

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-	\$ 70,570,145	\$ 70,570,145	\$ 70,570,145	\$ -	0.00%
A+	\$ 6,300,000	\$ 6,300,000	\$ 6,300,000	\$ -	0.00%
A	\$ 2,000,000	\$ 1,969,715	\$ 1,996,535	\$ 26,820	1.34%
A-	\$ 1,000,000	\$ 996,500	\$ 1,003,150	\$ 6,650	0.67%
BBB+	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ -	0.00%
CCC	\$ -	\$ -	\$ -	\$ -	0.00%
CCC-	\$ -	\$ -	\$ -	\$ -	0.00%
NR	\$ 17,920,000	\$ 1,649,681	\$ 6,076,415	\$ 4,426,734	24.70%
UNITS (Local Govt Hse)	\$ 230,645	\$ 230,645	\$ 230,645	\$ -	0.00%
	\$ 103,520,790	\$ 87,216,686	\$ 91,676,890	\$ 4,460,204	4.31%

**CITY OF MELVILLE
STATEMENT OF INVESTMENTS
FOR THE PERIOD ENDING 31 JANUARY 2012**

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	4.25%	AA-	2%	20%	\$1,600,000	\$1,600,000	\$1,600,000	\$0
WESTPAC (MAXI DIRECT)		11AM	4.80%	AA-	3%	20%	\$3,600,000	\$3,600,000	\$3,600,000	\$0
WESTPAC (MAXI BONUS 1)		11AM	5.20%	AA-	0%	20%	\$407	\$407	\$407	\$0
WESTPAC (MAXI BONUS 2)		11AM	5.20%	AA-	0%	20%	\$0	\$0	\$0	\$0
							\$5,200,407	\$5,200,407	\$5,200,407	\$0
BANKWEST (TERM)		TERM	5.60%	AA-	11%	20%	\$11,869,738	\$11,869,738	\$11,869,738	\$0
COMMONWEALTH BANK (TERM)		TERM	5.17%	AA-	5%	20%	\$5,200,000	\$5,200,000	\$5,200,000	\$0
SUNCORP METWAY LTD (TERM)		TERM	5.85%	A+	6%	15%	\$6,300,000	\$6,300,000	\$6,300,000	\$0
NAB (TERM)		TERM	5.82%	AA-	12%	20%	\$12,600,000	\$12,600,000	\$12,600,000	\$0
ST GEORGE BANK (TERM)		TERM	5.68%	AA-	13%	20%	\$13,900,000	\$13,900,000	\$13,900,000	\$0
RABODIRECT (TERM)		TERM	6.00%	AA	1%	15%	\$1,500,000	\$1,500,000	\$1,500,000	\$0
WESTPAC (TERM)		TERM	5.70%	AA-	13%	20%	\$13,800,000	\$13,800,000	\$13,800,000	\$0
							\$65,169,738	\$65,169,738	\$65,169,738	\$0
COMMONWEALTH BANK (BOND)		BOND	5.81%	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	0%	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-	4%	20%	\$4,000,000	\$4,000,000	\$4,000,000	\$0
NAB (FRN)		FRN	5.38%	AA-	4%	20%	\$4,000,000	\$4,000,000	\$4,000,000	\$0
							\$8,000,000	\$8,000,000	\$8,000,000	\$0
ADELAIDE BANK	Very Low	ADI	4.85%	A-	1%	10%	\$1,000,000	\$996,500	\$1,003,150	\$6,650
MACQUARIE BANK	Very Low	ADI	4.95%	A	1%	15%	\$1,500,000	\$1,469,715	\$1,496,535	\$26,820
WESTPAC BANK	Very Low	ADI	#N/A	AA-	0%	20%	\$0	\$0	\$0	\$0
APHEX (GLENELG)	High	CDO	6.17%	NR	2%	0%	\$2,000,000	\$122,833	\$434,240	\$311,407
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	\$1	\$270,000	\$269,999
CORSAIR (CAYMAN) KAKADU	High	CDO	5.83%	NR	1%	0%	\$1,500,000	\$75,255	\$259,845	\$184,590
CORSAIR (CAYMAN) TORQUAY	Very High	CDO	6.31%	NR	2%	0%	\$1,885,000	\$22,493	\$214	-\$22,279
ETHICAL LIMITED GREEN	High	CDO	5.99%	NR	1%	0%	\$1,000,000	\$10,758	\$87,124	\$76,366
HELIUM CAPITAL (ESPERANCE)	High	CDO	6.69%	NR	2%	0%	\$1,800,000	\$347,317	\$303,312	-\$44,005
HELIUM CAPITAL (SCARBOROUGH)	High	CDO	#N/A	NR	0%	0%	\$0	\$0	\$0	\$0
MAGNOLIA FLINDERS	Moderate	CDO	5.93%	NR	2%	20%	\$2,000,000	\$966,372	\$1,974,480	\$1,008,108
MANAGED ACES CLASS 11A PARKES	Very High	CDO	7.73%	NR	1%	0%	\$1,000,000	\$2,934	\$833	-\$2,101
MANAGED ACES CLASS 1A PARKES	High	CDO	6.06%	NR	1%	0%	\$1,050,000	\$10,269	\$28,728	\$18,459
OMEGA CAPITAL CLASS A HENLEY	Moderate	CDO	5.27%	NR	0%	0%	\$385,000	\$80,689	\$377,639	\$296,950
STARTS (CAYMAN) BLUE GUM	Defaulted	CDO	#N/A	NR	0%	0%	\$0	\$0	\$0	\$0
ZIRCON FINANCE COOLANGATTA	Early Term.	CDO	0.00%	NR	1%	0%	\$1,500,000	\$9,095	\$600,000	\$590,905
ZIRCON FINANCE MERIMBULA	Early Term.	CDO	0.00%	NR	0%	0%	\$500,000	\$1,663	\$200,000	\$198,337
ZIRCON FINANCE MIAMI	Early Term.	CDO	0.00%	NR	1%	0%	\$850,000	\$1	\$340,000	\$339,999
							\$20,420,000	\$4,115,896	\$8,576,100	\$4,460,204
UNITS IN LOCAL GOVT HOUSE		UNITS	0.00%				\$230,645	\$230,645	\$230,645	\$0
TOTAL FUNDS INVESTED					100%		\$103,520,790	\$87,216,686	\$91,676,890	\$4,460,204

