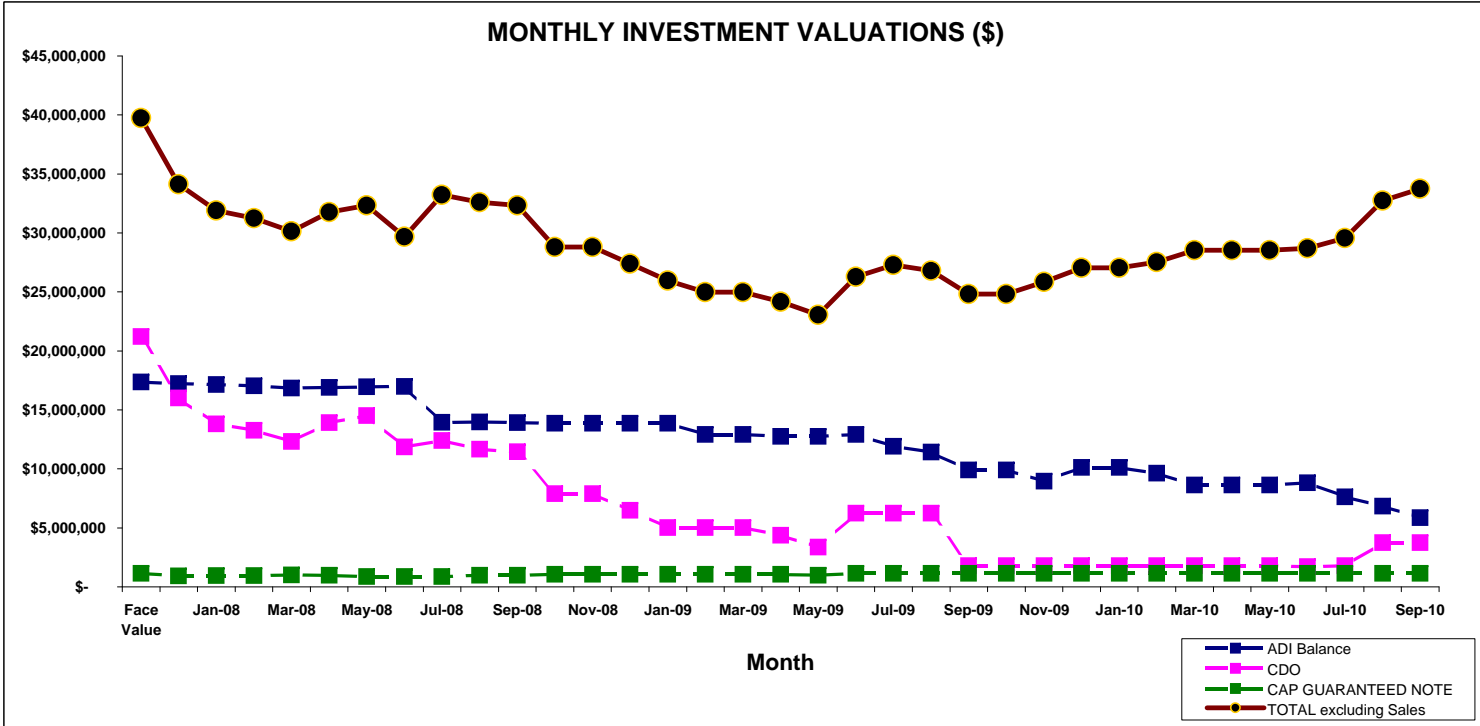
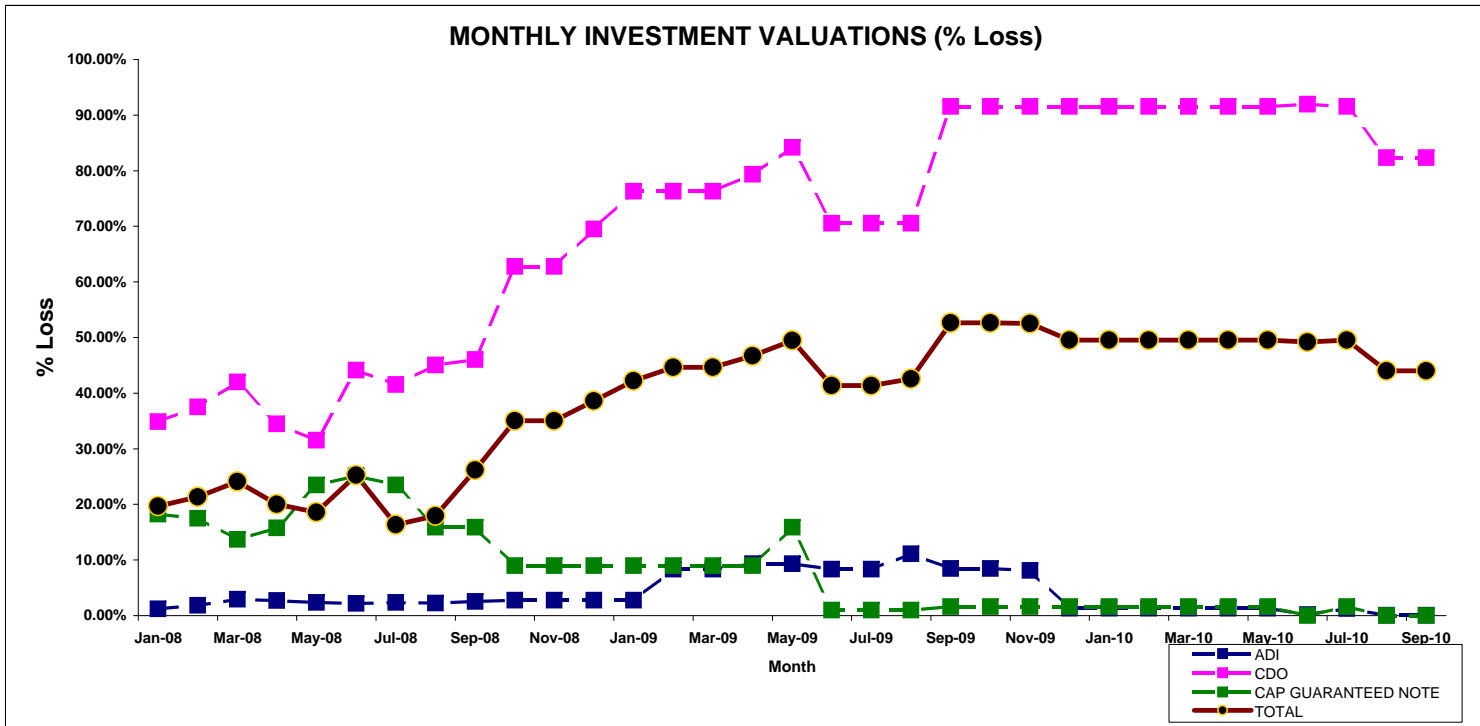


