

**CITY OF MELVILLE
STATEMENT OF INVESTMENTS
FOR THE PERIOD ENDING 30 JUNE 2011**

SUMMARY BY FUND	PURCHASE PRICE \$	ESTIMATED BOOK VALUE 30/06/2010 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
MUNICIPAL RESERVE TRUST CRF	\$ 40,277,505	\$ 40,277,505	\$ 40,277,505	\$ -	0.00%
	\$ 37,797,583	\$ 19,661,676	\$ 25,707,338	\$ 6,045,662	15.99%
	\$ 504,947	\$ 504,947	\$ 504,947	\$ -	0.00%
	\$ 178,313	\$ 178,313	\$ 178,313	\$ -	0.00%
	\$ 78,758,348	\$ 60,622,441	\$ 66,668,103	\$ 6,045,662	7.68%

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	\$ 3,460,825	\$ 84,570	2.42%
CDO	\$ 19,720,000	\$ 1,707,838	\$ 7,668,930	\$ 5,961,092	30.23%
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	\$ 48,589,096	\$ 48,589,096	\$ 48,589,096	\$ -	0.00%
11AM	\$ 2,718,607	\$ 2,718,607	\$ 2,718,607	\$ -	0.00%
UNITS (Local Govt Hse)	\$ 230,645	\$ 230,645	\$ 230,645	\$ -	0.00%
	\$ 78,758,348	\$ 60,622,441	\$ 66,668,103	\$ 6,045,662	7.68%

SUMMARY BY CREDIT RATING	PURCHASE PRICE \$	ESTIMATED BOOK VALUE 30/06/2010 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
AA	\$ 15,278,313	\$ 15,278,313	\$ 15,278,313	\$ -	0.00%
AA-	\$ 29,729,390	\$ 29,711,660	\$ 29,724,000	\$ 12,340	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	\$ 2,466,215	\$ 72,230	2.89%
BBB+	\$ 3,000,000	\$ 3,000,000	\$ 3,000,000	\$ -	0.00%
CCC	\$ 1,500,000	\$ 76,950	\$ 594,900	\$ 517,950	34.53%
CCC-	\$ 3,600,000	\$ 376,140	\$ 1,034,280	\$ 658,140	18.28%
NR	\$ 14,620,000	\$ 1,254,748	\$ 6,039,750	\$ 4,785,002	32.73%
UNITS (Local Govt Hse)	\$ 230,645	\$ 230,645	\$ 230,645	\$ -	0.00%
	\$ 78,758,348	\$ 60,622,441	\$ 66,668,103	\$ 6,045,662	7.68%

**CITY OF MELVILLE
STATEMENT OF INVESTMENTS
FOR THE PERIOD ENDING 30 JUNE 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 BONUS 1)		11AM	5.20%	AA-	2%	20%	\$1,705,161		\$1,705,161	\$1,705,161
WESTPAC (MAXI BONUS 2)		11AM	5.20%	AA-	0%		\$0		\$0	\$0
							\$2,718,607		\$2,718,607	\$2,718,607
BANKWEST (TERM)		TERM	5.90%	AA	7%	20%	\$5,764,868		\$5,764,868	\$5,764,868
COMMONWEALTH BANK (TERM)		TERM	5.78%	AA	8%	20%	\$6,500,000		\$6,500,000	\$6,500,000
SUNCORP METWAY LTD (TERM)		TERM	6.17%	A+	7%	20%	\$5,300,000		\$5,300,000	\$5,300,000
IMB LTD	Govt. Gua.	TERM	6.10%	BBB+	1%	10%	\$1,000,000		\$1,000,000	\$1,000,000
ING BANK		TERM	6.21%	A	4%	20%	\$3,000,000		\$3,000,000	\$3,000,000
NAB		TERM	6.09%	AA	13%	20%	\$10,000,000		\$10,000,000	\$10,000,000
ST GEORGE BANK (TERM)		TERM	5.89%	AA-	12%	20%	\$9,500,000		\$9,500,000	\$9,500,000
WESTPAC (TERM)		TERM	5.85%	AA-	10%	20%	\$7,524,228		\$7,524,228	\$7,524,228
							\$48,589,096		\$48,589,096	\$48,589,096
COMMONWEALTH BANK (BOND)		BOND	5.97%	AA	3%	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+	3%	10%	\$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%	15%	\$1,000,000	\$983,880	\$996,500	\$12,620
MACQUARIE BANK	Very Low	ADI	5.37%	A-	2%	15%	\$1,500,000	\$1,410,105	\$1,469,715	\$59,610
WESTPAC BANK	Very Low	ADI	5.16%	AA-	1%	20%	\$1,000,000	\$982,270	\$994,610	\$12,340
APHEX (GLENELG)	High	CDO	6.68%	NR	3%	0%	\$2,000,000	\$125,600	\$681,200	\$555,600
BERYL FINANCE GLOBAL BANK NOTE	Early Term.	CDO	0.00%	NR	3%	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	\$594,900	\$517,950
CORSAIR (CAYMAN) TORQUAY	Very High	CDO	6.64%	NR	2%	0%	\$1,885,000	\$23,000	\$238,453	\$215,453
ETHICAL LIMITED GREEN	High	CDO	5.99%	NR	1%	0%	\$1,000,000	\$11,000	\$300,100	\$289,100
HELIUM CAPITAL (ESPERANCE)	High	CDO	6.69%	CCC-	2%	0%	\$1,800,000	\$355,140	\$870,300	\$515,160
HELIUM CAPITAL (SCARBOROUGH)	High	CDO	6.83%	CCC-	2%	0%	\$1,800,000	\$21,000	\$163,980	\$142,980
MAGNOLIA FLINDERS	Moderate	CDO	6.49%	NR	3%	0%	\$2,000,000	\$988,139	\$1,743,972	\$755,833
MANAGED ACES CLASS 11A PARKES	Very High	CDO	8.29%	NR	1%	0%	\$1,000,000	\$3,000	\$22,000	\$19,000
MANAGED ACES CLASS 1A PARKES	High	CDO	6.62%	NR	1%	0%	\$1,050,000	\$10,500	\$141,750	\$131,250
OMEGA CAPITAL CLASS A HENLEY	Moderate	CDO	5.78%	NR	0%	0%	\$385,000	\$82,506	\$352,275	\$269,769
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	\$11,129,755	\$6,045,662
UNITS IN LOCAL GOVT HOUSE		UNITS	0.00%				\$230,645	\$230,645	\$230,645	\$0
TOTAL FUNDS INVESTED					100%		\$78,758,348	\$5,314,738	\$66,668,103	\$61,353,365

