

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

SUMMARY BY FUND	PURCHASE PRICE \$	ESTIMATED BOOK VALUE 30/06/2010 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
MUNICIPAL	\$ 45,338,218	\$ 45,338,218	\$ 45,338,218	\$ -	0.00%
RESERVE	\$ 36,814,465	\$ 18,678,558	\$ 24,482,359	\$ 5,803,801	15.77%
TRUST	\$ 504,947	\$ 504,947	\$ 504,947	\$ -	0.00%
CRF	\$ 178,313	\$ 178,313	\$ 178,313	\$ -	0.00%
	\$ 82,835,944	\$ 64,700,037	\$ 70,503,838	\$ 5,803,801	7.01%

SUMMARY BY INVESTMENT TYPE	PURCHASE PRICE \$	ESTIMATED BOOK VALUE 30/06/2010 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
ADI	\$ 3,500,000	\$ 3,376,255	\$ 3,464,230	\$ 87,975	2.51%
CDO	\$ 19,720,000	\$ 1,707,838	\$ 7,423,664	\$ 5,715,826	28.98%
BOND	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ -	0.00%
FRTD	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ -	0.00%
TERM DEPOSIT	\$ 51,164,868	\$ 51,164,868	\$ 51,164,868	\$ -	0.00%
11AM	\$ 4,220,431	\$ 4,220,431	\$ 4,220,431	\$ -	0.00%
UNITS (Local Govt Hse)	\$ 230,645	\$ 230,645	\$ 230,645	\$ -	0.00%
	\$ 82,835,944	\$ 64,700,037	\$ 70,503,838	\$ 5,803,801	7.01%

SUMMARY BY CREDIT RATING	PURCHASE PRICE \$	ESTIMATED BOOK VALUE 30/06/2010 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
AA	\$ 17,278,313	\$ 17,278,313	\$ 17,278,313	\$ -	0.00%
AA-	\$ 31,806,986	\$ 31,789,256	\$ 31,802,266	\$ 13,010	0.04%
A+	\$ 5,300,000	\$ 5,300,000	\$ 5,300,000	\$ -	0.00%
A	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ -	0.00%
A-	\$ 2,500,000	\$ 2,393,985	\$ 2,468,950	\$ 74,965	3.00%
BBB+	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ -	0.00%
CCC	\$ 1,500,000	\$ 76,950	\$ 510,600	\$ 433,650	28.91%
CCC-	\$ 3,600,000	\$ 376,140	\$ 938,160	\$ 562,020	15.61%
NR	\$ 14,620,000	\$ 1,254,748	\$ 5,974,904	\$ 4,720,156	32.29%
UNITS (Local Govt Hse)	\$ 230,645	\$ 230,645	\$ 230,645	\$ -	0.00%
	\$ 82,835,944	\$ 64,700,037	\$ 70,503,838	\$ 5,803,801	7.01%

