



**Metro**

Metropolitan Transportation Authority


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**September 14, 2004**

**TO: MTA BOARD OF DIRECTORS**

**THROUGH: ROGER SNOBLE**  
**CHIEF EXECUTIVE OFFICER**

**FROM: TERRY MATSUMOTO**   
**EXECUTIVE OFFICER, FINANCE AND TREASURER**

**SUBJECT: INVESTMENT TRANSACTIONS DURING THE MONTH**  
**ENDED AUGUST 31, 2004**

**ISSUE**

The attached investment transactions reports are provided in accordance with the MTA Investment Policy approved January 22, 2004, and the California Government Code.

**DISCUSSION**

During the month, investment purchases totaled \$523.9 million, and investment sales totaled \$29.9 million, including interest. There were no call options exercised against holdings in the portfolio. The MTA's short and intermediate investment portfolios, valued at market plus accrued income, totaled \$768.9 million as of August 31, 2004 versus \$775.5 million as of July 31, 2004.

**NEXT STEPS**

The next update will report investment transactions for the month ended September 30, 2004.

Attachment I: Purchase Detail Report  
Attachment II: Sales Detail Report

Prepared by: Donna R. Mills, Assistant Treasurer  
Marshall Liu, Sr. Financial Analyst

**ATTACHMENT I**  
**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY**  
**PURCHASE DETAIL REPORT**  
**08/01/04 TO 08/31/04**

