



**THE STATE BAR
OF CALIFORNIA**

FINANCE

180 HOWARD STREET, SAN FRANCISCO, CALIFORNIA 94105-1639

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MEMORANDUM

DATE: April 18, 2007
TO: Board of Governors
FROM: Peggy Van Horn, Chief Financial Officer
SUBJECT: Quarterly Investment Report as of March 31, 2007

Attached is the quarterly investment report for the State Bar of California as of March 31, 2007. The report is presented in a format that conforms to the investment policy adopted by the Board of Governors in May 2005. As of the end of March, the market value of the State Bar's investment portfolio totaled \$95 million.

The time-weighted average rate of return of the investment portfolio as of the end of the first quarter is 4.48%. Actual investment earnings received through the end of the first quarter were \$670,737.

**State Bar of California
Investment Report Summary
March 31, 2007**

<u>Asset Group</u>	<u>Original Cost</u>	<u>Market Value</u>	<u>Portfolio Percentage</u>	<u>Weighted Average Yield</u>
Wells Fargo Custody Account:				
- Money Market	3,535,874	3,535,874	3.72%	4.40%
- Commercial Paper	5,863,167	5,863,167	6.17%	N.A.
- Corporate Bonds	20,068,467	20,033,687	21.08%	4.17%
- Government Bonds	21,995,625	21,721,270	22.85%	4.18%
- Interest Receivable	-	587,141	0.62%	
Subtotal-Securities, Bonds and Notes	51,463,133	51,741,139	54.44%	
Metlife Investment Account	174,340	174,340	0.18%	N.A.
BOA Post-Retirement Account	3,095,145	3,095,145	3.26%	3.40%
Local Agency Investment Fund	40,035,041	40,035,041	42.12%	5.17%
Subtotal-Other Investments	43,304,526	43,304,526	45.56%	
Grand Total	94,767,659	95,045,665	100%	4.48%

Unrealized Gain/(Loss):

Market Value of Portfolio	94,458,524
Original Cost of Portfolio	94,767,659
Unrealized Gain/(Loss)	(309,135)

State Bar of California
Investment Report - Wells Fargo Custody Account
Balance as of March 31, 2007

