



Metro

Metropolitan Transportation Authority

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January 30, 2006

TO: BOARD OF DIRECTORS

THROUGH: ROGER SNOBLE
CHIEF EXECUTIVE OFFICER

FROM: TERRY MATSUMOTO
EXECUTIVE OFFICER, FINANCE AND TREASURER

SUBJECT: INVESTMENT REPORT FOR QUARTER ENDING
DECEMBER 31, 2005

ISSUE

The purpose of this quarterly report on investments is to certify that the cash and investment portfolios are in compliance with our Investment Policy approved January 27, 2005.

DISCUSSION

1. On a consolidated portfolio basis, the securities were in compliance for the quarter ending December 31, 2005.
2. L.A. County Pool
 - Non-Compliance with L.A. County Investment Policy

See Attachment VI - County of Los Angeles Treasurer and Tax Collector Report of Investments for October, November and December 2005.

INVESTMENT RETURNS

Treasury staff continues to emphasize enhancing returns by adjusting the portfolio maturities as cash flows permit and based upon changes in the market environment. The externally managed portfolio strategies are designed to enhance total return by targeting the benchmark Merrill Lynch 1-3 year Government/Credit Index. Investment returns and the weighted average duration for the internal portfolio and the externally managed portfolios are summarized below in Table I, and are shown in Attachment I, pages four and five.

For the quarter ending December 31, 2005, the externally managed portfolios had a combined return of 0.73% compared to a gain of 0.67% for the benchmark. For the period, the combined weighted average duration of the external portfolios was 1.7 years and that of the benchmark was 1.7 years.

Table I - Investment Returns for the quarter ending December 31, 2005

Investment Manager / Benchmark	Return	Weighted Average Duration (years)
Internal Manager Portfolio	0.99%	0.1
91 day T-Bill Index	0.92%	0.2
Bank of America	0.69%	1.5
L.M. Capital	0.73%	1.2
PIMCO	0.78%	2.0
External Manager Composite	0.73%	1.7
Merrill Lynch 1-3 yr Govt/Credit Index	0.67%	1.7

Treasury staff monitors the performance of the external managers relative to the respective Benchmark over a market cycle (3 to 5 years), and meets quarterly with the external managers to review performance and to discuss managers' strategies.

NEXT STEPS

The next update will report compliance and performance for the quarter ended March 31, 2006.

- Attachment I: December 2005 Quarterly Report on Cash & Investments
- Attachment II: Schedule of Proposed Financings
- Attachment III: Quarterly Certification of Liquidity
- Attachment IV: December 2005 Transactions Report
- Attachment V: Bank of New York Western Trust Company, and Local Agency Investment Fund Asset Statements
- Attachment VI: L.A. County Treasurer's and Tax Collector Report of Investments for October, November, and December 2005 – Attachment II

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

ATTACHMENT I

**LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
QUARTERLY REPORT ON CASH & INVESTMENTS**

December 31, 2005

Los Angeles County Metropolitan Transportation Authority

CASH AND INVESTMENT REPORT OVERVIEW

December 31, 2005

(In Dollars)

The LACMTA's Treasury Department is responsible for various funds in five major categories:

	<u>December 31, 2005</u>	<u>September 30, 2005</u>	<u>Change</u>	<u>Note</u>
Operating Funds	\$ 1,005,220,393	\$ 945,417,376	\$ 59,803,017	a
Debt Funds:				
Bond Principal and Interest	172,450,212	105,102,513	67,347,699	b
Debt Service Reserves and Other Debt	160,592,605	168,061,683	(7,469,078)	c
Refunding Escrows	679,925,007	681,351,578	(1,426,571)	
Bond Construction Funds	319,946,905	308,472,024	11,474,881	e
Pension Assets (d)	694,465,880	679,454,293	15,011,587	f
HOV, STA, TDA and SAFE Funds	239,471,705	225,053,562	14,418,143	g
Other	<u>9,197,804</u>	<u>7,691,117</u>	<u>1,506,687</u>	
TOTAL \$	\$ 3,281,270,509	\$ 3,120,604,146	\$ 160,666,365	

a - Current quarter funding in excess of operating expenses and payroll expenditures.

b - Funds retained by Trustees for payment of principal and interest for outstanding bond issues.

c - Correction of overstatement of 1997- A Debt service reserve account in current quarter.

d - Pension Plan assets are reported at market value.

e - Addition of Prop A 2005 - A Bond Construction fund offset by funds expended for Metro Orange Line, UFS, Rail Facilities and MOS1/MOS2 projects.

f - Increase in Pension Plan assets attributable to favorable market conditions net of contributions and distributions.

g - Timing difference due to delays in claimants filing for STA and TDA funding in current quarter.

Los Angeles County Metropolitan Transportation Authority

SUMMARY and COMPARISON DISCRETIONARY / OPERATING FUNDS December 31, 2005

Description	December 31, 2005	September 30, 2005
Yield to Maturity (at market)		
Bank Deposits	3.67%	3.20%
Local Agency Investment Fund	3.81%	3.32%
Certificate of Deposit Program	3.50%	3.50%
Managed Investments	3.86%	3.75%
Total Wtd Avg Yield (at market)	3.85%	3.70%
 Wtd Avg. Maturity (days)	 402	 426
 Balances		
Bank Deposits	\$ 31,805,567	\$ 26,647,518
Local Agency Investment Fund (*)	80,000,000	80,000,000
Certificate of Deposit Program	99,000	99,000
Managed Investments	893,315,826	838,670,858
Total Book Value	\$ 1,005,220,393	\$ 945,417,376
Total Market Value	\$ 995,025,687	\$ 929,939,772
Total Par Value	\$ 1,017,269,264	\$ 965,652,202
 Quarterly Interest - Earned		
Quarterly Interest - Received	\$ 8,767,402	\$ 7,077,209
	\$ 8,553,132	\$ 7,264,612

(*) - Includes \$ 40 million held in a PTSC account.

Los Angeles County Metropolitan Transportation Authority

CASH and INVESTMENT SUMMARY DISCRETIONARY / OPERATING FUNDS December 31, 2005

Description	Balance at cost	Weighted Avg Yield at market	Weighted Avg Maturity in days	Percentage	Ratings - (Low - High) (2)
Bank Deposits	\$ 31,805,567	3.67%	1	3.1%	**
Local Agency Investment Fund (*)	80,000,000	3.81%	192	8.0%	***
Certificate of Deposit Program	99,000	3.50%	118	0.0%	FDIC insured
Managed Investments:					
Money Market Funds	7,107,973	3.23%	3	0.7%	Aaa
Bankers Acceptance	29,481,456	4.52%	47	2.9%	P-1
Commercial Paper	65,579,410	4.25%	17	6.5%	P-1
Repos	4,587,834	3.40%	3	0.5%	-
U.S. Treasuries	154,929,878	3.37%	726	15.4%	Aaa
Federal Agencies	483,093,924	3.74%	406	48.1%	Aaa
Corporate Notes	148,535,351	4.48%	524	14.8%	A3 - Aaa
Subtotal - Managed Investments	893,315,826	3.86%	435	88.9%	
Total Cash & Investments	\$ 1,005,220,393	3.85%	402	100.0%	

1 - Earnings on bank deposits include earnings credits gross of service fees.

