



Ordinary Meeting of Council

26 October 2016

**UNDER SEPARATE COVER
ATTACHMENTS**

Item 8.9 QPRC Investment Report - September 2016

<i>Attachment 1</i>	<i>Investment Report - September 2016 - Attachment</i>	
	<i>1 - 26 October 2016.....</i>	<i>2</i>

QUEANBEYAN-PALERANG REGIONAL COUNCIL

Council Meeting Attachment

26 OCTOBER 2016

ITEM 8.9 QPRC INVESTMENT REPORT - SEPTEMBER 2016

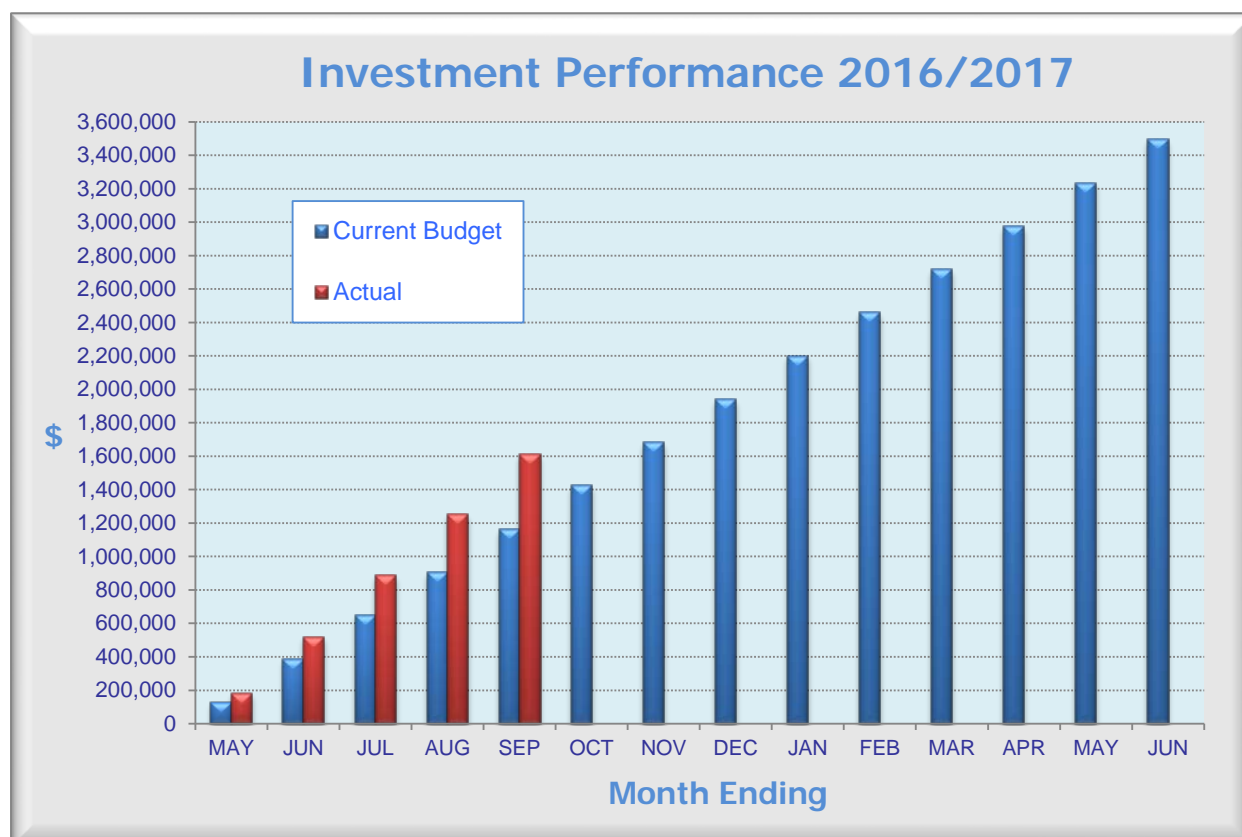
ATTACHMENT 1 INVESTMENT REPORT - SEPTEMBER 2016 -
ATTACHMENT 1 - 26 OCTOBER 2016

Attachment 1
Ordinary Meeting of Council: 26 October 2016
Investment Report – September 2016

Contents

Graph 1	Actual return against budget
Graph 2	Investment portfolio performance against the benchmark AusBond Bank Bill Index (BBI)
Table 1	Cash and cash equivalent investments listing
	Notes
Table 2	Individual institution or counterparty limits
Table 3	Investment percentage split
Table 4	Market value of tradeable investments
Table 5	Budgeted interest allocation by fund

