



CITY OF FRESNO
QUARTERLY INVESTMENT REPORT
QUARTER ENDED SEPTEMBER 30, 2006

PORTFOLIO SUMMARY BY INVESTMENT TYPE

Investments	Amortized Cost	Pct. of Portfolio	Market Value	Par Value	Par Value + Accum. Future Earnings
Federal Agency Notes	274,598,174	85.11%	273,570,479	275,180,000	295,924,925
Local Agency Investment Fund*	5,000,000	1.55%	5,000,000	5,000,000	5,000,000
Mutual Funds*	43,027,107	13.34%	43,027,107	43,027,107	43,027,107
Total Investments	\$ 322,625,281	100.00%	\$ 321,597,586	\$ 323,207,107	\$ 343,952,032

*Future Earnings Indeterminate

PORTFOLIO ANALYSIS

Description	FY 2006 1st Quarter	FY 2007 1st Quarter	Change
Amortized Cost of Investments	\$ 316,201,433	\$ 322,625,281	\$ 6,423,848
Market Value of Investments	\$ 314,336,178	\$ 321,597,586	\$ 7,261,408
Maturity Value of Investments	\$ 316,173,709	\$ 323,207,107	\$ 7,033,398
Average Days to Maturity	225	427	202
Quarter To Date Return on Investment	2.99%	4.73%	1.74%
Rolling 12-Month Return on Investment	2.60%	4.07%	1.47%
Earned Interest: Quarter To Date	\$ 2,389,349	\$ 4,077,961	\$ 1,688,612
Earned Interest: Year-to-Date	\$ 2,389,349	\$ 4,077,961	\$ 1,688,612
Number of Securities	29	33	4

Interest rates generally increased between September 2005 and September 2006. The yield earned on the portfolio followed this trend and increased as well. The yield earned was 4.73 percent for the quarter ended September 2006, while it was 2.99 percent for the quarter ended September 2005, an increase of 1.74 percent. The interest earned year to date has increased by \$1,688,612. The size of the Portfolio increased by \$6,423,848, while the market value increased by \$7,261,408. The difference of \$837,560 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.

