

# The Pool Page

September 2008

Wisconsin State Treasurer

Vol. 13, Iss. 9

*A Monthly Newsletter for LGIP Participants*



**The Annual Interest Rate  
for  
September 2008  
2.19%**

**LGIP Bank Holiday**

The State Treasurer's office will be closed for LGIP business on:

October 13	Landing Day
November 11	Veterans' Day
November 27	Thanksgiving

Friends,

In the current economic environment, it is reassuring to know that the primary investment objective of the LGIP is to provide a safe investment for local governments. Please see page 2 of this newsletter for September's portfolio analysis, and feel free to call our LGIP fund managers, listed below, if you have further questions about your LGIP deposits.

Sincerely,

*Dawn Marie Sass*

**STATE INVESTMENT FUND (SIF)**

Monthly Summary of Earnings

	<b>\$ Amount</b>	<b>% of Average Balance</b>
Average Daily Balance of SIF	\$ 6,070,051,082	
Gross Earnings on SIF	11,132,137	2.24%
Less: Custodial Bank Charge	(10,567)	(0.00)
Investment Board Expense	(152,183)	(0.03)
<b>Net Monthly Earnings on SIF</b>	<b>\$ 10,969,387</b>	<b>2.21%</b>

**LOCAL GOVERNMENT INVESTMENT POOL (LGIP)**

Monthly Summary of Earnings

Average Daily Balance of LGIP	\$ 3,592,856,842	
Gross Earnings on LGIP	6,498,903	2.21%
Less: DOA Accounting Charges	(6,385)	(0.00)
Banking Costs	(1,035)	(0.00)
State Treasurer Expense	(10,697)	(0.01)
Insurance	(31,083)	(0.01)
<b>Net Monthly Earnings on LGIP</b>	<b>\$ 6,449,703</b>	<b>2.19%</b>

**Telephone Directory**

**State Treasurer**  
Dawn Marie Sass .....(608) 266-1714  
**Deputy Treasurer**  
John Lease .....(608) 266-7982  
**LGIP Program**.....(608) 266-1716  
Toll Free Number 877-WIS-POOL  
**LGIP Administrator** 877- 947-7665  
Michael Halton .....(608) 266-3711  
FAX Number.....(608) 266-2647  
**LGIP Fund Manager-Investment Bd.**  
Laurel Butler/Andrea Lenton(608) 266-2045  
**Internet Address** www.ost.state.wi.us

**STATE INVESTMENT FUND MONTHLY PORTFOLIO ANALYSIS**

As of September 30, 2008

	<b>Amortized Cost \$(000)</b>	<b>% of Portfolio</b>	<b>Acquisition Yield %</b>
Cash	0	0.0	0.00%
U.S. Governments:			
Bills	0	0.0	0.00%
Notes and bonds	0	0.0	0.00%
Agencies	4,276,664	67.5	2.30%
Open Repurchase Agreements	1,328,000	21.0	0.68%
Term Repurchase Agreements	0	0.0	0.00%
Asset-Backed Securities	0	0.0	0.00%
Mortgaged-Backed Securities	142	0.0	4.70%
Yankee/Euro Holdings	0	0.0	0.00%
Certificates of Deposit and Bankers Acceptance	550,000	8.7	3.10%
Commercial Paper and Corporate Notes	176,346	2.8	2.40%
<b>Total</b>	<b>\$ 6,331,152</b>	<b>100.0 %</b>	<b>2.03%</b>

