



CITY OF FRESNO
QUARTERLY INVESTMENT REPORT
QUARTER ENDED DECEMBER 31, 2006

PORTFOLIO SUMMARY BY INVESTMENT TYPE

Investments	Amortized Cost	Pct. of Portfolio	Market Value	Par Value	Par Value + Accum. Future Earnings
Federal Agency Notes	263,194,369	90.44%	262,402,083	263,680,000	281,582,262
Local Agency Investment Fund*	5,000,000	1.72%	5,000,000	5,000,000	5,000,000
Mutual Funds*	22,831,404	7.85%	22,831,404	22,831,404	22,831,404
Total Investments	\$ 291,025,773	100.00%	\$ 290,233,487	\$ 291,511,404	\$ 309,413,666

*Future Earnings Indeterminate

PORTFOLIO ANALYSIS

Description	FY 2006 2nd Quarter	FY 2007 2nd Quarter	Change
Amortized Cost of Investments	\$ 305,760,432	\$ 291,025,773	\$ (14,734,659)
Market Value of Investments	\$ 303,985,935	\$ 290,233,487	\$ (13,752,448)
Maturity Value of Investments	\$ 305,825,089	\$ 291,511,404	\$ (14,313,685)
Average Days to Maturity	270	382	112
Quarter To Date Return on Investment	3.33%	4.76%	1.43%
Rolling 12-Month Return on Investment	2.85%	4.40%	1.55%
Earned Interest: Quarter To Date	\$ 2,599,966	\$ 3,656,495	\$ 1,056,529
Earned Interest: Year-to-Date	\$ 4,987,263	\$ 7,734,447	\$ 2,747,184
Number of Securities	29	33	(4)

Interest rates generally increased between December 2005 and December 2006. The yield earned on the portfolio followed this trend and increased as well. The yield earned was 3.33 percent for the quarter ended December 2005, while it was 4.76 percent for the quarter ended December 2006, an increase of 1.43 percent. The interest earned year to date has increased by 2,747,184. The size of the Portfolio decreased by \$14,734,659, while the market value decreased by \$13,752,448. The difference of \$982,211 is an increase in the market value of the Portfolio.

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.

