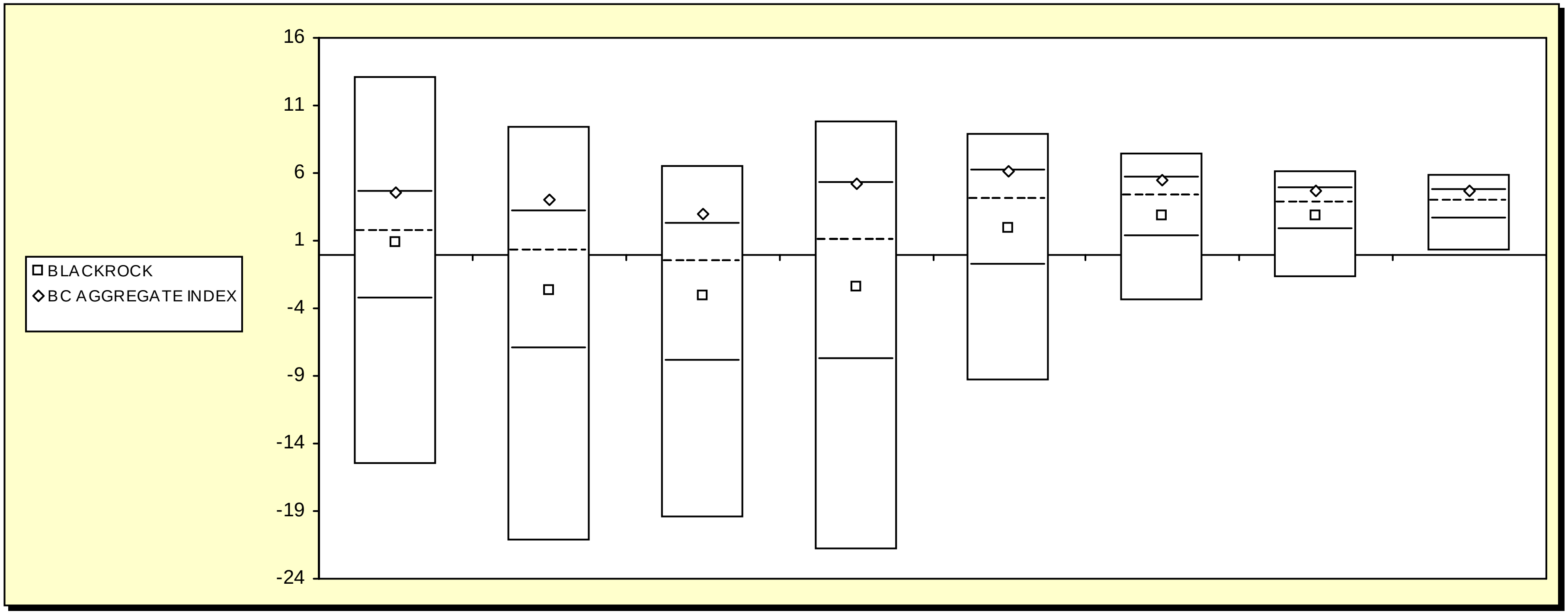
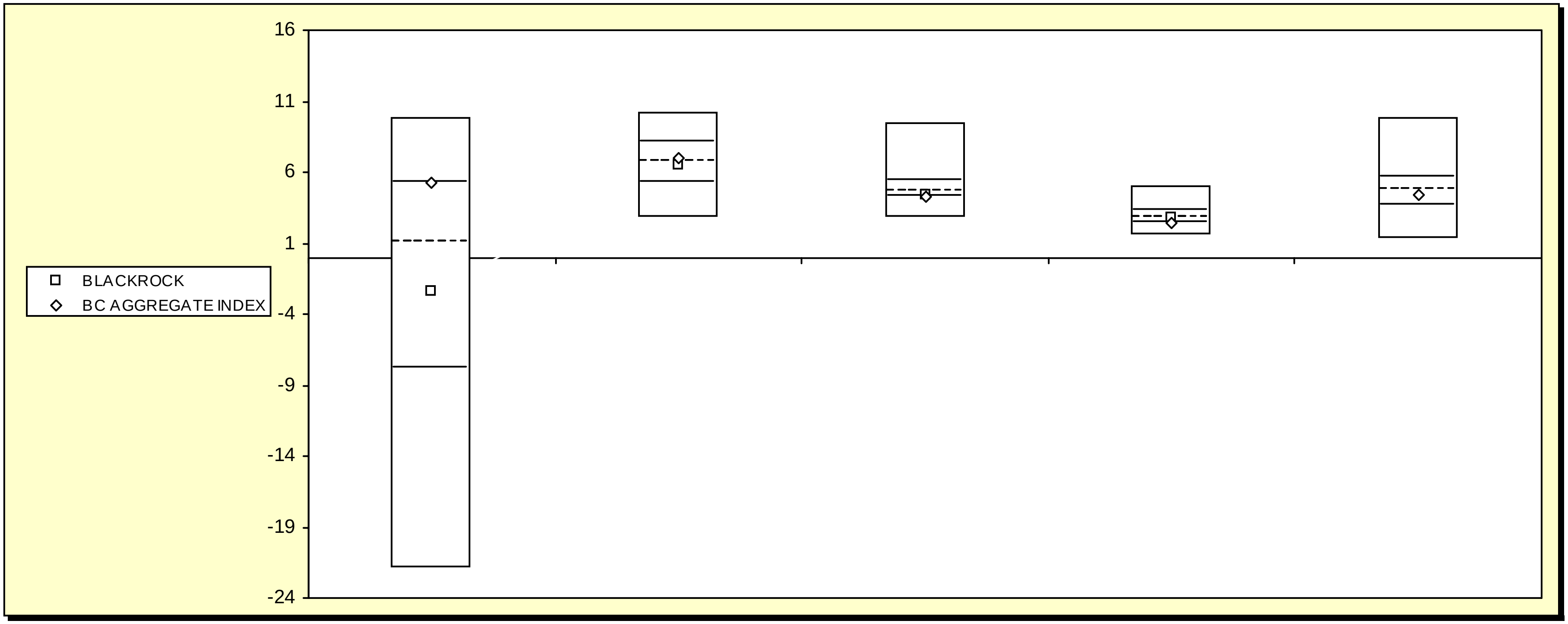


Bond Funds

	Last Quarter Return	Last Quarter Rank	Two Quarters Return	Two Quarters Rank	Three Quarters Return	Three Quarters Rank	One Year Return	One Year Rank	Two Years Return	Two Years Rank	Three Years Return	Three Years Rank	Four Years Return	Four Years Rank	Five Years Return	Five Years Rank
5th Percentile	13.1		9.5		6.6		9.9		9.0		7.4		6.1		5.8	
25th Percentile	4.6		3.1		2.2		5.2		6.2		5.6		4.8		4.7	
50th Percentile	1.6		0.2		-0.6		1.0		4.0		4.2		3.8		3.9	
75th Percentile	-3.3		-7.1		-7.9		-7.8		-0.9		1.2		1.8		2.6	
95th Percentile	-15.6		-21.3		-19.5		-22.0		-9.4		-3.5		-1.7		0.2	
BLACKROCK	0.9	*54*	-2.7	*60*	-3.1	*59*	-2.4	*60*	2.0	*60*	2.8	*62*	2.8	*63*		
BC AGGREGATE INDEX	4.6	*25*	4.1	*22*	3.0	*21*	5.2	*25*	6.1	*26*	5.5	*27*	4.7	*27*	4.7	*28*