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

INSTITUTION / INVESTMENT	RISK OF IMPAIRMENT	INVESTMENT TYPE	Current Interest Rate %	S & P RATING	PROPORTION	MAX. PER INSTITUTION	FACE VALUE \$	BOOK VALUE AT 30/6/2010 \$	CURRENT EST MARKET VALUE \$	INVESTMENT GAIN / (LOSS) SINCE 30/6/10 \$
BANKWEST (11AM)		11AM	4.70%	AA	1%	20%	\$1,013,445		\$1,013,445	\$1,013,445
WESTPAC (MAXI DIRECT)		11AM	4.80%	AA-	2%	20%	\$2,000,000		\$2,000,000	\$2,000,000
WESTPAC (MAXI BONUS 1)		11AM	5.20%	AA-	1%	20%	\$1,206,986		\$1,206,986	\$1,206,986
WESTPAC (MAXI BONUS 2)		11AM	5.20%	AA-	0%	20%	\$0		\$0	\$0
							\$4,220,431		\$4,220,431	\$4,220,431
BANKWEST (TERM)		TERM	5.90%	AA	8%	20%	\$6,564,868		\$6,564,868	\$6,564,868
COMMONWEALTH BANK (TERM)		TERM	5.78%	AA	9%	20%	\$7,700,000		\$7,700,000	\$7,700,000
SUNCORP METWAY LTD (TERM)		TERM	6.17%	A+	6%	20%	\$5,300,000		\$5,300,000	\$5,300,000
ING BANK		TERM	6.21%	A	4%	20%	\$3,000,000		\$3,000,000	\$3,000,000
IMB LTD	Govt Gua.	TERM	6.10%	A	1%	75%	\$1,000,000		\$1,000,000	\$1,000,000
NAB		TERM	5.74%	AA	12%	20%	\$9,800,000		\$9,800,000	\$9,800,000
ST GEORGE BANK (TERM)		TERM	5.89%	AA-	14%	20%	\$11,200,000		\$11,200,000	\$11,200,000
WESTPAC (TERM)		TERM	5.85%	AA-	8%	20%	\$6,600,000		\$6,600,000	\$6,600,000
							\$51,164,868		\$51,164,868	\$51,164,868
COMMONWEALTH BANK (BOND)		BOND	5.90%	AA	2%	20%	\$2,000,000		\$2,000,000	\$2,000,000
							\$2,000,000		\$2,000,000	\$2,000,000
BANK OF QUEENSLAND (FLOAT RATE TD)		FRTD	6.42%	BBB+	2%	20%	\$2,000,000		\$2,000,000	\$2,000,000
							\$2,000,000		\$2,000,000	\$2,000,000
ADELAIDE BANK	Very Low	ADI	5.35%	A-	1%	10%	\$1,000,000	\$983,880	\$996,760	\$12,880
MACQUARIE BANK	Very Low	ADI	5.37%	A-	2%	15%	\$1,500,000	\$1,410,105	\$1,472,190	\$62,085
WESTPAC BANK	Very Low	ADI	5.23%	AA-	1%	20%	\$1,000,000	\$982,270	\$995,280	\$13,010
APHEX (GLENELG)	High	CDO	6.68%	NR	2%	0%	\$2,000,000	\$125,600	\$681,200	\$555,600
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	1%	0%	\$450,000	\$1	\$270,000	\$269,999
CORSAIR (CAYMAN) KAKADU	High	CDO	6.39%	CCC	2%	0%	\$1,500,000	\$76,950	\$510,600	\$433,650
CORSAIR (CAYMAN) TORQUAY	Very High	CDO	6.64%	NR	2%	0%	\$1,885,000	\$23,000	\$196,606	\$173,606
ETHICAL LIMITED GREEN	High	CDO	5.99%	NR	1%	0%	\$1,000,000	\$11,000	\$253,500	\$242,500
HELIUM CAPITAL (ESPERANCE)	High	CDO	6.69%	CCC-	2%	0%	\$1,800,000	\$355,140	\$808,560	\$453,420
HELIUM CAPITAL (SCARBOROUGH)	High	CDO	6.83%	CCC-	2%	0%	\$1,800,000	\$21,000	\$129,600	\$108,600
MAGNOLIA FLINDERS	Moderate	CDO	6.49%	NR	2%	20%	\$2,000,000	\$988,139	\$1,840,600	\$882,461
MANAGED ACES CLASS 11A PARKES	Very High	CDO	8.29%	NR	1%	0%	\$1,000,000	\$3,000	\$8,000	\$5,000
MANAGED ACES CLASS 1A PARKES	High	CDO	6.62%	NR	1%	0%	\$1,050,000	\$10,500	\$110,250	\$99,750
OMEGA CAPITAL CLASS A HENLEY	Moderate	CDO	5.78%	NR	0%	0%	\$385,000	\$82,506	\$324,748	\$242,242
ZIRCON FINANCE COOLANGATTA	Early Term.	CDO	0.00%	NR	2%	0%	\$1,500,000	\$9,300	\$600,000	\$590,700
ZIRCON FINANCE MERIMBULA	Early Term.	CDO	0.00%	NR	1%	0%	\$500,000	\$1,700	\$150,000	\$148,300
ZIRCON FINANCE MIAMI	Early Term.	CDO	0.00%	NR	1%	0%	\$850,000	\$1	\$340,000	\$339,999
							\$23,220,000	\$5,084,093	\$10,887,894	\$5,803,801
UNITS IN LOCAL GOVT HOUSE		UNITS	0.00%				\$230,645	\$230,645	\$230,645	\$0
TOTAL FUNDS INVESTED					100%		\$82,835,944	\$5,314,738	\$70,503,838	\$65,189,100

