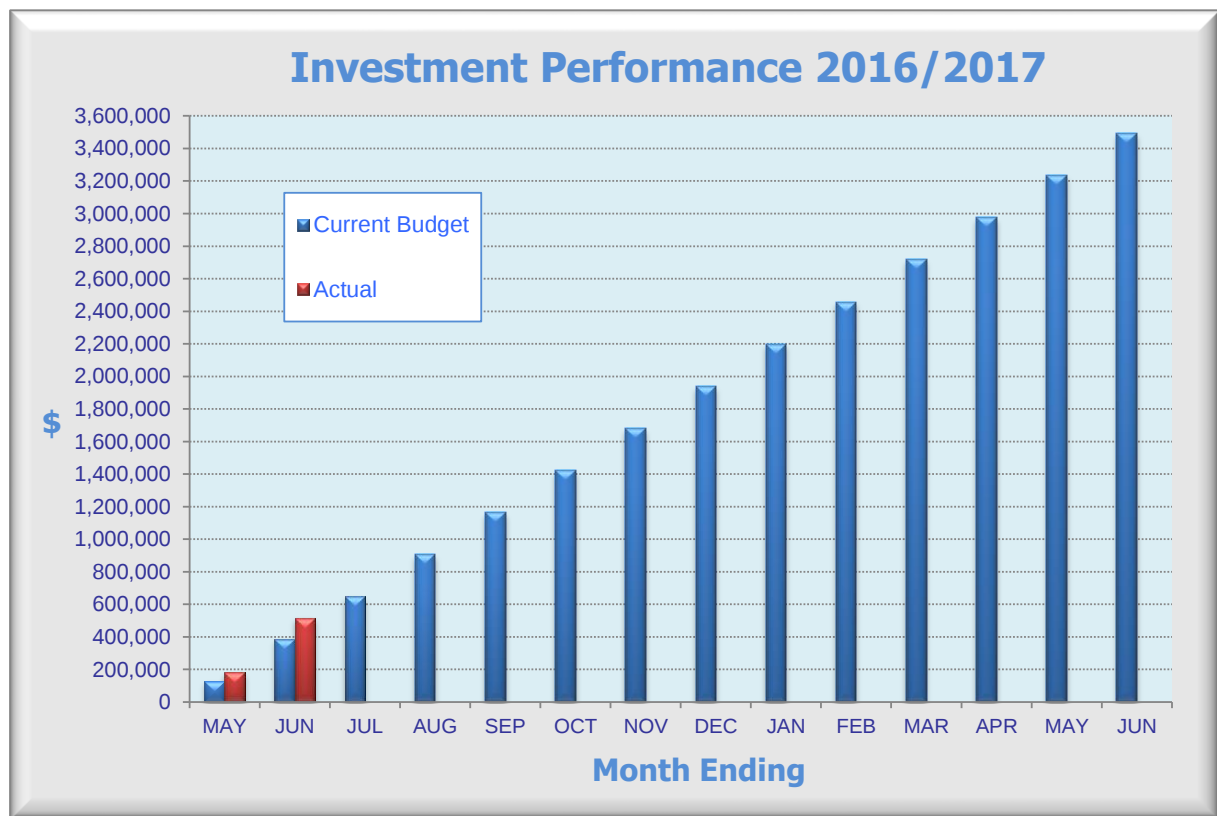


Attachment 1
Ordinary Meeting of Council: 27 July 2016
Investment Report – June 2016

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Graph 1 – Actual return against budget



