

City of Pasadena Quarterly Investment Report

Quarter Ending 9/30/06

Prepared by the Department of Finance
Treasury Division

Quarterly Investment Report

- I. Pooled Investment Portfolio
- II. Capital Endowment Portfolio
- III. Power Reserve Portfolio
- IV. Miscellaneous Portfolios
- V. Investments Held by Trustees

I. Pooled Investment Portfolio



CITY OF PASADENA
Treasurer's Pooled Investment Portfolio

Vicken Erganian
 City Treasurer

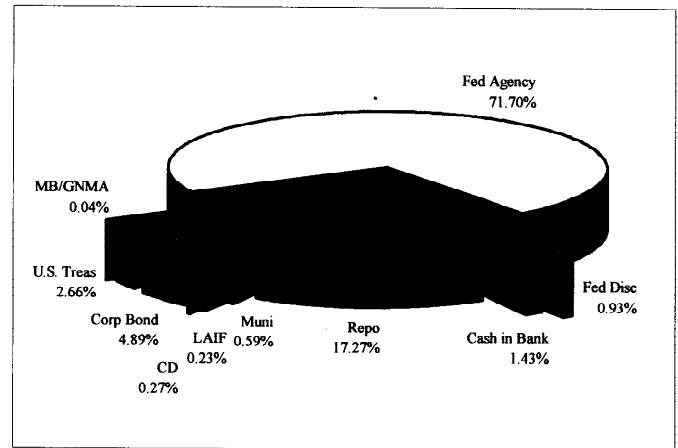
SEPTEMBER 2006

PORTFOLIO COMPLIANCE

The Treasurer's investment portfolio is in compliance with the California Government Code Section 53601 and the City's Investment Policy approved by the City Council on November 14, 2005. The holdings in the investment pool are in compliance with the current investment policy statement. Further information on compliance issues can be obtained by calling the City of Pasadena Treasurer's Office. A complete copy of the monthly investment report on the investment portfolio, including a detailed listing of each investment, is available by calling the Treasurer's office at (626)744-4422.

PORTFOLIO STRUCTURE AS OF 9/30/06

TYPE	MARKET VALUE	PERCENT
Repurchase Agreements	48,609,063	17.27%
Municipal Bonds	1,667,328	0.59%
LAIF	633,890	0.23%
Certificate of Deposit	750,000	0.27%
Corporate Bonds	13,755,415	4.89%
U.S. Treasury Bonds	7,498,813	2.66%
Mortgage Backed Securities/GNMA's	107,591	0.04%
Federal Agencies	201,820,411	71.70%
Federal Agencies - Discount	2,627,157	0.93%
Cash in Bank	4,016,900	1.43%
TOTALS:	281,486,567	100.00%
Accrued Interest Receivable	2,218,824	
GRAND TOTAL:	283,705,391	



PORTFOLIO LIQUIDITY AS OF 9/30/06

Aging Interval	Par Value	Percent of Portfolio
0-30 Days	53,285,450	18.70%
31 days - 1 Year	70,744,990	24.83%
1 - 2 Years	96,000,806	33.70%
2 - 3 Years	34,500,901	12.11%
3 - 4 Years	23,500,711	8.25%
4 - 5 Years	6,867,811	2.41%
Over 5 Years	928	0.00%
TOTAL:	284,901,597	100.00%

PORTFOLIO STATISTICS

	Sep-06	Aug-06	Jul-06	Jun-06	May-06	Apr-06
Month-End Mkt Value	283,705,391	277,233,773	282,191,856	280,329,481	291,165,492	284,976,978
Modified Duration	1.20	1.26	1.28	1.34	1.36	1.46
Weighted Average Maturity	1.34	1.37	1.39	1.46	1.48	1.59
Yield to Maturity	3.985%	3.903%	3.791%	3.778%	3.803%	3.705%
Interest Earned	928,295	922,349	907,333	891,846	935,545	875,530
Fiscal Year To Date Interest Earned	2,757,977	1,829,682	907,333	9,990,451	9,098,605	8,163,060
Fair Value Change Gain/(Loss)	484,047	807,017	934,227	(104,360)	(246,256)	68,198
Fiscal Year To Date change in fair value	2,225,291	1,741,244	934,227	(3,090,711)	(2,986,351)	(2,740,095)
Total Fiscal YTD earnings	4,983,268	3,570,926	1,841,560	6,899,740	6,112,254	5,422,965