Consecutive Performance Comparisons

Period Ending: December 31, 2008

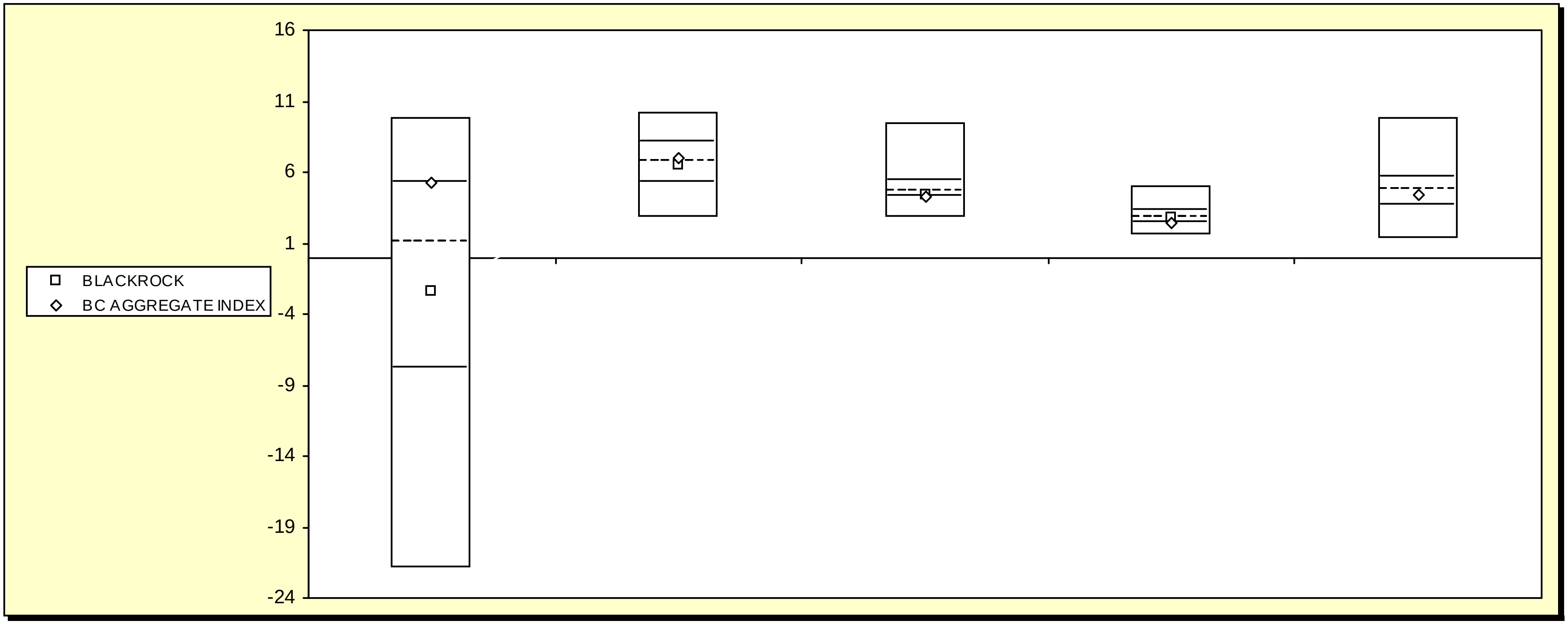


Bond Funds	December 2008 Return	December 2008 Rank	December 2007 Return	December 2007 Rank	December 2006 Return	December 2006 Rank	December 2005 Return	December 2005 Rank	December 2004 Return	December 2004 Rank
5th Percentile	9.9		10.2		9.5		5.0		9.9	
25th Percentile	5.2		8.1		5.4		3.3		5.6	
50th Percentile	1.0		6.8		4.6		2.8		4.7	
75th Percentile	-7.8		5.2		4.3		2.4		3.7	
95th Percentile	-22.0		2.8		2.7		1.6		1.4	
BLACKROCK	-2.4	*60*	6.5	*53*	4.4	*65*	2.8	*49*		
BC AGGREGATE INDEX	5.2	*25*	7.0	*46*	4.3	*74*	2.4	*71*	4.3	*59*

Fresno County Employees' Retirement Association

Consecutive Annual - Five Year

Period Ending: December 31, 2008



Bond Funds	December 2008 Return	Rank	December 2007 Return	Rank	December 2006 Return	Rank	December 2005 Return	Rank	December 2004 Return	Rank
5th Percentile	9.9		10.2		9.5		5.0		9.9	
25th Percentile	5.2		8.1		5.4		3.3		5.6	
50th Percentile	1.0		6.8		4.6		2.8		4.7	
75th Percentile	-7.8		5.2		4.3		2.4		3.7	
95th Percentile	-22.0		2.8		2.7		1.6		1.4	
BLACKROCK	-2.4	*60*	6.5	*53*	4.4	*65*	2.8	*49*		
BC AGGREGATE INDEX	5.2	*25*	7.0	*46*	4.3	*74*	2.4	*71*	4.3	*59*

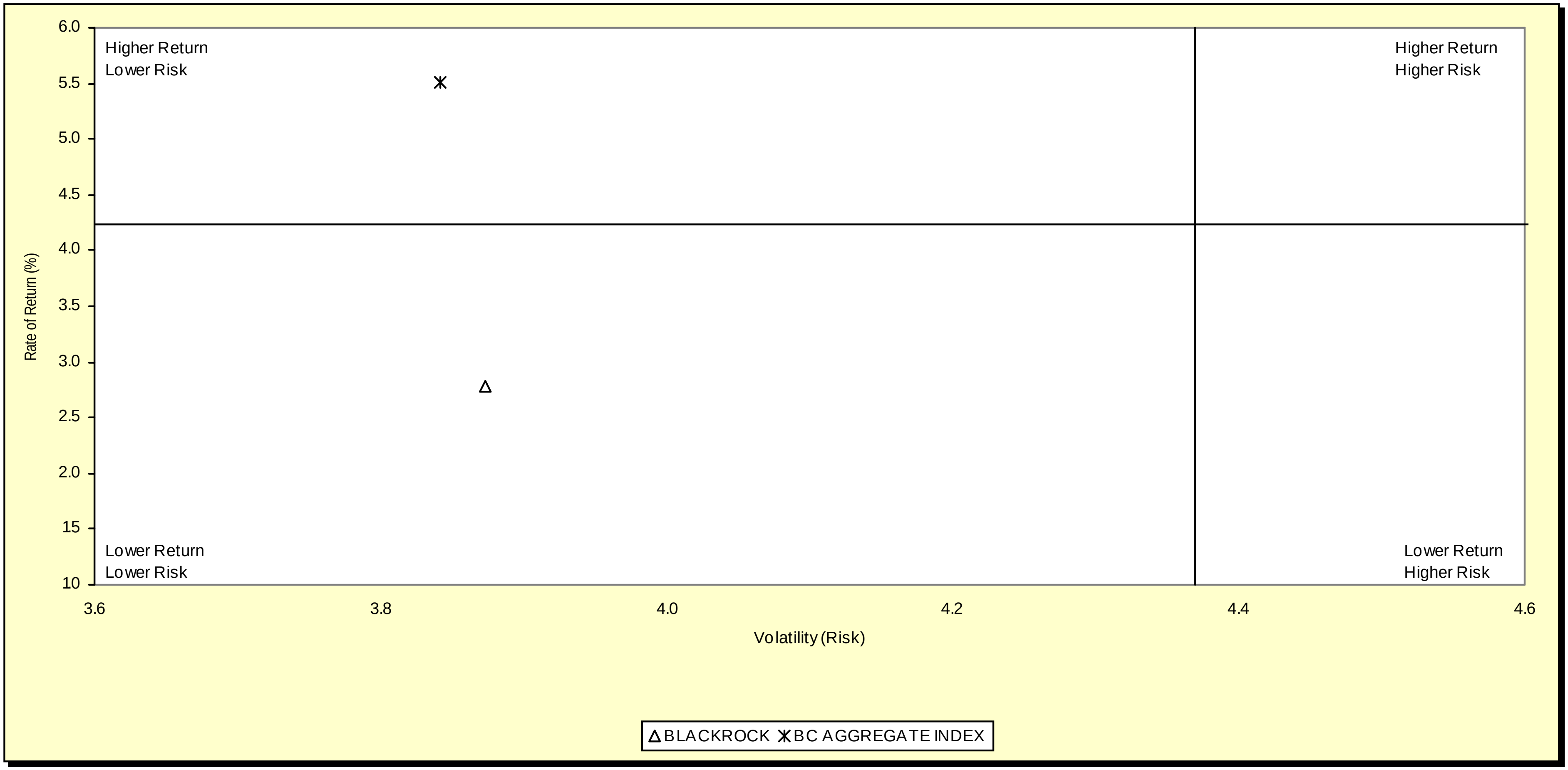
Rolling Return (3 Year Annualized)

	12/31/01	12/31/02	12/31/03	12/31/04	12/31/05	12/31/06	12/31/07	12/31/08
BLACKROCK							4.6	2.8
BC AGGREGATE INDEX	6.3	10.1	7.6	6.2	3.6	3.7	4.6	5.5
Bond Funds	6.4	9.7	7.8	6.6	4.2	4.1	4.7	4.2

