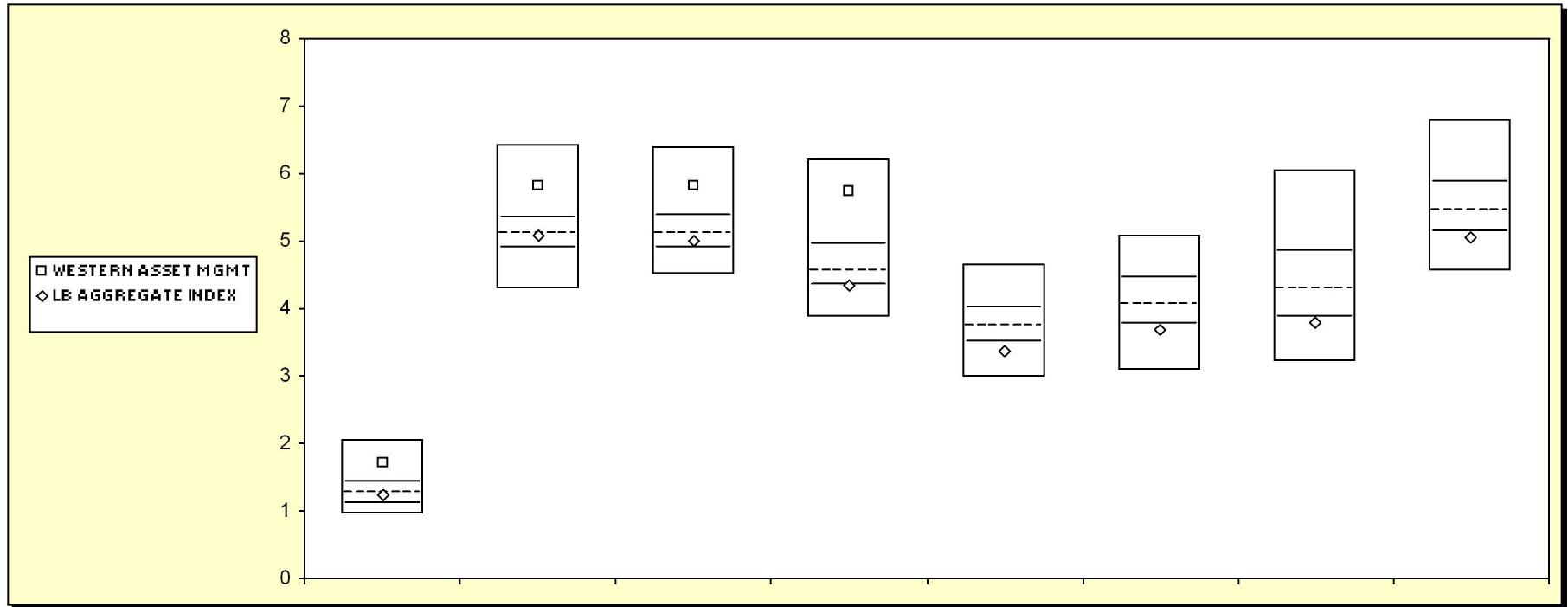


Fresno County Employees' Retirement Association

Cumulative Performance Comparisons

Period Ending: December 31, 2006



Bond Style - Core

	Last Quarter	Two Quarters	Three Quarters	One Year	Two Years	Three Years	Four Years	Five Years
	Return	Return	Return	Return	Return	Return	Return	Return
	Rank	Rank	Rank	Rank	Rank	Rank	Rank	Rank
5th Percentile	2.1	6.4	6.4	6.2	4.7	5.1	6.0	6.8
25th Percentile	1.4	5.4	5.4	4.9	4.0	4.4	4.8	5.9
50th Percentile	1.3	5.1	5.1	4.6	3.8	4.0	4.3	5.5
75th Percentile	1.1	4.9	4.9	4.3	3.5	3.8	3.9	5.1
95th Percentile	1.0	4.3	4.5	3.9	3.0	3.1	3.2	4.5
WESTERN ASSET MGMT	1.7	5.8	5.8	5.7				
LB AGGREGATE INDEX	1.2	5.1	5.0	4.3	3.4	3.7	3.8	5.1
	16	16	16	12	80	77	77	78

FRESNO COUNTY EMPLOYEES RETIREMENT ASSO.

