



PASADENA



Department of Finance

Quarterly Investment Report March 31, 2010

Vic Erganian – Deputy Finance Director/City Treasurer



The Economy

Department of Finance

- Economy expanded at 3.0% rate in the 1st quarter
- Fewer job losses every month but still disappointing growth in job creation
- Unemployment rate at 9.7%
- Consumer confidence is improving but consumer still not spending
- Housing market seems to have stabilized
- Existing home sales up due to tax credit expiration
- Year over year inflation at 2.2%, Core inflation dropped at 0.9%
- No change in Fed Funds rate

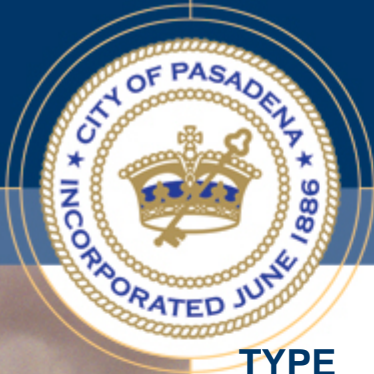


Total Funds Under Management

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Pooled Portfolio	\$291,815,303
Capital Endowment	7,431,706
Stranded Inv Reserve	62,537,170
Special Funds	43,099,435
Investments w/Fiscal Agents	<u>63,521,848</u>
Total	468,405,462





Pooled Portfolio Structure

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AS OF 03/31/2010

<u>TYPE</u>	<u>MARKET VALUE</u>	
<u>PERCENT</u>		
Money Market Fund	\$5,780,750	1.99%
Municipal Bonds	\$17,817,464	6.13%
Certificate of Deposit	560,000	0.19%
Corporate Bonds	\$34,575,711	11.90%
MBS/GNMAs	\$366	0.0%
Federal Agencies	\$180,355,311	62.07%
LAIF	\$49,067,402	16.90%
Cash in Bank	\$2,390,613	0.82%
TOTALS:	\$290,547,618	100.0%
Accrued Int Receivable	\$1,267,685	

GRAND TOTAL: \$291,815,303





General Fund's portion

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- General Fund had \$24.47 million investments representing 8% of the Pooled Portfolio value.





Pooled Portfolio Credit Quality

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- Money Market Funds AAA
- Municipal Bonds AAA
- Federal Agencies AAA
- Corporate Bonds AA
- CD FDIC/Collateralized
- LAIF In Trust (Not rated)





Corporate Credit Quality

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- New York Life Aaa
- GE Capital Aa2
- JP Morgan Aa3
- Goldman Sachs A1
- Wells Fargo A1
- Merrill Lynch/BofA A2





Current Book Yield

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- Pooled Portfolio 1.62%
- State Treasurer's LAIF 0.54%
- 2 Year Treasury 0.77%



Quarter ending 03/31/2010

Fiscal YTD Effective Yield



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- Pooled portfolio 2.53%
- LAIF 0.68%
- 2 yr Treasury 0.88%





Conclusion

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- All investments are in compliance with the State Government Code and the City's investment policy
- Ample liquidity is maintained to meet budgeted expenditures
- Adequate returns vs portfolio risk