2 - The source of the ratings is Standard and Poor's rating agency.

(*) - Includes \$ 40 million held in a PTSC account.

(**) - Deposits are collateralized at 110% by U.S. Treasuries.

(***) - The Local Agency Investment Fund (LAIF) is administered by the California State Treasurer's office per Section 16429.1 et seq. of the California Government Code. The LAIF is not rated.

Los Angeles County Metropolitan Transportation Authority

INVESTMENT MANAGER PERFORMANCE DISCRETIONARY / OPERATING FUNDS

December 31, 2005

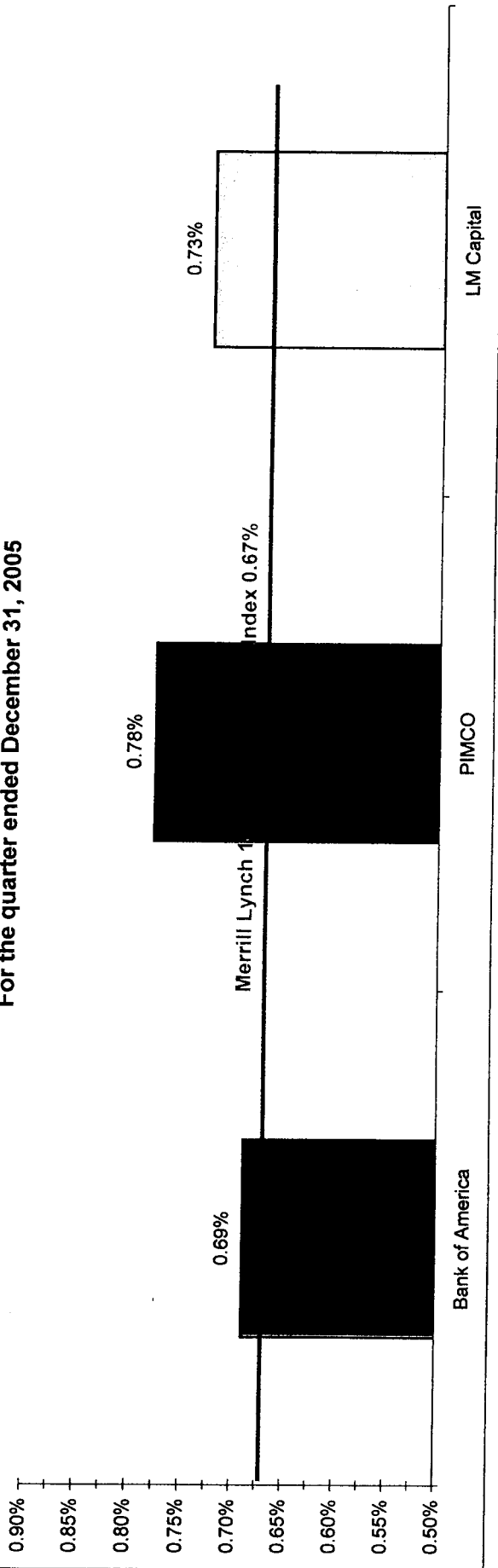
Investment Manager	Balance at market in dollars	Balance at cost in dollars *	Yield to Maturity at market	Average in days	Duration in years	Performance (in percentages, gross of fees)				
						12/31/05	09/30/05	Fiscal Year to Date	Returns since Inception **	Benchmark since Inception **
Short Duration										
Internal	266,710,835	266,600,100	4.26%	18	0.04	0.99	0.88	1.88	4.19	
Benchmark - 91 day T-Bill plus 20 basis points through 12/31/97						0.92	0.83	1.75	4.06	4.06
Benchmark - 91 day T-Bill from 01/01/98 forward										
Intermediate Duration										
Bank of America	302,564,988	311,394,969	4.69%	615	1.54	0.69	0.38	1.07	5.21	5.16
LM Capital	70,249,638	70,926,092	4.81%	468	1.23	0.73	0.38	1.11	6.41	6.11
PIMCO	243,595,659	244,394,665	4.45%	652	1.94	0.78	0.30	1.08	5.17	5.13
External Managers Composite			4.60%	613	1.67	0.73	0.35	1.08	6.50	6.11
Merrill Lynch 1-3 Yr. Govt/Credit Index ***			4.35%	639	1.68	0.67	0.13	0.79	6.11	

* Cost balance includes accrued income

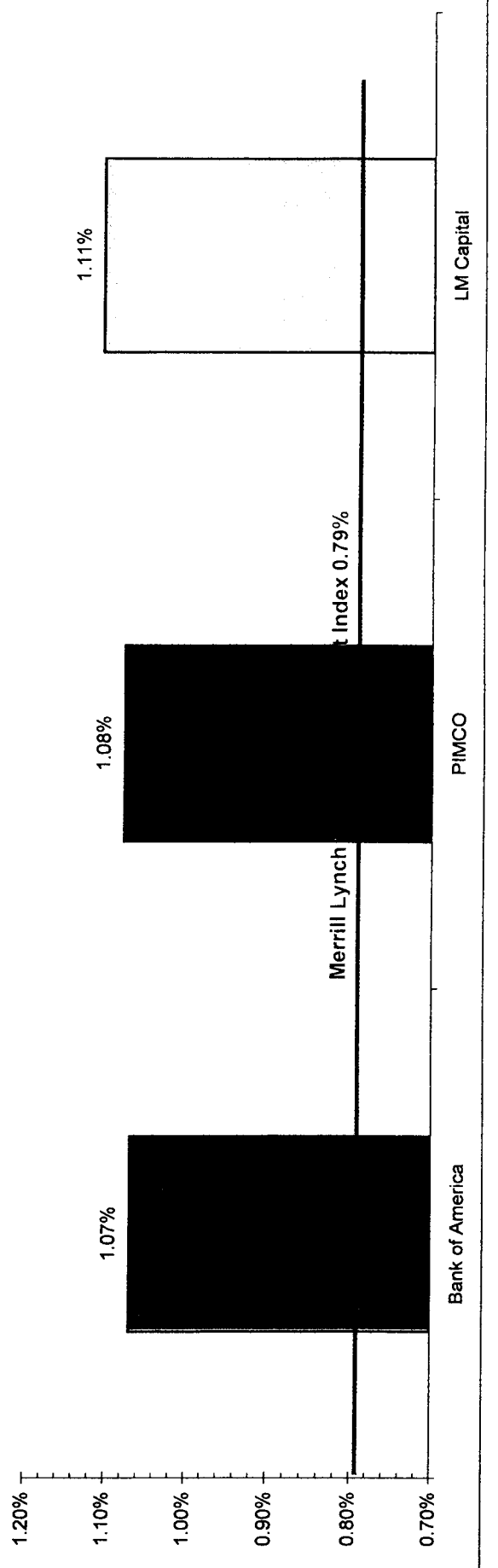
** Inception dates; Internal 9/30/93; TradeStreet 1/31/97; LM Capital 1/29/90; PIMCO 1/31/97. Benchmark returns are a composite of the Merrill Lynch 1-3 yr Govt/Corp Index and the Lehman Brothers 1-3 yr Govt/Corp Index.