Fresno County Employees' Retirement Association

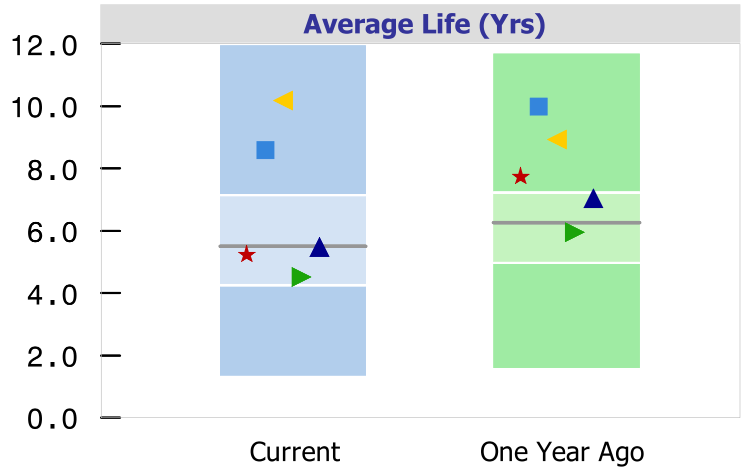
Three Year Return vs. Risk

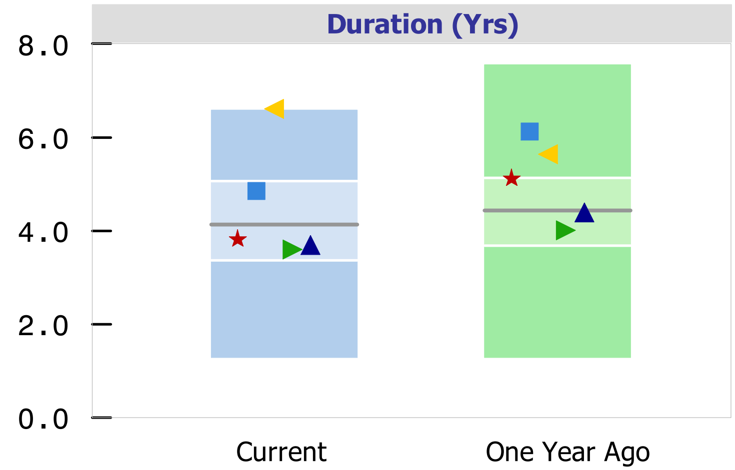
Period Ending: December 31, 2008

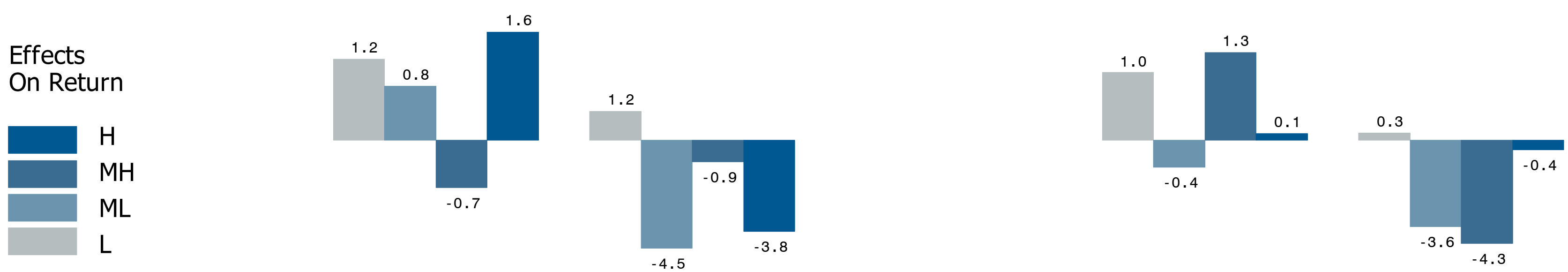


Category	Annualized Return %	Standard Deviation %	Sharpe Ratio
BLACKROCK	2.8	3.9	-0.3
BC AGGREGATE INDEX	5.5	3.8	0.4
Bond Funds Universe Median	4.2	4.4	0.1

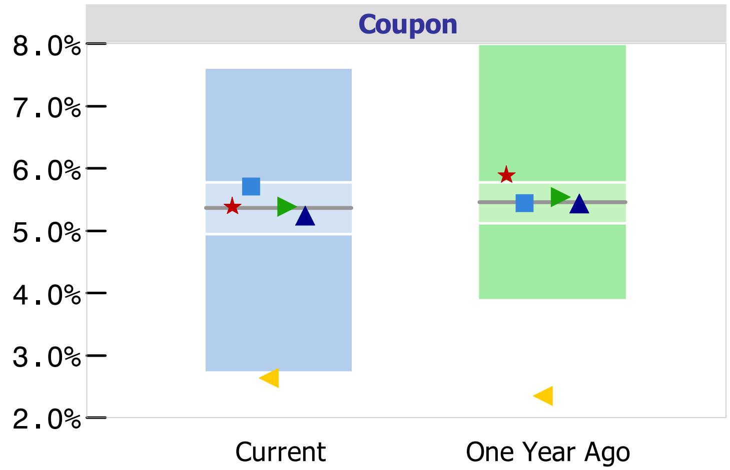
Bond Portfolio Characteristics

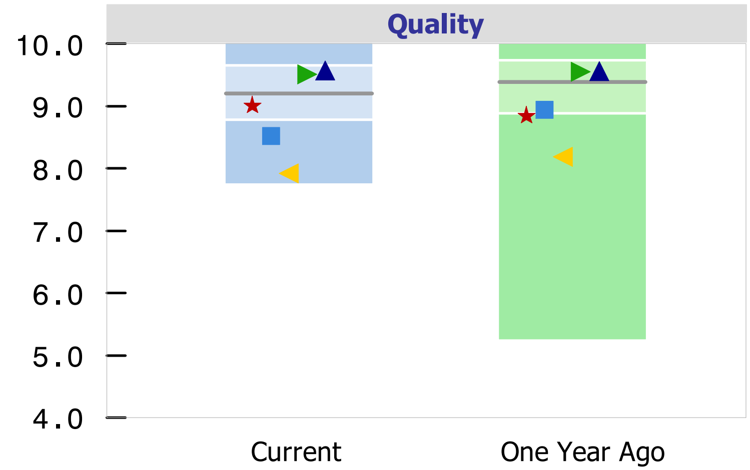


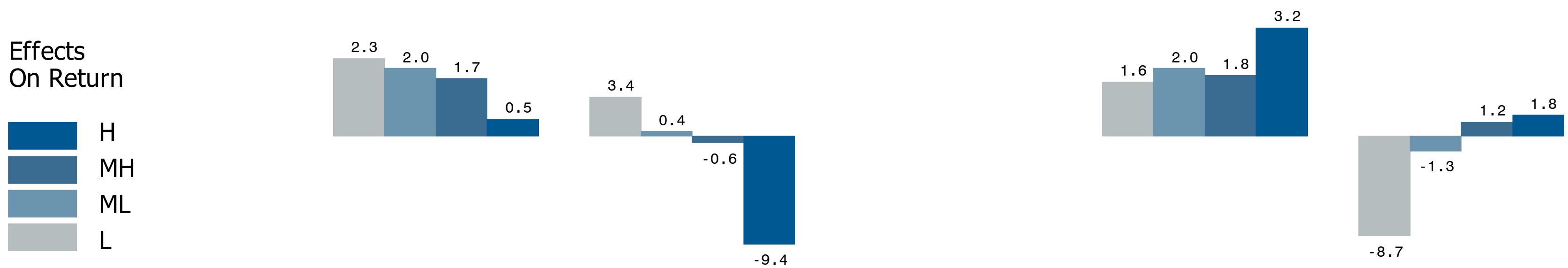




	Avg Life Current	Rank	Avg Life One Year Ago	Rank	Duration Current	Rank	Duration One Year Ago	Rank
★ **BRADFORD**	5.26	56	7.76	18	3.83	61	5.13	24
■ **LOOMIS SAYLES**	8.60	11	9.99	7	4.85	29	6.13	8
◀ **WESTERN ASSET**	10.19	7	8.95	10	6.62	4	5.65	12
▶ **BLACKROCK**	4.53	70	5.97	56	3.61	69	4.02	65
▲ *BC AGGREGATE*	5.50	50	7.05	27	3.71	65	4.41	51
Median	5.50		6.27		4.13		4.43	