Settle Date	CUSIP	Description	Face Rate	Maturity Date	Par Value	Cost Basis	Interest	Broker	Yield
08/02/2004	313588A62	FEDERAL NATL MTGE ASSN DISCOUNT NT	0.00	08/03/2004	10,000,000.00	9,999,638.89	0.00	BK OF AMERICA NA	1.30
08/03/2004	313588A70	FEDERAL NATL MTGE ASSN DISCOUNT NT	0.00	08/04/2004	24,000,000.00	23,999,186.67	0.00	LEHMAN-LBI	1.22
08/04/2004	313384A82	FEDERAL HOME LOAN BANK DISCOUNT	0.00	08/05/2004	18,000,000.00	17,999,400.00	0.00	BANC AMERICA SECUR LLC	1.20
08/05/2004	313588A96	FEDERAL NATL MTGE ASSN DISCOUNT NT	0.00	08/06/2004	22,000,000.00	21,999,236.11	0.00	UBS FINANCIAL SERVICES INC	1.25
08/06/2004	313588B46	FEDERAL NATL MTGE ASSN DISCOUNT NT	0.00	08/09/2004	13,000,000.00	12,998,645.83	0.00	UBS FINANCIAL SERVICES INC	1.25
08/09/2004	313588B53	FEDERAL NATL MTGE ASSN DISCOUNT NT	0.00	08/10/2004	15,000,000.00	14,999,458.33	0.00	LEHMAN-LBI	1.30
08/09/2004	31331T4F5	FEDERAL FARM CR BKS CONS	3.20	08/09/2006	1,800,000.00	1,800,000.00	0.00	THE WILLIAMS CAPITAL GROUP LP	3.20
08/10/2004	313588B61	FEDERAL NATL MTGE ASSN DISCOUNT NT	0.00	08/11/2004	20,000,000.00	19,999,211.11	0.00	MERRILL LYNCH GOVT SECS/M.MKTS	1.42
08/11/2004	313384B81	FEDERAL HOME LOAN BANK DISCOUNT	0.00	08/13/2004	7,000,000.00	6,999,447.78	0.00	LEHMAN-LBI	1.42
08/11/2004	313588B79	FEDERAL NATL MTGE ASSN DISCOUNT NT	0.00	08/12/2004	12,000,000.00	11,999,523.33	0.00	MERRILL LYNCH GOVT SECS/M.MKTS	1.43
08/12/2004	313588B87	FEDERAL NATL MTGE ASSN DISCOUNT NT	0.00	08/13/2004	19,000,000.00	18,999,229.44	0.00	UBS FINANCIAL SERVICES INC	1.46
08/12/2004	3134A4RH9	FEDERAL HOME LN MTG CORP	3.50	09/15/2007	15,000,000.00	15,133,800.00	214,375.00	FTB/FIRST TENNESSEE CAPITAL	3.06
08/13/2004	313384C31	FEDERAL HOME LOAN BANK DISCOUNT	0.00	08/16/2004	14,000,000.00	13,998,320.00	0.00	BANC AMERICA SECUR LLC	1.44
08/13/2004	313384C64	FEDERAL HOME LOAN BANK DISCOUNT	0.00	08/19/2004	8,000,000.00	7,998,080.00	0.00	LEHMAN-LBI	1.44
08/16/2004	744320AA0	PRUDENTIAL FINL INC	4.10	11/15/2006	1,000,000.00	1,014,956.00	0.00	GOLDMAN, SACHS & CO	3.20
08/16/2004	31331QWK9	FEDERAL FARM CR BKS CONS	2.25	09/01/2006	3,000,000.00	2,977,890.00	30,937.50	FTB/FIRST TENNESSEE CAPITAL	2.67
08/16/2004	3133X7NJ9	FEDERAL HOME LN BKS	3.00	05/15/2006	3,000,000.00	3,024,270.00	15,250.00	FTB/FIRST TENNESSEE CAPITAL	2.51
08/16/2004	3134A4UB8	FEDERAL HOME LN MTG CORP	2.75	08/15/2006	3,000,000.00	3,007,350.00	229.17	FTB/FIRST TENNESSEE CAPITAL	2.57
08/16/2004	31359MVA8	FEDERAL NATL MTG ASSN	2.50	06/15/2006	3,000,000.00	2,997,900.00	12,708.33	FTB/FIRST TENNESSEE CAPITAL	2.52
08/17/2004	313384D22	FEDERAL HOME LOAN BANK DISCOUNT	0.00	08/23/2004	5,000,000.00	4,998,791.67	0.00	LEHMAN-LBI	1.45
08/17/2004	313384D30	FEDERAL HOME LOAN BANK DISCOUNT	0.00	08/24/2004	5,000,000.00	4,998,590.28	0.00	LEHMAN-LBI	1.45
08/17/2004	313384D97	FEDERAL HOME LOAN BANK DISCOUNT	0.00	08/30/2004	5,000,000.00	4,997,363.89	0.00	LEHMAN-LBI	1.46