CITY OF MELVILLE
STATEMENT OF INVESTMENTS
FOR THE PERIOD ENDING 30 SEPTEMBER 2010

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	\$ 50,220,537	\$ 50,219,776	\$ 50,219,882	\$ 105	0.00%
	\$ 50,264,465	\$ 30,587,899	\$ 32,642,638	\$ 2,054,739	4.09%
	\$ 713,687	\$ 713,687	\$ 713,687	\$ -	0.00%
	\$ 170,718	\$ 170,718	\$ 170,718	\$ -	0.00%
	\$ 101,369,407	\$ 81,692,080	\$ 83,746,924	\$ 2,054,844	2.03%

SUMMARY BY FUND	PURCHASE PRICE \$	ESTIMATED BOOK VALUE 30/06/2010 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
ADI	\$ 6,000,000	\$ 5,827,335	\$ 5,846,850	\$ 19,515	0.33%
CDO	\$ 21,220,000	\$ 1,715,338	\$ 3,750,668	\$ 2,035,330	9.59%
CAP	\$ 1,150,000	\$ 1,150,000	\$ 1,150,000	\$ -	0.00%
TERM DEPOSIT 11AM	\$ 67,957,273	\$ 67,957,273	\$ 67,957,273	\$ -	0.00%
	\$ 4,811,489	\$ 4,811,489	\$ 4,811,489	\$ -	0.00%
UNITS (Local Govt Hse)	\$ 230,645	\$ 230,645	\$ 230,645	\$ -	0.00%
	\$ 101,369,407	\$ 81,692,080	\$ 83,746,924	\$ 2,054,845	2.03%

