

**City of Sacramento  
Treasurer's Office**

Thomas P. Friery, City Treasurer

**Sacramento Housing & Redevelopment Agency (SHRA)**

Monthly Review – October 2007

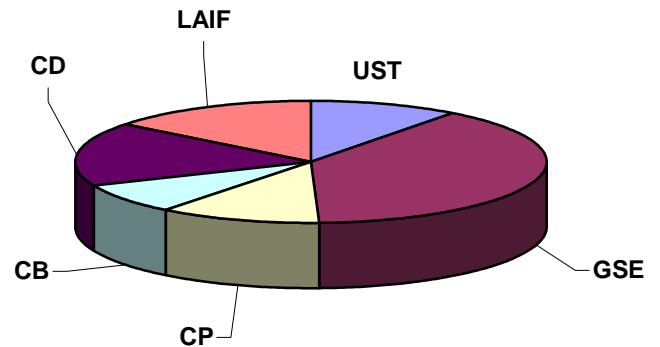
**STRATEGY**

The Fund seeks to maximize the level of current income consistent with the preservation of principal while meeting the liquidity needs of the SHRA. The Fund is invested pursuant to the prudent person standards and the California Code Section 53601 (GC 53601).

**PORTFOLIO STATISTICS**

Portfolio's Beginning Balance	\$283,565,197
Earned Interest Yield for the Month	5.36%
Weighted Average Maturity (Yrs)	0.9
Estimated Duration (Yrs)	0.8
Historical Book Value	\$267,498,443
Month-End Market Value	\$271,470,328
Percent of Market to Book Value	101.48%

**PORTFOLIO BY ASSET CLASS**



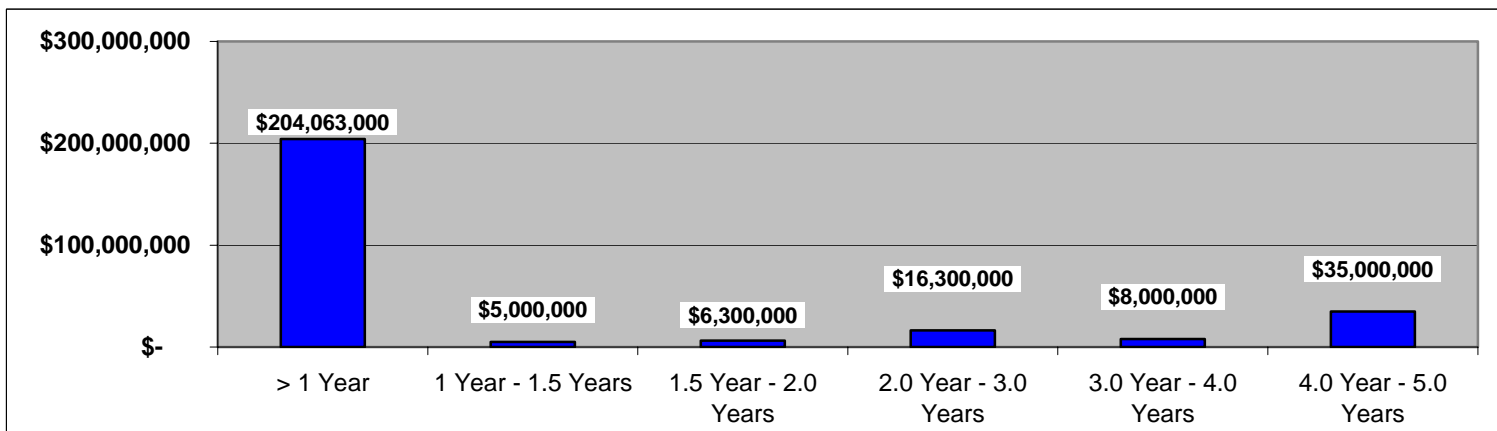
External third party Investment Managers

State Treasurer's Office (LAIF)	\$ 40,000,000
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**MATURITY SCHEDULE (POOL D)**