08/17/2004	313384E21	FEDERAL HOME LOAN BANK DISCOUNT	0.00	08/31/2004	7,000,000.00	6,996,025.56	0.00	LEHMAN-LBI	1.46
08/17/2004	313396C50	FEDERAL HOME LN MTG CORP DISC NTS	0.00	08/18/2004	20,000,000.00	19,999,200.00	0.00	BANC AMERICA SECUR LLC	1.44
08/18/2004	313384C64	FEDERAL HOME LOAN BANK DISCOUNT	0.00	08/19/2004	13,000,000.00	12,999,512.50	0.00	UBS FINANCIAL SERVICES INC	1.35
08/19/2004	313384C72	FEDERAL HOME LOAN BANK DISCOUNT	0.00	08/20/2004	32,000,000.00	31,998,755.56	0.00	BANC AMERICA SECUR LLC	1.40
08/19/2004	313384E39	FEDERAL HOME LOAN BANK DISCOUNT	0.00	09/01/2004	8,000,000.00	7,995,840.00	0.00	LEHMAN-LBI	1.44
08/19/2004	313384E47	FEDERAL HOME LOAN BANK DISCOUNT	0.00	09/02/2004	8,000,000.00	7,995,520.00	0.00	LEHMAN-LBI	1.44
08/19/2004	313396E90	FEDERAL HOME LN MTG CORP DISC NTS	0.00	09/07/2004	5,000,000.00	4,996,068.06	0.00	LEHMAN-LBI	1.49
08/19/2004	37056JJG9	GENERAL RE CORP CPDS	0.00	09/16/2004	5,000,000.00	4,994,244.44	0.00	MERRILL LYNCH GOVT SECS/M.MKTS	1.48
08/19/2004	9497F0HL9	WELLS FARGO & CO CPDS	0.00	08/20/2004	22,000,000.00	21,999,138.33	0.00	MERRILL LYNCH GOVT SECS/M.MKTS	1.41
08/20/2004	313384D22	FEDERAL HOME LOAN BANK DISCOUNT	0.00	08/23/2004	10,000,000.00	9,998,850.00	0.00	BANC AMERICA SECUR LLC	1.38
08/20/2004	313384D30	FEDERAL HOME LOAN BANK DISCOUNT	0.00	08/24/2004	5,000,000.00	4,999,238.89	0.00	LEHMAN-LBI	1.37
08/20/2004	313384D48	FEDERAL HOME LOAN BANK DISCOUNT	0.00	08/25/2004	12,000,000.00	11,997,683.33	0.00	LEHMAN-LBI	1.39
08/20/2004	313384D55	FEDERAL HOME LOAN BANK DISCOUNT	0.00	08/26/2004	12,000,000.00	11,997,220.00	0.00	LEHMAN-LBI	1.39
08/20/2004	313384D63	FEDERAL HOME LOAN BANK DISCOUNT	0.00	08/27/2004	9,000,000.00	8,997,567.50	0.00	LEHMAN-LBI	1.39
08/23/2004	313384D30	FEDERAL HOME LOAN BANK DISCOUNT	0.00	08/24/2004	6,000,000.00	5,999,763.33	0.00	MERRILL LYNCH GOVT SECS/M.MKTS	1.42
08/23/2004	313384D55	FEDERAL HOME LOAN BANK DISCOUNT	0.00	08/26/2004	4,000,000.00	3,999,530.00	0.00	LEHMAN-LBI	1.41
08/23/2004	313384D63	FEDERAL HOME LOAN BANK DISCOUNT	0.00	08/27/2004	5,000,000.00	4,999,200.00	0.00	LEHMAN-LBI	1.44
08/23/2004	31393CHL0	FEDERAL NATL MTG ASSN REMIC TR	3.50	05/25/2009	1,000,000.00	904,547.89	1,919.58	MORGAN STANLEY & CO	2.46
08/24/2004	17307JJA1	CITIGROUP GLBL MKT HLDG INC CP	0.00	09/10/2004	5,000,000.00	4,996,411.11	0.00	CITIGROUP GLOBAL MARKETS INC	1.52
08/24/2004	17307JJF0	CITIGROUP GLBL MKT HLDG INC CP	0.00	09/15/2004	5,000,000.00	4,995,355.56	0.00	CITIGROUP GLOBAL MARKETS INC	1.52
08/24/2004	17307JLJ7	CITIGROUP GLBL MKT HLDG INC CP	0.00	09/20/2004	5,000,000.00	4,994,300.00	0.00	CITIGROUP GLOBAL MARKETS INC	1.52
08/24/2004	313384D48	FEDERAL HOME LOAN BANK DISCOUNT	0.00	08/25/2004	10,000,000.00	9,999,611.11	0.00	UBS FINANCIAL SERVICES INC	1.40
08/24/2004	313384D63	FEDERAL HOME LOAN BANK DISCOUNT	0.00	08/27/2004	10,000,000.00	9,998,825.00	0.00	LEHMAN-LBI	1.41