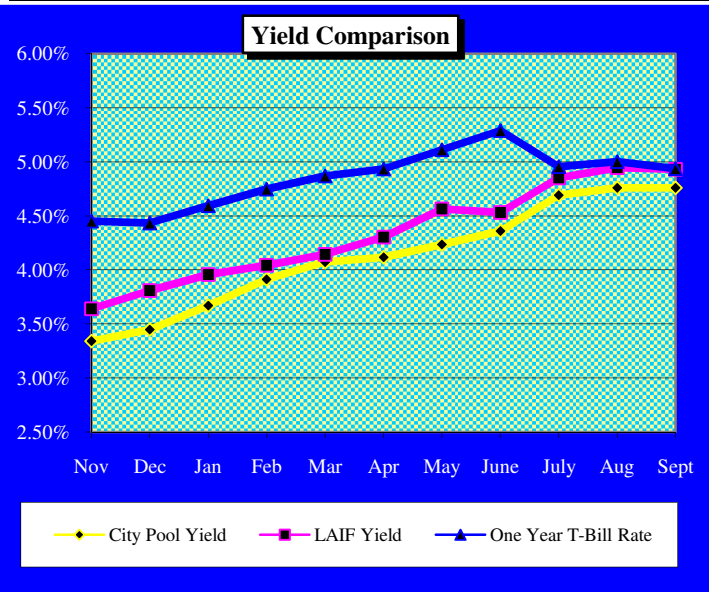
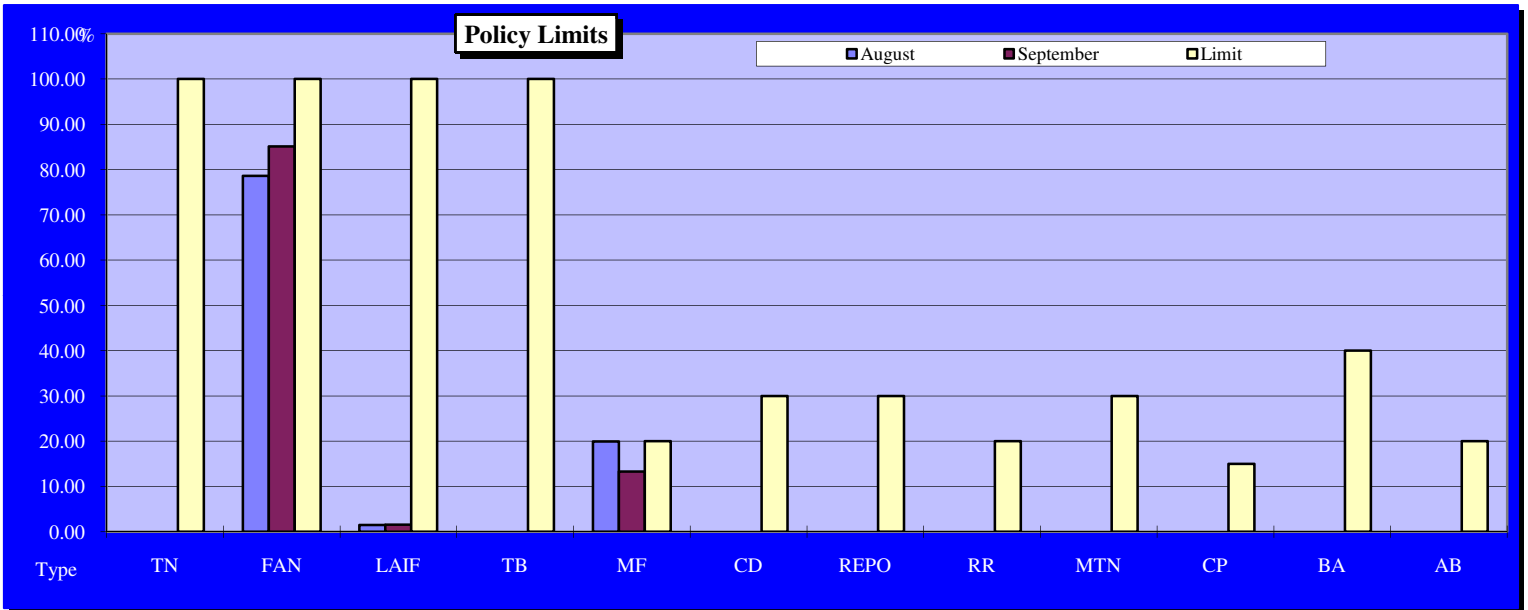
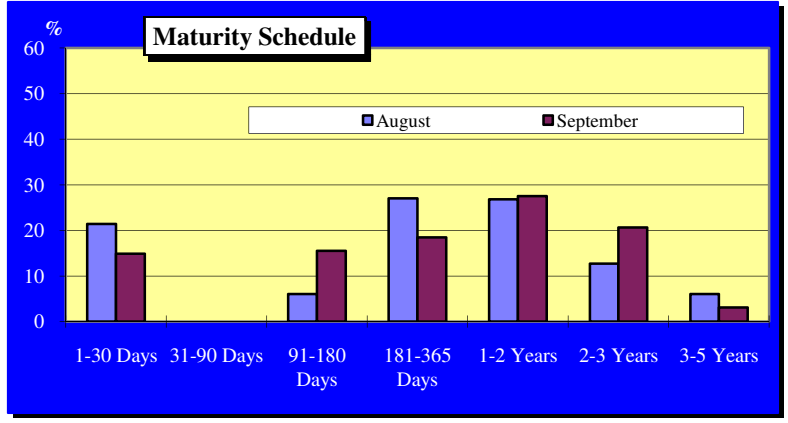
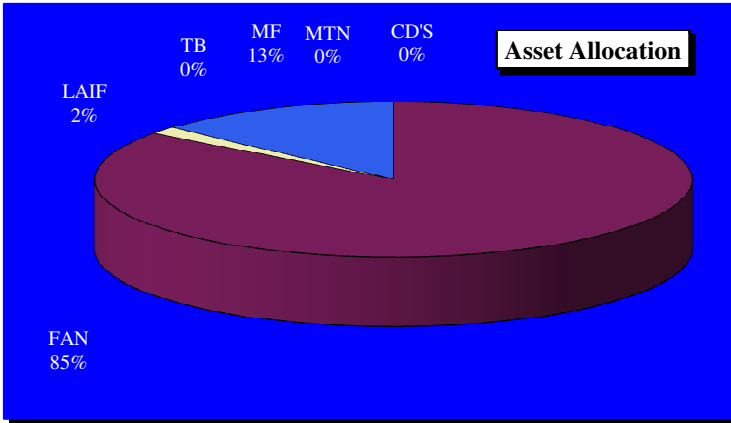
Average Days to Maturity - the average time in days left in the maturity of the investments.

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 SEPTEMBER 2006**



Key	Investments	Par Value	
		August	September
TN	Treasury Notes	\$0	\$0
FAN	Federal Agency Notes	\$260,680,000	\$275,180,000
LAIF	Local Agency Investment Fund	\$5,000,000	\$5,000,000
MF	Mutual Funds	\$66,025,761	\$43,027,107
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	\$331,705,761	\$323,207,107