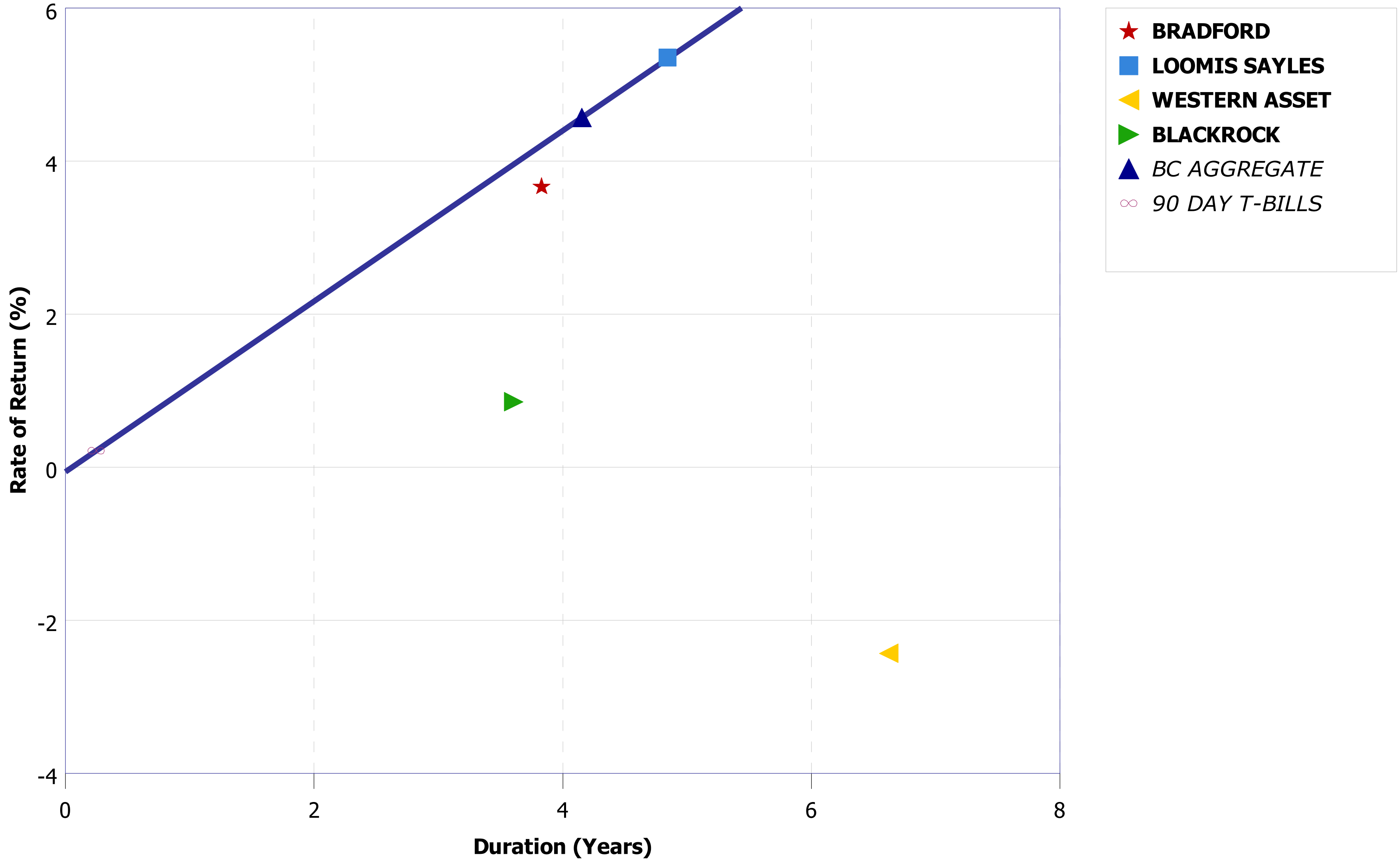






	Coupon Current		Coupon One Year Ago		Quality Current		Quality One Year Ago	
★ **BRADFORD**	5.40	47	5.90	20	9.02	62	8.85	76
■ **LOOMIS SAYLES**	5.71	29	5.45	52	8.52	81	8.95	73
◀ **WESTERN ASSET**	2.65	95	2.36	98	7.93	94	8.20	85
▶ **BLACKROCK**	5.40	46	5.55	38	9.52	32	9.56	37
▲ *BC AGGREGATE*	5.25	59	5.45	51	9.58	28	9.57	36
Median	5.37		5.46		9.20		9.39	

Duration Line Analysis
Bond Funds - Total Returns



	Return	Beginning Duration	Ending Duration	Average Duration	Return Due to Market	Interest Rate Anticipation	Security Selection
Portfolio							
BRADFORD	3.67	5.33	3.83	4.58	5.67	-0.94	-1.06
LOOMIS SAYLES	5.36	5.85	4.85	5.35	6.64	-0.63	-0.65
WESTERN ASSET	-2.43	5.80	6.62	6.21	7.72	0.52	-10.67
BLACKROCK	0.86	4.05	3.61	3.83	4.72	-0.28	-3.58
Benchmark							
BC AGGREGATE	4.57	4.47	3.71	4.24			
90 DAY T-BILLS	0.22	0.25	0.25	0.25			
Market Sensitivity	1.26						

Return Due to Market = T-Bill Return * (Relative Market Sensitivity x (Average Duration - TBill Duration))
Rate Anticipation = Relative Market Sensitivity x Current Duration - Average Duration
Selection Effect = (Account Return - TBill Return) - (Relative Market Sensitivity x (Current Duration - TBill Duration))
Relative Market Sensitivity = (Benchmark Return - TBill Return) / (Benchmark Current Duration - TBill Duration)
Duration = Duration Option Adjusted Incl Cash Equiv

	Return	Beginning Duration	Ending Duration	Average Duration	Return Due to Market	Interest Rate Anticipation	Security Selection
Portfolio							
BRADFORD	3.67	5.33	3.83	4.58	5.67	-0.94	-1.06
LOOMIS SAYLES	5.36	5.85	4.85	5.35	6.64	-0.63	-0.65
WESTERN ASSET	-2.43	5.80	6.62	6.21	7.72	0.52	-10.67
BLACKROCK	0.86	4.05	3.61	3.83	4.72	-0.28	-3.58
Benchmark							
BC AGGREGATE	4.57	4.47	3.71	4.24			
90 DAY T-BILLS	0.22	0.25	0.25	0.25			
Market Sensitivity	1.26						

Return Due to Market = T-Bill Return * (Relative Market Sensitivity x (Average Duration - TBill Duration))
Rate Anticipation = Relative Market Sensitivity x Current Duration - Average Duration
Selection Effect = (Account Return - TBill Return) - (Relative Market Sensitivity x (Current Duration - TBill Duration))
Relative Market Sensitivity = (Benchmark Return - TBill Return) / (Benchmark Current Duration - TBill Duration)
Duration = Duration Option Adjusted

Portfolio Characteristics

	Portfolio	BC AGGREGATE
Total Number of Securities	315	
Total Market Value	$ 230,406,370	
Current Coupon	5.40	5.25
Yield To Maturity	8.20	4.04
Average Life	4.53	5.50
Duration	3.61	3.71
Quality	9.52	9.58

Duration (in Years)

Range	%Held
0.0 to 1.0	11.2
1.0 to 3.0	38.4
3.0 to 4.0	6.2
4.0 to 6.0	8.7
6.0 to 8.0	7.0
Over 8.0	9.3
Unclassified	18.5

Quality

Range	%Held
Govt (10)	38.6
Aaa (10)	19.7
Aa (9)	5.0
A (8)	5.5
Baa (7)	4.3
Below Baa	1.5
Other	25.4

Yield to Maturity

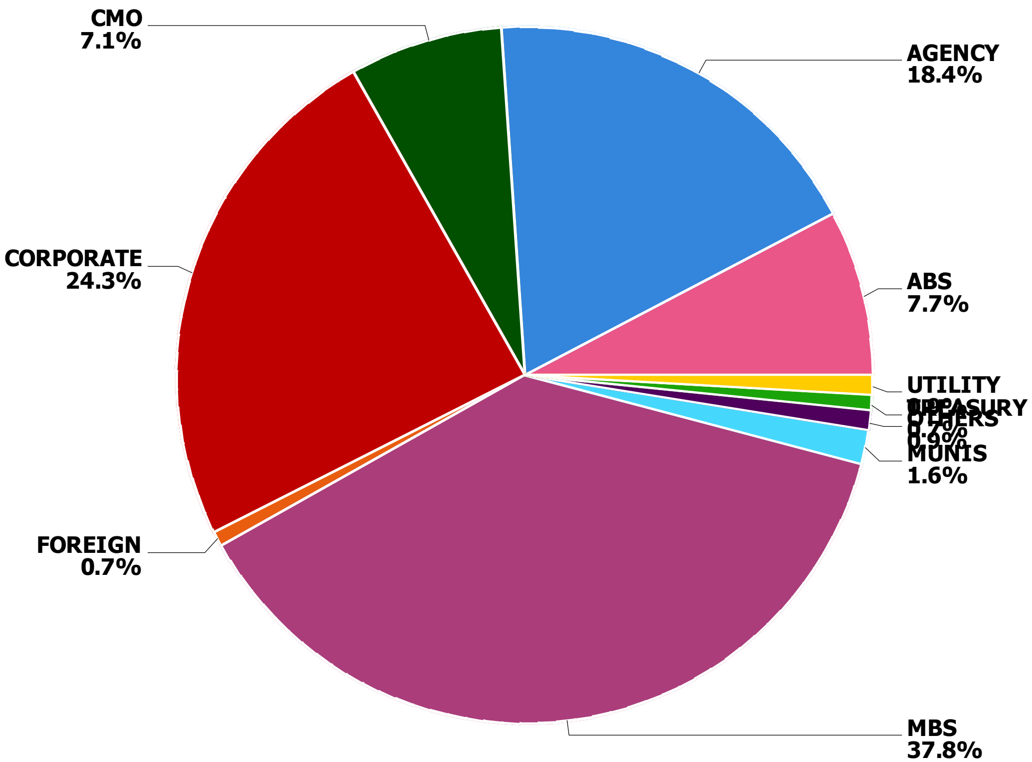
Range	%Held
0.0 to 5.0	45.2
5.0 to 7.0	6.3
7.0 to 9.0	14.3
9.0 to 11.0	4.7
11.0 to 13.0	2.6
Over 13.0	8.3
Unclassified	18.5

Average Life

Range	%Held
0.0 to 1.0	10.7
1.0 to 3.0	41.6
3.0 to 5.0	10.5
5.0 to 10.0	13.7
10.0 to 20.0	1.4
Over 20.0	3.6
Unclassified	18.5

Coupon

Range	%Held
0.0 to 5.0	28.8
5.0 to 7.0	54.5
7.0 to 9.0	6.6
9.0 to 11.0	1.0
11.0 to 13.0	0.0
Over 13.0	0.0
Unclassified	9.1