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**PURCHASE DETAIL REPORT**  
**08/01/04 TO 08/31/04**

Settle Date	CUSIP	Description	Face Rate	Maturity Date	Par Value	Cost Basis	Interest	Broker	Yield
08/25/2004	17307JHS4	CITIGROUP GLBL MKT HLDG INC CP	0.00	08/26/2004	7,000,000.00	6,999,710.28	0.00	CITIGROUP GLOBAL MARKETS INC	1.49
08/25/2004	313384E21	FEDERAL HOME LOAN BANK DISCOUNT	0.00	08/31/2004	8,000,000.00	7,998,106.67	0.00	LEHMAN-LBI	1.42
08/25/2004	313384E39	FEDERAL HOME LOAN BANK DISCOUNT	0.00	09/01/2004	7,000,000.00	6,998,060.42	0.00	CITIGROUP GLOBAL MARKETS INC	1.43
08/25/2004	31331QWK9	FEDERAL FARM CR BKS CONS	2.25	09/01/2006	4,000,000.00	3,966,040.00	43,500.00	FTB/FIRST TENNESSEE CAPITAL	2.67
08/25/2004	31331TGN5	FEDERAL FARM CR BKS CONS	2.38	10/02/2006	4,000,000.00	3,971,520.00	37,736.11	FTB/FIRST TENNESSEE CAPITAL	2.70
08/26/2004	313396U43	FEDERAL HOME LN MTG CORP DISC NTS	0.00	12/23/2004	3,900,000.00	3,877,826.33	0.00	BK OF AMERICA NA	1.73
08/26/2004	313384D63	FEDERAL HOME LOAN BANK DISCOUNT	0.00	08/27/2004	9,000,000.00	8,999,642.50	0.00	BANC AMERICA SECUR LLC	1.43
08/26/2004	313384F38	FEDERAL HOME LOAN BANK DISCOUNT	0.00	09/09/2004	3,000,000.00	2,998,343.33	0.00	LEHMAN-LBI	1.42
08/27/2004	313384D97	FEDERAL HOME LOAN BANK DISCOUNT	0.00	08/30/2004	10,000,000.00	9,998,816.67	0.00	MERRILL LYNCH GOVT SECS/M.MKTS	1.42
08/27/2004	313384E47	FEDERAL HOME LOAN BANK DISCOUNT	0.00	09/02/2004	6,000,000.00	5,998,570.00	0.00	LEHMAN-LBI	1.43
08/30/2004	313384E21	FEDERAL HOME LOAN BANK DISCOUNT	0.00	08/31/2004	6,000,000.00	5,999,763.33	0.00	BK OF AMERICA NA	1.42
08/30/2004	313396H63	FEDERAL HOME LN MTG CORP DISC NTS	0.00	09/28/2004	10,000,000.00	9,987,715.28	0.00	MERRILL LYNCH GOVT SECS/M.MKTS	1.53

**\$ 523,700,000.00    \$ 523,586,812.31    \$ 356,655.69**

**ATTACHMENT II**  
**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY**  
**SALES DETAIL REPORT**  
**08/01/04 TO 08/31/04**

Settle Date	CUSIP	Description	Face Rate	Maturity Date	Par Value	Cost Basis	Interest	Gain / (Loss)
08/17/2004	01F050486	FNMA TBA 15YR SFM 05.00% AUG	0.00	06/23/2009	2,000,000.00	2,030,781.25	0.00	47,656.25
08/12/2004	01F052680	FNMA TBA 30YR SFM 05.50% AUG	0.00	04/04/2011	3,000,000.00	3,037,265.62	0.00	42,890.62
08/25/2004	31331TTV3	FEDERAL FARM CR BKS CONS	2.13	07/17/2006	8,000,000.00	7,920,640.00	17,944.44	(12,880.00)
08/12/2004	3134A4TR5	FEDERAL HOME LN MTG CORP	1.75	05/15/2005	12,000,000.00	11,973,840.00	50,750.00	(55,680.00)
08/23/2004	31376JSZ3	FEDERAL NAT'L MTGE ASSN POOL # 357036	7.50	08/03/2007	564,693.00	48,297.36	206.88	1,734.99
08/23/2004	31386DPJ3	FEDERAL NAT'L MTGE ASSN POOL # 560325	7.50	04/05/2007	300,000.00	4,538.49	19.44	163.06
08/23/2004	36209YA32	GOV'T NAT'L MTGE ASSN POOL # 485226	8.50	03/14/2007	352,365.00	31,560.97	151.80	1,269.37
08/23/2004	36211E4K1	GOV'T NAT'L MTGE ASSN POOL # 511226	8.50	03/07/2007	648,579.00	16,611.05	79.89	668.07
08/23/2004	36213XGM0	GOV'T NAT'L MTGE ASSN POOL # 567304	6.50	12/31/2007	179,644.00	56,584.60	213.81	403.68
08/02/2004	912795QY0	U S TREASURY BILLS	0.00	08/19/2004	4,700,000.00	4,697,460.96	0.00	0.00
					<b>\$ 31,745,281.00</b>	<b>\$ 29,817,580.30</b>	<b>\$ 69,366.26</b>	<b>\$ 26,226.04</b>