CITY POOLED PORTFOLIO

Portfolio Management

Portfolio Details - Investments

September 30, 2006

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity	Maturity Date
Repurchase Agreements												
SYS11272	11272	MERRILL LYNCH		09/28/2006	48,500,000.00	48,500,000.00	48,500,000.00	5.250		5.323	1	10/02/2006
SYS11308	11308	MERRILL LYNCH		09/29/2006	109,062.50	109,062.50	109,062.50	5.350		5.424	1	10/02/2006
		Subtotal and Average	48,974,176.67		48,609,062.50	48,609,062.50	48,609,062.50			5.323	1	
LAIF												
SYS864	864	Local Agency Investment Fund			633,889.72	633,889.72	633,889.72	4.930		4.930	1	
		Subtotal and Average	633,889.72		633,889.72	633,889.72	633,889.72			4.930	1	
Money Market Fund												
SYS6120	6120	MERRILL LYNCH			0.00	0.00	0.00	1.710		1.734	1	
		Subtotal and Average	0.00		0.00	0.00	0.00			0.000	0	
Mortgage Backs												
31282UXQ5	6491	FED HOME LOAN MORTGAGE CORP		01/28/2002	102,866.22	102,618.31	104,955.89	5.500	Aaa	4.670	92	01/01/2007
362068B64	147	GOVERNMENT NATL MORTGAGE ASSOC		06/01/1994	-1.53	-1.63	-1.53	11.000	Aaa	11.000	1,171	12/15/2008
362069AN6	146	GOVERNMENT NATL MORTGAGE ASSOC		06/01/1994	1,677.73	1,803.36	1,677.73	11.000	Aaa	11.000	1,261	03/15/2010
362102T70	141	GOVERNMENT NATL MORTGAGE ASSOC		06/01/1994	1,749.35	1,927.49	1,749.35	11.500	Aaa	11.500	2,329	02/15/2013
36215VYQ3	143	GOVERNMENT NATL MORTGAGE ASSOC		06/01/1994	900.51	995.54	900.51	11.500	Aaa	11.500	2,418	05/15/2013
	127	GOVERNMENT NATL MORTGAGE ASSOC		06/01/1994	222.55	247.50	222.55	11.000	Aaa	11.000	3,393	01/15/2016
		Subtotal and Average	112,668.79		107,414.83	107,590.57	109,504.30			4.945	171	
Certificates of Deposit - Bank												
SYS9159	9159	Community Bank		06/29/2004	750,000.00	750,000.00	750,000.00	3.500		3.500	271	06/29/2007
		Subtotal and Average	750,000.00		750,000.00	750,000.00	750,000.00			3.500	271	
Federal Agency Issues - Coupon												
3133XYZ4	8434	Federal Home Loan Bank		11/13/2003	3,000,000.00	2,992,500.00	3,000,000.00	3.100	Aaa	3.100	43	11/13/2006
3133X6PD2	8974	Federal Home Loan Bank		05/14/2004	3,000,000.00	2,991,562.50	3,000,000.00	3.060	Aaa	3.060	44	11/14/2006
3133X95P1	9484	Federal Home Loan Bank		11/17/2004	2,500,000.00	2,492,968.75	2,500,000.00	3.020	Aaa	3.020	47	11/17/2006
3128X3EW9	8966	FED HOME LOAN MORTGAGE CORP		05/17/2004	3,000,000.00	2,991,665.96	3,000,000.00	3.125	Aaa	3.125	47	11/17/2006
3133X9FX3	9570	Federal Home Loan Bank		11/29/2004	2,000,000.00	1,993,125.00	1,999,801.81	3.050	Aaa	3.115	58	11/28/2006
3133MYZD2	7890	Federal Home Loan Bank		06/12/2003	3,000,000.00	2,984,062.50	3,000,000.00	2.645	Aaa	2.645	72	12/12/2006
3133X4EL1	8785	Federal Home Loan Bank		03/18/2004	4,000,000.00	3,978,750.00	4,000,000.00	2.765	Aaa	2.766	79	12/19/2006
3128X1HX8	7988	FED HOME LOAN MORTGAGE CORP		06/19/2003	5,000,000.00	4,969,989.78	5,000,483.63	2.500	Aaa	2.362	79	12/19/2006
3128X1HX8	7999	FED HOME LOAN MORTGAGE CORP		06/19/2003	5,000,000.00	4,969,989.78	5,001,160.71	2.500	Aaa	2.316	79	12/19/2006

Portfolio PASD
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CITY POOLED PORTFOLIO
Portfolio Management
Portfolio Details - Investments
September 30, 2006

