

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

SUMMARY BY FUND	PURCHASE PRICE \$	ESTIMATED BOOK VALUE 30/06/2010 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
MUNICIPAL	\$ 59,719,062	\$ 59,719,062	\$ 59,719,062	\$ -	0.00%
RESERVE	\$ 55,176,991	\$ 37,041,084	\$ 41,579,022	\$ 4,537,938	8.22%
TRUST	\$ 505,818	\$ 505,818	\$ 505,818	\$ -	0.00%
CRF	\$ 180,738	\$ 180,738	\$ 180,738	\$ -	0.00%
	\$ 115,582,609	\$ 97,446,702	\$ 101,984,640	\$ 4,537,938	3.93%

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	\$ 3,468,435	\$ 92,180	2.63%
CDO	\$ 19,720,000	\$ 1,707,838	\$ 6,153,596	\$ 4,445,758	22.54%
BOND	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ -	0.00%
FRN	\$ 5,999,920	\$ 5,999,920	\$ 5,999,920	\$ -	0.00%
FRTD	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000	\$ -	0.00%
TERM DEPOSIT	\$ 78,167,293	\$ 78,167,293	\$ 78,167,293	\$ -	0.00%
11AM	\$ 3,464,751	\$ 3,464,751	\$ 3,464,751	\$ -	0.00%
UNITS (Local Govt Hse)	\$ 230,645	\$ 230,645	\$ 230,645	\$ -	0.00%
	\$ 115,582,609	\$ 97,446,702	\$ 101,984,640	\$ 4,537,938	3.93%

SUMMARY BY CREDIT RATING	PURCHASE PRICE \$	ESTIMATED BOOK VALUE 30/06/2010 \$	ESTIMATED CURRENT MARKET VALUE \$	BOOK PROFIT/(LOSS) \$	BOOK PROFIT/(LOSS) %
AA	\$ 29,830,658	\$ 29,830,658	\$ 29,830,658	\$ -	0.00%
AA-	\$ 53,001,306	\$ 52,983,576	\$ 52,997,426	\$ 13,850	0.03%
A+	\$ 7,800,000	\$ 7,800,000	\$ 7,800,000	\$ -	0.00%
A	\$ 500,000	\$ 500,000	\$ 500,000	\$ -	0.00%
A-	\$ 2,500,000	\$ 2,393,985	\$ 2,472,315	\$ 78,330	3.13%
BBB+	\$ 2,000,000	\$ 2,000,000	\$ 2,000,000	\$ -	0.00%
CCC	\$ 1,500,000	\$ 76,950	\$ 310,950	\$ 234,000	15.60%
CCC-	\$ 3,600,000	\$ 376,140	\$ 342,180	-\$ 33,960	-0.94%
NR	\$ 14,620,000	\$ 1,254,748	\$ 5,500,466	\$ 4,245,718	29.04%
UNITS (Local Govt Hse)	\$ 230,645	\$ 230,645	\$ 230,645	\$ -	0.00%
	\$ 115,582,609	\$ 97,446,702	\$ 101,984,640	\$ 4,537,938	3.93%

