

**CITY OF MELVILLE
STATEMENT OF INVESTMENTS
FOR THE PERIOD ENDING 31 JANUARY 2014**

| SUMMARY BY FUND | PURCHASE PRICE \$ | MANAGEMENT VALUE AT 30/06/2009 \$ | ESTIMATED CURRENT MARKET VALUE \$ | BOOK PROFIT/(LOSS) \$ | BOOK PROFIT/(LOSS) % |
|-----------------------------|-----------------------------|--|---|---------------------------------|--------------------------------|
| MUNICIPAL RESERVE TRUST CRF | \$ 44,740,876 | \$ 44,740,876 | \$ 44,740,876 | \$ - | 0.00% |
| | \$ 69,137,972 | \$ 66,220,210 | \$ 67,154,852 | \$ 934,642 | 1.35% |
| | \$ 390,234 | \$ 390,234 | \$ 390,234 | \$ - | 0.00% |
| | \$ 200,388 | \$ 200,388 | \$ 200,388 | \$ - | 0.00% |
| | \$ 114,469,470 | \$ 111,551,709 | \$ 112,486,350 | \$ 934,642 | 0.82% |

| SUMMARY BY INVESTMENT TYPE | PURCHASE PRICE \$ | MANAGEMENT VALUE AT 30/06/2009 \$ | ESTIMATED CURRENT MARKET VALUE \$ | BOOK PROFIT/(LOSS) \$ | BOOK PROFIT/(LOSS) % |
|-----------------------------------|-----------------------------|--|---|---------------------------------|--------------------------------|
| CDO | \$ 3,000,000 | \$ 82,238 | \$ 1,016,880 | \$ 934,642 | 31.15% |
| BOND | \$ 2,000,000 | \$ 2,000,000 | \$ 2,000,000 | \$ - | 0.00% |
| FRN | \$ - | \$ - | \$ - | \$ - | 0.00% |
| FRTD | \$ - | \$ - | \$ - | \$ - | 0.00% |
| TERM DEPOSIT 11AM | \$ 105,287,328 | \$ 105,287,328 | \$ 105,287,328 | \$ - | 0.00% |
| UNITS (Local Govt Hse) | \$ 3,951,497 | \$ 3,951,497 | \$ 3,951,497 | \$ - | 0.00% |
| | \$ 230,645 | \$ 230,645 | \$ 230,645 | \$ - | 0.00% |
| | \$ 114,469,470 | \$ 111,551,709 | \$ 112,486,350 | \$ 934,642 | 0.82% |

| SUMMARY BY CREDIT RATING | PURCHASE PRICE \$ | MANAGEMENT VALUE AT 30/06/2009 \$ | ESTIMATED CURRENT MARKET VALUE \$ | BOOK PROFIT/(LOSS) \$ | BOOK PROFIT/(LOSS) % |
|---------------------------------|-----------------------------|--|---|---------------------------------|--------------------------------|
| AA | \$ 8,500,000 | \$ 8,500,000 | \$ 8,500,000 | \$ - | 0.00% |
| AA- | \$ 67,038,825 | \$ 67,038,825 | \$ 67,038,825 | \$ - | 0.00% |
| A+ | \$ 15,500,000 | \$ 15,500,000 | \$ 15,500,000 | \$ - | 0.00% |
| A | \$ 12,600,000 | \$ 12,600,000 | \$ 12,600,000 | \$ - | 0.00% |
| A- | \$ 7,600,000 | \$ 7,600,000 | \$ 7,600,000 | \$ - | 0.00% |
| BBB+ | \$ - | \$ - | \$ - | \$ - | 0.00% |
| NR | \$ 3,000,000 | \$ 82,238 | \$ 1,016,880 | \$ 934,642 | 31.15% |
| UNITS (Local Govt Hse) | \$ 230,645 | \$ 230,645 | \$ 230,645 | \$ - | 0.00% |
| | \$ 114,469,470 | \$ 111,551,709 | \$ 112,486,350 | \$ 934,642 | 0.82% |