As of December 31, 2006

Bond Summary Statistics WESTERN ASSET MANAGEMENT

Portfolio Characteristics		
	Portfolio	LB AGGREGATE
Total Number of Securities	196	
Total Market Value	\$ 89,782,837	
Current Coupon	5.41	5.36
Yield To Maturity	5.65	5.36
Average Life	9.63	6.96
Duration	6.14	4.46
Quality	8.36	9.56

Duration (in Years)	
Range	%Held
0.0 to 1.0	4.0
1.0 to 3.0	19.3
3.0 to 4.0	13.8
4.0 to 6.0	11.0
6.0 to 8.0	12.9
Over 8.0	22.2
Unclassified	16.8

Quality	
Range	%Held
Govt (10)	20.1
Aaa (10)	18.0
Aa (9)	6.1
A (8)	9.9
Baa (7)	17.6
Below Baa	14.6
Other	13.8

Yield to Maturity	
Range	%Held
0.0 to 5.0	15.9
5.0 to 7.0	63.0
7.0 to 9.0	3.2
9.0 to 11.0	1.1
11.0 to 13.0	0.0
Over 13.0	0.0
Unclassified	16.8

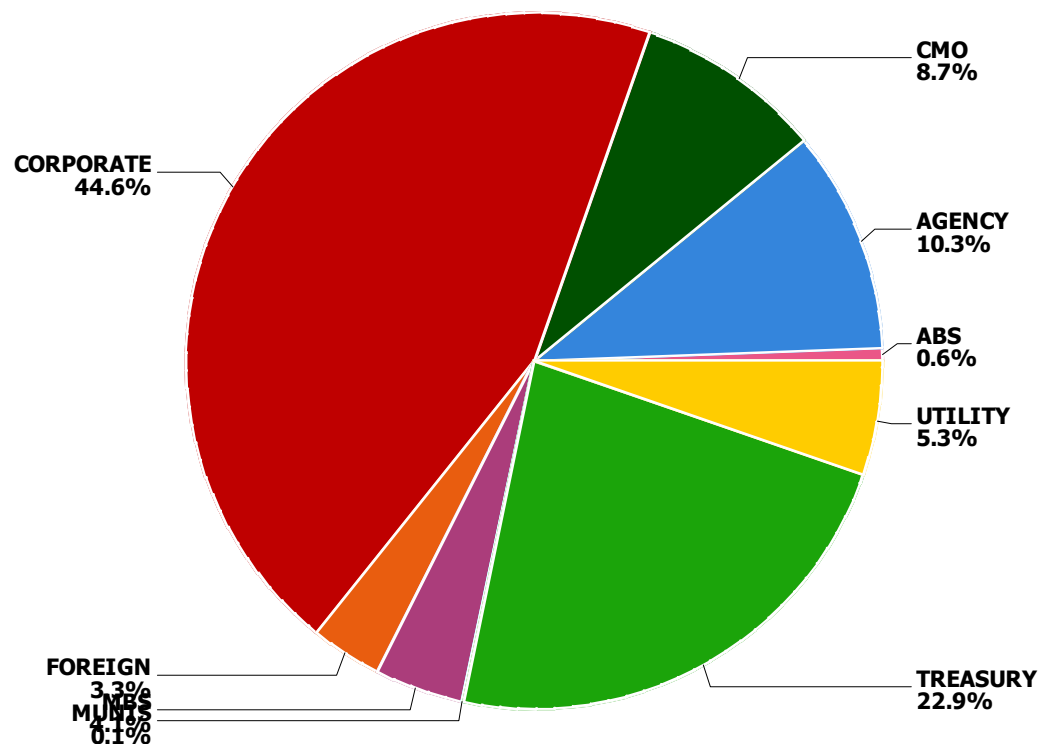
Average Life	
Range	%Held
0.0 to 1.0	2.4
1.0 to 3.0	19.1
3.0 to 5.0	20.4
5.0 to 10.0	18.8
10.0 to 20.0	8.6
Over 20.0	13.9
Unclassified	16.8

Coupon	
Range	%Held
0.0 to 5.0	39.5
5.0 to 7.0	44.6
7.0 to 9.0	14.6
9.0 to 11.0	0.5
11.0 to 13.0	0.0
Over 13.0	0.0
Unclassified	0.8

FRESNO COUNTY EMPLOYEES RETIREMENT ASSO.