*** For the quarters ended prior to 06/30/01, the effective benchmark is the Lehman Brothers 1-3 year Govt/Corp Index.

**Los Angeles County Metropolitan Transportation Authority
Intermediate Duration Managers vs. Merrill Lynch 1-3 Yr. Govt./Credit Index
For the quarter ended December 31, 2005**



**Los Angeles County Metropolitan Transportation Authority
Intermediate Duration Managers vs. Merrill Lynch 1-3 Yr. Govt./Credit Index
For the fiscal year to date December 31, 2005**



Los Angeles County Metropolitan Transportation Authority

LIQUIDITY SCHEDULE DISCRETIONARY / OPERATING FUNDS December 31, 2005

	Availability	Balance at cost	Wtd Avg Yield at market	Cumulative Availability
Bank Deposits	Immediate	31,805,567	3.67%	31,805,567
Money Market Funds	Immediate	7,107,973	3.23%	38,913,540
Local Agency Investment Fund (*)	Immediate	80,000,000	3.81%	118,913,540
Certificate of Deposit Program	see attached schedule	99,000	3.50%	119,012,540
Investments Maturing :				
	less than 31 days	283,320,365	4.06%	402,332,905
	31 days to 60 days	24,813,410	4.53%	427,146,315
	61 days to 90 days	30,408,976	3.85%	457,555,291
	91 days to 365 days	166,412,116	3.40%	623,967,407
	1 to 2 years	184,175,500	3.60%	808,142,907
	2 to 3 years	67,282,546	4.13%	875,425,453
	3 to 4 years	68,784,810	4.02%	944,210,263
	4 to 5 years	61,010,130	4.26%	1,005,220,393
	more than 5 years	0	0.00%	1,005,220,393
Total Cash & Investments		\$ 1,005,220,393	3.85%	

(*) - Includes \$ 40 million held in a PTSC account.

Los Angeles County Metropolitan Transportation Authority

CERTIFICATE OF DEPOSIT PROGRAM December 31, 2005

Institution	Amount	Rate	Maturity Date	Days to Maturity
Western States Bank	99,000	3.50%	4/28/2006	118
TOTAL PROGRAM	\$ 99,000	3.50%		118

Los Angeles County Metropolitan Transportation Authority

LA COUNTY TREASURER'S INVESTMENT POOL December 31, 2005

The LACMTA is the administrator of various funds that are invested with the Los Angeles County Treasurer Investment Pool. As of December 31, 2005, the funds totaled 239.5 million.

The earnings rate for December was 3.86%.

	<u>in thousands</u>
High Occupancy Vehicle Project Funds	\$ 89.6
State Transit Assistance Bus Funds	47,476.1
State Transit Assistance Rail Funds	19,485.7
Transportation Development Act Local Transportation Account	171,785.0
Service Authority Freeway Emergency Funds	635.3
Total Administered Funds	<u>\$ 239,471.7</u>

Los Angeles County Metropolitan Transportation Authority

GLOSSARY

December 31, 2005

- Book Value :** The original cost of the investment, plus accrued interest and amortization of any discount or premium.
- Duration :** The approximate percentage change in the price of a bond or portfolio for a 100 basis point shift in the yield curve.
- Market Value :** The current market price of the investment including accrued interest.
- Par or Face Value :** The principal amount paid at maturity.
- Yield to Maturity :** The single rate of return earned on an investment considering all cash flows and timing factors.


**Los Angeles County Metropolitan Transportation Authority
ATTACHMENT II**

Schedule of Proposed and Recent Financings - as of December 31, 2005
(Amounts in Millions)

Bond Issue	Security	Total Issuance Amount	Purpose of Financing			Timing (Fiscal Year)
			New Money Financing	To Retire Commercial Paper	To Refund Long-Term Bonds	
Prop C 2005-A Bond	Prop C	\$200.0			\$200.0	4th Qtr FY 2006

ATTACHMENT III
Quarterly Certification of Liquidity
As of December 31, 2005

In accordance with section 53646 (b)(3) of the California Government Code, I certify that there is sufficient liquidity to meet the LACMTA's budgeted expenditure requirements for the next six months.

A handwritten signature in black ink, appearing to read 'Terry Matsumoto', written over a horizontal line.