| STATEMENT OF INVESTMENTS FOR THE PERIOD ENDING 31 JANUARY 2014 | | | | | | | | | |
|---|--------------------|-----------------|-------------------------|--------------|----------------------|----------------------------|-----------------------------|---|---------------|
| INSTITUTION / INVESTMENT | RISK OF IMPAIRMENT | INVESTMENT TYPE | Current Interest Rate % | S & P RATING | FACE VALUE \$ | BOOK VALUE AT 30/6/2009 \$ | CURRENT EST MARKET VALUE \$ | INVESTMENT GAIN / (LOSS) SINCE 30/06/09 | MATURITY DATE |
| | | | | | | | | \$ | |
| BANKWEST (11AM) | Very Low | 11AM | 2.75% | AA- | \$1,320 | \$1,320 | \$1,320 | \$0 | On call |
| WESTPAC (MAXI DIRECT) | Very Low | 11AM | 2.50% | AA- | \$3,950,000 | \$3,950,000 | \$3,950,000 | \$0 | On call |
| WESTPAC (MAXI BONUS 1) | Very Low | 11AM | 2.85% | AA- | \$70 | \$70 | \$70 | \$0 | On call |
| WESTPAC (MAXI BONUS 2) | Very Low | 11AM | 2.85% | AA- | \$108 | \$108 | \$108 | \$0 | On call |
| | | | | | \$3,951,497 | \$3,951,497 | \$3,951,497 | \$0 | |
| BANK OF QUEENSLAND (TERM) | Very Low | TERM | Various | A- | \$3,500,000 | \$3,500,000 | \$3,500,000 | \$0 | Various |
| BENDIGO AND ADELAIDE BANK (TERM) | Very Low | TERM | Various | A- | \$4,100,000 | \$4,100,000 | \$4,100,000 | \$0 | Various |
| CITIBANK (TERM) | Very Low | TERM | Various | AA- | \$13,000,000 | \$13,000,000 | \$13,000,000 | \$0 | Various |
| AMP BANK (TERM) | Very Low | TERM | Various | A+ | \$9,300,000 | \$9,300,000 | \$9,300,000 | \$0 | Various |
| ING BANK (TERM) | Very Low | TERM | Various | A | \$8,700,000 | \$8,700,000 | \$8,700,000 | \$0 | Various |
| MACQUARIE BANK (TERM) | Very Low | TERM | 3.80% | A | \$3,900,000 | \$3,900,000 | \$3,900,000 | \$0 | Various |
| NAB (TERM) | Very Low | TERM | Various | AA- | \$22,287,328 | \$22,287,328 | \$22,287,328 | \$0 | Various |
| RABODIRECT (TERM) | Very Low | TERM | Various | AA | \$6,500,000 | \$6,500,000 | \$6,500,000 | \$0 | Various |
| ST GEORGE BANK (TERM) | Very Low | TERM | Various | AA- | \$12,200,000 | \$12,200,000 | \$12,200,000 | \$0 | Various |
| SUNCORP METWAY LTD (TERM) | Very Low | TERM | Various | A+ | \$6,200,000 | \$6,200,000 | \$6,200,000 | \$0 | Various |
| WESTPAC (TERM) | Very Low | TERM | Various | AA- | \$15,600,000 | \$15,600,000 | \$15,600,000 | \$0 | Various |
| | | | | | \$105,287,328 | \$105,287,328 | \$105,287,328 | \$0 | |
| COMMONWEALTH BANK (RETAIL BOND) | Very Low | BOND | 3.63% | AA | \$2,000,000 | \$2,000,000 | \$2,000,000 | \$0 | 20-Dec-15 |
| | | | | | \$2,000,000 | \$2,000,000 | \$2,000,000 | \$0 | |
| CORSAIR (CAYMAN) KAKADU | Very High | CDO | 3.95% | NR | \$1,500,000 | \$72,363 | \$402,000 | \$329,637 | 20-Mar-14 |
| MANAGED ACES CLASS 1A PARKES | Very High | CDO | 4.24% | NR | \$1,050,000 | \$9,874 | \$299,880 | \$290,006 | 20-Jun-15 |
| BERYL FINANCE GLOBAL BANK NOTE 2 | Early Term. | CDO | 0.00% | NR | \$450,000 | \$1 | \$315,000 | \$314,999 | 20-Sep-14 |
| | | | | | \$3,000,000 | \$82,238 | \$1,016,880 | \$934,642 | |
| UNITS IN LOCAL GOVT HOUSE | NA | NA | NA | NA | \$230,645 | \$230,645 | \$230,645 | \$0 | NA |
| TOTAL FUNDS INVESTED | | | | | \$114,469,470 | \$111,651,709 | \$112,486,350 | \$934,642 | |

CREDIT RISK COMPARISON

| CREDIT RISK | PURCHASE PRICE \$ | CURRENT ESTIMATED MARKET VALUE | ACTUAL PROPORTION | MAX. % AMOUNT IN TOTAL PORTFOLIO | Comments |
|----------------------------|--------------------|--------------------------------|-------------------|----------------------------------|----------------------------------|
| AA | \$8,500,000 | \$8,500,000 | 8% | 80% | |
| AA- | \$67,038,825 | \$67,038,825 | 60% | 80% | |
| A+ | \$15,500,000 | \$15,500,000 | 14% | 50% | |
| A | \$12,600,000 | \$12,600,000 | 11% | 50% | |
| A- | \$7,600,000 | \$7,600,000 | 7% | 50% | |
| BBB+ | \$0 | \$0 | 0% | 20% | |
| NR | \$3,000,000 | \$1,016,880 | 1% | | Purchased Prior To Policy Change |
| UNITS IN LOCAL GOVT: HOUSE | \$230,645 | \$230,645 | 0% | 0.1% | Council Decision |
| TOTAL | 114,469,470 | 112,486,350 | 100% | | |

