

Penrith City Council  
**Summary of Investments**  
**December 2017**

**Historical Investment Performance**

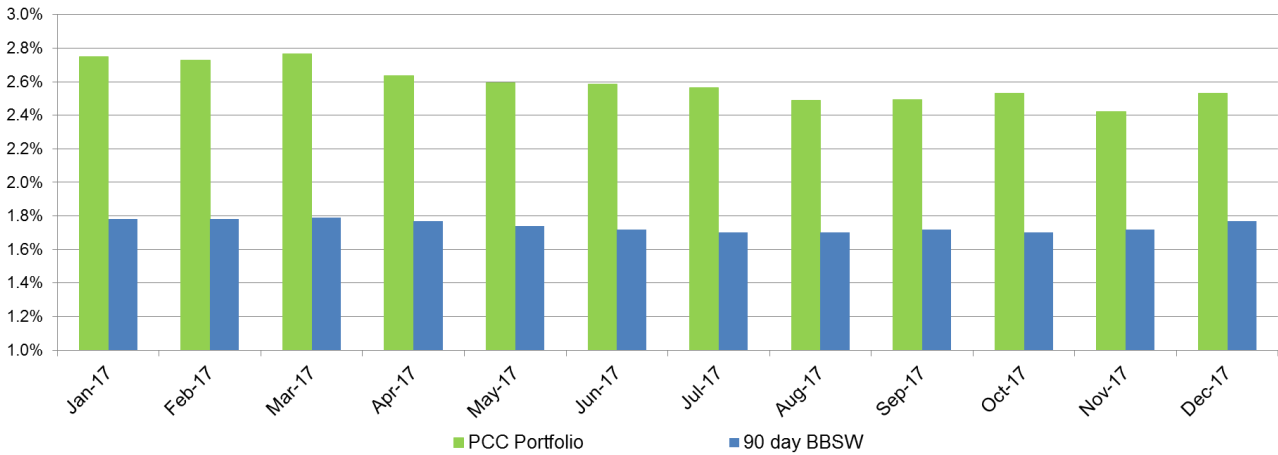
*Table 1*

	<b>Actual Portfolio</b>	<b>Benchmark (BBSW)</b>
Current portfolio yield (including FRNs)	2.53%	1.77%
Past 12 month portfolio performance	2.59%	1.74%
Portfolio return for the period	0.21%	0.15%

**Portfolio Yield (Actual Versus Benchmark)**

The weighted average income return on investments for the 12 months to December 2017. This graph tracks performance over time and shows that yield has remained between 2.42% and 2.76% for the past year, well above the BBSW over the same period.