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity	Maturity Date
	Federal Agency Issues - Coupon											
3128X1LY1	7991	FED HOME LOAN MORTGAGE CORP		06/26/2003	2,500,000.00	2,482,527.54	2,500,000.00	2.300	Aaa	2.300	86	12/26/2006
3133X5EB0	8870	Federal Home Loan Bank		04/12/2004	2,000,000.00	1,984,375.00	2,000,000.00	2.465	Aaa	2.466	103	01/12/2007
3133X6K39	8938	Federal Home Loan Bank		05/12/2004	4,000,000.00	3,987,500.00	4,000,000.00	3.050	Aaa	3.051	134	02/12/2007
3133X6PZ3	8976	Federal Home Loan Bank		05/14/2004	3,000,000.00	2,977,500.00	3,000,000.00	3.200	Aaa	3.201	136	02/14/2007
3133XEU49	10800	Federal Home Loan Bank		03/15/2006	2,250,000.00	2,246,484.38	2,250,000.00	5.025	Aaa	5.025	137	02/15/2007
3133X4NV9	8874	Federal Home Loan Bank		03/24/2004	5,000,000.00	4,957,812.50	5,002,974.26	3.500	Aaa	2.787	172	03/22/2007
3133X4X63	8824	Federal Home Loan Bank		03/29/2004	3,000,000.00	2,967,187.50	3,000,000.00	3.050	Aaa	3.050	178	03/28/2007
3138F5GU9	8825	FED NATIONAL MORTGAGE ASSOC		03/29/2004	3,000,000.00	2,968,250.00	3,000,000.00	3.000	Aaa	3.000	179	03/29/2007
3133X6CM6	8934	Federal Home Loan Bank		04/30/2004	3,000,000.00	2,961,562.50	3,000,000.00	3.030	Aaa	3.030	211	04/30/2007
3133XGHR8	11182	Federal Home Loan Bank		08/08/2006	3,000,000.00	3,001,875.00	3,000,000.00	5.550	Aaa	5.550	311	08/08/2007
3133X4D24	8741	Federal Home Loan Bank		03/11/2004	4,000,000.00	3,927,500.00	4,000,000.00	3.170	Aaa	3.170	345	09/11/2007
3128X3WZ2	9363	FED HOME LOAN MORTGAGE CORP		08/27/2004	2,000,000.00	1,988,586.12	2,000,000.00	3.500	Aaa	3.500	361	09/27/2007
3133X8SC7	9411	Federal Home Loan Bank		10/12/2004	3,000,000.00	2,950,312.50	3,000,000.00	3.450	Aaa	3.450	376	10/12/2007
3133XAPC5	9779	Federal Home Loan Bank		03/04/2005	2,000,000.00	1,975,000.00	2,000,000.00	4.000	Aaa	4.002	429	12/04/2007
3133X9JU5	9539	Federal Home Loan Bank		12/07/2004	3,000,000.00	2,955,000.00	3,000,000.00	3.770	Aaa	3.770	432	12/07/2007
3133X9NT3	9571	Federal Home Loan Bank		12/10/2004	2,500,000.00	2,461,718.75	2,500,000.00	3.740	Aaa	3.740	435	12/10/2007
3133X5M21	8873	Federal Home Loan Bank		03/29/2004	2,000,000.00	1,950,625.00	2,000,000.00	3.000	Aaa	3.001	453	12/28/2007
3133XCPE7	10178	Federal Home Loan Bank		08/22/2005	2,500,000.00	2,480,468.75	2,499,347.66	4.500	Aaa	4.520	509	02/22/2008
3133XAMG9	9835	Federal Home Loan Bank		02/28/2005	2,500,000.00	2,461,718.75	2,498,177.81	4.000	Aaa	4.066	509	02/22/2008
3133XAY68	9836	Federal Home Loan Bank		03/24/2005	2,500,000.00	1,977,500.00	2,000,000.00	4.250	Aaa	4.250	540	03/24/2008
3133XEW47	10786	Federal Home Loan Bank		03/28/2006	2,500,000.00	2,496,875.00	2,500,000.00	5.125	Aaa	5.125	544	03/28/2008
3128X3A52	9452	FED HOME LOAN MORTGAGE CORP		10/28/2004	3,000,000.00	2,973,794.86	3,000,000.00	4.000	Aaa	3.571	575	04/28/2008
3136F3PD2	7815	FED NATIONAL MORTGAGE ASSOC		04/30/2003	3,000,000.00	2,940,000.00	3,000,000.00	3.660	Aaa	3.660	577	04/30/2008
3128X1BD8	7850	FED HOME LOAN MORTGAGE CORP		05/19/2003	3,000,000.00	3,907,196.04	4,000,000.00	3.500	Aaa	3.500	596	05/19/2008
3128X1BD8	8005	FED HOME LOAN MORTGAGE CORP		06/13/2003	4,000,000.00	3,907,196.04	4,021,934.12	3.500	Aaa	3.135	596	05/19/2008
3133MYYQ4	7888	Federal Home Loan Bank		06/04/2003	4,000,000.00	3,892,500.00	4,000,000.00	3.150	Aaa	3.150	612	06/04/2008
31339X6Q2	7964	Federal Home Loan Bank		06/12/2003	3,000,000.00	2,905,312.50	3,000,000.00	3.050	Aaa	3.050	620	06/12/2008
3133X9QQ6	9594	Federal Home Loan Bank		12/17/2004	3,000,000.00	2,950,312.50	3,000,000.00	4.000	Aaa	4.000	625	06/17/2008
31339XDU5	7931	Federal Home Loan Bank		06/19/2003	2,000,000.00	1,940,000.00	2,000,000.00	3.170	Aaa	3.170	627	06/19/2008
31339XHN7	7965	Federal Home Loan Bank		06/26/2003	2,000,000.00	1,942,500.00	2,000,000.00	3.250	Aaa	3.250	634	06/26/2008
31339XC66	7987	Federal Home Loan Bank		06/30/2003	5,000,000.00	4,834,375.00	5,002,184.03	3.000	Aaa	2.973	638	06/30/2008
31339YA51	8047	Federal Home Loan Bank		07/16/2003	2,500,000.00	2,419,531.25	2,500,000.00	3.100	Aaa	3.100	654	07/16/2008
31339YS37	8096	Federal Home Loan Bank		07/30/2003	2,500,000.00	2,430,468.75	2,500,000.00	3.400	Aaa	3.400	668	07/30/2008
31339YR87	8092	Federal Home Loan Bank		08/05/2003	5,000,000.00	4,868,750.00	5,000,000.00	3.500	Aaa	3.500	674	08/05/2008
31339YSF0	8097	Federal Home Loan Bank		08/07/2003	3,000,000.00	2,912,812.50	3,000,000.00	3.350	Aaa	3.350	676	08/07/2008
3133XEF50	10652	Federal Home Loan Bank		02/08/2006	3,000,000.00	2,985,000.00	3,000,000.00	4.950	Aaa	4.950	677	08/08/2008

