



# THE STATE BAR OF CALIFORNIA

FINANCE

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## MEMORANDUM

**DATE:** November 2, 2009  
**TO:** Board of Governors  
**FROM:** Peggy Van Horn, Chief Financial Officer  
**SUBJECT:** Quarterly Investment Report as of June 30, 2009

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Attached is the quarterly investment report for the State Bar of California as of June 30, 2009. 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 June, the market value of the State Bar's investment portfolio totaled \$102.7 million.

The time-weighted average rate of return of the investment portfolio as of the end of the second quarter is 1.60%. Actual investment earnings received through the end of the second quarter were \$776,716.

**State Bar of California  
Investment Report Summary  
June 30, 2009**

<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	6,125,309	6,125,309	5.96%	0.21%
- Corporate Bonds	1,046,150	1,015,460	0.99%	5.20%
- Government Bonds	56,635,255	56,357,536	54.88%	1.74%
- Interest Receivable	-	486,259	0.47%	
<b>Subtotal-Securities, Bonds and Notes</b>	<b>63,806,714</b>	<b>63,984,563</b>	<b>62.31%</b>	
Metlife Investment Account	88,109	88,109	0.09%	N.A
Local Agency Investment Fund	38,570,793	38,620,923	37.61%	1.71%
<b>Subtotal-Other Investments</b>	<b>38,658,902</b>	<b>38,709,032</b>	<b>37.69%</b>	
<b>Grand Total</b>	<b>102,465,616</b>	<b>102,693,595</b>	<b>100%</b>	1.67%

**Unrealized Gain/(Loss):**

Market Value of Portfolio	102,207,337
Original Cost of Portfolio	102,465,616
Unrealized Gain/(Loss)	<u>(258,280)</u>

