



# THE STATE BAR OF CALIFORNIA

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180 HOWARD STREET, SAN FRANCISCO, CALIFORNIA 94105-1639

TEL (415) 538-2200

## MEMORANDUM

**DATE:** July 15, 2011  
**TO:** Board of Governors  
**FROM:** Christine Wong, Finance Director  
**SUBJECT:** Quarterly Investment Report as of June 30, 2011

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Attached is the quarterly investment report for the State Bar of California as of June 30, 2011. 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 \$102.9 million.

The time-weighted average rate of return of the investment portfolio for the reported quarter is 0.41%, compared to 0.69% for the same period in the prior year. Actual investment earnings decreased approximately 49% to \$233,037 for the second quarter in 2011 compared to \$458,694 for the same quarter in 2010. This decrease is due primarily to lower short-term interest rates and duration-shortening actions taken to protect the portfolio from interest rate risk associated with longer term investments.

**The State Bar of California  
Investment Report Summary  
June 30, 2011**

<b>Asset Group</b>	<b>Original Cost</b>	<b>Market Value</b>	<b>Portfolio Percentage</b>	<b>Weighted Average Yield</b>
Wells Fargo Custody Account:				
- Government Bonds	53,047,215	53,039,505	51.55%	0.32%
- Common Stock-Metlife Inc.	128,802	128,802	0.13%	N.A
- Interest Receivable	-	64,327	0.06%	N.A
<b>Subtotal-Securities, Bonds and Notes</b>	<b>53,176,017</b>	<b>53,232,634</b>	<b>51.74%</b>	
Local Agency Investment Fund	49,528,705	49,651,576	48.26%	0.50%
<b>Subtotal-Other Investments</b>	<b>49,528,705</b>	<b>49,651,576</b>	<b>48.26%</b>	
<b>Grand Total</b>	<b>102,704,723</b>	<b>102,884,210</b>	<b>100%</b>	0.41%

**Unrealized Gain/(Loss)-Securities, Bonds and Notes:**

Market Value of Portfolio	53,168,307
Original Cost of Portfolio	<u>53,176,017</u>
Unrealized Gain/(Loss):	<u><u>-7,710</u></u>

**State Bar of California**  
**Investment Report - Wells Fargo Custody Account**  
**Balance as of June 30, 2011**

Issuer	CUSIP #	S & P Rating	Type	Par Value	Cost	Market Value	Interest Receivable	Unrealized Gain/(Loss)	*Yield	Trade Purchase Date	Maturity Date
FEDERAL FARM CREDIT BANK	31331JFT5	AAA	Government Agency	3,000,000	3,008,130	3,002,910	6,800	-5,220	0.45%	06/23/10	09/01/11
FEDERAL HOME LOAN BANK	3133XYMV4	AAA	Government Agency	2,500,000	2,506,900	2,507,250	1,667	350	0.61%	06/11/10	12/01/11
FEDERAL HOME LOAN BANK	313371WV4	AAA	Government Agency	2,000,000	2,000,180	2,001,640	500	1,460	0.29%	12/21/10	12/01/11
FEDERAL HOME LOAN BANK	313371XH4	AAA	Government Agency	2,000,000	2,001,400	2,001,760	444	360	0.24%	01/19/11	12/06/11
FEDERAL HOME LOAN BANK	313372AQ7	AAA	Government Agency	3,000,000	3,002,400	3,002,760	5,458	360	0.29%	12/29/10	01/04/12
FEDERAL HOME LOAN BANK	313370BJ6	AAA	Government Agency	2,000,000	2,007,940	2,004,280	5,453	-3,660	0.27%	01/12/11	01/30/12
FEDERAL FARM CREDIT BANK	31331KBE9	AAA	Government Agency	2,500,000	2,501,225	2,500,275	3,125	-950	0.25%	01/25/11	02/01/12
FEDERAL FARM CREDIT BANK	31331KBE9	AAA	Government Agency	3,000,000	3,002,670	3,000,330	3,750	-2,340	0.20%	03/08/11	02/01/12
FEDERAL HOME LOAN BANK	313372K94	AAA	Government Agency	3,000,000	3,002,340	3,000,690	4,000	-1,650	0.24%	02/07/11	02/01/12
FEDERAL HOME LOAN BANK	313372NL4	AAA	Government Agency	2,000,000	2,000,000	1,999,600	1,986	-400	0.25%	02/08/11	02/08/12
FEDERAL FARM CREDIT BANK	31331KDJ6	AAA	Government Agency	3,000,000	3,001,080	2,999,790	2,800	-1,290	0.24%	03/30/11	03/01/12
FEDERAL FARM CREDIT BANK	31331KDM9	AAA	Government Agency	3,000,000	3,001,110	2,999,730	2,613	-1,380	0.24%	03/29/11	03/09/12
FEDERAL HOME LOAN BANK	313372V76	AAA	Government Agency	3,000,000	3,000,900	2,999,670	2,473	-1,230	0.25%	03/08/11	03/15/12
FEDERAL FARM CREDIT BANK	3133736D9	AAA	Government Agency	3,000,000	3,000,870	2,998,890	1,938	-1,980	0.22%	03/29/11	03/28/12
FEDERAL HOME LOAN BANK SERIES	3133712T2	AAA	Government Agency	1,000,000	1,002,170	1,001,490	1,264	-680	0.32%	01/12/11	03/30/12
FEDERAL HOME LOAN BANK	313373Y22	AAA	Government Agency	3,000,000	3,002,310	2,998,170	792	-4,140	0.17%	06/03/11	05/23/12
FEDERAL FARM CREDIT BANK	31331J2G7	AAA	Government Agency	3,000,000	2,994,180	2,999,280	400	5,100	0.44%	01/24/11	06/15/12
FEDERAL FARM CREDIT BANK	31331J7A5	AAA	Government Agency	3,000,000	3,001,770	3,005,070	7,125	3,300	0.46%	01/12/11	07/10/12
FEDERAL FARM CREDIT BANK	31331JXY4	AAA	Government Agency	1,000,000	1,002,080	1,003,060	2,448	980	0.49%	01/19/11	08/10/12
FEDERAL FARM CREDIT BANK	31331KCS7	AAA	Government Agency	3,000,000	3,000,000	3,008,400	6,450	8,400	0.60%	02/11/11	08/22/12
FEDERAL FARM CREDIT BANK	31331JN25	AAA	Government Agency	2,000,000	2,007,560	2,004,460	2,842	-3,100	0.35%	11/02/10	09/28/12
<b>TOTAL GOVERNMENT BONDS AND NOTES:</b>				<b>53,000,000</b>	<b>53,047,215</b>	<b>53,039,505</b>	<b>64,327</b>	<b>-7,710</b>	<b>0.32%</b>		
METLIFE INC	59156R108	N/A	Common Stock	-	-	128,802	-	128,802		N/A	
<b>TL Common Stock:</b>				<b>-</b>	<b>-</b>	<b>128,802</b>	<b>-</b>	<b>128,802</b>			
<b>TOTAL INVESTMENT HELD BY WELLS FARGO:</b>				<b>53,000,000</b>	<b>53,047,215</b>	<b>53,168,307</b>	<b>64,327</b>	<b>121,092</b>			

Wells Fargo Custody Total Assets [Market Value (incl MetLife) + Interest Receivable]: 53,232,634