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

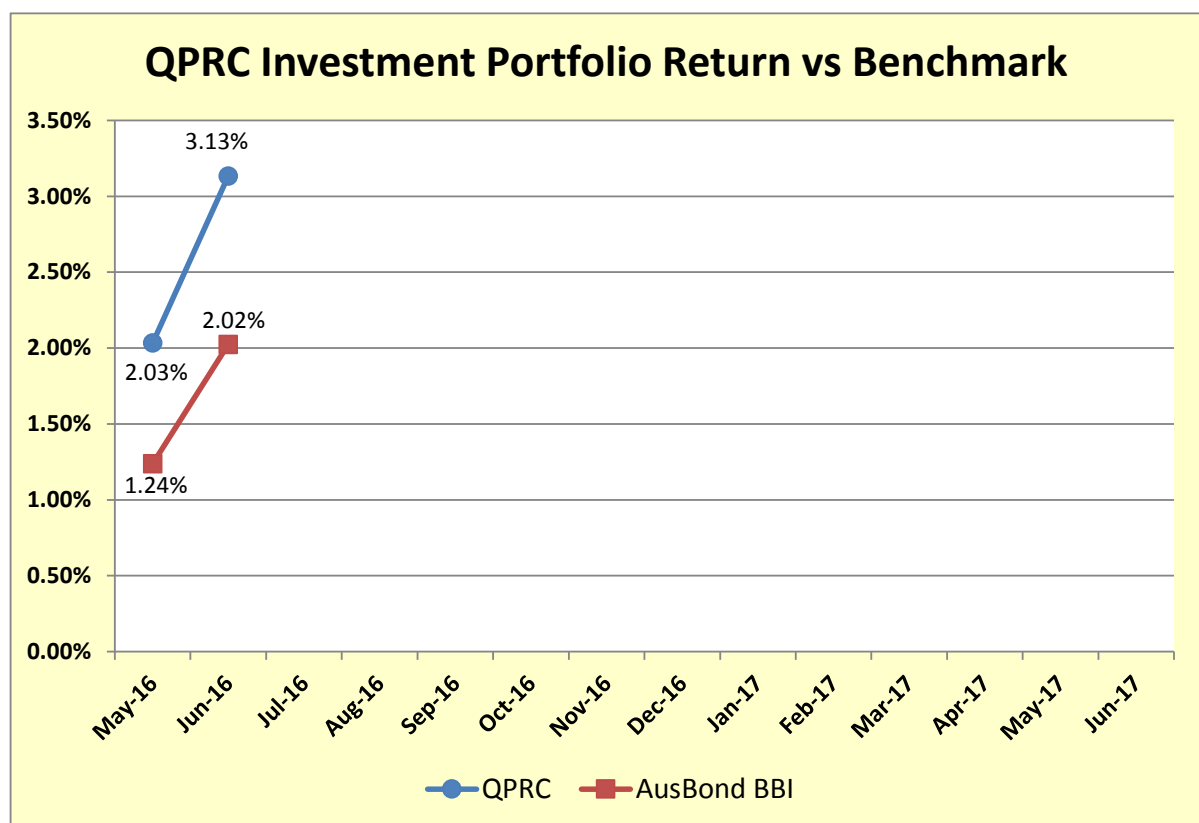


Table 1 - Cash and cash equivalent investments

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-	16,286,294	8,768		10,874	
			Westpac - Maxi	AA-	654	0	0.00	0	0.00
			CBA Cash Management	AA-	604,184	609	1.90	609	1.90
			ANZ Premium Business	AA-	12,038,276	21,236	2.15	25,862	2.15
			Bendigo-Adelaide Bank	A-	16,214	0	1.75	0	1.85
			AMP Bank	A+	2,758,286	5,644	2.30	5,644	2.30
			Sub Total		31,703,908	36,257		42,990	
Pooled Managed Investment Group									
			BT Institutional Enhanced	AA	34,999	76	2.68	76	2.57
			Henderson	AA	11,353,432	17,413	1.89	17,413	2.53
			Sub Total		11,388,431	17,489		17,489	
Floating Rate Note Investment Group									
26/03/14	20/03/17	3 yr	CUA ¹	BBB+	1,000,000	904	3.30	904	3.42
21/08/14	21/08/17	3 yr	Police Bank ⁸	BBB+	1,000,000	2,548	3.10	3,227	3.09
17/11/14	17/11/17	3 yr	ME Bank ¹¹	BBB+	1,500,000	3,674	2.98	5,388	2.98
11/12/14	11/12/17	3 yr	Queensland Teachers MB ¹³	BBB+	2,000,000	2,692	3.07	2,692	3.19
22/09/14	22/12/17	3.25 yr	CUA ¹⁰	BBB+	2,000,000	1,403	3.20	1,403	3.32
19/11/14	22/12/17	3.25 yr	CUA ¹²	BBB+	500,000	351	3.20	351	3.32
17/04/14	17/04/18	4 yr	ME Bank ³	BBB+	1,000,000	2,951	3.59	4,819	3.59
07/05/15	07/05/18	3 yr	Heritage Bank ¹⁶	BBB+	1,000,000	2,581	3.14	4,215	3.14
24/08/15	24/08/18	3 yr	Credit Suisse ¹⁸	A	1,000,000	2,503	3.05	3,087	3.04
14/11/13	14/11/18	5 yr	Bendigo-Adelaide Bank ⁶	A-	1,000,000	2,679	3.26	4,019	3.25
07/06/16	07/06/19	3 yr	Greater Bank ⁵	BBB	2,000,000	4,524	3.59	4,524	3.59
11/12/15	11/06/19	3.5 yr	AMP Bank ²	A+	750,000	1,026	3.12	1,026	3.24
17/09/14	17/09/19	5 yr	Bendigo-Adelaide Bank ⁹	A-	1,000,000	1,044	2.93	1,044	3.05
03/03/15	03/03/20	5 yr	Macquarie ¹⁴	A	1,000,000	2,293	3.10	2,293	3.22
07/04/15	07/04/20	5 yr	Newcastle Permanent ¹⁵	BBB+	1,000,000	2,971	3.62	4,853	3.62
18/08/15	18/08/20	5 yr	Bendigo-Adelaide Bank ¹⁷	A-	2,000,000	5,079	3.09	7,281	3.09
20/10/15	20/10/20	5 yr	Suncorp Metway ¹⁹	A+	2,000,000	5,803	3.53	9,478	3.52
18/01/16	18/01/21	5 yr	CBA ²⁰	AA-	2,000,000	5,655	3.44	9,236	3.44
04/03/16	04/03/21	5 yr	Rabobank ²¹	A+	1,000,000	2,295	3.49	2,295	3.61
09/03/16	09/03/21	5 yr	Credit Suisse ²²	A	1,000,000	2,170	3.96	2,170	4.09
20/04/16	20/04/21	5 yr	Bendigo-Adelaide Bank ⁴	A-	1,000,000	3,074	3.74	5,021	3.73
12/05/16	12/05/21	5 yr	NAB ⁷	AA-	5,000,000	12,832	3.12	20,959	3.16
18/05/16	18/05/21	5 yr	BOQ ²³	A-	2,000,000	5,704	3.47	8,176	3.47
03/06/16	03/06/21	5 yr	Westpac ²⁴	AA-	2,000,000	4,675	3.16	4,675	3.16
			Sub Total		35,750,000	81,430		113,136	