**CITY OF MELVILLE
STATEMENT OF INVESTMENTS
FOR THE PERIOD ENDING 30 SEPTEMBER 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%	\$763,445		\$763,445	\$0
WESTPAC (MAXI DIRECT)		11AM	4.80%	AA-	1%	20%	\$1,300,000		\$1,300,000	\$0
WESTPAC (MAXI BONUS 1)		11AM	5.20%	AA-	1%	20%	\$1,401,306		\$1,401,306	\$0
							\$3,464,751		\$3,464,751	\$0
BANKWEST (TERM)		TERM	5.80%	AA	12%	20%	\$13,467,293		\$13,467,293	\$0
COMMONWEALTH BANK (TERM)		TERM	5.54%	AA	10%	20%	\$11,600,000		\$11,600,000	\$0
SUNCORP METWAY LTD (TERM)		TERM	6.00%	A+	5%	20%	\$6,300,000		\$6,300,000	\$0
ING BANK		TERM	5.95%	A	0%	20%	\$500,000		\$500,000	\$0
NAB		TERM	5.82%	AA	17%	20%	\$20,200,000		\$20,200,000	\$0
ST GEORGE BANK (TERM)		TERM	5.88%	AA-	15%	20%	\$17,300,000		\$17,300,000	\$0
RABODIRECT (TERM)		TERM	6.00%	A+	1%	15%	\$1,500,000		\$1,500,000	\$0
WESTPAC (TERM)		TERM	5.87%	AA-	10%	20%	\$11,800,000		\$11,800,000	\$0
							\$82,667,293		\$82,667,293	\$0
COMMONWEALTH BANK (BOND)		BOND	5.90%	AA	2%	20%	\$2,000,000		\$2,000,000	\$0
							\$2,000,000		\$2,000,000	\$0
BANK OF QUEENSLAND (FLOAT RATE TD)		FRTD	6.42%	BBB+	2%	20%	\$2,000,000		\$2,000,000	\$0
							\$2,000,000		\$2,000,000	\$0
COMMONWEALTH BANK (FRN)		FRN	6.10%	AA	2%	20%	\$1,999,920		\$1,999,920	\$0
							\$1,999,920		\$1,999,920	\$0
ADELAIDE BANK	Very Low	ADI	5.35%	A-	1%	10%	\$1,000,000	\$983,880	\$997,200	\$13,320
MACQUARIE BANK	Very Low	ADI	5.22%	A-	1%	15%	\$1,500,000	\$1,410,105	\$1,475,115	\$65,010
WESTPAC BANK	Very Low	ADI	5.23%	AA-	1%	20%	\$1,000,000	\$982,270	\$986,120	\$13,850
APHEX (GLENELG)	High	CDO	6.68%	NR	2%	0%	\$2,000,000	\$125,600	\$602,600	\$477,000
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	6.39%	CCC	1%	0%	\$1,500,000	\$76,950	\$310,950	\$234,000
CORSAIR (CAYMAN) TORQUAY	Very High	CDO	6.64%	NR	2%	0%	\$1,885,000	\$23,000	\$40,716	\$17,716
ETHICAL LIMITED GREEN	High	CDO	5.99%	NR	1%	0%	\$1,000,000	\$11,000	\$124,600	\$113,600
HELIUM CAPITAL (ESPERANCE)	High	CDO	6.69%	CCC-	2%	0%	\$1,800,000	\$355,140	\$324,180	-\$30,960
HELIUM CAPITAL (SCARBOROUGH)	High	CDO	6.56%	CCC-	2%	0%	\$1,800,000	\$21,000	\$18,000	-\$3,000
MAGNOLIA FLINDERS	Moderate	CDO	6.49%	NR	2%	20%	\$2,000,000	\$988,139	\$1,840,600	\$852,461
MANAGED ACES CLASS 11A PARKES	Very High	CDO	8.29%	NR	1%	0%	\$1,000,000	\$3,000	\$7,500	\$4,500
MANAGED ACES CLASS 1A PARKES	High	CDO	6.62%	NR	1%	0%	\$1,050,000	\$10,500	\$35,700	\$25,200
OMEGA CAPITAL CLASS A HENLEY	Moderate	CDO	5.55%	NR	0%	0%	\$385,000	\$82,506	\$288,750	\$206,244
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	\$9,300	\$600,000	\$590,700
ZIRCON FINANCE MERIMBULA	Early Term.	CDO	0.00%	NR	0%	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	\$9,622,031	\$4,537,938
UNITS IN LOCAL GOVT HOUSE		UNITS	0.00%				\$230,645		\$230,645	\$0
TOTAL FUNDS INVESTED					100%		\$115,582,609	\$5,084,093	\$101,984,640	\$4,537,938