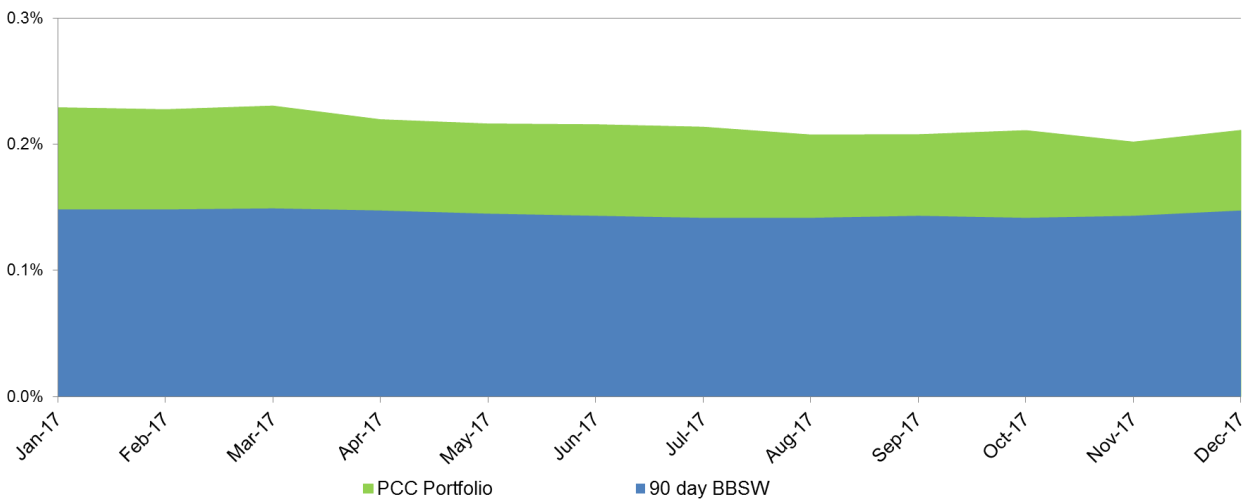
*Graph 1*



**Portfolio return for the Period (Actual Versus Benchmark)**

The return for the period shows the current month's yield, together with the historic monthly yield for comparison purposes. The BBSW has increased to 1.77% in December.

*Graph 1.1*



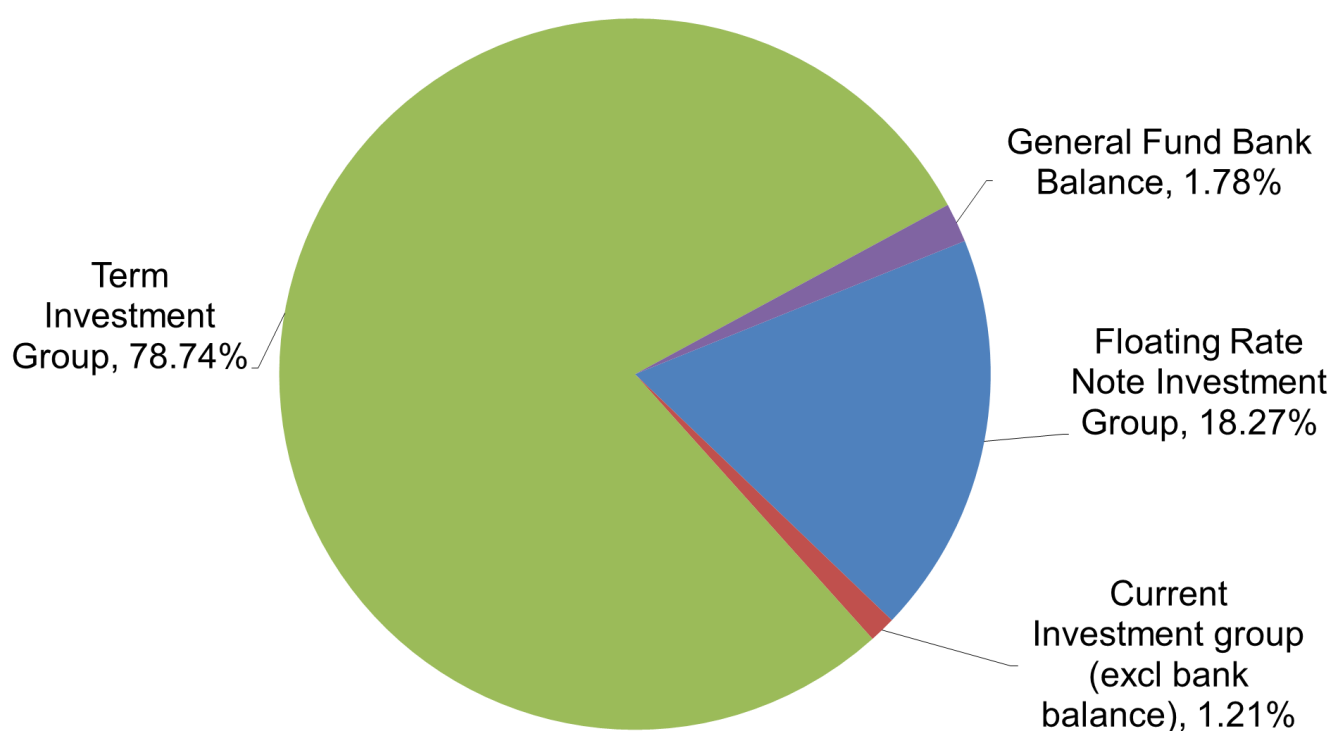
## Investment Summary by Asset Group and monthly movement