As of December 31, 2006

Fixed Income Sector Allocation WESTERN ASSET MANAGEMENT



Sector	Account Weight	Index Weight	Difference
ABS	0.6%	6.3%	-5.7%
Agencies	10.3%	11.1%	-0.8%
CMO	8.7%	0.0%	8.7%
Corporates	44.6%	17.3%	27.4%
Foreign	3.3%	3.8%	-0.5%
MBS	4.1%	34.0%	-29.8%
Municipals	0.1%	0.0%	0.1%
Others	0.0%	0.0%	0.0%
Treasuries	22.9%	25.8%	-2.9%
Utilities	5.3%	1.9%	3.5%
Total	100.0%	100.0%	0.0%

Benchmark: LB AGGREGATE

FRESNO COUNTY EMPLOYEES RETIREMENT ASSO.

As of December 31, 2006

**Bond Holdings
WESTERN ASSET MANAGEMENT**

Bond Name	Market Value	Coupon	Stated Maturity	Quality Rating	Duration	Yield to Maturity
0-5 Years						
1ST UN NATL BK CHARLOTTE M	343,556	5.80	12/01/08	AA3	1.79	5.22%
AIFUL CORPORATION 144A	194,080	5.00	8/10/10	BAA2	3.18	5.92%
BANK OF AMERICA CORPORATIO	573,940	5.38	8/15/11	AA2	3.97	5.20%
BAUPTHING BK HF 1.00%	755,230	1.00	4/12/11		N/A	N/A
CHEVRONTEXACO CAP CO	583,078	3.50	9/17/07	AA2	0.69	5.18%
CITIGROUP INC	985,808	5.10	9/29/11	AA1	4.11	5.20%
CLEAR CHANNEL COMMUNICATIO	19,809	4.63	1/15/08	BAA3	0.98	5.58%
COUNTRYWIDE FINL CORP MTN	1,316,145	4.50	6/15/10	A3	3.15	5.30%
COX COMMUNICATIONS INC NEW	291,874	3.88	10/01/08	BAA3	1.65	5.51%
CREDIT SUISSE USA INC	181,962	5.50	8/16/11	AA3	3.96	5.23%
DAIMLER CHRYSLER NORTH AME	301,130	5.88	3/15/11	BAA1	3.62	5.77%
DAIMLER CHRYSLER NORTH AME	293,591	4.05	6/04/08	BAA1	1.36	5.62%
DOMINION RES INC VA NEW	107,471	4.75	12/15/10	BAA2	3.55	5.40%
ELECTRONIC DATA SYS CORP	20,850	7.13	10/15/09	BA1	2.48	5.46%
FANNIE MAE	224,410		6/25/03			
FEDERAL AGRIC MTG CORP MNT	296,169	4.25	7/29/08	GOVT	1.48	5.10%
FEDERAL HOME LN BKS	200,113	5.10	9/19/08	GOVT	1.61	5.06%
FEDERAL NATL MTG ASSN	529,411	5.00	9/15/08	GOVT	1.60	5.07%
FHLMC GOLD POOL - A01812	3,961	8.25	9/01/08	GOVT	0.24	5.69%
FHLMC POOL - 141003	6,177	8.25	10/01/11	GOVT	0.58	5.61%
FHLMC POOL - 183340	3,175	8.75	11/01/08	GOVT	0.72	5.65%
FIRSTENERGY CORP	281,559	6.45	11/15/11	BAA3	4.13	5.44%
FNMA POOL - 006024	29,579	8.00	9/01/09	GOVT	0.66	5.46%
FNMA POOL - 315521	5,673	8.00	2/01/09	GOVT	0.38	5.51%
FNMA POOL - 373920	8,624	8.00	12/01/10	GOVT	0.62	5.40%
FORD MOTOR CR CO	73,519	7.25	10/25/11	B1	3.94	7.77%

FRESNO COUNTY EMPLOYEES RETIREMENT ASSO.