Graph 1 – Actual return against budget



Graph 2 - Investment portfolio performance against the benchmark AusBond Bank Bill Index (BBI) prior to annualising

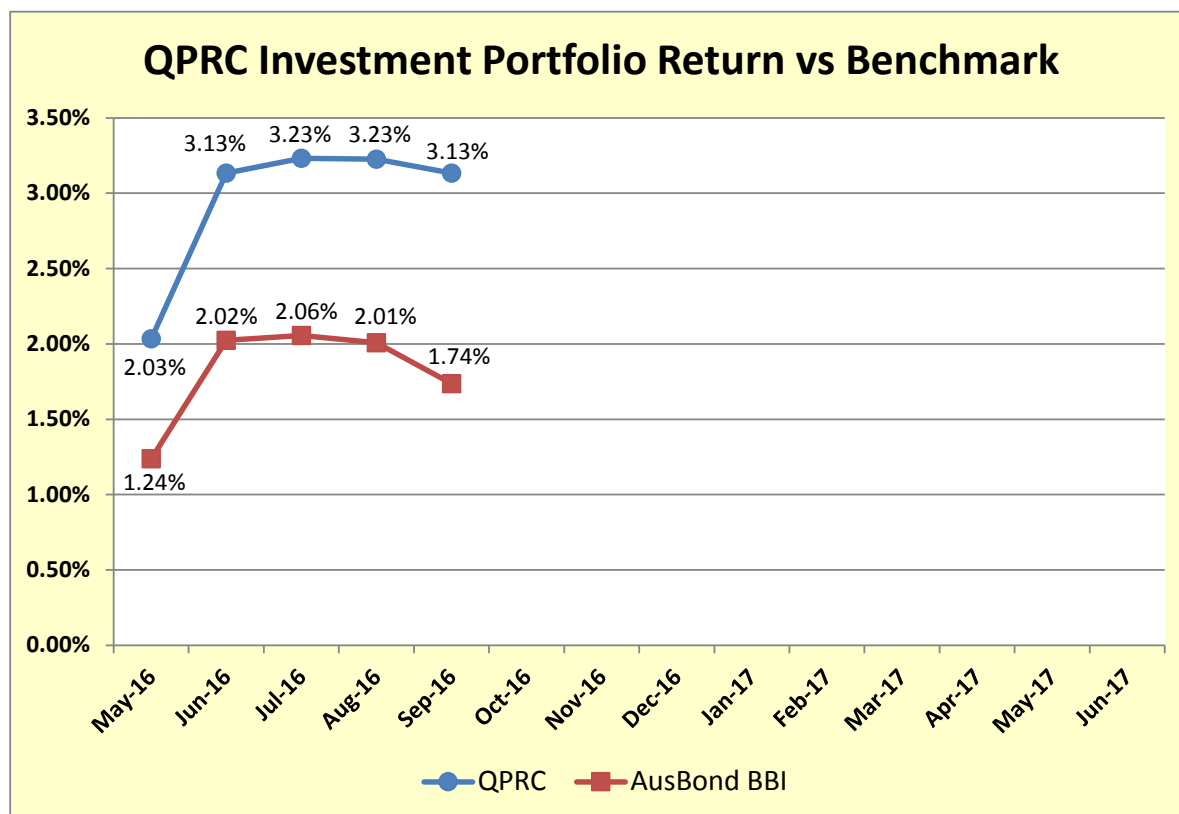


Table 1 - Cash and cash equivalent investments

Table 1									
Purchase Date	Maturity Date	Full Term	Institution	Credit Rating	Principal Amount \$	Return on Investments			
						Month		Year to Date	
						Return \$	Yield p.a %	Return Accrued/Paid \$	Yield p.a %
Cash Deposit Accounts									
			Westpac - General	AA-	13,891,226	7,072		28,645	
			Westpac - Maxi	AA-	654	0	0.00	0	0.00
			CBA Cash Management	AA-	603,392	517	1.65	1,760	1.73
			ANZ Premium Business	AA-	12,099,229	18,237	1.90	86,865	2.04
			Bendigo-Adelaide Bank	A-	16,286	112	1.50	184	1.68
			AMP Bank	A+	2,779,567	10,411	2.05	21,280	2.21
			Sub Total		29,390,353	36,349		138,734	
Pooled Managed Investment Group									
			BT Institutional Enhanced	AA	35,266	90	3.17	342	2.88
			Henderson	AA	11,450,169	29,584	3.20	114,151	3.11
			Sub Total		11,485,435	29,675		114,493	
Floating Rate Note Investment Group									
26/03/14	20/03/17	3 yr	CUA ¹	BBB+	1,000,000	833	3.04	833	3.28
21/08/14	21/08/17	3 yr	Police Bank ⁸	BBB+	1,000,000	2,326	2.83	3,024	2.98
17/11/14	17/11/17	3 yr	ME Bank ¹¹	BBB+	1,500,000	3,403	2.76	4,991	2.88
11/12/14	11/12/17	3 yr	Queensland Teachers MB ¹³	BBB+	2,000,000	2,742	2.78	2,742	3.05
22/09/14	22/12/17	3.25 yr	CUA ¹⁰	BBB+	2,000,000	1,289	2.94	1,289	3.19
19/11/14	22/12/17	3.25 yr	CUA ¹²	BBB+	500,000	322	2.94	322	3.19
17/04/14	17/04/18	4 yr	ME Bank ³	BBB+	1,000,000	2,671	3.25	6,589	3.37