DIVERSIFICATION RISK

| INSTITUTION | INVESTMENT TYPE | S & P RATING | CURRENT ESTIMATED MARKET VALUE | ACTUAL PROPORTION | INSTITUTION PROPORTION | MAX. % WITH ANY ONE INSTITUTION | Comments |
|------------------------------------|-----------------|--------------|--------------------------------|-------------------|------------------------|---------------------------------|----------------------------------|
| ANZ BANK (TERM) | TERM | AA- | - | 0.00% | 0.00% | 20% | |
| AMP BANK (TERM) | TERM | A+ | 9,300,000 | 8.27% | 8.27% | 15% | |
| BANKWEST (11AM) | 11AM | AA- | 1,320 | 0.00% | - | 20% | |
| BANKWEST (TERM) | TERM | AA- | - | 0.00% | 0.00% | 20% | |
| BANK OF QUEENSLAND (TERM) | TERM | A- | 3,500,000 | 3.11% | - | 15% | |
| BANK OF QUEENSLAND (FLOAT RATE TD) | FRTD | A- | - | 0.00% | 3.11% | 15% | |
| BENDIGO AND ADELAIDE BANK (TERM) | TERM | A- | 4,100,000 | 3.64% | 3.64% | 15% | |
| CITIBANK (TERM) | TERM | AA- | 13,000,000 | 11.56% | 11.56% | 20% | |
| COMMONWEALTH BANK (COVERED BOND) | BOND | AAA | - | 0.00% | - | 20% | |
| COMMONWEALTH BANK (RETAIL BOND) | BOND | AA | 2,000,000 | 1.78% | - | 20% | |
| COMMONWEALTH BANK (FRN) | FRN | AA | - | 0.00% | 1.78% | 20% | |
| ING BANK (TERM) | TERM | A | 8,700,000 | 7.73% | - | 15% | |
| ING BANK (FLOAT RATE TD) | FRTD | A | - | 0.00% | 7.73% | 15% | |
| MACQUARIE BANK (TERM) | TERM | A | 3,900,000 | 3.47% | - | 15% | |
| NAB (TERM) | TERM | AA- | 22,287,328 | 19.81% | - | 20% | |
| NAB (FRN) | FRN | AA- | - | 0.00% | 19.81% | 20% | |
| RABODIRECT (TERM) | TERM | AA | 6,500,000 | 5.78% | 5.78% | 15% | |
| ST GEORGE BANK (TERM) | TERM | AA- | 12,200,000 | 10.85% | 10.85% | 20% | |
| SUNCORP METWAY LTD (TERM) | TERM | A+ | 6,200,000 | 5.51% | - | 15% | |
| WESTPAC (MAXI BONUS 1) | 11AM | AA- | 70 | 0.00% | - | 20% | |
| WESTPAC (MAXI BONUS 2) | 11AM | AA- | 108 | 0.00% | - | 20% | |
| WESTPAC (MAXI DIRECT) | 11AM | AA- | 3,950,000 | 3.51% | - | 20% | |
| WESTPAC (TERM) | TERM | AA- | 15,600,000 | 13.87% | 17.38% | 20% | |
| CDO - Various | CDO | | 1,016,880 | 0.90% | 0.90% | | Purchased Prior To Policy Change |
| UNITS IN LOCAL GOVT HOUSE | NA | NA | 230,645 | 0.21% | 0.21% | | |
| | | | 112,486,350 | 100% | 100% | | |

MATURITY COMPARISON

| TERM to MATURITY | CURRENT ESTIMATED MARKET VALUE | ACTUAL PROPORTION | MAX. % IN ANY ONE YEAR | Comments |
|-------------------------|--------------------------------|-------------------|------------------------|----------|
| MUNICIPAL & TRUST FUNDS | | | | |
| < 1 year | 44,900,465 | 100% | 100% | |
| | 44,900,465 | 100% | | |
| RESERVE FUNDS | | | | |
| < 1 year | 64,854,972 | 97% | 100% | |
| < 2 years | 2,299,880 | 3% | 80% | |
| < 3 years | - | 0% | 80% | |
| < 4 years | - | 0% | 40% | |
| < 5 years | - | 0% | 40% | |
| > 5 years | - | 0% | 20% | |
| | 67,154,852 | 100% | | |