As of December 31, 2006

**Bond Holdings
WESTERN ASSET MANAGEMENT**

Bond Name	Market Value	Coupon	Stated Maturity	Quality Rating	Duration	Yield to Maturity
FORD MOTOR CR CO	291,994	7.38	10/28/09	B1	2.48	7.28%
FORD MTR CR CO	3,379,122	5.80	1/12/09	B1	1.84	6.77%
GENERAL ELEC CAP CORP MTN	356,725	4.25	1/15/08	AAA	0.99	5.15%
GENERAL ELEC CAP CORP MTN	516,748	4.13	9/01/09	AAA	2.46	5.14%
GENERAL MTRS ACCEP CORP	19,786	5.13	5/09/08	BA1	1.28	5.95%
GENERAL MTRS ACCEP CORP	1,813,959	5.85	1/14/09	BA1	1.85	6.05%
GENERAL MTRS ACCEP CORP MT	149,094	6.31	11/30/07	BA1	0.88	7.02%
GENERAL MTRS ACCEP CORP NT	1,310,462	6.13	8/28/07	BA1	0.63	6.13%
GLITNIR BANKI HF 144A	467,121	6.69	9/15/11	A2	3.85	5.86%
GLITNIR BANKI HF GBL M 14	277,239	6.33	7/28/11	A1	3.84	5.66%
GNMA POOL - 780763	10,212	7.50	12/15/10	GOVT	0.85	5.25%
GOLDMAN SACHS GROUP INC	198,321	5.00	1/15/11	AA3	3.53	5.23%
GOLDMAN SACHS GROUP INC	274,047	4.50	6/15/10	AA3	3.15	5.18%
HOUSEHOLD FIN CORP	963,510	4.63	1/15/08	AA3	0.99	5.29%
KINDER MORGAN ENERGY PARTN	70,929	6.30	2/01/09	BAA1	1.89	5.61%
KINDER MORGAN ENERGY PARTN	312,146	6.75	3/15/11	BAA1	3.57	5.65%
KRAFT FOODS INC	252,657	5.63	11/01/11	A3	4.16	5.37%
LANDSBANKI IS HF 144A	691,336	6.10	8/25/11	A2	3.93	5.68%
LEHMAN BROS HLDGS INC	483,250	4.00	1/22/08	A1	1.01	5.35%
LEHMAN BROS HLDGS INC MTN	331,396	4.50	7/26/10	A1	3.19	5.29%
MORGAN STANLEY	127,369	3.63	4/01/08	AA3	1.20	5.31%
QWEST COMMUNICATIONS 1.00%	508,750	1.00	2/15/09		N/A	N/A
TBA JAN 15 SINGLE FAM	486,600		12/01/99			
TYCO INTL GROUP S A	470,921	6.38	10/15/11	25	N/A	N/A
UNITED STATES TREAS NTS	49,818	4.63	10/31/11	AAA	4.25	4.71%
UNITED STATES TREAS NTS	4,561,144	4.88	5/31/11	AAA	3.92	4.70%

FRESNO COUNTY EMPLOYEES RETIREMENT ASSO.