Terry Matsumoto
Executive Officer, Finance and Treasurer

**ATTACHMENT IV
LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
PURCHASE DETAIL REPORT
12/01/05 TO 12/31/05**

Settle Date	CUSIP	Description	Face Rate	Maturity Date	Par	Cost	Interest	Broker	Yield
12/01/2005	31339XTA2	FEDERAL HOME LN BKS DEB	0.00	06/30/2010	250,000.00	240,125.00	3,145.83	PERSHING & COMPANY	0.00
12/01/2005	313385QF6	FEDERAL HOME LOAN BANK DISCOUNT	0.00	12/08/2005	13,000,000.00	12,990,141.67	0.00	MERRILL LYNCH FIXED INCOME OPS	3.90
12/01/2005	3133589PZ0	FEDERAL NATL MTGE ASSN DISCOUNT NT	0.00	12/02/2005	10,000,000.00	11,998,686.67	0.00	BK OF AMERICA NA	3.94
12/01/2005	3133589QD8	FEDERAL NATL MTGE ASSN DISCOUNT NT	0.00	12/06/2005	12,000,000.00	11,993,500.00	0.00	CITIGROUP GLOBAL MARKETS INC	3.90
12/02/2005	313339YEB1	FEDERAL HOME LN BKS	3.21	01/23/2009	1,150,000.00	1,093,578.13	13,207.27	FIRST TENNESSEE BK NA-BD DIVI	0.00
12/02/2005	3133397Q6	FEDERAL HOME LN BKS DEB	4.06	03/09/2009	2,880,000.00	2,800,350.00	26,925.20	FIRST TENNESSEE BK NA-BD DIVI	0.00
12/02/2005	313385QT6	FEDERAL HOME LN MTG CORP DISC NTS	0.00	12/14/2005	10,000,000.00	9,986,733.33	0.00	LEHMAN-LBI	3.99
12/02/2005	84855LZC0	SPINTAB-SWEDMORTGAGE AB CPDS	0.00	12/20/2005	5,205,000.00	5,199,072.08	0.00	UBS FINANCIAL SERVICES INC	4.06
12/05/2005	3133589QD8	FEDERAL NATL MTGE ASSN DISCOUNT NT	0.00	12/12/2005	12,000,000.00	11,998,676.67	0.00	CITIGROUP GLOBAL MARKETS INC	4.11
12/05/2005	90282CZ67	UBS FIN (DEL) DISC C/P	0.00	12/06/2005	20,000,000.00	11,998,663.33	0.00	JPM SECURITIES	4.01
12/06/2005	3133589QE6	FEDERAL NATL MTGE ASSN DISCOUNT NT	0.00	12/06/2005	20,000,000.00	19,997,805.56	0.00	JPM SECURITIES	3.95
12/06/2005	3133589QE6	FEDERAL NATL MTGE ASSN DISCOUNT NT	0.00	12/07/2005	5,000,000.00	4,999,451.39	0.00	MERRILL LYNCH FIXED INCOME OPS	3.95
12/06/2005	9028XQZ77	UBS AMERS INC CPDS	0.00	12/07/2005	13,000,000.00	12,998,566.39	0.00	BANC/AMERICA	3.97
12/06/2005	96121JZ94	WESTPAC CAP CORP DISC C/P CPDS	0.00	12/07/2005	9,910,000.00	9,908,680.15	0.00	BANC/AMERICA	4.02
12/07/2005	313385Q9N	FEDERAL HOME LOAN BANK DISCOUNT	0.00	12/09/2005	7,000,000.00	6,993,855.56	0.00	CITIGROUP GLOBAL MARKETS INC	3.95
12/07/2005	313385QL3	FEDERAL HOME LOAN BANK DISCOUNT	0.00	12/15/2005	6,000,000.00	5,996,060.00	0.00	CITIGROUP GLOBAL MARKETS INC	3.94
12/07/2005	313385QF6	FEDERAL HOME LOAN BANK DISCOUNT	0.00	12/13/2005	8,000,000.00	7,999,120.00	0.00	LEHMAN-LBI	3.96
12/07/2005	9028XQZ85	UBS AMERICAS INC	0.00	12/08/2005	4,000,000.00	3,999,555.56	0.00	UBS FINANCIAL SERVICES INC	4.00
12/07/2005	90282CZE0	UBS FIN (DEL) DISC C/P	0.00	12/14/2005	7,973,000.00	7,966,643.75	0.00	BANC/AMERICA	4.10
12/07/2005	97684GZC0	WISCONSIN PUB SERV CPDS	0.00	12/12/2005	7,000,000.00	6,996,072.22	0.00	BANC/AMERICA	4.04
12/08/2005	3128X4ST9	FEDERAL HOME LOAN BANK DISCOUNT	4.90	11/03/2008	12,500,000.00	12,458,687.50	59,548.61	BEAR STEARNS SECURITIES CORP	0.00
12/08/2005	313385QK5	FEDERAL HOME LOAN BANK DISCOUNT	0.00	12/12/2005	7,000,000.00	6,999,927.78	0.00	CITIGROUP GLOBAL MARKETS INC	3.95
12/08/2005	9028XQZ93	UBS AMERS INC CPDS	0.00	12/09/2005	13,000,000.00	12,998,530.28	0.00	MERRILL LYNCH GOVT SECS/M.MKTS	4.07
12/09/2005	06422RZF7	BANK OF AMER N A DISC B/A	0.00	12/15/2005	8,000,000.00	7,994,480.00	0.00	MERRILL LYNCH GOVT SECS/M.MKTS	4.14
12/09/2005	313385QL3	FEDERAL HOME LOAN BANK DISCOUNT	0.00	12/13/2005	20,000,000.00	19,991,200.00	0.00	CITIGROUP GLOBAL MARKETS INC	3.96
12/09/2005	313385QM1	FEDERAL HOME LOAN BANK DISCOUNT	0.00	12/13/2005	20,000,000.00	19,999,000.00	0.00	CITIGROUP GLOBAL MARKETS INC	3.96
12/09/2005	90282CZD2	UBS FIN (DEL) DISC C/P	0.00	12/13/2005	15,000,000.00	14,993,066.67	0.00	LEHMAN-LBI	4.16
12/12/2005	313397QL8	FEDERAL HOME LN MTG CORP DISC NTS	0.00	12/13/2005	20,000,000.00	19,997,794.44	0.00	SMITH BARNEY HARRIS UPHAMD	3.97
12/12/2005	74977KZD4	RABOBANK USA FINL CORP CPDS	0.00	12/13/2005	20,000,000.00	19,997,655.56	0.00	LEHMAN-LBI	4.22
12/12/2005	R34653E18	REPO CREDIT SUISSE FIRST BOSTON	4.21	12/13/2005	9,900,000.00	9,900,000.00	0.00	CREDIT SUISSE FIRST BOSTON	0.00
12/13/2005	3133589QM8	FEDERAL NATL MTGE ASSN DISCOUNT NT	0.00	12/14/2005	35,000,000.00	34,995,945.83	0.00	SMITH BARNEY HARRIS UPHAMD	4.17
12/13/2005	313589QN6	FEDERAL NATL MTGE ASSN DISCOUNT NT	0.00	12/15/2005	35,000,000.00	34,991,930.56	0.00	LEHMAN-LBI	4.15
12/13/2005	R34754165	REPO CREDIT SUISSE FIRST BOSTON	4.20	12/14/2005	10,128,000.00	9,900,000.00	0.00	CREDIT SUISSE FIRST BOSTON	0.00
12/13/2005	9028XQZE2	UBS AMERS INC CPDS	0.00	12/14/2005	22,000,000.00	21,997,415.00	0.00	MERRILL LYNCH GOVT SECS/M.MKTS	4.23
12/14/2005	313385RA6	FEDERAL HOME LOAN BANK DISCOUNT	0.00	12/27/2005	15,000,000.00	14,977,683.33	0.00	CITIGROUP GLOBAL MARKETS INC	4.13
12/14/2005	313385QT6	FEDERAL HOME LOAN BANK DISCOUNT	0.00	12/20/2005	15,000,000.00	14,989,725.00	0.00	LEHMAN-LBI	4.11
12/14/2005	313589RA3	FEDERAL NATL MTGE ASSN DISCOUNT NT	0.00	12/27/2005	15,000,000.00	14,978,333.33	0.00	CITIGROUP GLOBAL MARKETS INC	4.01
12/14/2005	45974MZP6	INTERNATIONAL LEASE FIN C/P CP	0.00	12/23/2005	15,000,000.00	14,984,100.00	0.00	UBS FINANCIAL SERVICES INC	4.24
12/14/2005	74977KZT9	RABOBANK USA FINL CORP CPDS	0.00	12/27/2005	22,000,000.00	21,966,315.56	0.00	JPM SECURITIES	4.25
12/14/2005	R34854791	REPO CREDIT SUISSE FIRST BOSTON	4.19	12/15/2005	8,700,000.00	8,700,000.00	0.00	CREDIT SUISSE FIRST BOSTON	0.00
12/14/2005	R34854402	REPO LEHMAN-LBI	4.19	12/15/2005	940,000.00	1,200,000.00	0.00	LEHMAN-LBI	0.00
12/14/2005	90282CZM2	UBS FIN (DEL) DISC C/P	0.00	12/21/2005	13,000,000.00	12,989,332.78	0.00	BANC/AMERICA	4.22
12/15/2005	313385RA6	FEDERAL HOME LOAN BANK DISCOUNT	0.00	12/27/2005	18,000,000.00	17,975,220.00	0.00	CITIGROUP GLOBAL MARKETS INC	4.14
12/15/2005	313589RA3	FEDERAL NATL MTGE ASSN DISCOUNT NT	0.00	12/27/2005	17,000,000.00	16,977,333.33	0.00	LEHMAN-LBI	4.01
12/15/2005	313589QP1	FEDERAL NATL MTGE ASSN DISCOUNT NT	0.00	12/16/2005	10,000,000.00	9,998,633.33	0.00	UBS FINANCIAL SERVICES INC	4.20
12/15/2005	R34953487	REPO CREDIT SUISSE FIRST BOSTON	4.17	12/16/2005	9,400,000.00	9,400,000.00	0.00	CREDIT SUISSE FIRST BOSTON	0.00
12/15/2005	R34955110	REPO LEHMAN-LBI	4.20	12/16/2005	1,200,000.00	1,200,000.00	0.00	LEHMAN-LBI	0.00
12/16/2005	313397QS3	FEDERAL HOME LN MTG CORP DISC NTS	0.00	12/19/2005	13,000,000.00	12,995,590.83	0.00	CITIGROUP GLOBAL MARKETS INC	4.07
12/16/2005	313385QT6	FEDERAL HOME LOAN BANK DISCOUNT	0.00	12/20/2005	4,000,000.00	3,998,168.89	0.00	MERRILL LYNCH FIXED INCOME OPS	4.12