Sector	Account Weight	Index Weight	Difference
ABS	7.7%	4.9%	2.8%
Agencies	18.4%	9.6%	8.8%
CMO	7.1%	0.0%	7.1%
Corporates	24.3%	15.7%	8.6%
Foreign	0.7%	3.8%	-3.1%
MBS	37.8%	38.6%	-0.9%
Municipals	1.6%	0.0%	1.6%
Others	0.9%	0.0%	0.9%
Treasuries	0.7%	25.5%	-24.7%
Utilities	0.9%	2.0%	-1.1%
Total	100.0%	100.0%	0.0%

Benchmark: BC AGGREGATE

Bond Name	Market Value	Coupon	Stated Maturity	Quality Rating	Duration	Yield to Maturity
0-5 Years						
10YR US TREASURY NOTE FUTU	-13,581,000		3/20/09			
30YR US TREASURY BOND FUTU	7,592,200		3/20/09			
5YR US TREASURY NOTE FUTUR	21,548,050		3/31/09			
AK STL CORP	58,500	7.75	6/15/12	BA3	2.81	16.33%
AMERICAN REAL ESTATE PARTN	34,650	8.13	6/01/12	BA3	2.75	17.31%
AMERICAN REAL ESTATE PARTN	293,250	7.13	2/15/13	BA3	3.14	18.11%
ARCH WESTN FIN LLC	274,050	6.75	7/01/13	B1	3.60	10.44%
AT&T BROADBAND CORP	227,594	8.38	3/15/13	BAA2	3.45	7.40%
AVALONBAY CMNTYS INC MTN B	137,750	7.50	12/15/10	BAA1	1.74	12.32%
BANK_ONE_2004-1A- A	1,687,308	3.45	10/15/11	AAA	0.21	1.31%
BEAR STEARNS COS INC MTN B	202,521	6.95	8/10/12	AA2	3.11	5.75%
BEAR STEARNS COS INC MTN B	270,970	4.90	7/19/10	AA2	0.02	4.12%
CAPITAL_AUTO_2006-001- A4	1,411,189	5.04	5/15/10	AAA	0.19	1.19%
CAP_AUTO_REC_2007-003- A2A	282,382	5.11	11/15/09	AAA	0.07	0.63%
CENTERPOINT ENERGY INC	305,186	7.25	9/01/10	BA1	1.50	8.26%
CINCINNATI BELL INC NEW	13,200	7.25	7/15/13	BA3	3.60	10.65%
CITIBANK_CC_2006-A2- A2	1,635,281	4.85	2/10/11	AAA	0.11	0.72%
CITIGROUP INC	1,369,734	4.13	2/22/10	A2	1.08	5.45%
CITIGROUP INC	698,704	5.30	10/17/12	A2	3.36	6.39%
CITIZENS COMMUNICATIONS CO	72,250	6.25	1/15/13	BA2	3.32	10.94%
COMPTON PETE FIN CORP	3,000	7.63	12/01/13	B3	2.79	42.77%
COX COMMUNICATIONS INC NEW	98,152	7.75	11/01/10	BAA3	1.65	8.85%
CSC HLDGS INC	49,750	8.13	7/15/09	B1	0.49	9.08%
CSC HLDGS INC	54,725	8.13	8/15/09	B1	0.58	8.94%
DAIMLERCHRYS_2006-D- A4	1,550,390	4.94	2/08/12	N/A	1.45	9.21%
DLJ_COM_MTG_2000-CKP1- A1B	1,158,623	7.18	8/10/10	AAA	1.24	7.82%

Bond Name	Market Value	Coupon	Stated Maturity	Quality Rating	Duration	Yield to Maturity
ENTERPRISE PRODS OPER LP	311,282	4.95	6/01/10	BAA3	1.32	8.16%
FEDERAL HOME LOAN BANKS	2,287,839	3.63	10/18/13	AAA	4.42	2.47%
FEDERAL NATL MTG ASSN	2,151,198	2.88	12/11/13	GOVT	4.63	2.35%
FEDERAL NATL MTG ASSN	492,105	4.63	5/01/13	AA2	3.91	3.72%
FORD_CR_AUTO_2006-B- A3	1,132,943	5.26	10/15/10	AAA	0.36	1.67%
GENERAL ELEC CAP CORP MEDI	164,498	5.88	2/15/12	AAA	2.79	4.89%
GENERAL ELEC CAP CORP MTN	2,700,738	5.00	11/15/11	AAA	2.65	4.50%
GENERAL ELEC CAP CORP MTN	218,066	5.00	4/10/12	AAA	2.97	5.29%
GLAXOSMITHKLINE CAP INC	476,454	4.85	5/15/13	A1	3.91	4.77%
GOLDMAN SACHS CAP II	128,781	5.79	6/01/12	A3	2.43	40.64%
GOLDMAN SACHS GROUP INC	969,176	5.25	10/15/13	A1	4.11	7.29%
HARLEY_DAV_EM_2006-3- A3	717,531	5.24	1/15/12	AAA	0.35	1.66%
HBOS TREAS SVCS PLC 144A	1,625,239	5.00	11/21/11	AAA	2.66	4.53%
HONDA_AUTO_2006-1- A3	125,434	5.07	2/18/10	AAA	0.08	0.63%
LEHMAN BROS HLDGS INC	19,000	0.00	2/06/12	NR	0.00	54.15%
LEHMAN BROTHERS HLDGS INC	17,575	0.00	8/15/10	NR	0.00	99.99%
LEHMAN BROTHERS HOLDINGS	53,200	0.00	1/24/13	NR	0.00	54.15%
LEHMAN CAP MTN	22	5.86	5/31/12	NR	1.55	99.99%
MBNA_CC_MSTR_TR_2006-1 A	1,607,936	4.90	7/15/11	AAA	0.12	0.82%
MBNA_MSTR_TR_2002-005- A	1,592,729	1.38	10/15/11	AAA	0.10	4.45%
MET LIFE GLOB FDNG I	931,760	5.13	4/10/13	AA2	3.73	7.00%
MORGAN STANLEY DEAN WITTER	270,581	6.75	4/15/11	A2	2.05	7.52%
QWEST CORP	67,050	5.25	6/15/13	BA1	-0.11	12.39%
ROUSE CO	72,625	3.63	3/15/09	CA	0.13	99.99%
SLM CORP MTN BOOK ENTRY	447,944	4.00	1/15/09	BAA2	0.04	15.54%
SLM CORP MTN BOOK ENTRY	259,964	3.72	1/26/09	BAA2	0.07	3.92%

Bond Name	Market Value	Coupon	Stated Maturity	Quality Rating	Duration	Yield to Maturity
SLM CORP MTN BOOK ENTRY	257,186	5.40	10/25/11	BAA2	2.40	16.55%
TIAA_CMBS_2001-C1- A4	1,063,858	6.68	9/17/09	N/A	0.92	7.47%
TIME WARNER CABLE INC	1,182,363	6.20	7/01/13	BAA2	3.73	7.64%
USAA_AUTO_TR_2006-003- A3	413,303	5.36	2/15/11	AAA	0.35	1.66%
USAA_AUTO_TR_2006-004- A4	1,392,957	4.98	10/15/12	AAA	1.34	7.98%
USB CAPITAL IX	176,250	6.19	4/15/11	A1	1.67	45.91%
VERIZON NEW JERSEY INC	19,689	5.88	1/17/12	BAA1	2.68	6.44%
VODAFONE GROUP PLC NEW	158,725	5.00	12/16/13	BAA1	4.35	5.89%
WELLS FARGO & CO	460,018	4.88	1/12/11	AA1	1.87	4.87%
WELLS FARGO & CO	155,713	4.63	8/09/10	AA1	1.51	4.32%
WINDSTREAM CORP	133,400	8.13	8/01/13	BA3	3.59	10.36%
	51,703,537	4.81			1.94	5.55%
5-10 Years						
ANADARKO PETE CORP	441,655	5.95	9/15/16	BAA3	5.96	8.01%
AT&T INC GLOBAL NT	656,910	5.50	2/01/18	A2	7.16	5.35%
BANK OF AMERICA CORP	176,038	5.65	5/01/18	AA2	7.35	5.57%
BANK OF AMERICA CORPORATIO	454,290	5.75	12/01/17	AA2	7.07	5.77%
BARCLAYS BANK PLC 144A	283,125	7.43	12/15/17	AA3	5.20	19.18%
BIO RAD LABS INC	48,150	6.13	12/15/14	BA3	4.75	10.69%
CHASE_ISS_TR_2007-017A A	1,301,258	5.12	10/15/14	AAA	3.31	7.36%
CHUBB CORP	232,571	6.38	4/15/17	A3	5.61	14.35%
COMCAST CORP NEW	345,699	6.50	1/15/17	BAA2	6.13	6.70%
CREDIT SUISSE GUERNSEY BR	392,053	5.86	5/15/17	AA3	5.33	18.70%
FEDERAL HOME LN BK CHICAGO	624,750	5.63	6/13/16	AA2	6.20	4.82%
FHLMC_2825- VP	534,470	5.50	6/15/15	GOVT	1.56	3.48%