Table 1.1

Asset Group	Closing Value (Face Value) 30 November 2017	Closing Value (Face Value) 31 December 2017
Floating Rate Notes	\$29,759,791	\$27,259,791
Current cash on call group (excl bank balance)	\$18,500,000	\$1,800,000
Term Deposit Group	\$103,000,000	\$117,500,000
	<b>\$151,259,791</b>	<b>\$146,559,791</b>
General Fund Bank Balance	\$3,866,999	\$2,659,349
<b>Total</b>	<b>\$155,126,790</b>	<b>\$149,219,140</b>

### DECEMBER 2017 INVESTMENTS % ALLOCATION BY ASSET GROUP

Graph 1.2



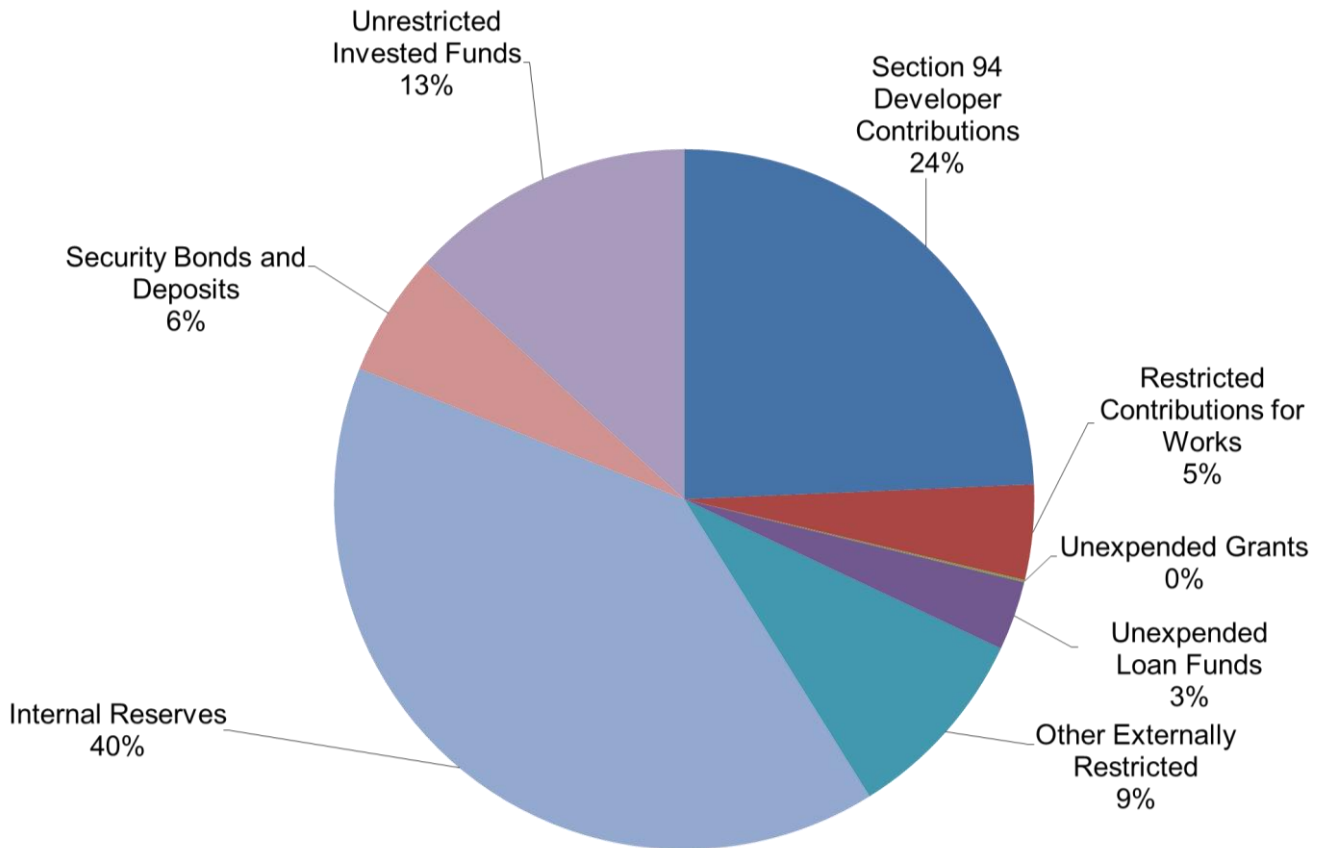
Reconciliation of Invested Funds and monthly movement