**State Bar of California**  
**Investment Report - Wells Fargo Custody Account**  
**Balance as of June 30, 2009**

<u>Issuer</u>	<u>CUSIP #</u>	<u>S&amp;P Rating</u>	<u>Type</u>	<u>Par Value</u>	<u>Cost</u>	<u>Mkt Value</u>	<u>Interest Receivable</u>	<u>Unrealized Gain/(Loss)</u>	<u>*Yield</u>	<u>Trade/ Purchase Date</u>	<u>Maturity Date</u>
CITIGROUP INC		AA	Corporate Bonds	1,000,000	1,046,150	1,015,460	29,431	(30,690)	5.20%	01/25/07	01/18/11
<b>TL CORP BONDS AND NOTES:</b>				<b>1,000,000</b>	<b>1,046,150</b>	<b>1,015,460</b>	<b>29,431</b>	<b>(30,690)</b>	<b>5.20%</b>		
FED HOME LN BK	3133XGEQ3	AAA	Government Agency	3,000,000	3,123,630	3,014,070	63,875	(109,560)	2.44%	02/04/08	08/05/09
FED HOME LN BK	3133XPUV4	AAA	Government Agency	1,250,000	1,265,125	1,255,075	12,271	(10,050)	0.55%	02/13/09	08/27/09
FED HOME LN BK	3133XGJ88	AAA	Government Agency	3,000,000	3,128,430	3,028,140	48,125	(100,290)	2.52%	02/01/08	09/11/09
FED HOME LN BK CONS BD SER 8109	3133MUGP4	AAA	Government Agency	2,500,000	2,557,550	2,536,725	13,576	(20,825)	2.69%	05/07/08	11/13/09
FED HOME LN BK CONS BD SER 8109	3133MUGP4	AAA	Government Agency	2,000,000	2,057,060	2,029,380	10,861	(27,680)	0.58%	01/30/09	11/13/09
FED HOME LN BK SER 7109	3133MTRK6	AAA	Government Agency	3,000,000	3,032,460	3,041,250	15,333	8,790	3.19%	06/26/08	11/13/09
FED HOME LN MTG CORP	3128X7ST2	AAA	Government Agency	2,000,000	2,029,000	2,017,980	6,700	(11,020)	0.55%	03/09/09	11/16/09
FED FARM CREDIT BK	31331YMD9	AAA	Government Agency	2,000,000	2,013,460	2,032,500	32,583	19,040	3.10%	01/11/08	01/11/10
FED FARM CREDIT BK	31331YSR2	AAA	Government Agency	3,000,000	3,009,000	3,039,390	31,281	30,390	2.47%	02/08/08	02/08/10
FED HOME LN MTG CORP	3128X3AA1	AAA	Government Agency	2,000,000	2,037,660	2,055,520	17,646	17,860	3.02%	07/08/08	04/14/10
FED FARM CREDIT BK	31331VZC3	AAA	Government Agency	1,000,000	1,053,920	1,041,250	7,389	(12,670)	1.05%	01/30/09	05/11/10
FED HOME LN BK	3133XR2Y5	AAA	Government Agency	1,500,000	1,540,845	1,535,160	2,500	(5,685)	1.02%	01/20/09	06/11/10
FED HOME LN BK	3133XFLE4	AAA	Government Agency	2,000,000	2,110,280	2,089,380	5,833	(20,900)	1.13%	02/03/09	06/11/10
FED NATL MTG ASSN	3136F7BE6	AAA	Government Agency	3,000,000	3,118,230	3,109,680	3,646	(8,550)	2.66%	02/01/08	06/21/10
FED HOME LN BK	3133XSYB8	AAA	Government Agency	2,000,000	1,999,440	1,996,260	62	(3,180)	1.14%	02/05/09	06/30/10
FED HOME MTG CORP M-T NOTE	3128X4DQ1	AAA	Government Agency	1,541,000	1,612,425	1,600,976	33,709	(11,450)	1.19%	02/05/09	07/06/10
FED HOME LN BK	3133XT6D3	AAA	Government Agency	2,000,000	2,003,940	2,018,760	9,172	14,820	1.16%	02/25/09	07/30/10
FED HOME MTG CORP M-T NOTE	3128X4FK2	AAA	Government Agency	1,000,000	1,051,560	1,044,580	18,736	(6,980)	1.16%	02/25/09	08/09/10
FED HOME LN BK	3133XTTQ9	AAA	Government Agency	2,000,000	1,999,500	2,001,260	894	1,760	0.72%	06/12/09	09/08/10
FED FARM CREDIT BK	31331GPQ6	AAA	Government Agency	2,000,000	2,000,580	2,013,120	7,778	12,540	1.23%	03/09/09	09/09/10
FED HOME LN BK	3133XGLE2	AAA	Government Agency	2,000,000	2,119,400	2,111,880	31,604	(7,520)	1.34%	02/03/09	09/10/10
FED FARM CREDIT BK	31331XE40	AAA	Government Agency	3,000,000	3,192,690	3,157,500	47,250	(35,190)	1.25%	01/26/09	09/13/10
FED HOME LN MTG CORP	3128X4QK0	AAA	Government Agency	1,500,000	1,593,390	1,578,630	15,208	(14,760)	1.33%	01/27/09	10/18/10
FED HOME LN BK**	3133XSWB0	AAA	Government Agency	2,000,000	2,000,000	2,009,380	11,688	9,380	1.38%	01/16/09	01/28/11
FED HOME LN BK	3133XTJ64	AAA	Government Agency	2,000,000	1,998,640	2,006,260	5,729	7,620	1.41%	06/12/09	05/16/11
FED FARM CREDIT BK	31331GXR5	AAA	Government Agency	3,000,000	2,987,040	2,993,430	2,204	6,390	1.37%	06/09/09	06/08/11
<b>TOTAL GOVERNMENT BONDS AND NOTES:</b>				<b>55,291,000</b>	<b>56,635,255</b>	<b>56,357,536</b>	<b>455,655</b>	<b>(277,720)</b>	<b>1.74%</b>		
WELLS FARGO BANK INST.			Money Market	6,125,309	6,125,309	6,125,309	1,173	-	0.21%		
<b>TOTAL MONEY MARKET PURCHASED</b>				<b>6,125,309</b>	<b>6,125,309</b>	<b>6,125,309</b>	<b>1,173</b>	<b>-</b>	<b>0.21%</b>		
<b>TOTAL INVESTMENT HELD BY WELLS FARGO</b>				<b>62,416,309</b>	<b>63,806,714</b>	<b>63,498,305</b>	<b>486,259</b>	<b>(308,410)</b>			
<b>Wells Fargo Custody Total Assets (Mkt Value + Interest Receivable):</b>				<b>63,984,563</b>							