Portfolio PASD
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CITY POOLED PORTFOLIO
Portfolio Management
Portfolio Details - Investments
September 30, 2006

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity	Maturity Date
Federal Agency Issues - Coupon												
31339YX98	8100	Federal Home Loan Bank		08/14/2003	2,500,000.00	2,439,062.50	2,500,000.00	3.625	Aaa	3.625	683	08/14/2008
3136F34U7	8158	FED NATIONAL MORTGAGE ASSOC		08/14/2003	2,500,000.00	2,451,562.50	2,500,000.00	3.910	Aaa	3.910	683	08/14/2008
31359MW90	11184	FED NATIONAL MORTGAGE ASSOC		09/05/2006	3,000,000.00	3,000,000.00	3,000,000.00	5.350	Aaa	5.350	705	09/05/2008
31359MW90	11186	FED NATIONAL MORTGAGE ASSOC		09/05/2006	2,000,000.00	2,000,000.00	2,000,000.00	5.350	Aaa	5.350	705	09/05/2008
3133X8KU5	9362	Federal Home Loan Bank		09/30/2004	2,000,000.00	1,958,125.00	2,000,000.00	3.920	Aaa	3.920	730	09/30/2008
3128X1T56	8386	FED HOME LOAN MORTGAGE CORP		10/15/2003	2,000,000.00	1,961,542.05	2,000,000.00	4.000	Aaa	4.000	745	10/15/2008
3135A0AY5	9482	FED NATIONAL MORTGAGE ASSOC		10/22/2004	3,000,000.00	2,950,312.50	3,000,000.00	3.500	Aaa	3.375	751	10/21/2008
3128X4CV1	10177	FED HOME LOAN MORTGAGE CORP		07/18/2005	5,000,000.00	4,955,480.20	4,965,928.95	4.500	Aaa	4.402	821	12/30/2008
3133XAGQ4	9725	Federal Home Loan Bank		02/11/2005	2,000,000.00	1,989,375.00	1,999,408.72	4.500	Aaa	4.139	864	02/11/2009
3136F5GC9	8822	FED NATIONAL MORTGAGE ASSOC		03/15/2004	3,000,000.00	2,946,582.50	3,000,000.00	4.000	Aaa	3.600	896	03/15/2009
3136F5GPO	8821	FED NATIONAL MORTGAGE ASSOC		03/16/2004	4,000,000.00	3,912,500.00	4,000,000.00	4.040	Aaa	4.040	897	03/16/2009
3133X6BG0	9931	Federal Home Loan Bank		04/29/2004	3,000,000.00	2,969,062.50	2,999,033.33	4.000	Aaa	3.864	941	04/29/2009
3133X6C20	8932	Federal Home Loan Bank		05/04/2004	3,000,000.00	2,941,875.00	3,000,000.00	4.240	Aaa	4.240	946	05/04/2009
3136F6LD9	9505	FED NATIONAL MORTGAGE ASSOC		11/15/2004	2,000,000.00	1,959,375.00	2,000,000.00	4.150	Aaa	4.150	957	05/15/2009
3133X8KE8	10654	Federal Home Loan Bank		01/30/2006	2,500,000.00	2,486,718.75	2,500,000.00	5.125	Aaa	5.125	1,031	07/28/2009
3133XGUK8	11253	Federal Home Loan Bank		09/27/2006	3,000,000.00	2,995,312.50	3,000,000.00	5.500	Aaa	5.489	1,079	09/14/2009
3133X8SD5	9412	Federal Home Loan Bank		10/13/2004	3,000,000.00	2,924,062.50	3,000,000.00	4.100	Aaa	4.100	1,108	10/13/2009
3136F6HG7	9455	FED NATIONAL MORTGAGE ASSOC		10/28/2004	2,000,000.00	1,968,125.00	2,000,000.00	4.500	Aaa	4.500	1,123	10/28/2009
3133X92H2	9456	Federal Home Loan Bank		11/02/2004	2,000,000.00	1,949,375.00	2,000,000.00	4.125	Aaa	4.125	1,128	11/02/2009
3133S1JLB	9759	Federal Farm Credit Bank		01/29/2005	3,000,000.00	2,924,062.50	2,985,063.78	4.180	Aaa	4.236	1,178	12/22/2009
3133XARD1	9781	Federal Home Loan Bank		03/10/2005	2,000,000.00	1,959,375.00	2,000,000.00	4.440	Aaa	4.440	1,256	03/10/2010
3136F6L72	9837	FED NATIONAL MORTGAGE ASSOC		03/16/2005	2,500,000.00	2,467,968.75	2,500,000.00	4.750	Aaa	4.750	1,262	03/16/2010
31331SRW5	10049	Federal Farm Credit Bank		05/31/2005	5,000,000.00	4,921,875.00	4,997,458.36	4.600	Aaa	4.612	1,291	04/14/2010
3136F7YD3	10658	FED NATIONAL MORTGAGE ASSOC		04/28/2006	2,500,000.00	2,500,000.00	2,500,000.00	6.000	Aaa	6.000	1,670	04/28/2011
Subtotal and Average					204,750,000.00	201,814,452.75	204,762,958.17			3.676	565	
Treasury Securities - Coupon												
112828AZ3	8024	U.S. TREASURY		06/17/2003	5,000,000.00	4,835,937.50	5,038,283.86	2.625	Aaa	2.125	592	05/15/2008
112828ES5	10655	U.S. TREASURY		01/26/2006	2,700,000.00	2,662,875.00	2,689,619.43	4.250	Aaa	4.350	1,567	01/15/2011
Subtotal and Average					7,700,000.00	7,498,812.50	7,727,903.29			2.899	931	
Municipal Bond - PCDC												
11YS1783	1783	PCDC		08/30/1996	1,667,328.42	1,667,328.42	1,667,328.42	6.000		6.000	1,733	08/30/2011
Subtotal and Average					1,667,328.42	1,667,328.42	1,667,328.42			6.000	1,733	