**ATTACHMENT IV
LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
PURCHASE DETAIL REPORT
12/01/05 TO 12/31/05**

Settle Date	CUSIP	Description	Face Rate	Maturity Date	Par	Cost	Interest	Broker	Yield
12/16/2005	R35053401	REPO CREDIT SUISSE FIRST BOSTON	4.18	12/19/2005	10,709,000.00	10,600,000.00	0.00	CREDIT SUISSE FIRST BOSTON	0.00
12/19/2005	31339XRF3	FEDERAL HOME LN BKS DEB	0.00	01/16/2009	6,500,000.00	6,322,265.63	110,500.00	FIRST TENNESSEE BK NA-BD DIVI	0.00
12/19/2005	313385RB4	FEDERAL HOME LOAN BANK DISCOUNT	0.00	12/28/2005	6,000,000.00	5,994,000.00	0.00	CITIGROUP GLOBAL MARKETS INC	4.00
12/19/2005	313385QU3	FEDERAL HOME LOAN BANK DISCOUNT	0.00	12/21/2005	9,000,000.00	8,998,015.00	0.00	MERRILL LYNCH FIXED INCOME OPS	3.97
12/19/2005	R35353211	REPO CREDIT SUISSE FIRST BOSTON	4.19	12/20/2005	4,427,000.00	4,200,000.00	0.00	CREDIT SUISSE FIRST BOSTON	0.00
12/20/2005	313397QU8	FEDERAL HOME LN MTG CORP DISC NTS	0.00	12/21/2005	5,000,000.00	4,999,444.44	0.00	UBS FINANCIAL SERVICES INC	4.00
12/20/2005	313385RB4	FEDERAL HOME LOAN BANK DISCOUNT	0.00	12/28/2005	8,000,000.00	7,992,835.56	0.00	LEHMAN-LBI	4.03
12/20/2005	313385QV1	FEDERAL HOME LOAN BANK DISCOUNT	0.00	12/22/2005	9,000,000.00	8,998,005.00	0.00	LEHMAN-LBI	3.99
12/20/2005	313385QU3	FEDERAL HOME LOAN BANK DISCOUNT	0.00	12/21/2005	8,000,000.00	7,999,106.67	0.00	MERRILL LYNCH FIXED INCOME OPS	4.02
12/20/2005	R35455842	CITIGROUP FDG INC DISC C/P	4.21	12/21/2005	4,200,000.00	4,200,000.00	0.00	CREDIT SUISSE FIRST BOSTON	0.00
12/21/2005	17307RZT4	REPO CREDIT SUISSE FIRST BOSTON	0.00	12/27/2005	14,000,000.00	13,990,153.33	0.00	CITIGROUP GLOBAL MARKETS INC	4.22
12/21/2005	313313QV3	FEDERAL FARM CREDIT BANK DISCOUNT	0.00	12/22/2005	12,275,000.00	12,273,632.70	0.00	BK OF AMERICA NA	4.01
12/21/2005	313385RB4	FEDERAL HOME LOAN BANK DISCOUNT	0.00	12/28/2005	6,000,000.00	5,995,298.33	0.00	LEHMAN-LBI	4.03
12/21/2005	313385RA6	FEDERAL HOME LOAN BANK DISCOUNT	0.00	12/27/2005	7,000,000.00	6,995,298.33	0.00	UBS FINANCIAL SERVICES INC	4.03
12/21/2005	313589JP6	FEDERAL NATL MTGE ASSN DISCOUNT NT	0.00	03/22/2006	600,000.00	593,448.00	0.00	MERRILL LYNCH PIERCE FENNER &	4.03
12/21/2005	R35553025	REPO CREDIT SUISSE FIRST BOSTON	4.21	12/22/2005	3,000,000.00	3,000,000.00	0.00	CREDIT SUISSE FIRST BOSTON	0.00
12/21/2005	R35553836	REPO LEHMAN-LBI	4.21	12/22/2005	380,000.00	600,000.00	0.00	LEHMAN-LBI	0.00
12/22/2005	31394PR21	FEDERAL HOME LN MTG CORP REMIC TR	3.50	06/13/2007	1,450,625.00	1,026,750.36	2,139.49	AMHERST SECURITIES GROUP INC	0.00
12/22/2005	313385RY4	FEDERAL HOME LOAN BANK DISCOUNT	0.00	01/18/2006	12,000,000.00	11,963,100.00	0.00	CITIGROUP GLOBAL MARKETS INC	4.11
12/22/2005	313589RP0	FEDERAL NATL MTGE ASSN DISCOUNT NT	0.00	01/09/2006	10,000,000.00	9,979,500.00	0.00	SMITH BARNEY HARRIS UPHAM	4.11
12/22/2005	R35652765	REPO CREDIT SUISSE FIRST BOSTON	4.15	12/23/2005	2,600,000.00	2,600,000.00	0.00	CREDIT SUISSE FIRST BOSTON	0.00
12/23/2005	R35752699	REPO CREDIT SUISSE FIRST BOSTON	4.20	12/27/2005	2,600,000.00	2,600,000.00	0.00	CREDIT SUISSE FIRST BOSTON	0.00
12/27/2005	313313RB6	FEDERAL FARM CREDIT BANK DISCOUNT	0.00	12/28/2005	23,000,000.00	22,997,444.45	0.00	BK OF AMERICA NA	4.00
12/27/2005	313397RB8	FEDERAL HOME LN MTG CORP DISC NTS	0.00	12/28/2005	30,000,000.00	29,996,750.01	0.00	SMITH BARNEY HARRIS UPHAM	3.90
12/27/2005	313385RB4	FEDERAL HOME LOAN BANK DISCOUNT	0.00	12/28/2005	14,000,000.00	13,998,444.44	0.00	BK OF AMERICA NA	4.00