Maturity	Face	%
> 1 Year	\$ 204,063,000	74.30%
1 Year - 1.5 Years	\$ 5,000,000	1.82%
1.5 Year - 2.0 Years	\$ 6,300,000	2.29%
2.0 Year - 3.0 Years	\$ 16,300,000	5.93%
3.0 Year - 4.0 Years	\$ 8,000,000	2.91%
4.0 Year - 5.0 Years	\$ 35,000,000	12.74%
<b>Total</b>	<b>\$ 274,663,000</b>	<b>100.00%</b>

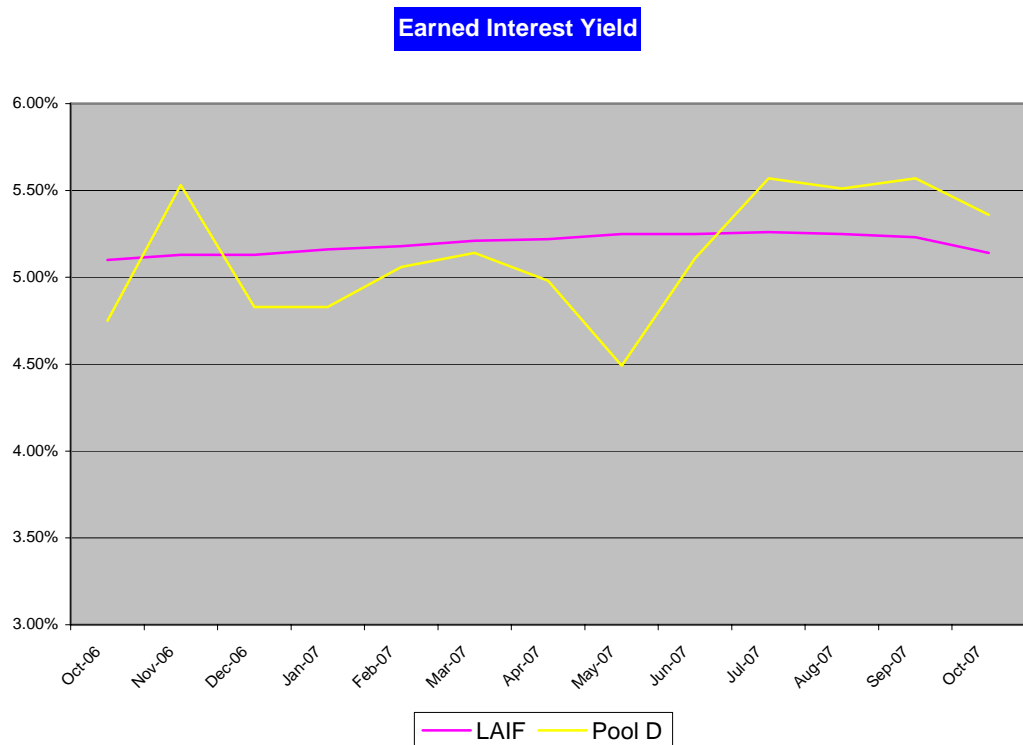
Investment Description	Portfolio at Cost	Yield at Month End
<b>US Agency and Treasury Notes:</b>		
US Treasury Notes (UST)	9.42%	4.45%
US Agency Notes (GSE)	38.80%	5.31%
<b>Subtotal Agency/Notes</b>	<b>48.22%</b>	<b>5.13%</b>
<b>Commercial Paper (CP)</b>	<b>11.45%</b>	<b>5.57%</b>
<b>Certificates of Deposit (CD)</b>	<b>17.30%</b>	<b>5.32%</b>
<b>LAIF</b>	<b>14.88%</b>	<b>5.14%</b>
<b>Corporate Bonds (CB)</b>	<b>8.15%</b>	<b>4.94%</b>



## MONTHLY HIGHLIGHTS

U.S. fixed income markets rose as the Federal Reserve Board cut the fed funds rate by 25 basis points, following last month's 50 bps cut. The deteriorating housing market and mortgage related woes continued to outweigh inflation concerns. The front-end of the curve which is affected most by monetary policy realized the most downward pressure with two and three year Treasuries yielding less than 4 percent. During the month the Pool had a net cash outflow of about \$10 million. We continued to see the best value in short-term certificate of deposits and commercial paper versus longer-term securities and government securities. High coupon agencies continue to be called by the GSE's that issue them. During the month the portfolio had four bonds worth \$13 million called and the proceeds were reinvested in short-term corporate paper with the anticipation of higher bond yields early next year.