Table 1.2

	Period ending 30 November 2017 \$	Period ending 31 December 2017 \$
Represented by:		
<b>Externally restricted Assets</b>		
Section 94 Developer Contributions	35,366,157	36,285,448
Restricted Contributions for Works	6,036,795	6,557,044
Unexpended Grants	776,754	138,616
Unexpended Loan Funds	5,347,726	4,784,035
Other Externally Restricted	13,385,154	13,595,795
<b>Total</b>	<b>60,912,586</b>	<b>61,360,938</b>
<b>Internally Restricted Assets for Funding of Operations</b>		
Sinking Funds	-	-
Internal Reserves	59,748,519	59,632,127
Security Bonds and Deposits	8,106,543	8,536,771
<b>Total</b>	<b>67,855,062</b>	<b>68,168,898</b>
<b>Restricted Assets Utilised in Operations</b>		
Unrestricted Invested Funds	26,359,142	19,689,304
<b>Total Invested Funds</b>	<b>155,126,790</b>	<b>149,219,140</b>

DECEMBER 2017 INVESTMENTS % ALLOCATION BY CASH RESERVE TYPE

Graph 1.3



*Penrith City Council*  
**Investment Summary**  
 (Graphed to reflect fund ratings as % of portfolio)

Table 1.3

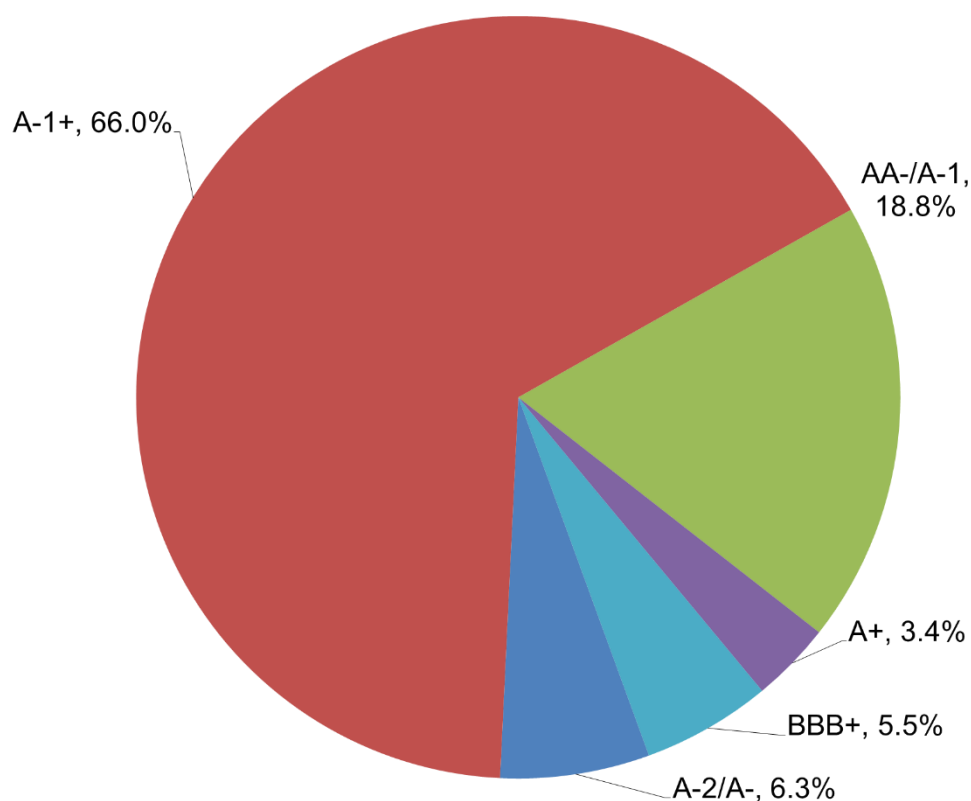
Credit Exposure	Bank/Financial Institution	Utilised \$	% Portfolio	% Policy Maximum
A-1+	CBA, NAB, BankWest, Westpac, TCorp	96,800,000	66.05%	100% (25% per institution)
A-1	Macquarie Bank, Suncorp Bank	13,000,000	8.87%	100% (20% per institution)
A-2	Bendigo & Adelaide Bank	7,000,000	4.78%	100% (20% per institution)
<b>Long Term</b>				
A-	Floating Rate Note (Barclays Capital)	1,259,791	0.86%	100% (20% per institution)
AA-	Deposit Plus Flexible Security (CBA)	5,000,000	3.41%	100% (25% per institution)
AA-	Fixed rate note (Westpac)	2,500,000	1.71%	100% (25% per institution)
A-	Floating Rate Note (Barclays Capital)	1,000,000	0.68%	100% (20% per institution)