12/27/2005	313385SA5	FEDERAL HOME LOAN BANK DISCOUNT	0.00	01/20/2006	25,000,000.00	24,931,666.67	0.00	LEHMAN-LBI	4.11
12/27/2005	313385RR9	FEDERAL HOME LOAN BANK DISCOUNT	0.00	01/11/2006	7,000,000.00	6,988,275.00	0.00	CITIGROUP GLOBAL MARKETS INC	4.11
12/27/2005	313589RP0	FEDERAL NATL MTGE ASSN DISCOUNT NT	0.00	01/09/2006	13,100,000.00	13,080,604.72	0.00	CITIGROUP GLOBAL MARKETS INC	4.03
12/27/2005	313585SD6	FEDERAL NATL MTGE ASSN DISCOUNT NT	0.00	01/23/2006	20,000,000.00	19,937,600.00	0.00	LEHMAN-LBI	4.17
12/27/2005	4662C1CL9	JPMORGAN CHASE BK DISC B/A	0.00	03/20/2006	4,000,000.00	3,960,897.78	0.00	UBS FINANCIAL SERVICES INC	4.27
12/27/2005	52517JZU2	LEHMAN BROS HLDGS INC DISC C/P	0.00	12/28/2005	15,000,000.00	14,998,220.83	0.00	LEHMAN-LBI	4.24
12/27/2005	74977KZU6	RABOBANK USA FINL CORP CPDS	0.00	12/28/2005	12,000,000.00	11,999,586.67	0.00	LEHMAN-LBI	4.28
12/27/2005	74977LAD9	RABOBANK USA FINL CORP CPDS	0.00	01/13/2006	15,000,000.00	14,989,754.17	0.00	LEHMAN-LBI	4.28
12/27/2005	R36153915	REPO CREDIT SUISSE FIRST BOSTON	4.14	12/28/2005	4,500,000.00	4,500,000.00	0.00	CREDIT SUISSE FIRST BOSTON	0.00
12/27/2005	90262CZU4	UBS FIN (DEL) DISC C/P	0.00	01/06/2006	15,000,000.00	14,998,225.00	0.00	JPM SECURITIES	4.26
12/27/2005	90262DA62	UBS FIN (DEL) DISC C/P	0.00	01/06/2006	15,000,000.00	14,982,166.67	0.00	CHASE SECURITIES, INC.	4.29
12/27/2005	91282EU5	UNITED STATES TREAS NTS	4.25	10/15/2010	3,500,000.00	3,482,773.44	29,831.73	LEHMAN-LBI	0.00
12/27/2005	93884FA51	WASHINGTON GAS TL CO DISC C/P	0.00	01/05/2006	15,000,000.00	14,983,837.50	0.00	MERRILL LYNCH GOVT SECS/M.MKTS	4.32
12/28/2005	17307SAK8	CITIGROUP FDG INC CPB	4.05	01/19/2006	15,000,000.00	14,960,858.33	0.00	CITIGROUP GLOBAL MARKETS INC	4.28
12/28/2005	313397RC7	FEDERAL HOME LN MTG CORP DISC NTS	0.00	12/29/2005	23,000,000.00	22,997,506.33	0.00	MERRILL LYNCH FIXED INCOME OPS	3.90
12/28/2005	313385RC2	FEDERAL HOME LOAN BANK DISCOUNT	0.00	12/29/2005	30,000,000.00	29,996,666.67	0.00	MERRILL LYNCH FIXED INCOME OPS	4.00
12/28/2005	313385RQ1	FEDERAL HOME LOAN BANK DISCOUNT	0.00	01/10/2006	25,000,000.00	24,983,708.33	0.00	CITIGROUP GLOBAL MARKETS INC	4.03
12/28/2005	313385RS7	FEDERAL HOME LOAN BANK DISCOUNT	0.00	01/12/2006	20,000,000.00	19,966,500.00	0.00	CITIGROUP GLOBAL MARKETS INC	4.03
12/28/2005	R36253775	REPO CREDIT SUISSE FIRST BOSTON	4.11	12/29/2005	4,200,000.00	4,200,000.00	0.00	CREDIT SUISSE FIRST BOSTON	0.00
12/28/2005	87030KAL0	SWEDISH EXPT CR CORP DISC C/P	0.00	01/20/2006	15,000,000.00	14,959,270.83	0.00	CITIGROUP GLOBAL MARKETS INC	4.26
12/28/2005	90262DAR6	UBS FIN (DEL) DISC C/P	0.00	01/25/2006	15,000,000.00	14,950,300.00	0.00	CITIGROUP GLOBAL MARKETS INC	4.27
12/29/2005	313589RD7	FEDERAL NATL MTGE ASSN DISCOUNT NT	0.00	12/30/2005	25,000,000.00	24,997,326.39	0.00	MERRILL LYNCH GOVT SECS/M.MKTS	3.85
12/29/2005	R36352538	REPO CREDIT SUISSE FIRST BOSTON	4.38	05/01/2010	4,500,000.00	4,500,000.00	0.00	UBS FINANCIAL SERVICES INC	0.00
12/29/2005	913017BG3	UNITED TECHNOLOGIES CORP	0.00	01/03/2006	18,000,000.00	17,993,500.00	17,621.53	CREDIT SUISSE FIRST BOSTON	0.00
12/30/2005	313385RH1	FEDERAL HOME LOAN BANK DISCOUNT	0.00	01/03/2006	4,500,000.00	4,500,000.00	0.00	LEHMAN-LBI	3.25
12/30/2005	R36453820	REPO LEHMAN-LBI	3.40	01/03/2006	4,500,000.00	4,500,000.00	0.00	LEHMAN-LBI	0.00

\$ 1,178,677,625.00 \$ 1,176,835,447.04 \$ 262,919.66

ATTACHMENT IV
LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY
SALES DETAIL REPORT
12/01/05 TO 12/31/05