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September 30, 2006

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity	Maturity Date
Corporate Bonds - Coupon												
16161ABS6	8095	JPMORGAN CHASE		07/14/2003	3,000,000.00	3,048,545.14	3,136,225.10	6.375	Aa3	3.097	548	04/01/2008
459745FF7	8068	AIG		06/30/2003	2,500,000.00	2,468,557.36	2,552,956.63	4.500	A1	3.049	578	05/01/2008
22237LNR9	8048	COUNTRYWIDE HOME LOAN		06/24/2003	2,500,000.00	2,422,460.17	2,515,651.53	3.250	A3	2.838	598	05/21/2008
36233RAG8	9504	VERIZON GLOBAL		10/28/2004	2,000,000.00	2,001,131.90	2,057,022.59	5.550	A2	4.023	745	10/15/2008
40429XBN5	9858	HSBC FINANCE CORPORATION		03/10/2005	4,000,000.00	3,813,720.09	4,000,000.00	5.490	A1	5.306	1,256	03/10/2010
		Subtotal and Average	14,268,372.02		14,000,000.00	13,755,414.66	14,261,855.85			3.796	789	
Federal Agency Disc. -Amortizing												
313397U80	11118	FEDERAL HOME LOAN DISCOUNT NOT		07/03/2006	2,126,000.00	2,098,637.48	2,095,337.76	5.887	A1+	6.149	89	12/29/2006
313589U82	11119	FNMA DISCOUNT NOTE		07/03/2006	85,000.00	83,946.00	83,786.92	5.921	A1+	6.185	89	12/29/2006
313589U82	11161	FNMA DISCOUNT NOTE		08/01/2006	85,000.00	83,946.00	83,779.65	5.888	A1+	6.120	89	12/29/2006
313589U82	11248	FNMA DISCOUNT NOTE		09/01/2006	84,000.00	82,958.40	82,775.88	6.008	A1+	6.215	89	12/29/2006
313588GH2	11125	FNMA DISCOUNT NOTE		07/05/2006	96,000.00	92,793.60	91,931.35	6.217	A1+	6.694	243	06/01/2007
313588HMD	11162	FNMA DISCOUNT NOTE		08/01/2006	96,000.00	92,419.20	91,866.92	5.662	A1+	6.094	271	06/29/2007
313588HMD	11247	FNMA DISCOUNT NOTE		09/01/2006	95,000.00	91,456.50	90,876.12	5.757	A1+	6.146	271	06/29/2007
		Subtotal and Average	2,614,123.04		2,667,000.00	2,627,157.18	2,620,334.30			6.168	107	
		Total and Average	279,513,100.11		280,884,695.47	277,463,708.30	281,142,836.55			3.985	489	