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-	\$72,570,145	\$72,570,145	79%	80%	
A+	\$6,300,000	\$6,300,000	7%	50%	
A	\$2,000,000	\$1,996,535	2%	50%	
A-	\$1,000,000	\$1,003,150	1%	50%	
BBB+	\$2,000,000	\$2,000,000	2%	20%	
NR	\$17,920,000	\$6,076,415	7%	0%	Purchased Prior To Policy Change
UNITS IN LOCAL GOVT: HOUSE	\$230,645	\$230,645	0%	0.1%	Council Decision
TOTAL	103,520,790	91,676,890	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-	1,600,000	1.75%		20%	
BANKWEST (TERM)	TERM	AA-	11,869,738	12.95%	14.69%	20%	
BANK OF QUEENSLAND (FLOAT RATE TD)	FRTD	BBB+	2,000,000	2.18%	2.18%	10%	
COMMONWEALTH BANK (TERM)	TERM	AA-	5,200,000	5.67%		20%	
COMMONWEALTH BANK (FRN)	FRN	AA-	4,000,000	4.36%		20%	
COMMONWEALTH BANK (BOND)	BOND	AA-	2,000,000	2.18%		20%	
ING BANK	FRTD	A	500,000	0.55%	0.55%	15%	
MACQUARIE BANK	ADI	A	1,496,535	1.63%		15%	
NAB (FRN)	FRN	AA-	4,000,000	4.36%		20%	
NAB (TERM)	TERM	AA-	12,600,000	13.74%		20%	
RABODIRECT (TERM)	TERM	AA	1,500,000	1.64%	1.64%	15%	
ST GEORGE BANK (TERM)	TERM	AA-	13,900,000	15.16%	15.16%	20%	
SUNCORP METWAY LTD (TERM)	TERM	A+	6,300,000	6.87%	6.87%	15%	
WESTPAC (MAXI BONUS 1)	11AM	AA-	407	0.00%		20%	
WESTPAC (MAXI BONUS 2)	11AM	AA-	-	0.00%		20%	
WESTPAC (MAXI DIRECT)	11AM	AA-	3,600,000	3.93%		20%	
WESTPAC (TERM)	TERM	AA-	13,800,000	15.05%	18.98%	20%	
ADELAIDE BANK	ADI	A-	1,003,150	1.09%	1.09%	10%	
CDO - Various	CDO		6,076,415	6.63%	6.63%	0%	Purchased Prior To Policy Change
UNITS IN LOCAL GOVT HOUSE	UNITS		230,645	0.25%	0.25%		
			\$91,676,890	100%	100%		

MATURITY COMPARISON

TERM TO MATURITY	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	MAX. % IN ANY ONE YEAR	Comments
MUNICIPAL & TRUST FUNDS				
< 1 year	49,729,971	100%	100%	
< 2 years	-	0%	10%	
< 3 years	-	0%	10%	
< 4 years	-	0%	0%	
< 5 years	-	0%	0%	
> 5 years	-	0%	0%	
	49,729,971	100%		
RESERVE FUNDS				
< 1 year	24,312,260	59%	100%	
< 2 years	2,503,526	6%	80%	
< 3 years	4,851,209	12%	80%	
< 4 years	2,029,561	5%	40%	
< 5 years	6,000,000	14%	40%	
> 5 years	1,836,535	4%	20%	
	41,533,091	100%		