As of December 31, 2006

**Bond Holdings
WESTERN ASSET MANAGEMENT**

Bond Name	Market Value	Coupon	Stated Maturity	Quality Rating	Duration	Yield to Maturity
UNITED STATES TREASURY NOT	404,096	0.88	4/15/10		N/A	N/A
US 10 YR FUT	0	0.00	2/23/07		N/A	N/A
US 10YR NOTE	-199	0.00	12/19/06		N/A	N/A
VIACOM INC	180,092	5.75	4/30/11	BAA3	3.75	5.73%
WACHOVIA CAP TR III	272,229	5.80	3/15/11	A2	3.51	5.57%
WELLS FARGO & CO NEW	522,075	5.30	8/26/11	AA1	4.01	5.20%
	27,383,843	5.02			2.66	5.56%
5-10 Years						
ALTRIA GROUP INC	771,426	7.00	11/04/13	BAA1	5.42	5.47%
ANADARKO PETE CORP	250,523	5.95	9/15/16	BAA2	7.19	5.92%
AOL TIME WARNER INC	644,617	6.88	5/01/12	24	N/A	N/A
APACHE FIN CDA CORP	506,151	4.38	5/15/15	A3	6.81	5.58%
ASIF GLOBAL FING XIX 144A	48,760	4.90	1/17/13	AA2	5.05	5.38%
BELLSOUTH CORP	19,300	4.75	11/15/12	A2	5.02	5.45%
CLEAR CHANNEL COMMUNICATIO	177,148	5.50	9/15/14	BAA3	5.89	8.28%
CLEAR CHANNEL COMMUNICATIO	159,477	4.90	5/15/15	BAA3	6.45	8.30%
COMCAST CORP NEW	448,028	6.50	1/15/15	BAA2	6.08	5.84%
DEUTSCHE TELEKOM INTL FIN	177,355	5.75	3/23/16	A3	6.97	5.96%
DOMINION RES INC	414,647	5.70	9/17/12	BAA2	4.76	5.46%
DUKE ENERGY CORP	156,188	6.25	1/15/12	A3	4.19	5.31%
FEDERAL HOME LN BKS	117,489	4.75	12/16/16	GOVT	7.84	5.02%
FHLA	299,356	5.00	12/21/15		N/A	N/A
FNMA POOL - 006222	28,207	9.00	4/01/16	GOVT	0.82	5.47%
GENERAL MTRS ACCEP CORP	308,610	6.75	12/01/14	BA1	6.07	6.31%
GNMA POOL - 462418	129,921	7.50	12/15/12	GOVT	1.81	5.25%

FRESNO COUNTY EMPLOYEES RETIREMENT ASSO.

As of December 31, 2006

**Bond Holdings
WESTERN ASSET MANAGEMENT**

Bond Name	Market Value	Coupon	Stated Maturity	Quality Rating	Duration	Yield to Maturity
GNMA POOL - 476329	19,960	7.50	6/15/13	GOVT	1.71	5.25%
GNMA POOL - 509187	93,893	7.50	8/15/14	GOVT	1.86	5.48%
GNMA POOL - 780859	109,321	7.50	9/15/13	GOVT	1.73	5.25%
GNMA POOL - 780899	59,310	7.50	10/15/13	GOVT	1.81	5.25%
HCA INC	270,000	6.75	7/15/13	CAA1	4.93	8.84%
HCA INC	79,665	6.50	2/15/16	CAA1	6.34	9.07%
HCA INC	12,845	6.30	10/01/12	CAA1	4.60	8.18%
HCA INC	150,875	6.25	2/15/13	CAA1	4.78	8.71%
HCA INC 144A	236,225	9.25	11/15/16	B2	5.05	7.99%
HCA INC 144A	32,138	9.13	11/15/14	B2	4.36	7.65%
HCA INC. 9.625%	150,850	9.63	11/15/16		N/A	N/A
ILFC E-CAPITAL TR I 144A	436,819	6.25	12/21/15	A3	6.82	6.02%
JP MORGAN CHASE & CO	490,656	5.15	10/01/15	A1	6.87	5.42%
JP MORGAN CHASE & CO	835,819	5.13	9/15/14	A1	6.20	5.39%
KAUPTHING BK HF MED TM 144	169,708	7.13	5/19/16	A2	6.83	6.26%
LIBERTY MEDIA CORP NEW	37,685	5.70	5/15/13	BA2	5.18	6.83%
MORGAN STANLEY	467,581	5.63	1/09/12	AA3	4.24	5.25%
NEXTEL COMMUNICATIONS INC	909,297	6.88	10/31/13	BAA3	3.95	6.62%
ONCOR ELEC DELIVERY CO	72,154	6.38	1/15/15	BAA2	6.10	5.89%
PEMEX PROJ FDG MASTER TR	454,280	7.38	12/15/14	BAA1	6.07	5.77%
RABOBANK CAP FDG III 144A	48,208	5.25	10/21/16	AA2	7.35	5.74%
RABOBANK CAP FDG TR II 14	19,559	5.26	12/31/13	AA2	5.62	5.65%
RESONA PFD GLOBAL SECS 14	73,040	7.19	7/30/15	BAA3	6.37	6.40%
SBC COMMUNICATIONS INC	262,156	5.10	9/15/14	A2	6.19	5.57%
SHINSEI FIN CAYMAN LTD 14	397,940	6.42	7/20/16	BAA2	7.03	6.33%
SIGMA FIN MTN TR	690,000	8.50	8/11/16		N/A	N/A

