

**CITY OF FRESNO
MONTHLY INVESTMENT REPORT
MONTH ENDED DECEMBER 31, 2011**

PORTFOLIO SUMMARY BY INVESTMENT TYPE

Investments	Amortized Cost	Pct. Of Portfolio	Market Value	Par Value	Par Value + Accum. Future Earnings
Federal Agency Notes	60,231,505	24.21%	60,341,785	60,275,000	63,867,299
Money Market Deposit Acct	50,000,000	20.10%	50,000,000	50,000,000	50,000,000
Time Deposits	15,000,000	6.03%	15,000,000	15,000,000	15,000,000
LAIF	60,000,000	24.12%	60,000,000	60,000,000	60,000,000
Corporate Notes	63,505,712	25.53%	62,402,379	62,995,000	63,505,712
Total Investments	\$248,737,217	100.00%	\$247,744,164	\$248,270,000	\$252,373,011

*Future Earnings Estimate

PORTFOLIO ANALYSIS

Description	December 2010	December 2011	Change	Percentage Change
Amortized Cost of Investments	\$ 282,563,485	\$ 248,737,217	\$ (33,826,268)	-11.97%
Market Value of Investments	\$ 281,012,780	\$ 247,744,164	\$ (33,268,616)	-11.84%
Maturity Value of Investments	\$ 282,600,000	\$ 248,270,000	\$ (34,330,000)	-12.15%
Average Days to Maturity	776	600	(176)	-22.68%
Month To Date Return on Investment	1.40%	1.03%	-0.37%	-26.43%
Rolling 12-Month Return on Investment	1.50%	1.17%	-0.33%	-22.00%
Earned Interest: Month To Date	\$ 337,947	\$ 230,191	\$ (107,756)	-31.89%
Earned Interest: Year To Date	\$ 2,216,033	\$ 1,741,204	\$ (474,829)	-21.43%
Number of Securities	29	30	1	3.45%

Interest rates generally decreased between December 2010 and December 2011. The yield earned on the portfolio followed this trend, and decreased as well. The yield earned was 1.40 percent for the month ending December 2010, while it was 1.03 percent for the month ending December 2011, a decrease of 0.37 percent. The interest earned year to date has decreased by \$474,829. The size of the Portfolio decreased by \$33,826,268, while the market value decreased by \$33,268,616. The difference of \$557,652 is an increase in the market value of the Portfolio.

In accordance with State Law, the Assistant Controller certifies that the securities held in the City Investment Portfolio comply with City policies. The Assistant Controller further certifies that the City has funds available to meet its expenditure requirements for the next six months.

Amortized Cost - the total amount at which investments are carried on the City books. This amount includes the amortization and accretion of premiums and discounts, respectively.

Market Value - the total amount at which investments are being sold in the market. Market prices are provided by the Bank of New York.

Par Value - (also referred to as "par value") the total amount of the face or stated value of the investments at maturity.

Par Value + Accumulated Future Earnings - Par Value plus the future interest earnings on the investments if they were held to maturity.

Average Days to Maturity - the average time in days left in the maturity of the investments.

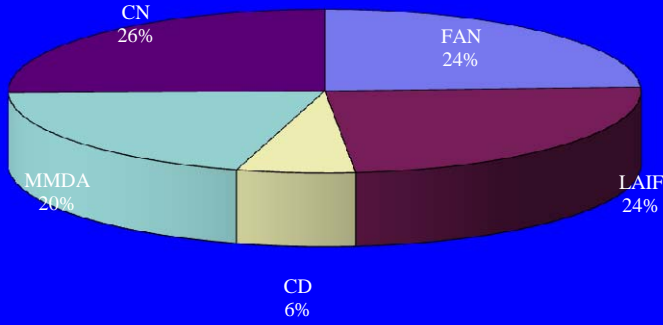
Monthly Yield - the rate of return on investments as expressed in a percentage.

Rolling 12-Month Return - same Monthly yield, but for the past 12 months.