**SUMMARY OF INVESTMENT FUND PARTICIPANTS**

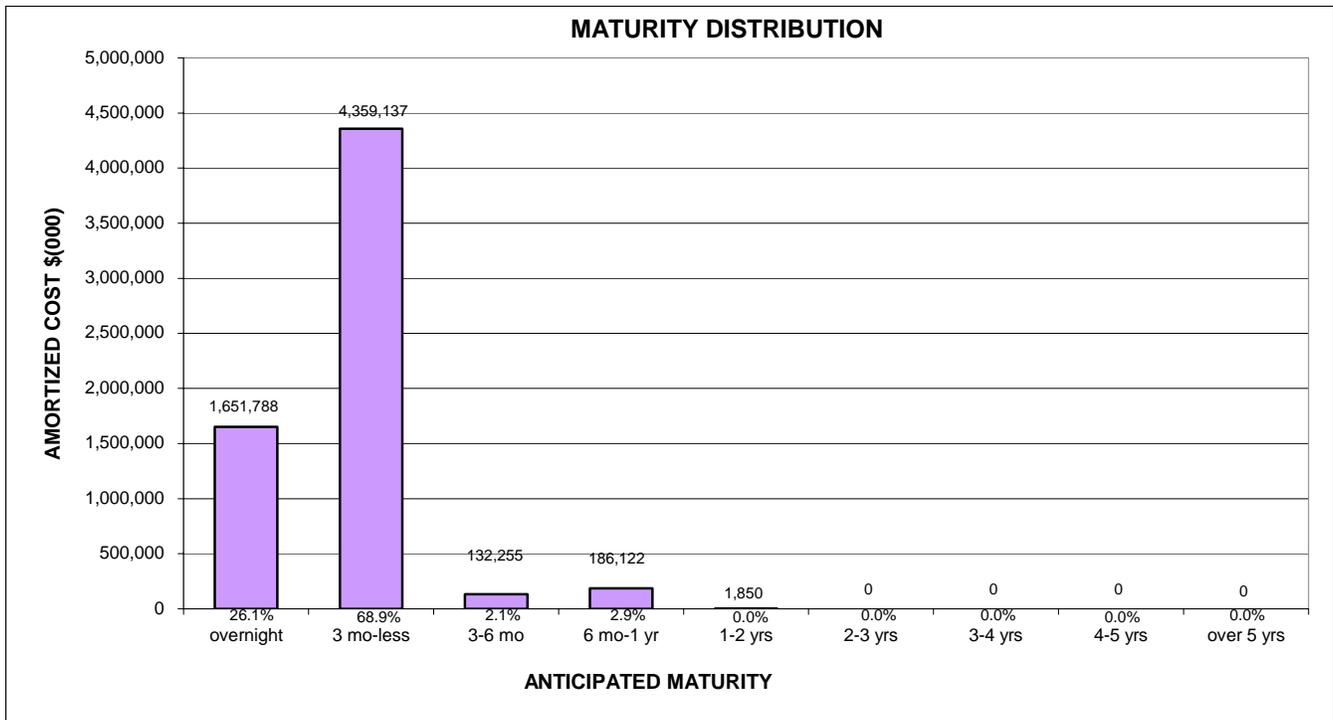
	<b>Par Amount \$(000)</b>	<b>% of Portfolio</b>
Local Government Investment Pool	3,397,411	55.0%
State of Wisconsin and Agencies	2,575,094	41.7%
State of Wisconsin Investment Board	201,725	3.3%
	<b>\$ 6,174,230</b>	<b>100%</b>

**Note:** The difference between the total of participant's unit shares (\$6,174,230) and the total of the investments (\$6,331,152) is the result of check float (checks written and posted at DOA-finance that have not yet cleared the bank) and a timing delay in posting bank receipts at DOA-Finance which have already been invested by SWIB.