Issuer	Rating	Type	Par Value	Cost	Mkt Value	Interest Receivable	Unrealized Gain/(Loss)	Yield	Purchase Date	Maturity Date
BANK ONE CORP	AA3	Corporate Bonds	2,000,000	2,005,530	1,989,260	6,875	(16,270)	4.14%	08/29/02	09/01/07
AMERICAN EXPRESS CO	A+	Corporate Bonds	1,500,000	1,482,840	1,485,645	20,469	2,805	3.78%	02/01/07	11/20/07
MASSMUTUAL GLOBAL FDG II	AAA	Private Placements	2,000,000	1,986,480	1,991,660	19,139	5,180	3.26%	02/08/07	11/20/07
BERKSHIRE HATHAWAY FIN CORP	AAA	Corporate Bonds	1,100,000	1,091,937	1,095,072	9,246	3,135	3.41%	01/30/07	07/02/07
FLEETBOSTON FINL CORP MED TERM NOTE	AA	Corporate Bonds	2,000,000	1,984,600	1,986,140	28,233	1,540	4.22%	02/08/07	11/10/07
CITIGROUP INC	AA-	Corporate Bonds	1,000,000	1,046,150	1,046,180	13,181	30	6.21%	01/25/07	01/18/11
JP MORGAN CHASE & CO	AA3	Corporate Bonds	3,000,000	3,038,340	2,999,010	52,938	(39,330)	5.25%	05/30/02	05/30/07
US BANK N.A. MED TERM NOTE	AA-	Corporate Bonds	1,500,000	1,489,170	1,491,210	9,250	2,040	3.72%	01/30/07	08/01/07
WELLS FARGO & CO	AA-	Corporate Bonds	3,000,000	2,970,180	2,973,510	51,875	3,330	3.78%	01/30/07	10/15/07
AMERICAN INTL GROUP INC	AA	Corporate Bonds	1,000,000	970,300	975,030	10,861	4,730	2.94%	01/25/07	05/15/08
JOHN HANCOCK	AA	Corporate Bonds	1,000,000	1,006,440	1,006,100	18,750	(340)	5.59%	01/25/07	12/01/08
GENERAL ELEC CAP CORP MED TERM NOTE	AAA	Corporate Bonds	1,000,000	996,500	994,870	7,188	(1,630)	3.46%	07/16/04	07/16/07
TOTAL CORPORATE BONDS AND NOTES:			20,100,000	20,068,467	20,033,687	248,004	(34,780)	4.17%		
GENERAL ELEC CAPT CORP CPDN		Comm Paper	2,000,000	1,941,016	1,941,016	18,344	0	N.A.	01/25/07	08/23/07
SOCIETE GEN NO AMER CPDN		Comm Paper	2,000,000	1,958,917	1,958,917	18,417	0	N.A.	01/25/07	06/20/07
SUMITOMO CORP AMER CPDN		Comm Paper	2,000,000	1,963,235	1,963,235	18,525	0	N.A.	01/25/07	06/04/07
TOTAL COMMERCIAL PAPER:			6,000,000	5,863,167	5,863,167	55,286	-	N.A.		
FED FARM CREDIT BK	AAA	Government Agency	2,000,000	1,996,250	1,967,500	24,325	(28,750)	4.23%	12/16/04	06/16/09
FED HOME LN BK	AAA	Government Agency	2,000,000	2,000,000	1,994,380	19,111	(5,620)	5.39%	01/27/06	01/27/11
FED HOME LN BK	AAA	Government Agency	2,000,000	1,999,375	1,975,000	13,931	(24,375)	4.30%	02/02/05	02/02/09
FED HOME LN BK	AAA	Government Agency	1,000,000	1,000,000	991,250	14,792	(8,750)	3.78%	02/09/05	11/09/07
FED HOME LN BK	AAA	Government Agency	2,000,000	2,000,000	1,998,760	47,972	(1,240)	5.50%	04/24/06	04/24/09
FED HOME LN BK	AAA	Government Agency	1,000,000	1,000,000	994,380	21,111	(5,620)	5.02%	04/29/05	04/29/10
FED HOME LN BK	AAA	Government Agency	2,000,000	2,000,000	1,973,120	34,878	(26,880)	4.35%	05/05/04	05/05/09
FED HOME LN BK	AAA	Government Agency	2,000,000	2,000,000	1,952,500	14,833	(47,500)	3.07%	07/02/03	07/02/08
FED HOME LN BK	AAA	Government Agency	2,000,000	2,000,000	1,953,760	12,056	(46,240)	3.17%	07/21/03	07/21/08
FED HOME LN BK	AAA	Government Agency	2,000,000	2,000,000	1,958,120	11,251	(41,880)	3.39%	07/30/03	07/30/08
FED NATL MTG ASSN	AAA	Government Agency	2,000,000	2,000,000	1,978,120	13,063	(21,880)	4.17%	02/04/05	08/04/08
FED NATL MTG ASSN SER 1	AAA	Government Agency	2,000,000	2,000,000	1,984,380	25,333	(15,620)	4.03%	03/07/05	12/07/07
TOTAL GOVERNMENT BONDS AND NOTES:			22,000,000	21,995,625	21,721,270	252,655	(274,355)	4.18%		
WELLS FARGO BANK INST.		Money Market	1,544,354	1,544,354	1,544,354	6,686	-	5.08%		
HSBC BANK USA		CDSs & Saving	2,000,000	1,991,520	1,991,520	24,510	-	3.88%		
TOTAL CD/SAVINGS/MONEY MARKET:			3,544,354	3,535,874	3,535,874	31,196	-	4.40%		
TOTAL INVESTMENT HELD BY WELLS FARGO			51,644,354	51,463,133	51,153,998	587,141	(309,135)			