Bond Name	Market Value	Coupon	Stated Maturity	Quality Rating	Duration	Yield to Maturity
FNMA POOL - 755167	99,261	5.50	11/01/18	GOVT	1.52	3.93%
FREEPORT-MCMORAN COPPER &	148,750	8.25	4/01/15	BA2	4.57	11.69%
FREEPORT-MCMORAN COPPER &	270,600	8.38	4/01/17	BA2	5.51	11.85%
GENERAL ELEC CAP CORP MTN	345,714	6.38	11/15/17	AA1	5.96	13.74%
GEORGIA PAC CORP 144A	71,400	7.13	1/15/17	BA3	5.68	10.07%
HARRAH S OPERATING CO INC	45,396	10.75	2/01/18		N/A	N/A
INTERNATIONAL BUSINESS MAC	481,100	5.70	9/14/17	A1	6.98	4.72%
INTERNATIONAL BUSINESS MAC	479,676	7.63	10/15/18	A1	7.28	5.02%
ISPAT INLAND ULC	185,735	9.75	4/01/14	BAA2	3.80	13.67%
JPMORGAN CHASE BK NEW Y 14	882,525	6.00	7/05/17	AA1	6.59	5.87%
KRAFT FOODS INC	648,315	6.50	8/11/17	BAA2	6.54	6.42%
KRAFT FOODS INC	563,443	6.13	2/01/18	BAA2	6.89	6.42%
L-3 COMMUNICATIONS CORP	28,050	6.38	10/15/15	BA3	5.38	7.62%
L-3 COMMUNICATIONS CORP	45,000	5.88	1/15/15	BA3	4.84	7.99%
LEHMAN BROS HLDGS INC	41	0.00	12/28/17	NR	0.00	99.99%
LEHMAN BROS HLDGS INC	30	0.00	7/19/17	NR	0.00	99.99%
LINCOLN NATL CORP IND	107,100	7.00	5/17/16	BAA2	4.35	24.23%
MORGAN STANLEY	304,984	5.45	1/09/17	A2	6.13	8.52%
MORGAN STANLEY	840,270	5.75	10/18/16	A2	6.04	8.60%
MORGAN STANLEY	66,063	5.55	4/27/17	A2	6.41	8.51%
NATIONSBANK CORP	458,096	7.80	9/15/16	AA3	5.73	7.49%
NRG ENERGY INC	51,150	7.38	2/01/16	B1	5.27	8.72%
PETROBRAS INTL FIN CO	161,820	5.88	3/01/18	BAA1	6.89	7.41%
QWEST COMMUNICATIONS INTL	50,050	7.50	2/15/14	BA3	3.76	15.82%
QWEST COMMUNICATIONS INTL	189,475	7.50	2/15/14	BA3	3.76	15.82%
REINSURANCE GROUP AMER IN	71,816	6.75	12/15/15	BAA3	4.13	27.04%

Bond Name	Market Value	Coupon	Stated Maturity	Quality Rating	Duration	Yield to Maturity
ROGERS WIRELESS INC	103,964	7.50	3/15/15	BAA3	4.84	7.70%
ROYAL BK SCOTLAND	278,796	7.64	9/29/17	A1	4.34	24.73%
ROYAL BK SCOTLAND GROUP 1	128,574	6.99	10/05/17	A1	4.98	20.17%
SABINE PASS LNG L P	190,800	7.50	11/30/16	B2	5.43	13.33%
SLMA_08-5 A2	1,918,185	4.00	10/25/16		N/A	N/A
SLMA_08-5 A3	460,980	4.10	1/25/18		N/A	N/A
SMALL BUSINESS ADMIN SER	468,525	4.73	8/10/14		N/A	N/A
SPRINT NEXTEL CORP	141,000	6.00	12/01/16	BA2	5.82	11.84%
TCI COMMUNICATIONS INC	484,329	8.75	8/01/15	BAA2	4.91	7.49%
TEXAS COMPETITIVE ELEC 144	312,400	10.25	11/01/15	B3	4.28	17.72%
TRANSOCEAN SEDCO FOREX INC	77,418	6.00	3/15/18	BAA2	6.91	7.35%
TRAVELERS COMPANIES INC	465,078	6.25	3/15/17	A3	5.66	13.27%
UBS AG BRH MTN SR DEP NT B	726,080	5.75	4/25/18	AA2	7.11	7.12%
UBS AG BRH MTN SR DEP NT B	1,010,515	5.88	12/20/17	AA2	6.95	7.12%
UNITED STATES TREAS NTS	1,709,365	3.75	11/15/18	GOVT	8.67	2.25%
VERIZON COMMUNICATIONS	1,466,525	8.75	11/01/18	A3	6.94	6.35%
VERIZON WIRELESS CAP LL 14	410,088	8.50	11/15/18	A2	7.06	6.15%
WIND ACQUISITION FIN SA 14	81,700	10.75	12/01/15	B2	4.58	13.97%
WINDSTREAM CORP	110,625	8.63	8/01/16	BA3	5.19	10.89%
	22,631,773	6.11			6.07	8.12%
10-20 Years						
BA_MTG_ALT_2004-007- 4A1	288,264	5.00	8/25/19	N/A	8.04	14.18%
CWABS_HEL_2006-019- 2A1	317,527	0.53	2/25/28	AAA	0.08	4.45%
CWALT_2006-OC9- A1	359,245	0.55	2/25/28	AA3	0.11	4.45%
FEDERAL HOME LN BKS	2,734,503	5.38	5/15/19	GOVT	8.33	3.89%
FH GOLD 15YR 4.50% TBA - J	1,635,520	4.50	6/01/23	GOVT	1.96	3.45%

Bond Name	Market Value	Coupon	Stated Maturity	Quality Rating	Duration	Yield to Maturity
FH GOLD 15YR 5.00% TBA - J	1,026,300	5.00	6/01/23	GOVT	1.87	3.65%
FHLMC_3143- NA	957,694	5.50	7/15/26	GOVT	-1.02	2.25%
FNMA 15YR 4.50% TBA - JAN	4,598,550	4.50	6/01/23	GOVT	2.67	3.61%
FNMA 15YR 5.00% TBA - JAN	2,155,230	5.00	6/01/23	GOVT	2.38	3.75%
FNMA 15YR 5.50% TBA - JAN	-3,398,010	5.50	6/01/22	GOVT	0.94	3.27%
FNMA POOL - 725519	672,595	5.50	5/01/19	GOVT	2.01	3.92%
FNMA POOL - 745193	2,671,501	5.50	6/01/20	GOVT	1.96	3.92%
FNMA POOL - 784247	135,544	5.50	9/01/19	GOVT	1.68	3.85%
FNMA POOL - 785568	419,187	5.50	9/01/19	GOVT	1.54	3.85%
FNMA POOL - 786444	144,446	5.50	7/01/19	GOVT	1.52	3.85%
FNMA POOL - 794166	73,199	5.50	9/01/19	GOVT	1.35	3.85%
FNMA POOL - 832989	333,484	5.50	9/01/20	GOVT	1.40	3.70%
FNMA_2004-101- HD	882,649	5.00	1/25/20	GOVT	6.25	4.93%
GTE CORP	46,269	6.94	4/15/28	BAA1	10.19	7.69%
HOMER CITY FDG LLC	88,550	8.73	10/01/26	BA2	6.39	9.98%
JP_MORGN_MTG_2006-S2- 2A2	103,427	5.88	6/25/21	BA2	11.98	47.81%
JP_MORGN_MTG_2007-S1- 1A2	100,435	5.50	3/25/22	N/A	12.77	70.53%
LB_MTG_TR_2000-0C3- A2	728,499	7.95	5/15/25	AAA	0.75	7.78%
LEHMAN BROS HLDGS INC	31,350	0.00	9/27/27	NR	0.00	54.15%
MEXICO 10.00%	1,669,606	10.00	12/05/24		N/A	N/A
NEWS AMER HLDGS INC	330,914	7.75	1/20/24	BAA1	8.70	7.72%
SLMA_08-5 A4	1,153,880	4.60	7/25/23		N/A	N/A
TENNESSEE GAS PIPELINE CO	53,560	7.00	10/15/28	BAA3	9.22	9.69%
	20,313,916	5.36			3.70	5.05%
Over 20 Years						
AEGIS_2006-01- A1	424,972	0.55	1/25/37	AAA	0.08	4.45%