Earned Interest Yield		
Month	Pool D	LAIF
Oct-06	4.75%	5.10%
Nov-06	5.53%	5.13%
Dec-06	4.83%	5.13%
Jan-07	4.83%	5.16%
Feb-07	5.06%	5.18%
Mar-07	5.14%	5.21%
Apr-07	4.98%	5.22%
May-07	4.49%	5.25%
Jun-07	5.11%	5.25%
Jul-07	5.57%	5.26%
Aug-07	5.51%	5.21%
Sep-07	5.57%	5.23%
Oct-07	5.36%	5.14%



## SHRA LOCAL MONEY

Pool	Begin Balance	Withdrawal	Interest Earned	End Balance	Rate of Return
J	\$ 5,210,871	\$ (22,137)	\$ 23,468	\$ 5,212,202	5.30%
L	\$ 26,807,075	\$ (643,976)	\$ 118,651	\$ 26,281,749	5.30%
M	\$ 2,364,331	\$ (155,937)	\$ 10,180	\$ 2,218,575	5.36%
N	\$ 6,512,791	\$ (30,398)	\$ 29,624	\$ 6,512,017	5.36%
Q	\$ 42,245,223	\$ (8,079,195)	\$ 163,096	\$ 34,329,124	5.36%
R	\$ 63,452,374	\$ (24,904)	\$ 24,271	\$ 5,335,215	5.36%
S	\$ 5,335,885	\$ (24,941)	\$ 24,905	\$ 5,335,849	5.36%
T	\$ 2,630,353	\$ (239,213)	\$ 11,065	\$ 2,402,205	5.36%
U	\$ 11,664,191	\$ (54,442)	\$ 53,056	\$ 11,662,804	5.36%
V	\$ 9,028,761	\$ (42,141)	\$ 41,068	\$ 9,027,688	5.36%

\*Balances represent market values at month end.

City of Sacramento  
**PORTFOLIO APPRAISAL**  
*Pool D*  
**SHRA Local Money**  
 October 31, 2007