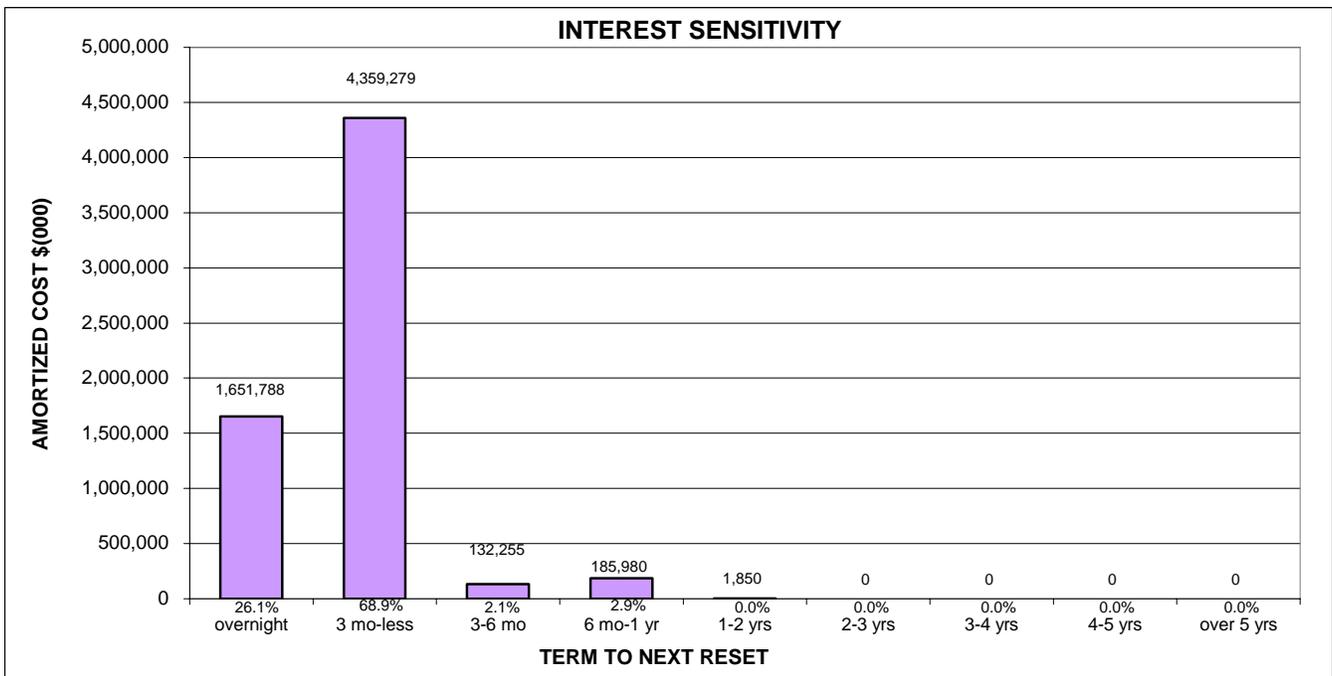
**AVERAGE MATURITY**

<b>For Month Ended</b>	<b>Avg. Days Maturity</b>	<b>For Month Ended</b>	<b>Avg. Days Maturity</b>
9/30/2008	38	5/31/2008	41
8/31/2008	38	4/30/2008	32
7/31/2008	39	3/31/2008	36
6/30/2008	51	2/29/2008	40

**Note:** The Average Maturity is calculated to the next interest reset date for all floating rate securities in the portfolio. The calculation also uses the 'average life' maturity date for all asset-backed and mortgage-backed securities in the portfolio. The maturity date used for all linked and hedged securities is based on the characteristics of the resulting security package, not the underlying securities within the package.



Note: The Maturity Distribution Report classifies securities in the portfolio by their anticipated maturity.



Note: The Interest Sensitivity Report classifies securities in the portfolio by their next interest reset date. For floating rate securities, interest rate sensitivity is classified based on the interest rate reset date. The maturity date used for all linked and hedged securities is based on the characteristics of the resulting security package, not the underlying securities within the package.

**LOCAL GOVERNMENT INVESTMENT POOL (LGIP)***Monthly Summary of Earnings*

		<u>LGIP</u> <u>Net Annual Rate</u>	<u>90 Day</u> <u>Treasury Bill</u>	<u>Repurchase</u> <u>Agreements</u>	<u>iMoneyNet</u> <u>Government MMFD</u>	<u>iMoneyNet</u> <u>All Taxable MMFD</u>
<b><u>2005</u></b>	Jul	3.15	3.27	2.49	2.43	2.68
	Aug	3.40	3.51	2.74	2.62	2.86
	Sep	3.53	3.48	2.86	2.78	3.03
	Oct	3.68	3.76	3.02	2.94	3.19
	Nov	3.93	3.96	3.28	3.16	3.40
	Dec	4.06	3.98	3.41	3.34	3.59
<b><u>2006</u></b>	Jan	4.16	4.32	3.51	3.45	3.72
	Feb	4.42	4.54	3.77	3.66	3.91
	Mar	4.50	4.62	3.85	3.77	4.02
	Apr	4.67	4.71	4.02	3.95	4.19
	May	4.82	4.83	4.15	4.08	4.34
	Jun	4.91	4.91	4.25	4.20	4.46
	Jul	5.13	5.07	4.48	4.38	4.65
	Aug	5.21	5.09	4.54	4.45	4.72
	Sep	5.22	4.93	4.54	4.47	4.72
	Oct	5.24	5.04	4.56	4.46	4.72
	Nov	5.25	5.07	4.58	4.50	4.73
	Dec	5.25	4.97	4.57	4.50	4.74
<b><u>2007</u></b>	Jan	5.23	5.10	4.57	4.48	4.73
	Feb	5.23	5.16	4.58	4.49	4.74
	Mar	5.25	5.07	4.60	4.51	4.76
	Apr	5.23	4.99	4.56	4.49	4.74
	May	5.19	4.85	4.50	4.45	4.72
	Jun	5.19	4.74	4.41	4.43	4.71
	Jul	5.21	4.95	4.37	4.43	4.71
	Aug	5.08	4.33	4.02	4.29	4.65
	Sep	5.05	4.00	4.12	4.12	4.63
	Oct	4.85	3.99	3.97	3.97	4.46
	Nov	4.45	3.27	3.46	3.65	4.20
	Dec	4.28	3.00	3.09	3.45	4.06
<b><u>2008</u></b>	Jan	4.07	2.78	2.73	3.12	3.75
	Feb	3.55	2.13	1.95	2.46	3.01
	Mar	3.12	1.24	1.20	1.89	2.48
	Apr	2.73	1.29	1.15	1.53	2.11
	May	2.27	1.73	1.21	1.38	1.94
	Jun	2.23	1.84	1.23	1.55	1.87
	Jul	2.23	1.63	1.14	1.38	1.86
	Aug	2.27	1.72	1.14	1.38	1.86
	Sep	2.19	1.13	0.77	1.29	1.82

e=estimate