Bond Name	Market Value	Coupon	Stated Maturity	Quality Rating	Duration	Yield to Maturity
AMERICA MOVIL S A DE C V	42,401	6.38	3/01/35	A3	11.29	7.74%
AMERICAN INTL GROUP INC	91,574	6.25	3/15/37	BAA1	5.80	17.00%
AMERICAN INTL GRP	322,887	8.17	5/15/38	BAA1	4.64	21.08%
AMERIQUEST_2004-R11- A1	408,017	0.77	12/25/34	AAA	1.35	11.92%
AT&T INC	290,705	6.30	1/15/38	A2	13.31	5.89%
ATLANTIC MARINE 5.34%	180,373	5.34	12/01/50		N/A	N/A
BANC_OF_AMER_2002-PB2 A4	1,056,021	6.19	6/11/35	AAA	2.34	8.29%
BANK OF AMERICA CORP	317,900	8.13	12/29/49	A1	5.95	12.82%
BANK OF AMERICA CORP	438,767	8.00	12/29/49	A1	5.60	13.44%
BA_MTG_CMBS_2005-001- A4	921,770	5.14	11/10/42	N/A	2.74	8.08%
BA_MTG_CMBS_2007-002- A4	1,018,022	5.87	4/10/49	N/A	5.69	10.66%
BEAR_S_COMM_2007-PWR17 A4	757,742	5.69	6/11/50	N/A	6.09	10.52%
BELVOIR LD LLC	177,183	5.40	12/15/47		N/A	N/A
CANADIAN NAT RES LTD	216,150	6.25	3/15/38	BAA2	11.24	8.19%
CD_COMM_2007-CD5- A4	430,526	5.89	11/15/44	AAA	6.05	10.56%
CD_COMM_TR_2007-CD4- A4	46,765	5.32	12/11/49	AAA	5.66	11.51%
CHASE_CMBS_2000-003- A2	417,559	7.32	10/15/32	N/A	1.30	7.96%
CITIGROUP CAP XXI	185,098	8.30	12/21/37	A3	8.93	10.92%
CITIGROUP_MTG_07-AMC3- A2A	374,057	0.58	3/25/37	AAA	0.14	4.45%
CITIGROUP_MTG_2005-004 A	2,225,714	5.34	9/25/35	AAA	12.31	26.11%
CITIGROUP_MTG_2006-C5- AJ	70,782	5.48	10/15/49	AAA	3.91	31.42%
CMALT_2007-A8- A1	662,458	6.00	10/25/37	N/A	11.15	159.90%
CMO COMM 2007-C9 MTG	2,098,509	0.00	12/10/49		N/A	N/A
COBALT_CMBS_2007-C003- A4	292,124	6.01	5/15/46	N/A	5.94	10.97%
COMCAST CORP NEW	684,483	6.95	8/15/37	BAA2	12.44	6.54%
COMCAST CORP NEW	74,643	6.50	11/15/35	BAA2	12.53	6.54%

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COMCAST CORP NEW	15,646	7.05	3/15/33	BAA2	11.65	6.69%
COMMMERCIAL_MTG_ACC_99 A2	609,597	7.03	6/15/31	AAA	0.32	1.74%
CSFB_2002-CP3 A3	1,236,552	5.60	7/15/35	AAA	2.84	8.38%
CSFB_2002-CP5- A2	1,311,284	4.94	12/15/35	N/A	3.21	8.43%
CSFB_2003-C3- A5	1,153,609	3.94	5/15/38	AAA	3.65	8.56%
CSFB_2005-C2- A4	816,595	4.83	4/15/37	AAA	4.83	9.16%
CWABS_HEL_2006-12- 2A1	96,103	0.54	6/25/30	AAA	0.07	4.45%
CWALT_2004-18CB- 2A5	111,415	0.92	9/25/34	AAA	10.60	69.99%
CWALT_2006-OA10- 1A1	238,615	2.83	8/25/46	AAA	0.95	1.55%
CWALT_2006-OA21- A1	241,318	0.70	3/20/47	AAA	9.82	79.34%
CWMBS_2004-029- 1A1	58,033	0.74	2/25/35	AAA	15.12	13.12%
CWMBS_CHL_2006-OA5- 2A1	104,460	0.67	4/25/36	AAA	12.95	77.75%
CWMBS_CHL_2007-016- A1	522,060	6.50	10/25/37	N/A	9.76	66.48%
DEUTSCHE_ALT_2006-OA1- A1	124,810	0.67	2/25/47	AAA	10.50	95.47%
DEVON FING CORP U L C	220,220	7.88	9/30/31	BAA1	10.97	6.98%
DLJ_COM_MTG_1999-CG1- A1B	6,106	6.46	3/10/32	AAA	0.03	0.61%
FEDERAL NATL MTG ASSN	1,032,440	5.00	11/01/33	GOVT	1.75	3.66%
FH GOLD 30YR 4.50% TBA - J	506,550	4.50	6/01/37	GOVT	3.40	3.94%
FH GOLD 30YR 5.00% TBA - J	1,430,660	5.00	6/01/38	GOVT	2.16	3.51%
FH GOLD 30YR 5.50% TBA - J	9,005,920	5.50	6/01/38	GOVT	2.44	4.00%
FH GOLD 30YR 6.00% TBA - J	3,399,000	6.00	6/01/38	GOVT	2.60	4.25%
FHLMC POOL - 1B2853	896,492	4.34	4/01/35	GOVT	0.93	4.07%
FHLMC POOL - 1J1835	1,152,756	5.30	8/01/38	GOVT	2.04	4.20%
FHLMC GOLD POOL - G03358	278,816	5.50	8/01/37	GOVT	1.13	3.31%
FHLMC GOLD POOL - G03449	1,843,314	6.00	10/01/37	GOVT	1.06	3.58%
FHLMC GOLD POOL - G04680	2,025,426	5.50	8/01/38	GOVT	2.22	3.94%

Bond Name	Market Value	Coupon	Stated Maturity	Quality Rating	Duration	Yield to Maturity
FHLMC GOLD POOL - G04691	3,271,142	5.00	6/01/38	GOVT	1.59	3.15%
FIRST_UNION_1999-0C4- A2	809,662	7.39	12/15/31	N/A	0.72	7.75%
FIRST_UNION_2001-C2- A2	1,228,018	6.66	1/12/43	AAA	1.72	7.94%
FLORIDA POWER CORP	195,430	6.40	6/15/38	A2	13.98	5.59%
FLORIDA PWR & LT CO	79,587	5.63	4/01/34	AA3	13.70	5.19%
FLORIDA PWR & LT CO	417,694	5.95	2/01/38	AA3	14.24	5.19%
FNMA POOL - 783576	685,877	4.19	12/01/34	GOVT	1.09	3.40%
FNMA POOL - 806549	813,893	4.55	1/01/35	GOVT	0.92	3.30%
FNMA POOL - 889787	1,165,084	5.05	8/01/38	GOVT	2.91	4.16%
FNMA POOL - 983353	1,428,041	4.86	8/01/38	GOVT	3.08	4.19%
FNMA POOL - 987347	1,022,178	5.58	10/01/38	GOVT	1.73	4.04%
FNMA 30YR 5.00% TBA - FEB	-3,256,960	5.00	6/01/38	GOVT	2.52	3.86%
FNMA 30YR 5.00% TBA - JAN	-5,722,080	5.00	6/01/38	GOVT	2.38	3.70%
FNMA 30YR 5.50% TBA - DEC	9,242,100	5.50	6/01/38	GOVT	N/A	N/A
FNMA 30YR 5.50% TBA - JAN	1,435,000	5.50	6/01/38	GOVT	2.13	3.80%
FNMA 30YR 6.00% TBA - JAN	-7,108,380	6.00	6/01/38	GOVT	1.94	3.88%
FNMA 30YR 6.50% TBA - JAN	5,088,160	6.50	6/01/38	GOVT	1.54	3.69%
FNMA POOL - 254548	5,580,897	5.50	12/01/32	GOVT	2.04	4.03%
FNMA POOL - 255225	149,342	5.50	6/01/34	GOVT	1.72	4.02%
FNMA POOL - 256890	915,081	6.00	9/01/37	GOVT	0.80	3.02%
FNMA POOL - 256936	1,169,170	6.00	10/01/37	GOVT	0.85	3.02%
FNMA POOL - 545989	254,687	7.00	8/01/32	GOVT	1.97	4.28%
FNMA POOL - 555208	175,156	7.00	12/01/32	GOVT	1.92	4.28%
FNMA POOL - 590662	1,133	7.00	7/01/31	GOVT	2.17	4.44%
FNMA POOL - 651971	8,705	7.00	7/01/32	GOVT	1.98	4.14%
FNMA POOL - 725704	460,578	6.00	8/01/34	GOVT	1.71	4.21%