SUMMARY BY FUND	PURCHASE PRICE \$	ESTIMATED BOOK VALUE 30/06/2010 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
AAA	\$ -	\$ -	\$ -	\$ -	0.00%
AA	\$ 33,468,762	\$ 32,456,901	\$ 33,138,762	\$ 681,861	2.04%
AA-	\$ 35,150,000	\$ 35,132,270	\$ 35,132,350	\$ 80	0.00%
A	\$ 4,500,000	\$ 4,410,105	\$ 4,418,130	\$ 8,025	0.18%
BBB+	\$ 1,000,000	\$ 983,880	\$ 984,500	\$ 620	0.06%
BBB	\$ 1,500,000	\$ 1,481,630	\$ 1,487,250	\$ 5,620	0.37%
BBB-	\$ 2,000,000	\$ 125,600	\$ 100,000	\$ 25,600	-1.28%
BB+	\$ 1,800,000	\$ 355,140	\$ 793,620	\$ 438,480	24.36%
CCC+	\$ 3,300,000	\$ 28,500	\$ 160,920	\$ 132,420	4.01%
CCC	\$ 1,885,000	\$ 159,456	\$ 764,426	\$ 604,970	32.09%
CCC-	\$ 4,935,000	\$ 47,500	\$ 261,702	\$ 214,202	4.34%
C	\$ 5,300,000	\$ 11,003	\$ -	\$ 11,003	-0.21%
UNITS (Local Govt Hse)	\$ 230,645	\$ 230,645	\$ 230,645	\$ -	0.00%
	\$ 101,369,407	\$ 81,692,080	\$ 83,746,924	\$ 2,054,845	2.03%