FRESNO COUNTY EMPLOYEES RETIREMENT ASSO.

As of December 31, 2006

**Bond Holdings
WESTERN ASSET MANAGEMENT**

Bond Name	Market Value	Coupon	Stated Maturity	Quality Rating	Duration	Yield to Maturity
SPRINT CAP CORP	400,098	8.38	3/15/12	BAA3	4.16	5.86%
SPRINT NEXTEL CORP	311,881	6.00	12/01/16	BAA3	7.32	6.35%
TELECOM ITALIA CAPITAL	270,892	5.25	10/01/15	24	N/A	N/A
TNK-BP FINANCE	426,500	7.50	7/18/16	BAA2	6.65	6.59%
TXU CORP	284,802	5.55	11/15/14	BA1	6.21	6.38%
TYCO INTL GROUP S A	951,900	6.00	11/15/13	BAA3	5.57	5.39%
UNION PAC CORP	178,714	5.38	5/01/14	BAA2	5.94	5.49%
UNITED STATES TREAS NTS	327,835	4.63	11/15/16	AAA	7.82	4.71%
UNITED STATES TREAS NTS	1,369,952	5.13	5/15/16	AAA	7.39	4.72%
US TREAS NTS 1.875%	577,172	1.88	7/15/15		N/A	N/A
US TREAS NTS 2.50%	2,600,563	2.50	7/15/16		N/A	N/A
VERIZON GLOBAL FDG CORP	196,798	7.38	9/01/12	A3	4.56	5.44%
WACHOVIA CORP 2ND NEW	928,550	5.25	8/01/14	A1	6.05	5.45%
WASTE MGMT INC DEL	471,251	6.38	11/15/12	BAA3	4.85	5.42%
WEYERHAEUSER CO	849,498	6.75	3/15/12	BAA2	4.29	5.65%
XTO ENERGY INC	141,394	7.50	4/15/12	BAA2	4.32	5.59%
	21,524,987	5.68			5.75	5.82%
10-20 Years						
COMCAST CABLE COMMUNICATIO	240,858	8.88	5/01/17	BAA2	7.02	6.17%
COMCAST CORP NEW	39,570	5.88	2/15/18	BAA2	8.03	6.01%
FHLMC GOLD POOL - A01592	69,318	8.00	11/01/21	GOVT	0.59	5.67%
FHLMC GOLD POOL - G11605	1,135,615	5.50	9/01/19	GOVT	2.49	5.51%
FNMA POOL - 070508	29,741	8.50	8/01/17	GOVT	2.26	5.56%
FNMA POOL - 231669	34,194	8.00	5/01/18	GOVT	0.54	5.49%
FNMA POOL - 517384	13,624	8.00	11/01/20	GOVT	1.66	5.56%

FRESNO COUNTY EMPLOYEES RETIREMENT ASSO.