AA-	Floating Rate Note (CBA)	5,000,000	3.41%	100% (25% per institution)
AA-	Floating Rate Note (ANZ)	1,000,000	0.68%	100% (25% per institution)
AA-	Floating Rate Bonds (NAB)	1,000,000	0.68%	100% (25% per institution)
A+	Floating Rate Note (Suncorp Metway)	5,000,000	3.41%	100% (20% per institution)
BBB+	Floating Rate Note (Bank of Queensland) *	4,500,000	3.07%	100% (20% per institution)
BBB+	Floating Rate Note (Bendigo & Adelaide Bank) *	3,500,000	2.39%	100% (20% per institution)
<b>Total Portfolio</b>		<b>146,559,791</b>	<b>100%</b>	

\*Downgraded to BBB+ Long term after investments placed

**DECEMBER 2017 INVESTMENTS % ALLOCATION BY S&P FUND RATING**

Graph 1.4

Reflects S & P fund ratings as % of the portfolio to show compliance with Council's Investment Policy objectives of minimising risk.



Penrith City Council  
**Diversification of Portfolio**  
*(graphed to reflect fund ratings as % of portfolio)*

Table 1.4

Dealing Bank	Short Term	Long Term	Investment
BankWest	A-1+	AA-	29,500,000
Barclays Bank	A-1	A+	2,259,791
Bendigo & Adelaide Bank *	A-2	BBB+	10,500,000
National Australia Bank	A-1+	AA-	27,000,000
ANZ	A-1+	AA-	1,000,000
NSW TCorp	A-1+	AAA	1,000,000
Westpac Banking Corporation	A-1+	AA-	34,500,000
Commonwealth Bank of Australia	A-1+	AA-	18,300,000
Macquarie Bank	A-1	A	1,000,000
Bank of Queensland *	A-2	BBB+	4,500,000
Suncorp Metway	A-1	A+	17,000,000
<b>Total Investment</b>			<b>146,559,791</b>

\*Downgraded to BBB+ Long term after investments placed

**DECEMBER 2017 INVESTMENTS % ALLOCATION BY S&P FINANCIAL INSTITUTIONS**

Graph 1.5

Graphed to reflect the spread of investments amongst various Financial Institutions to show portfolio diversification in accordance with Council's Policy of risk aversion.