DIVERSIFICATION / CREDIT RISK COMPARISON

CREDIT RISK	PURCHASE PRICE \$	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	MAX. % AMOUNT IN TOTAL PORTFOLIO	Comments
AA	\$50,030,658	\$50,030,658	49%	80%	
AA-	\$32,801,306	\$32,797,426	32%	80%	
A+	\$7,800,000	\$7,800,000	8%	50%	
A	\$500,000	\$500,000	0%	50%	
A-	\$2,500,000	\$2,472,315	2%	50%	
BBB+	\$2,000,000	\$2,000,000	2%	20%	
CCC	\$1,500,000	\$310,950	0%	0%	Purchased Prior To Policy Change
CCC-	\$3,800,000	\$342,180	0%	0%	
NR	\$14,620,000	\$5,500,466	5%	0%	
UNITS IN LOCAL GOVT: HOUSE	\$230,645	\$230,645	0%	0.1%	Council Decision
TOTAL	115,582,609	101,984,640	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	763,445	0.75%		20%	
BANKWEST (TERM)	TERM	AA	13,467,293	13.21%		20%	
BANK OF QUEENSLAND (FLOAT RATE TD)	FRTD	BBB+	2,000,000	1.96%		10%	
COMMONWEALTH BANK (TERM)	TERM	AA	11,600,000	11.37%		20%	
COMMONWEALTH BANK (FRN)	FRN	AA	1,999,920	1.96%		20%	
COMMONWEALTH BANK (BOND)	BOND	AA	2,000,000	1.96%		20%	
MACQUARIE BANK	ADI	A-	1,475,115	1.45%		15%	
MACQUARIE BANK (TERM)	TERM	AAA	-	0.00%		1.45%	
NAB	TERM	AA	20,200,000	19.81%		20%	
ING BANK	TERM	A	500,000	0.49%		20%	
ST GEORGE BANK (TERM)	TERM	AA-	17,300,000	16.96%		20%	
RABODIRECT (TERM)	TERM	A+	1,500,000	1.47%		15%	
WESTPAC (MAXI BONUS 1)	11AM	AA-	1,401,306	1.37%		20%	
WESTPAC (MAXI BONUS 2)	11AM	AA-	0.00%	0.00%		20%	
WESTPAC (MAXI DIRECT)	11AM	AA-	1,300,000	1.27%		20%	
WESTPAC (TERM)	TERM	AA-	11,800,000	11.57%		20%	
WESTPAC BANK	ADI	AA-	996,120	0.98%		20%	
ADELAIDE BANK	ADI	A-	997,200	0.98%		10%	
SUNCORP METWAY LTD (TERM)	TERM	A+	6,300,000	6.18%		15%	
CDO - Various	CDO		6,153,596	6.03%		6.03%	Purchased Prior To Policy Change
UNITS IN LOCAL GOVT HOUSE	UNITS		230,645	0.23%		0.23%	
			\$101,984,640	100%		100%	

MATURITY COMPARISON

TERM to MATURITY	CURRENT ESTIMATED MARKET VALUE	ACTUAL PROPORTION	MAX. % IN ANY ONE YEAR	Comments
MUNICIPAL & TRUST FUNDS				
< 1 year	59,994,235	100%	100%	
< 2 years	-	0%	10%	
< 3 years	-	0%	10%	
< 4 years	-	0%	0%	
< 5 years	-	0%	0%	
> 5 years	-	0%	0%	
	59,994,235	100%		
RESERVE FUNDS				
< 1 year	25,083,621	60%	100%	
< 2 years	514,896	1%	80%	
< 3 years	6,523,550	16%	80%	
< 4 years	645,800	2%	40%	
< 5 years	5,999,920	14%	40%	
> 5 years	2,811,235	7%	20%	Purchased Prior To Policy Change
	41,579,022	100%		