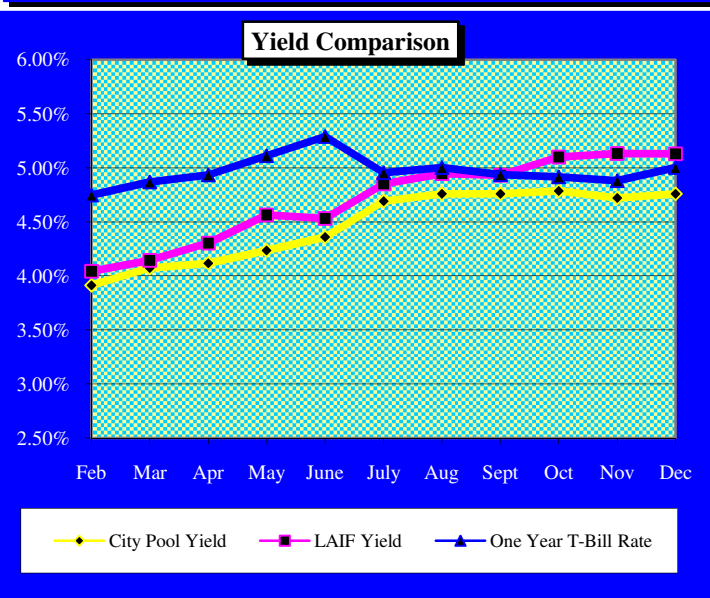
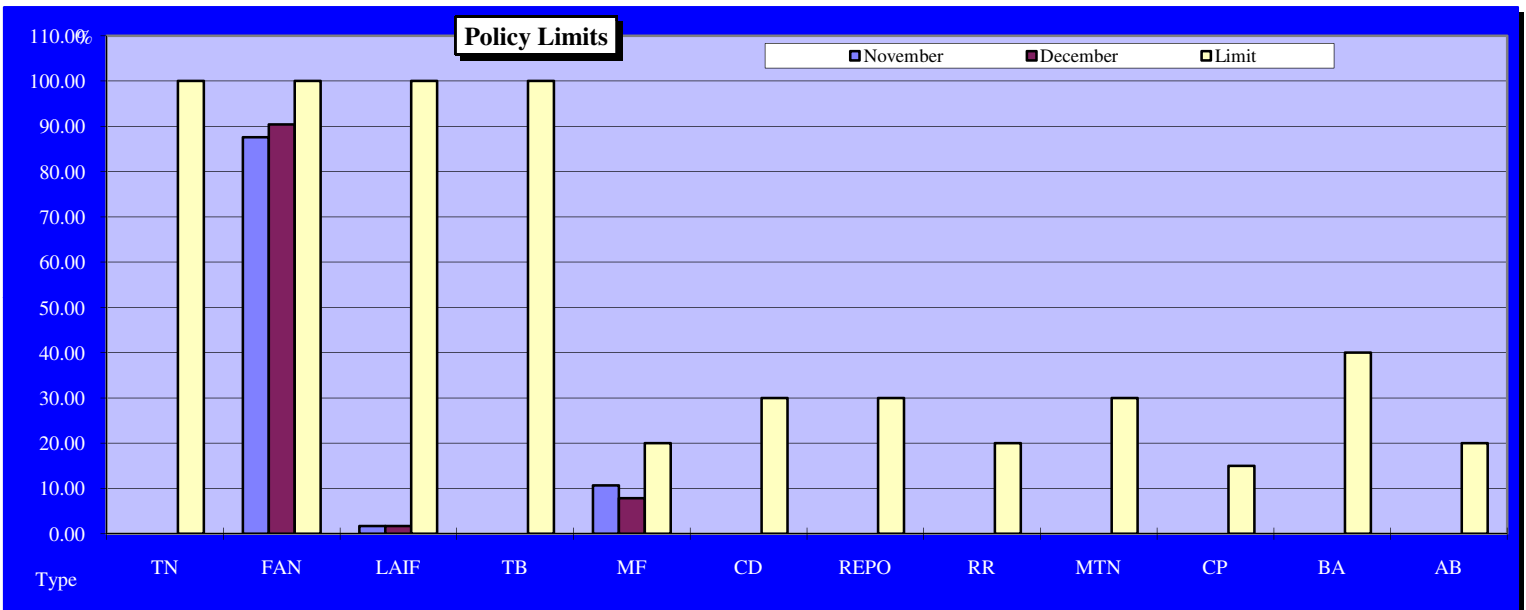
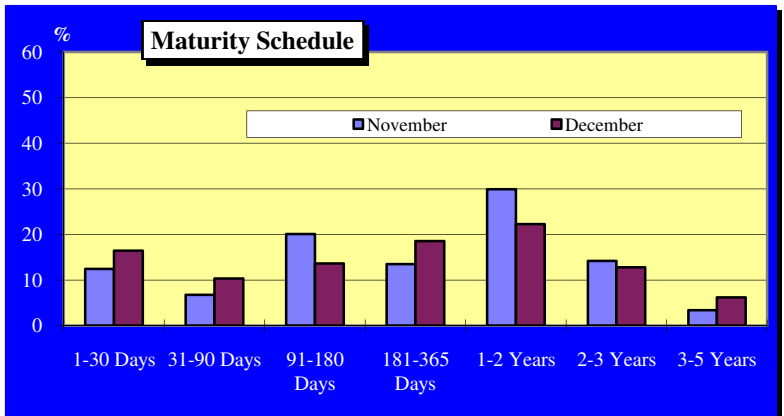
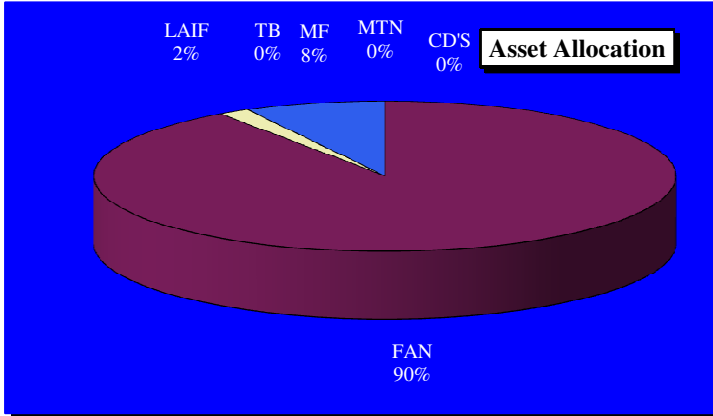
Average Days to Maturity - the average time in days left in the maturity of the investments.

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 2006**



Key	Investments	Par Value	
		November	November
TN	Treasury Notes	\$0	\$0
FAN	Federal Agency Notes	\$260,680,000	\$263,680,000
LAIF	Local Agency Investment Fund	\$5,000,000	\$5,000,000
MF	Mutual Funds	\$31,829,998	\$22,831,404
CD	Collateralized Deposits	\$0	\$0
REPO	Repurchase Agreements	\$0	\$0
RR	Reverse Repurchase	\$0	\$0
MTN	Medium Term Notes	\$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	\$297,509,998	\$291,511,404