CITY POOLED PORTFOLIO
Portfolio Management
Portfolio Details - Cash
September 30, 2006

USIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM	Days to Maturity
		Average Balance	0.00	Accrued Interest at Purchase		5,958.33	5,958.33				0
		-Subtotal				5,958.33	5,958.33				
		Total Cash and Investments	279,513,100.11		280,884,695.47	277,469,666.63	281,148,794.88			3.885	489
		Cash			4,016,900						
		Grand Total			281,486,566.63						

Pooled Portfolio - Total Return Performance

		ML 1-3 Index <u>Corp/Gov</u>	<u>Pooled Portfolio</u>
2000	1st quarter	1.241	1.490
	2nd quarter	1.685	1.690
	3rd quarter	2.251	2.180
	4th quarter	<u>2.664</u>	<u>2.470</u>
		7.841	7.830
2001	1st quarter	2.905	2.160
	2nd quarter	1.297	1.320
	3rd quarter	3.473	2.550
	4th quarter	<u>0.787</u>	<u>0.952</u>
		8.462	6.982
2002	1st quarter	0.018	0.132
	2nd quarter	2.410	2.190
	3rd quarter	2.364	1.210
	4th quarter	<u>1.180</u>	<u>1.080</u>
		5.972	4.612
2003	1st quarter	0.866	1.129
	2nd quarter	1.105	0.862
	3rd quarter	0.490	0.570
	4th quarter	<u>0.256</u>	<u>0.370</u>
		2.717	2.931
2004	1st quarter	1.120	0.910
	2nd quarter	(1.120)	(0.57)
	3rd quarter	1.130	1.38
	4th quarter	<u>0.096</u>	<u>0.37</u>
		1.226	2.09
2005	1st quarter	(0.278)	(0.215)
	2nd quarter	1.230	1.380
	3rd quarter	0.128	0.238
	4th quarter	<u>0.666</u>	<u>0.670</u>
		1.746	2.073
2006	1st quarter	0.481	0.710
	2nd quarter	0.657	0.784
	3rd quarter	<u>2.039</u>	<u>1.810</u>
	YTD	3.177	3.304

Current yields

Pooled Portfolio current yield	4.020%
State Treasurer's LAIF yield	4.930%
2 Year US Treasury yield	4.800%

COMPLIANCE REPORT

Pooled Investment Portfolio
As of 9/30/06

	<u>Diversification</u>		<u>Credit Quality</u>		<u>Maturity</u>
	<u>Portfolio % of total</u>	<u>State Gov't Code limits</u>	<u>Portfolio compliance</u>	<u>Portfolio Credit Quality</u>	
Repurchase Agreements	17.27%	100%	In compliance	Credit Quality per Gov Code	Maturity
Municipal Bonds	0.59%	100%	In compliance	102% Collateral	In compliance
LAIIF	0.23%	100%	In compliance	A or better	In compliance
Non-negotiable CDs	0.27%	10%	In compliance	n/a	In compliance
Corporate Bonds	4.89%	30%	In compliance	Collateralized	In compliance
Treasury Securities	2.66%	100%	In compliance	A or better	In compliance
Agency CMOs/Mortgage Backed	0.04%	20%	In compliance	AAA/aaa	In compliance
Federal Agency Issues	71.70%	100%	In compliance	AAA/aaa	In compliance
Commercial Paper	0.00%	100%	In compliance	A1P1	In compliance
Federal Agency Discount	0.93%	100%	In compliance	AAA/aaa	In compliance
Cash	1.42%	100%	In compliance	Collateralized	In compliance
	100.00%				

Portfolio Value 281,486,567

**INVESTMENTS IN ISSUERS REPRESENTING OVER 5%
OF THE POOL PORTFOLIO**

September 30, 2006		
	Market Value	% of Total
FHLB	128,823,848.00	45.77%
FHLMC	35,190,586.00	12.50%
FNMA	32,062,656.00	11.39%
Total Fed Agencies	196,077,090.00	69.66%
OTHER PORTFOLIO INVESTMENTS	85,409,477.00	30.34%
Total Investments	281,486,567.00	100.00%