07/05/15	07/05/18	3 yr	Heritage Bank ¹⁶	BBB+	1,000,000	2,412	2.94	4,262	3.05
24/08/15	24/08/18	3 yr	Credit Suisse ¹⁸	A	1,000,000	2,285	2.78	2,818	2.93
14/11/13	14/11/18	5 yr	Bendigo-Adelaide Bank ⁶	A-	1,000,000	2,490	3.03	3,819	3.16
07/06/16	07/06/19	3 yr	Greater Bank ⁵	BBB	2,000,000	4,197	3.33	4,197	3.33
11/12/15	11/06/19	3.5 yr	AMP Bank ²	A+	750,000	1,047	2.83	1,047	3.10
18/07/16	18/07/19	3 yr	ME Bank ²⁵	BBB+	3,000,000	8,384	3.40	20,679	3.40
17/09/14	17/09/19	5 yr	Bendigo-Adelaide Bank ⁹	A-	1,000,000	802	2.66	802	2.91
03/03/15	03/03/20	5 yr	Macquarie ¹⁴	A	1,000,000	1,932	2.82	1,932	3.08
07/04/15	07/04/20	5 yr	Newcastle Permanent ¹⁵	BBB+	1,000,000	2,725	3.32	7,720	3.42
25/07/16	07/04/20	5 yr	Newcastle Permanent ²⁶	BBB+	2,000,000	5,449	3.32	12,170	3.32
18/08/15	18/08/20	5 yr	Bendigo-Adelaide Bank ¹⁷	A-	2,000,000	4,685	2.85	6,715	2.99
20/10/15	20/10/20	5 yr	Suncorp Metway ¹⁹	A+	2,000,000	5,227	3.18	12,546	3.30
18/01/16	18/01/21	5 yr	CBA ²⁰	AA-	2,000,000	5,096	3.10	12,570	3.22
04/03/16	04/03/21	5 yr	RaboBank ²¹	A+	1,000,000	2,205	3.22	2,205	3.47
09/03/16	09/03/21	5 yr	Credit Suisse ²²	A	1,000,000	2,117	3.68	2,117	3.95
20/04/16	20/04/21	5 yr	Bendigo-Adelaide Bank ⁴	A-	1,000,000	2,786	3.39	6,687	3.51
12/05/16	12/05/21	5 yr	NAB ⁷	AA-	5,000,000	12,000	2.92	19,600	3.06
18/05/16	18/05/21	5 yr	BOQ ²³	A-	2,000,000	5,310	3.23	7,610	3.37
03/06/16	03/06/21	5 yr	Westpac ²⁴	AA-	2,000,000	3,959	2.89	3,959	2.89
			Sub Total		40,750,000	88,693		153,244	

Table 1 - Cash and cash equivalent investments (Continued)