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Moody
<b>CASH AND EQUIVALENTS</b>														
	laifd	Local Agency Investment Fund, Pool D		40,000,000.00		40,000,000.00		40,000,000.00	14.88	5.137	2,054,800	5.14		
	miscintrec	Misc Interest Receivable		178,167.90		178,167.90		178,167.90	0.07	4.000	7,127	4.00		
	nattsy	Nations Treasury Fund		31,363.95		31,363.95		31,363.95	0.01	4.080	1,280	4.08		
	payab	Payables (Buy Trades)		-6,000,000.00		-6,000,000.00		-6,000,000.00	-2.23	0.000	0	0.00		
				<u>34,209,531.85</u>		<u>34,209,531.85</u>		<u>34,209,531.85</u>	<u>12.73</u>		<u>2,063,206</u>	<u>6.03</u>		
<b>CERTIFICATES OF DEPOSIT</b>														
10,100,000	90333uvx7	US Bank CD 5.320% Due 11-13-07	100.00	10,100,000.00	100.02	10,102,131.10	119,404.44	10,221,535.54	3.76	5.320	537,320	5.32	A1	P1
8,400,000	0727m6ag5	Bayerische Landesbk NY 5.330% Due 11-20-07	100.00	8,400,385.78	100.03	8,402,693.04	129,341.33	8,532,034.37	3.13	5.330	447,720	5.33	A1	P1
1,800,000	22536fcc5	Credit Industry and Commerce 5.300% Due 01-09-08	99.93	1,798,681.93	100.03	1,800,576.54	78,440.00	1,879,016.54	0.67	5.300	95,400	5.30	A1+	P1
5,400,000	22536fch4	Credit Industry and Commerce 5.300% Due 01-11-08	99.93	5,396,101.84	100.03	5,401,801.98	232,935.00	5,634,736.98	2.01	5.300	286,200	5.30	A1	P1
3,800,000	06479edj4	Bank of Scotland 4.950% Due 02-01-08	100.05	3,801,810.78	100.02	3,800,743.28	3,135.00	3,803,878.28	1.41	4.950	188,100	4.95	A1+	P1
10,000,000	90263kw95	UBS AG Stamford Ct 5.490% Due 02-14-08	100.02	10,001,661.52	100.17	10,016,984.00	73,200.00	10,090,184.00	3.73	5.490	549,000	5.48	A1+	P1
3,100,000	90333utm4	US Bank CD 5.300% Due 07-23-08	100.00	3,100,000.00	100.30	3,109,193.67	129,158.06	3,238,351.73	1.16	5.300	164,300	5.28	A1	P1
3,800,000	90333uux8	US Bank CD 5.580% Due 06-18-09	100.00	3,800,000.00	101.86	3,870,623.00	80,104.00	3,950,727.00	1.44	5.580	212,040	5.48	A1	P1
				<u>46,398,641.85</u>		<u>46,504,746.61</u>	<u>845,717.83</u>	<u>47,350,464.44</u>	<u>17.30</u>		<u>2,480,080</u>	<u>5.33</u>		
<b>COMMERCIAL PAPER</b>														
Not Classified														
5,500,000	89233hy57	Toyota Motor Credit Corp 4.630% Due 11-05-07	99.92	5,495,755.83	99.93	5,496,383.75	0.00	5,496,383.75	2.04	4.630	254,650	4.63	A1	P1
2,700,000	0660p1yl9	Bank of America Corp 5.350% Due 11-20-07	98.59	2,661,881.25	99.74	2,692,895.76	0.00	2,692,895.76	1.00	5.350	144,450	5.36	A1	P1
18,000,000	14177uyw5	Cargill Global Fund 5.490% Due 11-30-07	98.47	17,725,500.00	99.62	17,930,790.00	0.00	17,930,790.00	6.67	5.490	988,200	5.51	A1	P1
4,700,000	0660p0a37	Bank of America Corp 4.990% Due 01-03-08	98.75	4,641,367.50	99.17	4,660,861.69	0.00	4,660,861.69	1.73	4.990	234,530	5.03	A1	P1
				<u>30,524,504.58</u>		<u>30,780,931.20</u>	<u>0.00</u>	<u>30,780,931.20</u>	<u>11.45</u>		<u>1,621,830</u>	<u>5.27</u>		
				<u>30,524,504.58</u>		<u>30,780,931.20</u>	<u>0.00</u>	<u>30,780,931.20</u>	<u>11.45</u>		<u>1,621,830</u>	<u>5.27</u>		
<b>GOVT AGENCY DISCOUNT PAPER</b>														
Not Classified														
4,000,000	31339pe7	Freddie Mac 5.060% Due 11-13-07	97.44	3,897,675.55	99.85	3,994,000.00	0.00	3,994,000.00	1.49	5.060	202,400	5.07	AAA	AAA
9,363,000	313588rb3	Fannie Mae 5.020% Due 12-28-07	95.38	8,930,840.33	99.31	9,298,395.30	0.00	9,298,395.30	3.46	5.020	470,023	5.05	AAA	AAA

Total portfolio includes investments from Pools M, N, Q, R, S, T, U & V

City of Sacramento  
**PORTFOLIO APPRAISAL**  
*Pool D*  
**SHRA Local Money**  
 October 31, 2007