CITY POOLED PORTFOLIO

Portfolio Management

Distribution of Investments By Type - Historic

(By Market Values)

In %

Investment Type	Fiscal Year Total												
	June 1998	June 1999	June 2000	June 2001	June 2002	June 2003	June 2004	June 2005	June 2006	1st Qtr 2007	2nd Qtr 2007	3rd Qtr 2007	4th Qtr 2007
Repurchase Agreements	25.93	10.34	25.97	0.89	10.88	8.23	4.99	8.93	15.26	17.27			
Municipal Bonds	3.06	4.59	3.92	3.25	1.30	1.00	0.79	0.68	0.60	0.59			
L.A.I.F.	8.81	9.24	0.29	19.76	9.45	16.29	14.21	5.36	0.23	0.23			
Certificate of Deposit	0.00	0.43	0.00	1.33	1.02	0.81	0.27	0.26	0.27	0.27			
Corporate Bonds - Coupon	2.51	7.76	5.75	22.66	13.28	14.68	6.95	6.46	5.62	4.89			
Treasury Securities	13.91	8.98	6.92	0.00	0.00	8.17	1.81	1.69	2.65	2.66			
Agency CMOs/Mortgage Backed	19.77	12.36	10.90	0.03	1.66	0.55	0.19	0.09	0.04	0.04			
Federal Agency Issues - Coupon	24.59	44.01	45.19	48.60	57.48	47.80	68.59	74.65	74.65	71.70			
Federal Agency Discount	0.00	0.00	0.00	0.00	1.54	0.39	1.09	0.78	0.00	0.93			
Cash	1.42	2.29	1.06	1.92	0.67	2.08	1.00	0.73	0.68	1.42			
Commerical Paper - Disc (Amortizing)	0.00	0.00	0.00	0.00	0.08	0.00	0.12	0.37	0.00	0.00			
Asset Backed Securities	0.00	0.00	0.00	1.56	0.19	0.00	0.00	0.00	0.00	0.00			
Money Market	0.00	0.00	0.00	0.00	2.44	0.00	0.00	0.00	0.00	0.00			
Mutual Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			
Total	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	100.00	0.00	0.00	0.00

II. Capital Endowment Portfolio



CITY OF PASADENA
Capital Endowment Portfolio

Vicken Erganian
City Treasurer

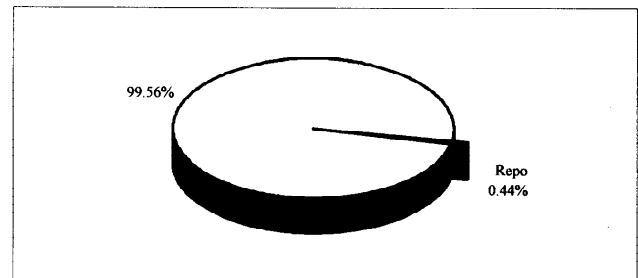
SEPTEMBER 2006

PORTFOLIO COMPLIANCE

The Treasurer's investment portfolio is in compliance with the California Government Code Section 53601 and the City's Investment Policy approved by the City Council on November 14, 2005. The holdings in the investment pool are in compliance with the current investment policy statement. Further information on compliance issues can be obtained by calling the City of Pasadena Treasurer's Office. A complete copy of the monthly investment report on the investment portfolio, including a detailed listing of each investment, is available by calling the Treasurer's office at (626)744-4422.

PORTFOLIO STRUCTURE AS OF 9/30/06

TYPE	MARKET VALUE	PERCENT
Repurchase Agreements	51,250	0.44%
Federal Agency Issues	11,495,645	99.56%
TOTALS:	11,546,895	100.00%
Accrued Interest Receivable	126,425	
GRAND TOTAL:	11,673,320	



PORTFOLIO LIQUIDITY AS OF 9/30/06

Aging Interval	Par Value	Percent of Portfolio
0-30 Days	51,250	0.43%
31 days - 1 Year	1,500,000	12.71%
1 - 2 Years	8,000,000	67.79%
2 - 3 Years	1,250,000	10.59%
3 - 4 Years	1,000,000	8.47%
4 - 5 Years	-	0.00%
Over 5 Years	-	0.00%
TOTAL:	11,801,250	100.00%