Bond Name	Market Value	Coupon	Stated Maturity	Quality Rating	Duration	Yield to Maturity
FNMA POOL - 725946	1,571,675	5.50	11/01/34	GOVT	1.60	4.02%
FNMA POOL - 735504	1,475,707	6.00	4/01/35	GOVT	2.01	4.37%
FNMA POOL - 745140	687,116	5.00	11/01/35	GOVT	1.90	3.76%
FNMA POOL - 745412	1,294,287	5.50	12/01/35	GOVT	1.54	3.87%
FNMA POOL - 777484	189,328	5.50	6/01/34	GOVT	1.57	4.02%
FNMA POOL - 786771	22,018	5.50	8/01/34	GOVT	1.64	4.02%
FNMA POOL - 828346	80,017	5.00	7/01/35	GOVT	1.95	3.76%
FNMA POOL - 829187	9,364,173	5.00	7/01/35	GOVT	1.69	3.54%
FNMA POOL - 888275	3,033,360	5.50	1/01/35	GOVT	1.72	4.02%
FNMA POOL - 888366	616,034	7.00	4/01/37	GOVT	1.01	3.08%
FNMA POOL - 888892	329,309		11/01/37			
FNMA POOL - 889116	3,592,151	6.00	2/01/38	GOVT	0.65	3.02%
FNMA POOL - 896013	51,643	6.50	7/01/36	GOVT	0.39	2.90%
FNMA POOL - 897164	989,169	6.50	8/01/36	GOVT	N/A	N/A
FNMA POOL - 946614	1,013,068	6.00	9/01/37	GOVT	0.72	3.02%
FNMA POOL - 959487	763,196	5.50	12/01/37	GOVT	0.78	2.64%
FNMA POOL - 990652	306,448		9/01/38			
FNMA SINGLE FAMILY MORTGAG	1,394,260		12/31/38			
FNMA_2005-048- AR	621,070	5.50	2/25/35	GOVT	1.08	3.63%
GAZ CAP SA LUXEMBOURG 144A	224,200	7.29	8/16/37	A3	7.68	12.62%
GENERAL ELEC CAP CORP MTN	596,559	6.15	8/07/37	AAA	13.10	6.13%
GE_CAP_MTG_2000-001- A2	1,095,488	6.50	1/15/33	AAA	1.56	7.90%
GE_ELECTRIC_2005-C2- AAB	901,778	4.87	5/10/43	N/A	3.11	11.69%
GMACM_HEL_2000-C1- A2	559,430	7.72	3/15/33	AAA	0.78	7.78%
GMACM_HEL_2000-C2- A2	684,791	7.46	8/16/33	N/A	1.10	7.84%
GMACM_LOAN_2003-C2- A2	1,302,561	5.28	5/10/40	N/A	3.82	8.54%

Bond Name	Market Value	Coupon	Stated Maturity	Quality Rating	Duration	Yield to Maturity
GMAC_MTG_SEC_1999-C3- A2	567,018	7.18	8/15/36	AAA	0.45	1.92%
GNMA 5.5%	2,458,080	5.50	1/01/30		N/A	N/A
GNMA 30YR 5.50% TBA - FEB	1,230,360	5.50	6/01/38	GOVT	2.33	4.13%
GNMA 30YR 6.00% TBA - FEB	1,439,340	6.00	6/01/38	GOVT	1.82	4.16%
GNMA 30YR 6.00% TBA - JAN	3,094,800	6.00	6/01/38	GOVT	1.73	4.02%
GNMA 30YR 6.50% TBA - JAN	-2,601,750	6.50	6/01/38	GOVT	1.36	3.86%
GNMA II 30 YR SFAMILY PASS	2,150,820		2/15/39			
GNMA POOL - 552720	519,993	6.50	8/15/32	GOVT	2.11	4.60%
GNMA POOL - 781816	868,089	6.50	8/15/34	GOVT	2.33	4.63%
GNMA POOL - 781861	1,181,136	6.50	1/15/35	GOVT	1.70	4.42%
GNMA POOL - 782461	419,056		3/15/32			
GREENWICH_CAP_2005-GG3 A3	991,480	4.57	8/10/42	AAA	2.43	12.04%
GSAA_HEQ_TR_2006-010- AV1	318,018	0.55	6/25/36	AAA	0.32	4.45%
GSAA_HEQ_TR_2006-9- A1	252,034	0.52	6/25/36	AAA	0.09	4.45%
GSR_TRUST_2005-AR4- 6A1	2,661,999	5.25	7/25/35	N/A	10.82	21.50%
GSR_TRUST_2005-AR7- 6A1	480,189	5.24	11/25/35	N/A	11.41	20.54%
GSR_TRUST_2006-OA01- 2A1	310,601	0.66	8/25/46	AAA	-0.13	56.13%
GS_MTG_SEC_2004-GG2- A4	783,095	4.96	8/10/38	AAA	N/A	N/A
HARVIEW_2006-011- A1A	481,713	0.75	12/19/36	AAA	6.25	118.60%
HARVIEW_2006-09- 2AA	190,376	0.79	11/19/36	AAA	9.88	77.38%
INDYMAC_INDA_2006-AR02 4A1	272,098	5.90	9/25/36	N/A	7.20	65.03%
J P MORGAN CHASE & CO	811,034	7.90	12/31/49	A1	6.21	10.80%
JPMORGAN CHASE CAP XXV	1,220,842	6.80	10/01/37	AA3	11.73	7.47%
JPMRGN_CMBS_2007-LDP12 A2	341,700	5.83	2/15/51	AAA	2.86	14.36%
JP_MORGN_2007-LDP11- A2	399,656	5.80	6/15/49	AAA	2.81	15.23%
JP_MORGN_ALT_2006-A2- 4A1	981,639	3.88	8/25/34	AAA	3.86	13.03%

Bond Name	Market Value	Coupon	Stated Maturity	Quality Rating	Duration	Yield to Maturity
JP_MORGN_MTG_05-CIBC12 A4	822,675	4.89	9/12/37	AAA	5.01	9.67%
JP_MORGN_MTG_2001-C1 A3	1,090,867	5.86	10/12/35	N/A	2.27	8.14%
JP_MORGN_MTG_2001-CIB1 A3	745,193	6.26	3/15/33	N/A	1.63	7.89%
JP_MORGN_MTG_2005-LPD4 AJ	209,727	5.04	10/15/42	AAA	4.36	23.55%
JP_MORGN_MTG_2006-A01- 2A2	1,013,468	5.35	2/25/36	N/A	4.64	15.89%
JP_MORG_MTG_2001-CIBC2 A3	817,115	6.43	4/15/35	N/A	2.01	8.04%
LB_UBS_CMBS_2006-C6- A4	431,751	5.37	9/15/39	AAA	5.70	9.69%
LB_UBS_CMBS_2006-C7- A3	965,725	5.35	11/15/38	N/A	5.79	9.67%
LB_UBS_CMBS_2007-C2- A3	675,578	5.43	2/15/40	N/A	5.82	11.47%
LB_UBS_CMBS_2007-C7- A3	1,612,582	5.87	9/15/45	N/A	6.01	11.54%
METLIFE INC	141,000	6.40	12/15/36	BAA1	9.12	11.05%
MIDAMERICAN ENERGY HLDGS N	294,694	5.95	5/15/37	BAA1	12.82	6.69%
MIDAMERICAN ENERGY HLDGS N	244,038	6.50	9/15/37	BAA1	12.52	6.69%
MLCC_MTG_TR_2005-A5- A3	288,679	4.44	6/25/35	N/A	15.21	15.49%
MORG_ST_CAP_2006-IQ12- A4	429,174	5.33	12/15/43	N/A	5.78	10.22%
MORG_ST_CAP_2007-HQ12- A2	146,096	5.81	4/12/49	N/A	2.81	15.50%
MORG_ST_CAP_2007-IQ015 A4	1,195,691	5.88	6/11/49	N/A	5.90	10.89%
SALOMON_BRO_2000-C3- A2	943,074	6.59	12/18/33	AAA	1.18	8.32%
SASC_2005-010- 3A5	452,397	5.00	12/25/34	AAA	0.06	1.66%
TIME WARNER COMPANIES INC	425,659	6.63	5/15/29	BAA2	10.55	7.74%
TRANSOCEAN SEDCO FOREX INC	107,034	6.80	3/15/38	BAA2	11.49	7.74%
UNITED PARCEL SERVICE INC	440,980	6.20	1/15/38	AA2	13.77	5.49%
VERIZON MD INC	21,841	5.13	6/15/33	BAA1	11.98	7.59%
WACHOVIA BK NATL ASSN MTN	1,247,647	6.60	1/15/38	AA3	13.10	5.98%
WACHOVIA CORP	204,576	7.98	12/31/49	A3	6.12	10.52%
WACHOVIA_2006-C23- AM	190,019	5.47	1/15/45	AAA	4.65	19.02%

Bond Name	Market Value	Coupon	Stated Maturity	Quality Rating	Duration	Yield to Maturity
WAMU_2007-HY3- 4A1	647,395	5.35	8/25/36	N/A	10.10	40.57%
WAMU_2007-OA4- 1A1	310,321	3.25	5/25/47	AAA	0.29	1.31%
WAMU_2007-OA5- 1A	534,524	3.23	6/25/47	AAA	0.28	1.34%
WAMU_COMM_2005-C1- A2	803,333	5.15	5/25/36	N/A	1.12	8.20%
WELLPOINT INC	124,616	5.95	12/15/34	BAA1	11.92	7.43%
WELLS_FARGO_2006-AR4- IIA4	232,460	5.77	4/25/36	N/A	15.86	35.19%
XTO ENERGY INC	304,382	6.75	8/01/37	BAA2	11.77	7.28%
	134,870,748	5.45			3.69	9.53%