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Moody
5,000,000	313588ry3	Fannie Mae 4.720% Due 01-18-08	97.98	4,899,044.44	99.07	4,953,500.00	0.00	4,953,500.00	1.84	4.720	236,000	4.76	AAA	AAA
				<u>17,727,560.32</u>		<u>18,245,895.30</u>	<u>0.00</u>	<u>18,245,895.30</u>	<u>6.79</u>		<u>908,423</u>	<u>4.98</u>		
				17,727,560.32		18,245,895.30	0.00	18,245,895.30	6.79		908,423	4.98		
<b>U.S. GOVERNMENT BONDS</b>														
Not Classified														
2,000,000	912828eu0	U.S. Treasury Note 4.375% Due 01-31-08	99.34	1,986,875.00	100.08	2,001,562.40	22,112.77	2,023,675.17	0.74	4.375	87,500	4.37	AAA	AAA
6,000,000	912828dt4	U.S. Treasury Note 3.750% Due 05-15-08	98.47	5,908,125.00	99.77	5,986,380.00	103,940.22	6,090,320.22	2.23	3.750	225,000	3.76	AAA	AAA
9,000,000	912828ec0	U.S. Treasury Note 4.125% Due 08-15-08	99.31	8,938,125.00	99.96	8,996,490.00	78,688.86	9,075,178.86	3.35	4.125	371,250	4.13	AAA	AAA
9,000,000	912828el0	U.S. Treasury Note 4.375% Due 11-15-08	99.92	8,992,968.75	100.34	9,030,240.00	181,895.38	9,212,135.38	3.36	4.375	393,750	4.36	AAA	AAA
2,000,000	912828bt6	U.S. Treasury Note 3.375% Due 12-15-08	97.08	1,941,562.50	99.30	1,986,100.00	25,635.25	2,011,735.25	0.74	3.375	67,500	3.40	AAA	AAA
				<u>27,767,656.25</u>		<u>28,000,772.40</u>	<u>412,272.47</u>	<u>28,413,044.87</u>	<u>10.42</u>		<u>1,145,000</u>	<u>4.09</u>		
				27,767,656.25		28,000,772.40	412,272.47	28,413,044.87	10.42		1,145,000	4.09		
<b>FEDERAL HOME LOAN BANK</b>														
Not Classified														
2,000,000	3133xe5k1	Federal Home Loan Bank 4.625% Due 01-18-08	99.88	1,997,600.00	99.97	1,999,375.00	26,465.28	2,025,840.28	0.74	4.625	92,500	4.63	AAA	AAA
7,700,000	3133xjxa1	Federal Home Loan Bank 5.125% Due 02-21-08	99.88	7,690,760.00	100.12	7,709,625.00	76,732.64	7,786,357.64	2.87	5.125	394,625	5.12	AAA	AAA
3,000,000	3133xbfd2	Federal Home Loan Bank 4.500% Due 04-11-08	100.53	3,015,937.50	99.94	2,998,125.00	7,500.00	3,005,625.00	1.12	4.500	135,000	4.50	AAA	AAA
2,000,000	3133x1xc6	Federal Home Loan Bank 3.625% Due 11-14-08	97.82	1,956,434.00	99.16	1,983,125.00	33,631.94	2,016,756.94	0.74	3.625	72,500	3.66	AAA	AAA
5,000,000	3133xkp82	Federal Home Loan Bank 4.875% Due 11-19-08	99.46	4,972,850.00	100.41	5,020,312.50	112,395.83	5,132,708.33	1.87	4.875	243,750	4.86	AAA	Aaa
6,000,000	3133xmuu3	Federal Home Loan Bank 4.570% Due 11-28-08	100.00	6,000,000.00	99.97	5,998,125.00	761.67	5,998,886.67	2.23	4.570	274,200	4.57	AAA	AAA
2,500,000	3133xgeq3	Federal Home Loan Bank 5.250% Due 08-05-09	100.36	2,508,975.00	101.47	2,536,718.75	31,354.17	2,568,072.92	0.94	5.250	131,250	5.17	AAA	AAA
5,200,000	3133xla60	Federal Home Loan Bank 5.500% Due 06-11-10	99.92	5,195,684.00	100.53	5,227,625.00	111,222.22	5,338,847.22	1.94	5.500	286,000	5.47	AAA	AAA
5,000,000	3133xjkt4	Federal Home Loan Bank 5.625% Due 02-01-12	99.80	4,990,000.00	100.00	5,000,000.00	70,312.50	5,070,312.50	1.86	5.625	281,250	5.62	AAA	Aaa
5,000,000	3133xk5a9	Federal Home Loan Bank 5.700% Due 03-09-12	100.00	5,000,000.00	100.03	5,001,562.50	41,166.67	5,042,729.17	1.86	5.700	285,000	5.70	AAA	AAA
800,000	3133xksc0	Federal Home Loan Bank 5.625% Due 05-08-12	99.88	799,040.00	100.03	800,250.00	21,625.00	821,875.00	0.30	5.625	45,000	5.62	AAA	AAA
10,000,000	3133xkwn1	Federal Home Loan Bank 5.700% Due 05-17-12	99.97	9,997,270.00	100.06	10,006,250.00	259,666.67	10,265,916.67	3.72	5.700	570,000	5.70	AAA	AAA