Settle Date	CUSIP	Description	Face Rate	Maturity Date	Par	Cost	Interest	Gain / (Loss)
12/02/2005	313397RH6	FEDERAL HOME LN MTG CORP DISC NTS	0.00	01/03/2006	4,400,000.00	4,384,120.89	0.00	0.00
12/08/2005	3128X3WY5	FEDERAL HOME LN MTG CORP	4.00	09/22/2009	7,000,000.00	6,779,360.00	59,111.11	(215,810.00)
12/08/2005	313397RH6	FEDERAL HOME LN MTG CORP DISC NTS	0.00	01/03/2006	400,000.00	398,873.33	0.00	110,857.62
12/08/2005	313385RJ7	FEDERAL HOME LOAN BANK DISCOUNT	0.00	01/04/2006	4,300,000.00	4,286,874.25	0.00	28,227.11
12/08/2005	313589RJ4	FEDERAL NATL MTGE ASSN DISCOUNT NT	0.00	01/04/2006	1,000,000.00	990,383.06	6,766.94	0.00
12/12/2005	912828EF3	UNITED STATES TREAS NTS	4.00	08/31/2007	9,800,000.00	9,734,539.06	111,535.91	13,398.43
12/13/2005	01F0526C1	FNMA TBA 30YR SFM 05.50% DEC	0.00	09/20/2009	14,000,000.00	13,743,789.06	0.00	50,039.06
12/14/2005	R34754165	REPO CREDIT SUISSE FIRST BOSTON	4.20	12/14/2005	10,128,000.00	9,900,000.00	1,155.00	0.00
12/15/2005	01F0504C7	FNMA TBA 15YR SFM 05.00% DEC	0.00	02/28/2010	6,500,000.00	6,398,945.31	0.00	24,882.81
12/15/2005	R34854402	REPO LEHMAN-LBI	4.19	12/15/2005	940,000.00	1,200,000.00	139.67	0.00
12/20/2005	R35353211	REPO CREDIT SUISSE FIRST BOSTON	4.19	12/20/2005	4,427,000.00	4,200,000.00	488.83	0.00
12/22/2005	R35553836	REPO LEHMAN-LBI	4.21	12/22/2005	380,000.00	600,000.00	70.17	0.00

\$ 63,275,000.00 \$ 62,616,884.96 \$ 179,267.63 \$ 11,595.03

ATTACHMENT V

LOS ANGELES METROPOLITAN TRANSPORTATION
 LACMTA-INTERNAL MANAGER
 ACCOUNT NUMBER 000220077
 MONTHLY REPORT / TRADE DATE BASIS
 DECEMBER 01, 2005 - DECEMBER 31, 2005

THE BANK OF NEW YORK
 TRUST COMPANY, N.A.

INVESTMENT HOLDINGS

SHARES/ PRINCIPAL	DESCRIPTION	UNIT VALUE BOOK/MARKET	TOTAL VALUE BOOK/MARKET	UNREALIZED GAIN/(LOSS)	EST ANNUAL INC/ ACCRUED INCOME	YIELD AT BOOK/MKT
SHORT TERM INVESTMENTS						
POOLED FUNDS & MUTUAL FUNDS						
2,577,981.370	AIM SHORT TERM INVESTMENT TRSY PRIVATE CUSIP # S99990220	1.000 1.000	2,577,981.37 2,577,981.37	0.00	96,674.30 37,189.10	3.75 3.75
0.000	DREYFUS TRSY CSH MGT CL B #673 CUSIP # S99991980	0.000 1.000	0.00 0.00	0.00	0.00 17,690.01	0.00 0.00
0.000	FIDELITY TREASURY M MKT #696 CLASS 3 CUSIP # S99992760	0.000 1.000	0.00 0.00	0.00	0.00 18,801.21	0.00 0.00
2,577,981.370	TOTAL POOLED FUNDS & MUTUAL FUNDS		2,577,981.37 2,577,981.37	0.00	96,674.30 73,680.32	3.75 3.75
COMMERCIAL PAPER						
15,000,000.000	CITIGROUP FDG INC CPB 4.0500% DUE 01/19/06 CUSIP # 17307SAK8 ISSUED 10/18/05	99.739 99.857	14,960,858.33 14,971,499.34	10,641.01	640,499.76 7,116.66	4.28 4.28
15,000,000.000	RABOBANK USA FINL CORP CPDS DUE 01/13/06 CUSIP # 74977LAD9 ISSUED 12/19/05	99.798 99.900	14,969,754.17 14,976,045.67	6,291.50	640,499.76 8,895.83	4.28 4.28
15,000,000.000	SWEDISH EXPT CR CORP DISC C/P DUE 01/20/06 CUSIP # 87030KAL0 ISSUED 12/22/05	99.728 99.850	14,959,270.83 14,970,478.17	11,207.34	637,499.88 7,083.33	4.26 4.26
15,000,000.000	UBS FIN (DEL) DISC C/P DUE 01/25/06 CUSIP # 90262DAR6 ISSUED 12/13/05	99.669 99.815	14,950,300.00 14,965,190.50	14,890.50	639,000.00 7,100.00	4.27 4.27
15,000,000.000	UBS FIN (DEL) DISC C/P DUE 01/06/06 CUSIP # 90262DA62 ISSUED 07/29/05	99.881 99.949	14,982,166.67 14,983,403.33	1,236.66	641,999.88 8,916.67	4.29 4.28
15,000,000.000	WASHINGTON GAS TL CO DISC C/P DUE 01/05/06 CUSIP # 93884FA51 ISSUED 12/21/05	99.892 99.956	14,983,837.50 14,984,395.33	557.83	646,499.88 8,979.17	4.31 4.31

LOS ANGELES METROPOLITAN TRANSPORTATION
 LACMTA-INTERNAL MANAGER
 ACCOUNT NUMBER 000220077
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**THE BANK OF NEW YORK
 TRUST COMPANY, N.A.**

INVESTMENT HOLDINGS

SHARES/ PRINCIPAL	DESCRIPTION	UNIT VALUE BOOK/MARKET	TOTAL VALUE BOOK/MARKET	UNREALIZED GAIN/(LOSS)	EST ANNUAL INC/ ACCRUED INCOME	YIELD AT BOOK/MKT
90,000,000.000	TOTAL COMMERCIAL PAPER		89,806,187.50 89,851,012.34	44,824.84	3,845,999.16 48,091.66	4.28 4.28
BANKERS ACCEPTANCE						
2,000,000.000	BANK OF AMER N A DISC B/A DUE 01/10/06 CUSIP # 06422TAA1 ISSUED 07/14/05	99.098 99.912	1,981,960.00 1,982,183.20	223.20	79,200.00 16,060.00	4.00 4.00
3,000,000.000	BANK OF AMER N A DISC B/A DUE 03/27/06 CUSIP # 06422TCT8 ISSUED 09/26/05	98.155 99.321	2,944,650.00 2,952,967.50	8,317.50	55,350.00 26,662.50	1.88 1.87
5,000,000.000	JPMORGAN CHASE BK DISC B/A DUE 03/20/06 CUSIP # 4662C1CL9 ISSUED 09/21/05	98.873 99.380	4,943,671.39 4,957,969.40	14,298.01	373,582.80 11,023.60	7.56 7.53
1,363,558.000	JPMORGAN CHASE BK DISC B/A DUE 02/22/06 CUSIP # 4662C1BN6 ISSUED 08/29/05	98.153 99.591	1,338,370.05 1,340,279.72	1,909.67	51,815.16 17,703.51	3.87 3.87
1,000,000.000	JPMORGAN CHASE BK DISC B/A DUE 02/23/06 CUSIP # 4662C1BP1 ISSUED 09/07/05	98.434 99.583	984,336.67 985,777.96	1,441.29	38,099.88 10,054.14	3.87 3.86
2,000,000.000	JPMORGAN CHASE BK DISC B/A DUE 04/05/06 CUSIP # 4662C1D53 ISSUED 10/21/05	98.180 99.245	1,963,596.11 1,969,758.16	6,162.05	81,399.96 15,149.44	4.15 4.13
14,363,558.000	TOTAL BANKERS ACCEPTANCE		14,156,584.22 14,188,935.94	32,351.72	679,447.80 96,653.19	4.80 4.79
U S TREASURIES						
5,000,000.000	U S TREASURY BILLS DUE 02/23/06 CUSIP # 912795WQ0 ISSUED 08/01/05	98.723 99.460	4,936,169.72 4,937,598.39	1,428.67	193,099.68 35,401.61	3.91 3.91
5,000,000.000	U S TREASURY BILLS DUE 02/09/06 CUSIP # 912795WN7 ISSUED 08/01/05	98.813 99.607	4,940,640.00 4,941,660.00	1,020.00	190,800.00 38,690.00	3.86 3.86