Term Investments									
06/04/16	05/10/16	6 mth	IMB	BBB+	1,013,962	2,500	3.00	11,751	3.00
07/07/16	12/10/16	3 mth	NAB	AA-	1,000,000	2,342	2.85	6,637	2.85
07/07/16	19/10/16	3 mth	Beyond Bank	BBB+	1,000,000	2,384	2.90	6,753	2.90
24/06/16	26/10/16	4 mth	Bank of Sydney	NR	3,000,000	7,570	3.07	24,728	3.07
28/07/16	26/10/16	3 mth	AMP Bank	A+	1,000,000	2,260	2.75	4,822	2.75
03/08/16	02/11/16	3 mth	ME Bank	BBB+	3,500,000	7,623	2.65	14,738	2.65
17/02/16	16/11/16	9 mth	ING Bank	A-	1,000,000	2,466	3.00	11,589	3.00
19/05/16	16/11/16	6 mth	BOQ	A-	2,000,000	4,849	2.95	21,660	2.95
19/05/16	16/11/16	6 mth	Peoples Choice CU	BBB+	2,000,000	4,734	2.88	21,146	2.88
19/05/16	16/11/16	6 mth	Capricornian CU	NR	995,000	2,535	3.10	11,324	3.10
29/11/13	30/11/16	3 yr	BOQ	A-	1,000,000	3,699	4.50	17,384	4.50
29/11/13	30/11/16	3 yr	ME Bank	BBB+	1,000,000	3,740	4.55	17,577	4.55
24/06/16	21/12/16	6 mth	BOQ	A-	3,000,000	7,397	3.00	24,164	3.00
23/12/14	22/12/16	2 yr	Auswide Bank	BBB	6,000,000	18,247	3.70	85,759	3.70
07/04/16	04/01/17	9 mth	Police CU SA	NR	1,500,000	3,945	3.20	18,542	3.20
19/05/16	15/02/17	9 mth	Police CU SA	NR	1,000,000	2,507	3.05	11,197	3.05
17/08/16	15/02/17	6 mth	BOQ	A-	1,015,208	2,295	2.75	3,365	2.75
02/03/16	02/03/17	1 yr	ING Bank	A-	1,500,000	3,822	3.10	17,963	3.10
02/03/16	02/03/17	1 yr	Bendigo-Adelaide Bank	A-	1,079,513	2,724	3.07	12,802	3.07
12/03/14	08/03/17	3 yr	BOQ	A-	2,000,000	7,151	4.35	33,608	4.35
08/09/16	08/03/17	6 mth	Beyond Bank	BBB+	1,500,000	2,396	2.65	2,396	2.65
20/03/14	15/03/17	3 yr	BOQ Specialist	A-	1,000,000	3,501	4.26	16,456	4.26
17/03/16	15/03/17	1 yr	Heritage Bank	BBB+	2,000,000	5,260	3.20	24,723	3.20
26/08/16	22/03/17	7 mth	AMP Bank	A+	1,218,579	2,955	2.95	3,447	2.95
19/08/16	17/05/17	9 mth	BOQ	A-	1,000,000	2,260	2.75	3,164	2.75
03/06/16	07/06/17	1 yr	CUA	BBB+	2,500,000	6,062	2.95	24,045	2.95
25/06/14	28/06/17	3 yr	Bananacoast CU	NR	2,000,000	6,986	4.25	22,589	4.25
27/06/14	28/06/17	3 yr	Police CU SA	NR	1,000,000	3,534	4.30	11,545	4.30
03/09/15	06/09/17	2 yr	AMP Bank	A+	5,146,192	10,222	2.90	10,222	2.90
08/09/16	08/09/17	1 yr	G&C Mutual Bank	BBB	2,000,000	3,315	2.75	3,315	2.75
25/10/13	25/10/17	4 yr	BOQ	A-	1,000,000	3,904	4.75	18,349	4.75
08/09/16	15/03/18	18 mth	Defence Bank	BBB+	2,000,000	3,436	2.85	3,436	2.85
08/05/14	08/05/18	4 yr	ME Bank	BBB+	1,250,000	4,726	4.60	22,212	4.60
22/01/14	22/01/19	5 yr	ME Bank	BBB+	2,000,000	8,301	5.05	39,016	5.05
26/02/16	27/02/19	3 yr	Newcastle Permanent	BBB+	1,000,000	2,795	3.40	3,260	3.40
24/12/14	11/12/19	5 yr	RaboDirect	A+	2,000,000	6,658	4.05	31,290	4.05
23/12/14	18/12/19	5 yr	RaboDirect	A+	2,000,000	6,658	4.05	31,290	4.05
07/03/16	03/03/21	5 yr	Newcastle Permanent	BBB+	1,000,000	2,332	3.70	2,332	3.70
Sub Total					67,218,454	180,089		650,601	
Interest Paid on Investments									
Total						22,867		552,407	
Grand Total					148,844,242	357,673	3.13	1,609,479	3.20

Table 1 – Notes

Notes	
1	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+130
2	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+110
3	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+130
4	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+146
5	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+160
6	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+127
7	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+117
8	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+110
9	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+93
10	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+120
11	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+100
12	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+120
13	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+105
14	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+110
15	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+135
16	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+115
17	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+110
18	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+105
19	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+125
20	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+115
21	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+150
22	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+195
23	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+148
24	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+117
25	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+145
26	Floating Rate Note (FRN) - subject to a 90 day floating rate. Coupon BBSW+135