Total portfolio includes investments from Pools M, N, Q, R, S, T, U & V

City of Sacramento  
**PORTFOLIO APPRAISAL**  
*Pool D*  
**SHRA Local Money**  
 October 31, 2007

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Accrued Interest	Market Value + Accrd. Int.	Pct. Assets	Unit Income	Annual Income	Cur. Yield	S & P	Moody
3,000,000	3133xkq40	Federal Home Loan Bank 5.625% Due 05-21-12	99.82	2,994,690.00	100.06	3,001,875.00	75,000.00	3,076,875.00	1.12	5.625	168,750	5.62	AAA	AAA
1,100,000	3133xlb28	Federal Home Loan Bank 5.800% Due 06-27-12	99.85	1,098,350.00	100.19	1,102,062.50	21,975.56	1,124,038.06	0.41	5.800	63,800	5.79	AAA	AAA
4,000,000	3133xmsk8	Federal Home Loan Bank 5.150% Due 10-29-12	100.00	4,000,000.00	99.94	3,997,500.00	1,144.44	3,998,644.44	1.49	5.150	206,000	5.15	AAA	AAA
				<u>62,217,590.50</u>		<u>62,382,531.25</u>	<u>890,954.58</u>	<u>63,273,485.83</u>	<u>23.21</u>		<u>3,249,625</u>	<u>5.21</u>		
				62,217,590.50		62,382,531.25	890,954.58	63,273,485.83	23.21		3,249,625	5.21		
<b>FEDERAL NATIONAL MORTGAGE ASSN. (FNMA)</b>														
Not Classified														
5,000,000	31359m2h5	Fannie Mae 5.150% Due 11-21-07	99.89	4,994,300.00	100.03	5,001,562.50	114,444.44	5,116,006.94	1.86	5.150	257,500	5.15	AAA	AAA
2,000,000	31359mg49	Fannie Mae 5.000% Due 02-27-08	99.84	1,996,760.00	100.09	2,001,875.00	17,777.78	2,019,652.78	0.74	5.000	100,000	5.00	AAA	AAA
2,500,000	3136f5c90	Fannie Mae 5.200% Due 06-02-08	100.00	2,500,000.00	100.34	2,508,593.75	53,805.56	2,562,399.31	0.93	5.200	130,000	5.18	AAA	Aaa
5,000,000	31359m5w9	Fannie Mae 5.550% Due 03-15-10	99.99	4,999,500.00	100.12	5,006,250.00	35,458.33	5,041,708.33	1.86	5.550	277,500	5.54	AAA	AAA
				<u>14,490,560.00</u>		<u>14,518,281.25</u>	<u>221,486.11</u>	<u>14,739,767.36</u>	<u>5.40</u>		<u>765,000</u>	<u>5.27</u>		
				14,490,560.00		14,518,281.25	221,486.11	14,739,767.36	5.40		765,000	5.27		
<b>FEDERAL HOME LOAN MORTGAGE CORP. (FHLMC)</b>														
Not Classified														
6,100,000	3128x53m8	Freddie Mac 5.550% Due 04-16-12	99.75	6,084,595.00	100.43	6,126,291.00	14,106.25	6,140,397.25	2.28	5.550	338,550	5.53	AAA	AAA
				<u>6,084,595.00</u>		<u>6,126,291.00</u>	<u>14,106.25</u>	<u>6,140,397.25</u>	<u>2.28</u>		<u>338,550</u>	<u>5.53</u>		
				6,084,595.00		6,126,291.00	14,106.25	6,140,397.25	2.28		338,550	5.53		
<b>FEDERAL FARM CREDIT BANK - FRMMT</b>														
Not Classified														
4,100,000	31331xn73	Federal Farm Credit Bank 5.500% Due 07-30-10	100.00	4,100,000.00	100.62	4,125,625.00	57,001.39	4,182,626.39	1.53	5.500	225,500	5.47	AAA	AAA
				<u>4,100,000.00</u>		<u>4,125,625.00</u>	<u>57,001.39</u>	<u>4,182,626.39</u>	<u>1.53</u>		<u>225,500</u>	<u>5.47</u>		
				4,100,000.00		4,125,625.00	57,001.39	4,182,626.39	1.53		225,500	5.47		
<b>CORPORATE BONDS</b>														
FINANCIAL														
3,000,000	172967bs9	Citigroup Inc 3.500% Due 02-01-08	98.27	2,948,073.09	99.62	2,988,570.00	26,250.00	3,014,820.00	1.11	3.500	105,000	3.51	AA	AA1
3,000,000	635405al7	National City Corp 5.750% Due 02-01-09	100.99	3,029,730.00	100.66	3,019,860.00	43,125.00	3,062,985.00	1.12	5.750	172,500	5.71	A-	A2
2,000,000	89233pwf9	Toyota Motor Credit Corp 5.125% Due 01-11-11	100.00	2,000,000.00	99.97	1,999,375.00	32,173.61	2,031,548.61	0.74	5.125	102,500	5.13	AAA	AAA
3,000,000	89233pxq4	Toyota Motor Credit Corp 5.250% Due 03-24-11	100.00	3,000,000.00	100.05	3,001,440.00	16,187.50	3,017,627.50	1.12	5.250	157,500	5.25	AAA	AAA