Term Investments									
06/01/16	06/07/16	6 mth	Heritage Bank	BBB+	2,000,000	4,767	2.90	7,786	2.90
20/01/16	20/07/16	6 mth	AMP Bank	A+	1,000,000	2,384	2.90	3,893	2.90
20/01/16	20/07/16	6 mth	Auswide Bank	BBB	1,000,000	2,384	2.90	3,893	2.90
02/12/15	03/08/16	8 mth	ME Bank	BBB+	3,500,000	8,774	3.05	14,331	3.05
04/02/16	03/08/16	6 mth	MyState	BBB	1,000,000	2,466	3.00	4,027	3.00
17/02/16	17/08/16	6 mth	BOQ	A-	1,000,000	2,507	3.05	4,095	3.05
23/03/16	24/08/16	5 mth	NAB	AA-	1,004,919	2,594	3.14	4,236	3.14
09/03/16	05/09/16	6 mth	Westpac	AA-	2,500,000	5,856	2.85	9,565	2.85
09/03/16	05/09/16	6 mth	AMP Bank	A+	1,006,856	2,483	3.00	4,055	3.00
16/03/16	14/09/16	6 mth	Bankwest	AA-	1,014,211	2,417	2.90	3,948	2.90
17/03/16	14/09/16	6 mth	Police CU SA	NR	2,000,000	5,260	3.20	8,592	3.20
06/04/16	15/10/16	6 mth	IMB	BBB+	1,013,962	2,500	3.00	4,084	3.00
24/06/16	26/10/16	4 mth	Bank of Sydney	NR	3,000,000	1,514	3.07	1,514	3.07
17/02/16	16/11/16	9 mth	ING Bank	A-	1,000,000	2,466	3.00	4,027	3.00
19/05/16	16/11/16	6 mth	BOQ	A-	2,000,000	4,849	2.95	6,789	2.95
19/05/16	16/11/16	6 mth	Peoples Choice CU	BBB+	2,000,000	4,734	2.88	6,628	2.88
19/05/16	16/11/16	6 mth	Capricornia CU	NR	995,000	2,535	3.10	3,549	3.10
29/11/13	30/11/16	3 yr	BOQ	A-	1,000,000	3,699	4.50	6,041	4.50
29/11/13	30/11/16	3 yr	ME Bank	BBB+	1,000,000	3,740	4.55	6,108	4.55
24/06/16	21/12/16	6 mth	BOQ	A-	3,000,000	1,479	3.00	1,479	3.00
23/12/14	22/12/16	2 yr	Auswide Bank	BBB	6,000,000	18,247	3.70	29,803	3.70
07/04/16	04/01/17	9 mth	Police CU SA	NR	1,500,000	3,945	3.20	6,444	3.20
19/05/16	15/02/17	9 mth	Police CU SA	NR	1,000,000	2,507	3.05	3,510	3.05
02/03/16	02/03/17	1 yr	ING Bank	A-	1,500,000	3,822	3.10	6,242	3.10
02/03/16	02/03/17	1 yr	Bendigo-Adelaide Bank	A-	1,079,513	2,724	3.07	4,449	3.07
12/03/14	08/03/17	3 yr	BOQ	A-	2,000,000	7,151	4.35	11,679	4.35
20/03/14	15/03/17	3 yr	BOQ Specialist	A-	1,000,000	3,501	4.26	5,719	4.26
17/03/16	15/03/17	1 yr	Heritage Bank	BBB+	2,000,000	5,260	3.20	8,592	3.20
03/06/16	07/06/17	1 yr	CUA	BBB+	2,500,000	5,455	2.95	5,455	2.95
25/06/14	28/06/17	3 yr	Bananacoast CU	NR	2,000,000	1,164	4.25	1,164	4.25
27/06/14	28/06/17	3 yr	Police CU SA	NR	1,000,000	707	4.30	707	4.30
03/09/15	06/09/17	2 yr	AMP Bank	A+	5,000,000	11,918	2.90	19,466	2.90
25/10/13	25/10/17	4 yr	BOQ	A-	1,000,000	3,904	4.75	6,377	4.75
08/05/14	08/05/18	4 yr	ME Bank	BBB+	1,250,000	4,726	4.60	7,719	4.60
22/01/14	22/01/19	5 yr	ME Bank	BBB+	2,000,000	8,301	5.05	13,559	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	10,874	4.05
23/12/14	18/12/19	5 yr	RaboDirect	A+	2,000,000	6,658	4.05	10,874	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					68,864,461	171,181		266,867	
Interest Paid on Investments									
Total						29,853		77,139	
Grand Total					147,706,800	336,210	3.13	517,620	3.21