PORTFOLIO STATISTICS

	Sep-06	Aug-06	Jul-06	Jun-06	May-06	Apr-06
Month-End Mkt Value	11,673,320	11,609,448	11,527,234	11,440,913	12,188,454	12,172,421
Modified Duration	1.46	1.53	1.61	1.69	1.66	1.75
Weighted Average Maturity	1.55	1.64	1.72	1.81	1.77	1.87
Yield to Maturity	3.384%	3.376%	3.376%	3.376%	3.482%	3.453%
Interest Earned	33,447	33,427	33,427	36,415	36,545	36,001
Fiscal Year To Date Interest Earned	100,301	66,854	33,427	424,569	388,154	351,609
Fair Value Change Gain/(Loss)	30,425	48,787	52,893	(9,857)	(20,511)	2,640
Fiscal Year To Date change in fair value	132,106	101,680	52,893	(225,564)	(215,707)	(195,196)
Total Fiscal YTD earnings	232,406	168,535	86,321	199,005	172,447	156,413

CAPITAL ENDOWMENT
Portfolio Management
Portfolio Details - Investments
September 30, 2006

CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	Moody's	YTM 365	Days to Maturity	Maturity Date
Repurchase Agreements												
SYS11309	11309	MERRILL LYNCH		09/29/2006	21,250.00	21,250.00	21,250.00	5.350		5.424	1	10/02/2006
SYS11313	11313	MERRILL LYNCH		09/29/2006	30,000.00	30,000.00	30,000.00	5.250		5.323	1	10/02/2006
		Subtotal and Average	4,418.67		51,250.00	51,250.00	51,250.00			5.365	1	
Federal Agency Issues - Coupon												
3128X1AT4	7849	FED HOME LOAN MORTGAGE CORP		05/14/2003	1,500,000.00	1,481,734.54	1,500,000.00	3.250	Aaa	3.250	225	05/14/2007
3133X5ZQ4	8933	Federal Home Loan Bank		04/30/2004	1,500,000.00	1,472,812.50	1,500,000.00	3.375	Aaa	3.375	394	10/30/2007
3133X5M21	8872	Federal Home Loan Bank		03/29/2004	2,000,000.00	1,950,625.00	2,000,000.00	3.000	Aaa	3.001	453	12/28/2007
31339XSA3	7992	Federal Home Loan Bank		07/02/2003	2,500,000.00	2,428,906.25	2,500,000.00	3.010	Aaa	3.011	549	04/02/2008
3128X1BD8	8094	FED HOME LOAN MORTGAGE CORP		07/10/2003	2,000,000.00	1,953,598.02	2,006,723.84	3.500	Aaa	3.275	596	05/19/2008
3136F5UR0	8977	FED NATIONAL MORTGAGE ASSOC		04/29/2004	1,250,000.00	1,228,906.25	1,250,000.00	4.320	Aaa	4.320	941	04/29/2009
3136F6FY0	9413	FED NATIONAL MORTGAGE ASSOC		09/29/2004	1,000,000.00	979,062.50	1,000,000.00	4.250	Aaa	4.250	1,094	09/29/2009
		Subtotal and Average	11,756,889.65		11,750,000.00	11,495,645.06	11,756,723.84			3.376	568	
		Total and Average	11,761,306.32		11,801,250.00	11,546,895.06	11,807,973.84			3.384	565	

COMPLIANCE REPORT

Capital Endowment Portfolio
As of 9/30/06

	Diversification			Credit Quality		Maturity
	Portfolio % of total	State Gov't Code limits	Portfolio compliance	Portfolio Credit Quality	Credit Quality per Gov Code	
Repurchase Agreements	0.44%	100%	In compliance	102% Collateral	102% Collateral	<u>Maturity</u> In compliance
Federal Agency Issues	99.56%	100%	In compliance	AAA/Aaa	AAA/aaa	In compliance
LAIF	0.00%	100%	In compliance	n/a	n/a	In compliance
Money Market	0.00%	100%	In compliance	AAA	AAA	In compliance
Agency CMOs	0.00%	20%	In compliance	n/a	AAA/aaa	In compliance
Municipal Bonds	0.00%	100%	In compliance	n/a	A or better	In compliance
Non-negotiable CDs	0.00%	10%	In compliance	n/a	Collateralized	In compliance
Treasury Securities	0.00%	100%	In compliance	AAA/Aaa	AAA/aaa	In compliance
Commercial Paper	0.00%	100%	In compliance	A1P1	A1P1	In compliance
Corporate Bonds	0.00%	30%	In compliance	n/a	A or better	In compliance
	100.00%					

Portfolio Value 11,546,895

**INVESTMENTS IN ISSUERS REPRESENTING OVER 5%
OF THE CAPITAL ENDOWMENT PORTFOLIO**

	<u>September 30, 2006</u>	
	Market Value	% of Total
FHLB	5,852,345.00	50.68%
FHLMC	3,435,332.00	29.75%
FNMA	2,207,968.00	19.12%
Total Fed Agencies	11,495,645.00	99.56%
OTHER PORTFOLIO INVESTMENTS	51,250.00	0.44%
Total Investments	11,546,895.00	100.00%