**CITY OF MELVILLE
STATEMENT OF INVESTMENTS
FOR THE PERIOD ENDING 30 SEPTEMBER 2010**

INSTITUTION / INVESTMENT	RISK of IMPAIRMENT	INVESTMENT TYPE	Current Interest Rate %	S & P RATING	PROPORTION	MAX. PER INSTITUTION POLICY 13-PL-003	PURCHASE PRICE \$	BOOK VALUE AT 30/9/2010 \$	CURRENT EST MARKET VALUE \$	INVESTMENT GAIN / (LOSS) SINCE 30/9/09 \$
BANKWEST (11AM)		11AM	4.45%	AA	2%	20%	\$2,411,489	\$2,411,489	\$2,411,489	\$0
WESTPAC (MAXI BONUS 1)		11AM	4.55%	AA-	1%	20%	\$1,200,000	\$1,200,000	\$1,200,000	\$0
WESTPAC (MAXI BONUS 2)		11AM	4.55%	AA-	1%	20%	\$1,200,000	\$1,200,000	\$1,200,000	\$0
							\$4,811,489	\$4,811,489	\$4,811,489	\$0
BANKWEST (TERM)		TERM	5.70%	AA	12%	20%	\$12,557,273	\$12,557,273	\$12,557,273	\$0
COMMONWEALTH BANK		TERM	5.51%	AA	16%	20%	\$16,500,000	\$16,500,000	\$16,500,000	\$0
SUNCORP METWAY LTD (TERM)		TERM	5.98%	A+	5%	20%	\$5,300,000	\$5,300,000	\$5,300,000	\$0
ING BANK		TERM	6.32%	A	3%	20%	\$3,000,000	\$3,000,000	\$3,000,000	\$0
NAB		TERM	5.74%	AA	16%	20%	\$16,000,000	\$16,000,000	\$16,000,000	\$0
ST GEORGE BANK (TERM)		TERM	5.58%	AA-	1%	20%	\$1,500,000	\$1,500,000	\$1,500,000	\$0
WESTPAC (TERM)		TERM	6.26%	AA-	13%	20%	\$13,100,000	\$13,100,000	\$13,100,000	\$0
							\$67,957,273	\$67,957,273	\$67,957,273	\$0
ADELAIDE BANK	Very Low	ADI	5.31%	BBB+	1%	10%	\$1,000,000	\$983,880	\$984,500	\$620
ELDERS RURAL BANK	Very Low	ADI	5.55%	BBB	1%	0%	\$1,500,000	\$1,481,630	\$1,487,250	\$5,620
MACQUARIE BANK	Very Low	ADI	5.22%	A	1%	15%	\$1,500,000	\$1,410,105	\$1,418,130	\$8,025
SUNCORP METWAY LTD	Very Low	ADI	5.16%	A+	1%	15%	\$1,000,000	\$969,450	\$974,620	\$5,170
WESTPAC BANK	Very Low	ADI	5.09%	AA-	1%	20%	\$1,000,000	\$982,270	\$982,350	\$80
DEUTSCHE BANK	Very Low	CAP	7.05%	AA-	1%	20%	\$1,150,000	\$1,150,000	\$1,150,000	\$0
APHEX (GLENELG)	High	CDO	6.53%	BBB-	2%	0%	\$2,000,000	\$126,600	\$100,000	-\$25,600
BERYL FINANCE GLOBAL BANK NOTE	Early Term.	CDO	0.00%	C	2%	0%	\$2,000,000	\$1	\$0	-\$1
BERYL FINANCE GLOBAL BANK NOTE 2	Early Term.	CDO	0.00%	C	2%	0%	\$450,000	\$1	\$0	-\$1
CORSAIR (CAYMAN) KAKADU	High	CDO	6.14%	CCC	1%	0%	\$1,500,000	\$76,950	\$473,250	\$396,300
CORSAIR (CAYMAN) TORQUAY	Very High	CDO	6.34%	CCC-	2%	0%	\$1,885,000	\$23,000	\$66,352	\$43,352
ETHICAL LIMITED GREEN	High	CDO	5.74%	CCC-	1%	0%	\$1,000,000	\$11,000	\$183,400	\$172,400
HELIUM CAPITAL (ESPERANCE)	High	CDO	6.44%	BB+	2%	0%	\$1,800,000	\$355,140	\$793,620	\$438,480
HELIUM CAPITAL (SCARBOROUGH)	High	CDO	6.63%	CCC+	2%	0%	\$1,800,000	\$21,000	\$160,920	\$139,920
MANGOLIA FLINDERS	Moderate	CDO	6.24%	AA	2%	20%	\$2,000,000	\$988,139	\$1,670,000	\$681,861
MANAGED ACES CLASS 11A PARKES	Very High	CDO	8.04%	CCC-	1%	0%	\$1,000,000	\$3,000	\$2,500	-\$500
MANAGED ACES CLASS 1A PARKES	High	CDO	6.37%	CCC-	1%	0%	\$1,050,000	\$10,500	\$9,450	-\$1,050
OMEGA CAPITAL CLASS A HENLEY	Moderate	CDO	5.70%	CCC	0%	0%	\$385,000	\$82,506	\$291,176	\$208,670
STARTS (CAYMAN) BLUE GUM	Very High	CDO	6.23%	CCC+	1%	0%	\$1,500,000	\$7,500	\$0	-\$7,500
ZIRCON FINANCE COOLANGATTA	Early Term.	CDO	0.00%	C	1%	0%	\$1,500,000	\$9,300	\$0	-\$9,300
ZIRCON FINANCE MERIMBULA	Early Term.	CDO	0.00%	C	0%	0%	\$500,000	\$1,700	\$0	-\$1,700
ZIRCON FINANCE MIAMI	Early Term.	CDO	0.00%	C	1%	0%	\$850,000	\$1	\$0	-\$1
							\$28,370,000	\$8,692,673	\$10,747,518	\$2,054,845
UNITS IN LOCAL GOVT HOUSE		UNITS	0.00%				\$230,645	\$230,645	\$230,645	\$0
TOTAL FUNDS INVESTED					100%		\$101,369,407	\$81,692,080	\$83,746,924	\$2,054,845