As of December 31, 2006

**Bond Holdings
WESTERN ASSET MANAGEMENT**

Bond Name	Market Value	Coupon	Stated Maturity	Quality Rating	Duration	Yield to Maturity
GENERAL MTRS CORP	289,850	8.25	7/15/23	CAA1	8.37	9.07%
GNMA POOL - 186654	23,636	8.00	4/20/17	GOVT	2.20	5.93%
GNMA POOL - 216386	18,899	8.00	6/20/17	GOVT	2.19	5.93%
GNMA POOL - 352057	93,560	8.00	10/15/23	GOVT	1.87	6.10%
GNMA POOL - 354566	211,645	7.50	4/15/23	GOVT	2.45	6.20%
GNMA POOL - 398921	8,231	8.00	10/15/26	GOVT	1.95	6.08%
GNMA POOL - 780973	47,372	8.25	5/15/20	GOVT	1.99	5.88%
KERR MCGEE CORP	138,451	6.95	7/01/24	BAA2	10.06	6.33%
U S TREAS BD STRIPPED PRIN	1,517,911	0.00	11/15/24	GOVT	17.78	4.97%
UNITED MEXICAN STS MTN BE	56,042	5.63	1/15/17	BAA1	7.43	5.61%
UNITED STATES TREAS BDS	4,377,784	6.00	2/15/26	GOVT	11.73	4.91%
UNITED STATES TREAS BDS	480,154	2.38	1/15/25	GOVT	N/A	N/A
UNITED STATES TREAS BDS	1,060,500	8.00	11/15/21	GOVT	9.54	4.89%
US TREASURY 2.00%	229,480	2.00	1/15/26		N/A	N/A
	10,116,435	5.23			10.48	5.24%
Over 20 Years						
AMERADA HESS CORP	479,899	7.30	8/15/31	BA1	11.86	6.36%
ANADARKO FIN CO	453,845	7.50	5/01/31	BAA2	11.87	6.40%
AOL TIME WARNER	5,641	7.70	5/01/32	BAA1	N/A	N/A
BA_MTG_CMBS_2004-004 A6	733,806	4.88	7/10/42		N/A	N/A
CONOCO INC	624,732	6.95	4/15/29	A1	11.91	5.85%
CWABS_TRUST_2005-004- AF3	514,221	4.46	9/25/32	AAA	1.86	5.06%
CWALT_2005-036- 3A1	1,024,493	4.95	8/25/35	AAA	1.57	5.36%
DEVON ENERGY CORP	219,130	7.95	4/15/32	BAA2	12.03	6.23%
EL PASO ENERGY CORP MTN BE	307,300	7.80	8/01/31	B2	11.19	7.00%
EL PASO ENERGY CORP MTN BE	110,000	7.75	1/15/32	B2	11.29	6.94%

FRESNO COUNTY EMPLOYEES RETIREMENT ASSO.

As of December 31, 2006

**Bond Holdings
WESTERN ASSET MANAGEMENT**

Bond Name	Market Value	Coupon	Stated Maturity	Quality Rating	Duration	Yield to Maturity
EL PASO NAT GAS CO	547,173	8.38	6/15/32	BA1	11.76	6.65%
EXELON CORP	216,651	5.63	6/15/35	BAA2	13.79	6.05%
FEDERAL HOME LN BKS	2,472,986	5.50	7/15/36	GOVT	14.64	5.21%
FIRSTENERGY CORP	660,525	7.38	11/15/31	BAA3	12.15	6.26%
FNMA POOL - 801516	1,155,768	4.73	8/01/34	GOVT	1.43	5.51%
FNMA POOL - 252925	14,634	7.50	12/01/29	GOVT	1.86	6.14%
FNMA POOL - 585680	27,488	7.50	6/01/31	GOVT	1.74	6.11%
FORD MTR CO DEL	616,200	7.45	7/16/31	CAA1	9.32	9.77%
GENERAL MTRS CORP	7,140	4.50	3/06/32	CAA1	4.05	4.53%
GENERAL MTRS CORP	18,600	8.38	7/15/33	CAA1	9.72	9.13%
GMACM_LOAN_2005-AR1- 3A1	1,451,524	4.72	3/18/35	AAA	1.99	5.33%
GNMA POOL - 173777	899	8.00	8/15/30	GOVT	1.66	5.94%
GNMA POOL - 437021	1,320	8.00	8/15/27	GOVT	1.77	6.08%
GNMA POOL - 517213	1,627	8.00	11/15/29	GOVT	1.61	5.92%
GNMA POOL - 527094	9,333	8.00	2/15/30	GOVT	1.84	6.04%
GNMA POOL - 528178	5,505	8.00	3/15/30	GOVT	1.64	5.94%
GNMA POOL - 528191	3,901	8.00	4/15/30	GOVT	1.67	5.94%
GNMA POOL - 531211	5,945	8.00	6/15/30	GOVT	1.63	5.92%
GS MTG 4.68%	679,805	4.68	7/10/39		N/A	N/A
JP_MORGN_MTG_05-CIB13- A4	1,301,178	5.29	1/12/43	AAA	6.71	5.36%
JP_MORGN_MTG_05-CIBC12 A4	77,632	4.89	9/12/37	AAA	6.65	5.42%
KERR MCGEE CORP	1,825,255	7.88	9/15/31	BAA2	11.80	6.32%
KONINKLIJKE KPN NV	378,099	8.38	10/01/30		N/A	N/A
LB_UBS_CMBS_2005-C5- A4	390,124	4.95	9/15/30	N/A	6.63	5.40%
LEHMAN BROS HLDGS 5.953%	191,731	5.95	8/19/65		N/A	N/A
MEXICAN UNITED STATES	1,015,980	7.50	4/08/33	Baa2	N/A	N/A