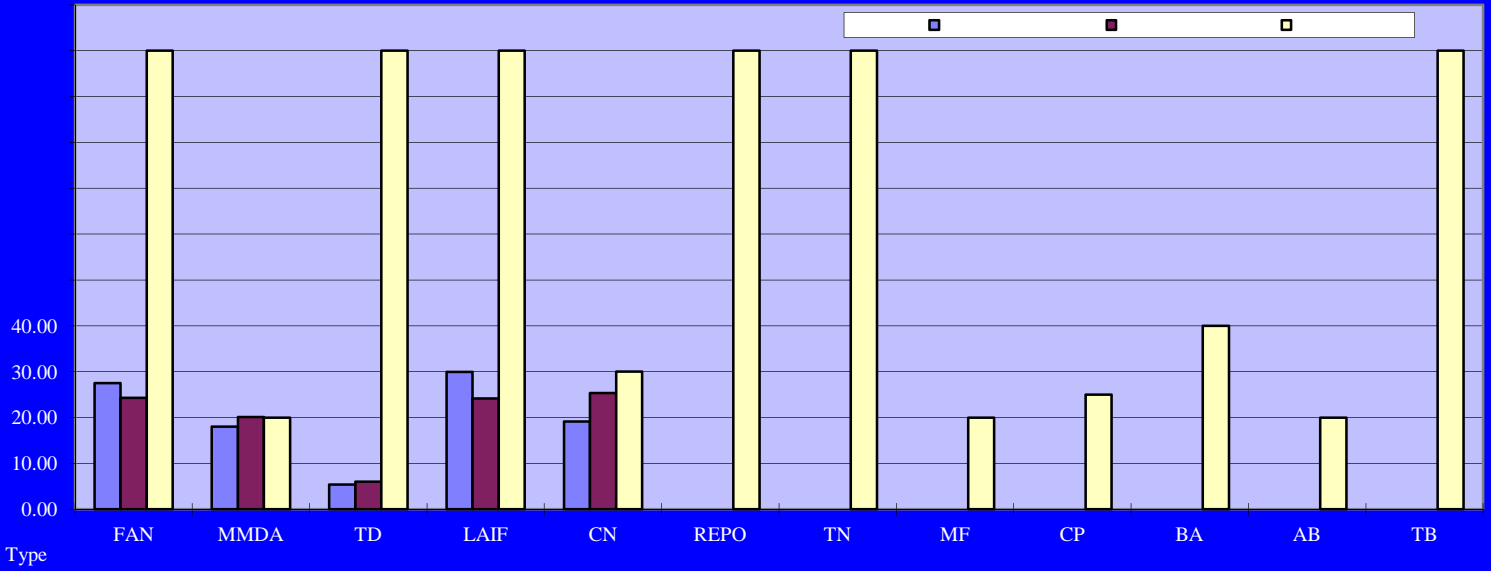
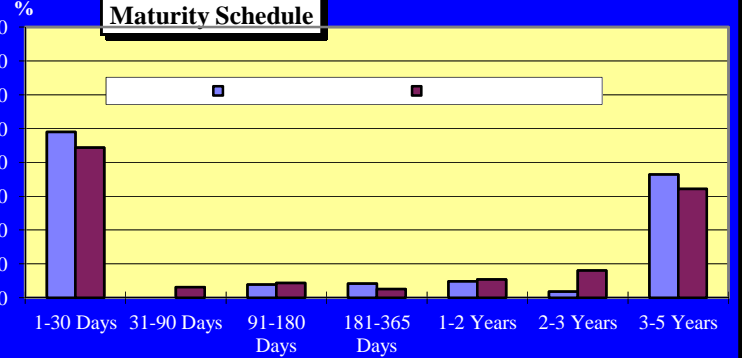
Earned Interest - the amount of income realized by all investments.

**CITY OF FRESNO
FINANCE DIVISION
PORTFOLIO STATUS REPORT
AS OF DECEMBER 2011**

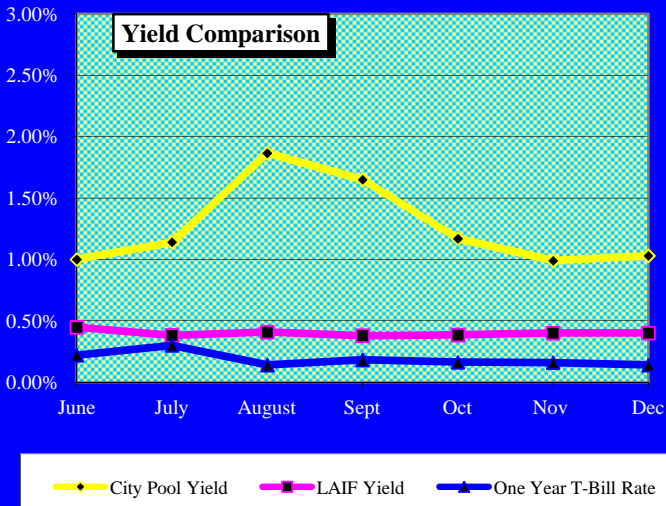
Asset Allocation



Maturity Schedule



Yield Comparison



Key	Investments	Par Value	
		November	December
FAN	Federal Agency Notes	\$76,275,000	\$60,275,000
MMDA	Money Market Deposit Acct	\$50,000,000	\$50,000,000
TD	Time Deposits	\$15,000,000	\$15,000,000
LAIF	Local Agency Investment Fund	\$83,000,000	\$60,000,000
CN	Corporate Notes	\$52,995,000	\$62,995,000
REPO	Repurchase Agreements	\$0	\$0
TN	Treasury Notes	\$0	\$0
MF	Mutual Fund	\$0	\$0
CP	Commerical Paper	\$0	\$0
BA	Bankers Acceptance Notes	\$0	\$0
AB	Asset-Backed Securities	\$0	\$0
TB	Treasury Bills	\$0	\$0
Total		\$277,270,000	\$248,270,000