DIVERSIFICATION / CREDIT RISK COMPARISON

CREDIT RISK	PURCHASE PRICE \$	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	MAX. % AMOUNT IN TOTAL PORTFOLIO POLICY 13-PL-003	Comments
AA	\$49,468,762	\$49,138,762	59%	80%	
AA-	\$19,150,000	\$19,132,350	23%	80%	
A+	\$6,300,000	\$6,274,620	7%	50%	
A	\$4,500,000	\$4,418,130	5%	50%	
BBB+	\$1,000,000	\$984,500	1%	20%	
BBB	\$1,500,000	\$1,487,250	2%	0%	
BBB-	\$2,000,000	\$100,000	0%	0%	
BB+	\$1,800,000	\$793,620	1%	0%	Purchased Prior To Policy Change
CCC+	\$3,300,000	\$160,920	0%	0%	
CCC	\$1,885,000	\$764,426	1%	0%	
CCC-	\$4,935,000	\$261,702	0%	0%	
C	\$5,300,000	\$0	0%	0%	
UNITS IN LOCAL GOVT: HOUSE	\$230,645	\$230,645	0%	0.1%	Council Decision
TOTAL	101,369,407	83,746,924	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	2,411,489	2.88%		20%	
BANKWEST (TERM)	TERM	AA	12,557,273	14.99%	17.87%	20%	
COMMONWEALTH BANK	TERM	AA	16,500,000	19.70%	19.70%	20%	
MACQUARIE BANK	ADI	A	1,418,130	1.69%		15%	
MACQUARIE BANK (TERM)	TERM	AAA	-	0.00%		20%	
NAB	TERM	AA	16,000,000	19.11%	19.11%	20%	
ING BANK	TERM	A	3,000,000	3.58%		20%	
ST GEORGE BANK (TERM)	TERM	AA-	1,500,000	1.79%		20%	
WESTPAC (MAXI BONUS 1)	11AM	AA-	1,200,000	1.43%		20%	
WESTPAC (MAXI BONUS 2)	11AM	AA-	1,200,000	1.43%		20%	
WESTPAC (MAXI DIRECT)	11AM	AA-	-	0.00%		20%	
WESTPAC (TERM)	TERM	AA-	13,100,000	15.64%		20%	
WESTPAC BANK	ADI	AA-	982,350	1.17%	19.68%	20%	
ADELAIDE BANK	ADI	BBB+	984,500	1.18%	1.18%	10%	
ELDERS RURAL BANK	ADI	BBB	1,487,250	1.78%		10%	
SUNCORP METWAY LTD (TERM)	TERM	A+	5,300,000	6.33%		15%	
SUNCORP METWAY LTD	ADI	A+	974,620	1.16%	7.49%	15%	
DEUTSCHE BANK - CAPITAL GUARANTEED NOTE	CAP	AAA	1,150,000	1.37%	1.37%	20%	
CDO - Various	CDO		3,750,668	4.48%	4.48%		Purchased Prior To Policy Change
UNITS IN LOCAL GOVT HOUSE	UNITS		230,645	0.28%	0.28%		
			\$83,746,924	100%	100%		

MATURITY COMPARISON

TERM to MATURITY	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	MAX. % IN ANY ONE YEAR	Comments
MUNICIPAL & TRUST FUNDS				
< 1 year	50,677,870	100%	100%	
< 2 years	-	0%	10%	
< 3 years	-	0%	10%	
< 4 years	-	0%	0%	
< 5 years	-	0%	0%	
> 5 years	25,054	0%	0%	Purchased Prior To Policy Change
	50,702,923	100%		
RESERVE FUNDS				
< 1 year	21,920,174	67%	100%	
< 2 years	4,095,676	13%	80%	
< 3 years	859,972	3%	80%	
< 4 years	817,570	3%	40%	
< 5 years	111,950	0%	40%	
> 5 years	4,837,296	15%	20%	Purchased Prior To Policy Change
	32,642,638	100%		