DIVERSIFICATION / CREDIT RISK COMPARISON

CREDIT RISK	PURCHASE PRICE \$	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	MAX. % AMOUNT IN TOTAL PORTFOLIO	Comments
AAA	\$0	\$0	0%	100%	
AA	\$25,278,313	\$25,278,313	38%	80%	
AA-	\$19,729,390	\$19,724,000	30%	80%	
A+	\$5,300,000	\$5,300,000	8%	50%	
A	\$3,000,000	\$3,000,000	4%	50%	
A-	\$2,500,000	\$2,466,215	4%	50%	
BBB+	\$3,000,000	\$3,000,000	4%	20%	
BBB	\$0	\$0	0%	0%	Purchased Prior To Policy Change
BBB-	\$0	\$0	0%	0%	
BB+	\$0	\$0	0%	0%	
B+	\$0	\$0	0%	0%	
B	\$0	\$0	0%	0%	
CCC+	\$0	\$0	0%	0%	
CCC	\$1,500,000	\$594,900	1%	0%	
CCC-	\$3,600,000	\$1,034,280	2%	0%	
C	\$0	\$0	0%	0%	
NR	\$14,620,000	\$6,039,750	9%	0%	
UNITS IN LOCAL GOVT: HOUSE	\$230,645	\$230,645	0%	0.1%	Council Decision
TOTAL	78,758,348	66,668,103	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	1,013,445	1.52%		20%	
BANKWEST (TERM)	TERM	AA	5,764,868	8.65%	10.17%	20%	
COMMONWEALTH BANK (TERM)	TERM	AA	6,500,000	9.75%		20%	
COMMONWEALTH BANK (BOND)	BOND	AA	2,000,000	3.00%	12.75%	20%	
MACQUARIE BANK	ADI	A-	1,469,715	2.20%		15%	
NAB	TERM	AA	10,000,000	15.00%	15.00%	20%	
IMB LTD	TERM	BBB+	1,000,000	1.50%		10%	
ING BANK	TERM	A	3,000,000	4.50%	4.50%	15%	
ST GEORGE BANK (TERM)	TERM	AA-	9,500,000	14.25%	14.25%	20%	
WESTPAC (MAXI BONUS 1)	11AM	AA-	1,705,161	2.56%		20%	
WESTPAC (MAXI BONUS 2)	11AM	AA-	-	0.00%		20%	
WESTPAC (MAXI DIRECT)	11AM	AA-	-	0.00%		20%	
WESTPAC (TERM)	TERM	AA-	7,524,228	11.29%		20%	
WESTPAC BANK	ADI	AA-	994,610	1.49%		15.34%	
ADELAIDE BANK	ADI	A-	996,500	1.49%		15%	
BANK OF QUEENSLAND (FLOAT RATE TD)	FRTD	BBB+	2,000,000	3.00%		10%	
SUNCORP METWAY LTD (TERM)	TERM	A+	5,300,000	7.95%	7.95%	15%	
CDO - Various	CDO		7,668,930	11.50%	11.50%		Purchased Prior To Policy Change
UNITS IN LOCAL GOVT HOUSE	UNITS		230,645	0.35%	0.35%		
			\$66,668,103	100%	100%		

MATURITY COMPARISON

TERM TO MATURITY	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	MAX. % IN ANY ONE YEAR	Comments
MUNICIPAL & TRUST FUNDS				
< 1 year	40,551,807	100%	100%	
< 2 years	-	0%	10%	
< 3 years	-	0%	10%	
< 4 years	-	0%	0%	
< 5 years	-	0%	0%	
> 5 years	-	0%	0%	
	40,551,807	100%		
RESERVE FUNDS				
< 1 year	13,670,330	53%	100%	
< 2 years	1,258,753	5%	80%	
< 3 years	3,059,980	12%	80%	
< 4 years	2,914,950	11%	40%	
< 5 years	2,000,000	8%	40%	
> 5 years	2,804,325	11%	20%	Purchased Prior To Policy Change
	25,707,338	100%		