DIVERSIFICATION / CREDIT RISK COMPARISON

CREDIT RISK	PURCHASE PRICE \$	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	MAX. % AMOUNT IN TOTAL PORTFOLIO	Comments
AA	\$27,078,313	\$27,078,313	38%	80%	
AA-	\$22,006,986	\$22,002,266	31%	80%	
A+	\$5,300,000	\$5,300,000	8%	50%	
A	\$4,000,000	\$4,000,000	6%	50%	
A-	\$2,500,000	\$2,468,950	4%	50%	
BBB+	\$2,000,000	\$2,000,000	3%	20%	
CCC	\$1,500,000	\$510,600	1%	0%	Purchased Prior To Policy Change
CCC-	\$3,600,000	\$938,160	1%	0%	
NR	\$14,620,000	\$5,974,904	8%		
UNITS IN LOCAL GOVT: HOUSE	\$230,645	\$230,645	0%	0.1%	Council Decision
TOTAL	82,835,944	70,503,838	100%		

DIVERSIFICATION RISK

INSTITUTION	INVESTMENT TYPE	S & P RATING	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	INSTITUTION PROPORTION	MAX. % WITH ANY ONE INSTITUTION	Comments
ADELAIDE BANK	ADI	A-	996,760	1.41%	1.41%	10%	
BANK OF QUEENSLAND (FLOAT RATE TD)	FRTD	BBB+	2,000,000	2.84%	2.84%	20%	
BANKWEST (11AM)	11AM	AA	1,013,445	1.44%		20%	
BANKWEST (TERM)	TERM	AA	6,564,868	9.31%	10.75%	20%	
COMMONWEALTH BANK (TERM)	TERM	AA	7,700,000	10.92%		20%	
COMMONWEALTH BANK (BOND)	BOND	AA	2,000,000	2.84%	13.76%	20%	
IMB LTD	TERM	A	1,000,000	1.42%	1.42%	25%	
ING BANK	TERM	A	3,000,000	4.26%	4.26%	20%	
MACQUARIE BANK	ADI	A-	1,472,190	2.09%	2.09%	15%	
NAB	TERM	AA	9,800,000	13.90%	13.90%	20%	
ST GEORGE BANK (TERM)	TERM	AA-	11,200,000	15.89%	15.89%	20%	
SUNCORP METWAY LTD (TERM)	TERM	A+	5,300,000	7.52%		15%	
SUNCORP METWAY LTD	ADI	A-	-	0.00%	7.52%	15%	
WESTPAC (MAXI BONUS 1)	11AM	AA-	1,206,986	1.71%		20%	
WESTPAC (MAXI BONUS 2)	11AM	AA-	0.00%	0.00%		20%	
WESTPAC (MAXI DIRECT)	11AM	AA-	2,000,000	2.84%		20%	
WESTPAC (TERM)	TERM	AA-	6,600,000	9.36%		20%	
WESTPAC BANK	ADI	AA-	995,280	1.41%	15.32%	20%	
CDO - Various	CDO		7,423,664	10.53%	10.53%	0%	Purchased Prior To Policy Change
UNITS IN LOCAL GOVT HOUSE	UNITS		230,645	0.33%	0.33%	N/A	
			70,503,838	100%	100%		

MATURITY COMPARISON

TERM to MATURITY	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	MAX. % IN ANY ONE YEAR	Comments
MUNICIPAL & TRUST FUNDS				
< 1 year	45,612,520	100%	100%	
< 2 years	-	0%	10%	
< 3 years	-	0%	10%	
< 4 years	-	0%	0%	
< 5 years	-	0%	0%	
> 5 years	-	0%	0%	
	45,612,520	100%		
RESERVE FUNDS				
< 1 year	12,756,573	52%	100%	
< 2 years	1,155,166	5%	80%	
< 3 years	2,893,700	12%	80%	
< 4 years	2,869,450	12%	40%	
< 5 years	2,000,000	8%	40%	
> 5 years	2,807,470	11%	20%	
	24,482,359	100%		