FRESNO COUNTY EMPLOYEES RETIREMENT ASSO.

As of December 31, 2006

**Bond Holdings
WESTERN ASSET MANAGEMENT**

Bond Name	Market Value	Coupon	Stated Maturity	Quality Rating	Duration	Yield to Maturity
MLCC_MTG_TR_2005-A04- IIA2	1,654,709	4.46	7/25/35	AAA	2.75	5.65%
MLCC_MTG_TR_2005-A5- A3	1,767,591	4.44	6/25/35	N/A	4.02	5.01%
MLCC_MTG_TR_2006-C1- A4	607,151	5.84	5/12/39	N/A	6.85	5.52%
MORG_ST_CAP_2005-HQ6 A4A	293,096	4.99	8/14/32		N/A	N/A
MUFG CAPITAL FIN 6.346%	202,803	6.35	7/29/49		N/A	N/A
NEWS AMER 6.2% 12/15/34	33,783	6.20	12/15/34		N/A	N/A
PACIFIC GAS & ELEC CO	353,001	6.05	3/01/34	BAA1	13.19	5.98%
RUSSIAN FEDERATION 5.00%	90,450	5.00	3/31/30		N/A	N/A
SASC_2004-006- 3A2	780,812	4.78	6/25/34	AAA	1.93	5.04%
SPRINT CAP CORP	96,289	8.75	3/15/32	BAA3	11.15	7.01%
TENNESSEE VALLEY AUTH	971,168	5.98	4/01/36	GOVT	14.46	5.24%
TIME WARNER ENTMT CO LP	36,258	8.38	7/15/33	BAA2	11.60	6.68%
TXU CORP	205,750	6.55	11/15/34	BA1	12.26	7.08%
UNITED STATES TREAS BDS	247,674	3.88	4/15/29	GOVT	N/A	N/A
UNITED STATES TREAS BDS	2,336,993	3.38	4/15/32	GOVT	N/A	N/A
UNITED STATES TREAS BDS	991,828	4.50	2/15/36	AAA	15.70	4.81%
VALE OVERSEAS LTD	512,823	6.88	11/21/36	BAA3	12.83	6.67%
WAMU_2005-AR4- A5	1,172,813	4.67	4/25/35	AAA	3.75	5.97%
WELLS FARGO CAP X	98,009	5.95	12/15/36	AA3	13.82	6.09%
WESTERN ASSET FLOAT RT	55,757	0.00	12/31/99		N/A	N/A
WILLIAMS COS INC DEL	21,100	7.75	6/15/31	BA2	11.26	7.31%
WILLIAMS COS INC DEL	677,625	7.50	1/15/31	BA2	11.02	7.17%
	30,757,573	5.60			8.23	5.78%