Table 2 – Individual institution or counterparty limits

Table 2	
Long Term Credit Rating	Maximum Limit
AAA Category	40%
AA Category	30%
A Category*	15%
BBB Category*	10%
Unrated Category	5%

** Investments with counterparties below AA Category are to be restricted to licensed banks, building societies and credit unions.*

Table 3 – Investment percentage split

Table 3		
Managed Funds		
BT Institutional Enhanced	AA	0.02%
Henderson	AA	7.69%
Direct Investments		
AMP Bank	A+	7.32%
ANZ Premium Business	AA-	8.13%
Auswide Bank	BBB	4.03%
Bananacoast CU	NR	1.34%
Bank of Sydney	NR	2.02%
Bendigo-Adelaide Bank	A-	4.10%
Beyond Bank	BBB+	1.68%
BOQ	A-	8.74%
BOQ Specialist	A-	0.67%
Capricornian CU	NR	0.67%
CBA	AA-	1.34%
CBA Cash Management	AA-	0.41%
CUA	BBB+	4.03%
Defence Bank	BBB+	1.34%
G&C Mutual Bank	BBB	1.34%
Greater Bank	BBB	1.34%
Heritage Bank	BBB+	2.02%
IMB	BBB+	0.68%
ING Bank	A-	1.68%
Macquarie	A	0.67%
ME Bank	BBB+	8.90%
NAB	AA-	4.03%
Newcastle Permanent	BBB+	3.36%
Peoples Choice CU	NR	1.34%
Police Bank	BBB+	0.67%
Police CU SA	NR	2.35%
Queensland Teachers MB	BBB+	1.34%
RaboBank	A+	0.67%
RaboDirect	A+	2.69%
Suncorp Metway	A+	1.34%
Westpac	AA-	1.34%
Westpac - General	AA-	9.33%
Westpac - Maxi	AA-	0.00%
		100.00%

Table 4 – Market value of tradeable investments

Table 4			
As at Date	Borrower	Purchase Price \$	Market Price \$
30/09/16	AMP Bank ²	750,000	753,518
30/09/16	Bendigo-Adelaide Bank ⁴	1,000,000	1,010,320
30/09/16	Bendigo-Adelaide Bank ⁶	1,000,000	1,008,100
30/09/16	Bendigo-Adelaide Bank ⁹	1,000,000	997,470
30/09/16	Bendigo-Adelaide Bank ¹⁷	2,000,000	2,001,940
30/09/16	BOQ ²³	2,000,000	2,017,980
30/09/16	CBA ²⁰	2,000,000	2,018,060
30/09/16	Credit Suisse ¹⁸	1,000,000	999,220
30/09/16	Credit Suisse ²²	1,000,000	1,020,600
30/09/16	CUA ¹	1,000,000	1,001,620
30/09/16	CUA ¹⁰	2,000,000	2,001,260
30/09/16	CUA ¹²	500,000	500,315
30/09/16	Greater Bank ⁵	2,000,000	2,009,760
30/09/16	Heritage Bank ¹⁶	1,000,000	998,070
30/09/16	Macquarie ¹⁴	1,000,000	999,300
30/09/16	ME Bank ³	1,000,000	1,002,830
30/09/16	ME Bank ¹¹	1,500,000	1,500,990
30/09/16	ME Bank ²⁵	3,000,000	3,003,000
30/09/16	NAB ⁷	5,000,000	5,035,000
30/09/16	Newcastle Permanent ¹⁵	1,000,000	994,880
30/09/16	Newcastle Permanent ²⁶	2,000,000	1,989,760
30/09/16	Police Bank ⁸	1,000,000	1,001,560
30/09/16	Queensland Teachers MB ¹³	2,000,000	1,999,720
30/09/16	RaboBank ²¹	1,000,000	1,016,570
30/09/16	Suncorp Metway ¹⁹	2,000,000	2,017,860
30/09/16	Westpac ²⁴	2,000,000	2,016,000
		40,750,000	40,915,703

Table 5 – Budgeted interest allocation by fund

Table 5	
Fund	Original Budget
General	1,691,563
Developer Contributions - General	54,432
Water	285,434
Sewer	1,322,552
Domestic Waste Management	100,000
Business Waste Management	15,000
Stormwater Management	24,648
Total	3,493,629