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

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+	7.12%
ANZ Premium Business	AA-	8.15%
Auswide Bank	BBB	4.74%
Bananacoast CU	NR	1.35%
Bankwest	AA-	0.69%
Bank of Sydney	NR	2.03%
Bendigo-Adelaide Bank	A-	4.13%
BOQ	A-	8.12%
BOQ Specialist	A-	0.68%
Capricornia CU	NR	0.67%
CBA	AA-	1.35%
CBA Cash Management	AA-	0.41%
Credit Suisse	A	1.35%
CUA	BBB+	4.06%
Greater Bank	BBB	1.35%
Heritage Bank	BBB+	3.39%
IMB	BBB+	0.69%
ING Bank	A-	1.69%
Macquarie	A	0.68%
ME Bank	BBB+	6.94%
MyState	BBB	0.68%
NAB	AA-	4.07%
Newcastle Permanent	BBB+	2.03%
Peoples Choice CU	NR	1.35%
Police Bank	BBB+	0.68%
Police CU SA	NR	3.72%
Queensland Teachers MB	BBB+	1.35%
RaboBank	A+	0.68%
RaboDirect	A+	2.71%
Suncorp Metway	A+	1.35%
Westpac	AA-	3.05%
Westpac - General	AA-	11.03%
Westpac - Maxi	AA-	0.00%
		100.00%

Table 4 – Market value of tradeable investments

Table 4			
As at Date	Borrower	Purchase Price \$	Market Price \$
30/06/16	AMP Bank ²	750,000	749,078
30/06/16	Bendigo-Adelaide Bank ⁴	1,000,000	998,440
30/06/16	Bendigo-Adelaide Bank ⁶	1,000,000	1,003,990
30/06/16	Bendigo-Adelaide Bank ⁹	1,000,000	988,860
30/06/16	Bendigo-Adelaide Bank ¹⁷	2,000,000	1,982,580
30/06/16	BOQ ²³	2,000,000	2,004,720
30/06/16	CBA ²⁰	2,000,000	2,004,600
30/06/16	Credit Suisse ¹⁸	1,000,000	996,410
30/06/16	Credit Suisse ²²	1,000,000	1,013,090
30/06/16	CUA ¹	1,000,000	1,001,540
30/06/16	CUA ¹⁰	2,000,000	1,993,140
30/06/16	CUA ¹²	500,000	498,285
30/06/16	Greater Bank ⁵	2,000,000	2,000,220
30/06/16	Heritage Bank ¹⁶	1,000,000	994,050
30/06/16	Macquarie ¹⁴	1,000,000	992,200
30/06/16	ME Bank ³	1,000,000	1,001,050
30/06/16	ME Bank ¹¹	1,500,000	1,497,165
30/06/16	NAB ⁷	5,000,000	4,991,500
30/06/16	Newcastle Permanent ¹⁵	1,000,000	992,330
30/06/16	Police Bank ⁸	1,000,000	998,450
30/06/16	Queensland Teachers MB ¹³	2,000,000	1,994,680
30/06/16	RaboBank ²¹	1,000,000	1,004,420
30/06/16	Suncorp Metway ¹⁹	2,000,000	1,998,000
30/06/16	Westpac ²⁴	2,000,000	2,001,580
		35,750,000	35,700,378

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