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**PORTFOLIO APPRAISAL**  
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3,000,000	36962gz56	General Electric Capital Corp 5.500% Due 11-15-11	100.00	3,000,000.00	100.21	3,006,450.00	76,083.33	3,082,533.33	1.12	5.500	165,000	5.49	AAA	AAA
				<u>13,977,803.09</u>		<u>14,015,695.00</u>	<u>193,819.44</u>	<u>14,209,514.44</u>	<u>5.21</u>		<u>702,500</u>	<u>5.01</u>		
				13,977,803.09		14,015,695.00	193,819.44	14,209,514.44	5.21		702,500	5.01		
<b>VARIABLE RATE SECURITIES</b>														
Not Classified														
3,000,000	61745etc5	Morgan Stanley 4.314% Due 09-02-08	100.00	3,000,000.00	98.37	2,951,250.00	10,426.66	2,961,676.66	1.10	4.314	129,434	4.39	AA-	AA3
5,000,000	89233ptq9	Toyota Motor Credit Corp 3.636% Due 10-27-08	100.00	5,000,000.00	98.75	4,937,500.00	2,490.74	4,939,990.74	1.84	3.636	181,824	3.68	AAA	AAA
2,000,000	3133xc6f5	Federal Home Loan Bank 5.250% Due 06-30-10	100.00	2,000,000.00	100.70	2,013,960.00	9,041.67	2,023,001.67	0.75	5.250	105,000	5.21	AAA	AAA
				<u>10,000,000.00</u>		<u>9,902,710.00</u>	<u>21,959.07</u>	<u>9,924,669.07</u>	<u>3.68</u>		<u>416,258</u>	<u>4.20</u>		
				10,000,000.00		9,902,710.00	21,959.07	9,924,669.07	3.68		416,258	4.20		
<b>TOTAL PORTFOLIO</b>				<b>267,498,443.44</b>		<b>268,813,010.86</b>	<b>2,657,317.15</b>	<b>271,470,328.02</b>	<b>100.00</b>		<b>13,915,972</b>	<b>5.18</b>		

Total portfolio includes investments from Pools M, N, Q, R, S, T, U & V