LOS ANGELES METROPOLITAN TRANSPORTATION
 LACMTA-INTERNAL MANAGER
 ACCOUNT NUMBER 000220077
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**THE BANK OF NEW YORK
 TRUST COMPANY, N.A.**

INVESTMENT HOLDINGS

SHARES/ PRINCIPAL	DESCRIPTION	UNIT VALUE BOOK/MARKET	TOTAL VALUE BOOK/MARKET	UNREALIZED GAIN/(LOSS)	EST ANNUAL INC/ ACCRUED INCOME	YIELD AT BOOK/MKT
10,000,000.000	TOTAL U S TREASURIES		9,876,809.72	2,448.67	383,899.68	3.89
			9,879,258.39		74,091.61	3.89
25,000,000.000	FEDERAL HOME LOAN BANK DISCOUNT DUE 01/10/06	99.855	24,963,708.33	5,125.01	1,004,999.76	4.03
	ORIGINAL FACE 25,000,000.000	99.920	24,968,833.34		11,166.66	4.03
	CUSIP # 313385RQ1 ISSUED 01/18/05					
20,000,000.000	FEDERAL HOME LOAN BANK DISCOUNT DUE 01/12/06	99.833	19,966,500.00	4,566.67	803,999.88	4.03
	ORIGINAL FACE 20,000,000.000	99.900	19,971,066.67		8,933.33	4.03
	CUSIP # 313388RS7 ISSUED 01/18/05					
12,000,000.000	FEDERAL HOME LOAN BANK DISCOUNT DUE 01/18/06	99.693	11,963,100.00	2,833.34	491,999.76	4.11
	ORIGINAL FACE 12,000,000.000	99.830	11,965,933.34		13,666.66	4.11
	CUSIP # 313385RY4					
7,000,000.000	FEDERAL HOME LOAN BANK DISCOUNT DUE 01/11/06	99.833	6,988,275.00	1,516.67	281,399.76	4.03
	ORIGINAL FACE 7,000,000.000	99.910	6,989,791.67		3,908.33	4.03
	CUSIP # 313385RR9 ISSUED 01/18/05					
25,000,000.000	FEDERAL HOME LOAN BANK DISCOUNT DUE 01/20/06	99.727	24,931,666.67	4,097.22	1,024,999.92	4.11
	ORIGINAL FACE 25,000,000.000	99.800	24,935,763.89		14,236.11	4.11
	CUSIP # 313385SA5					
18,000,000.000	FEDERAL HOME LOAN BANK DISCOUNT DUE 01/03/06	99.964	17,993,500.00	3,250.00	585,000.00	3.25
	ORIGINAL FACE 18,000,000.000	100.000	17,996,750.00		3,250.00	3.25
	CUSIP # 313385RH1 ISSUED 01/10/05					
20,000,000.000	FEDERAL NATL MTGE ASSN DISCOUNT NT DUE 01/23/06	99.688	19,937,600.00	4,844.44	831,999.96	4.17
	ORIGINAL FACE 20,000,000.000	99.770	19,942,444.44		11,555.56	4.17
	CUSIP # 313589SD6 ISSUED 01/28/05					

LOS ANGELES METROPOLITAN TRANSPORTATION
 LACMTA- INTERNAL MANAGER
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**THE BANK OF NEW YORK
 TRUST COMPANY, N.A.**

INVESTMENT HOLDINGS

SHARES/ PRINCIPAL	DESCRIPTION	UNIT VALUE BOOK/MARKET	TOTAL VALUE BOOK/MARKET	UNREALIZED GAIN/(LOSS)	EST ANNUAL INC/ ACCRUED INCOME	YIELD AT BOOK/MKT
23,100,000.000	FEDERAL NATL MTGE ASSN DISCOUNT NT DUE 01/09/06	99.827	23,060,104.72	4,876.68	1,311,369.16	5.69
	ORIGINAL FACE 23,100,000.000	99.930	23,064,981.40		18,848.60	5.69
	CUSIP # 313589RPO ISSUED 01/14/05					
150,100,000.000	TOTAL U S AGENCIES		149,804,454.72	31,110.03	6,335,768.20	4.23
			149,835,564.75		85,565.25	4.23
267,041,539.370	TOTAL SHORT TERM INVESTMENTS		266,222,017.53	110,735.26	11,341,789.14	4.26
			266,332,752.79		378,082.03	4.26
267,041,539.370	TOTAL INVESTMENTS		266,222,017.53	110,735.26	11,341,789.14	4.26
			266,332,752.79		378,082.03	4.26
	PAYABLES		0.00			
			0.00			
	RECEIVABLES		0.00			
			0.00			
	CASH		0.00			
			0.00			
	ACCRUED INCOME		378,082.03			
			378,082.03			
267,041,539.370	TOTAL FUND		266,600,099.56	110,735.26	11,341,789.14	
			266,710,834.82		378,082.03	

LOS ANGELES METROPOLITAN TRANSPORTATION
 LACMTA-L M CAPITAL MANAGEMENT INC
 ACCOUNT NUMBER 000220061
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**THE BANK OF NEW YORK
 TRUST COMPANY, N.A.**

INVESTMENT HOLDINGS

UNITS	DESCRIPTION	UNIT VALUE BOOK/MARKET	TOTAL VALUE BOOK MARKET	UNREALIZED GAIN/(LOSS)	EST ANNUAL INC/ ACCRUED INCOME	YLD AT BK/MKT
FIXED INCOME INVESTMENTS						
CORPORATE BONDS						
BANK CORPORATE BONDS						
1,200,000.000	BANK AMER CORP 3.3750% DUE 02/17/09 CUSIP # 060505BH6 ISSUED 01/29/04	101.419 95.596	1,217,028.00 1,147,152.00	(69,876.00)	40,500.00 15,075.00	3.33 3.53
1,200,000.000	TOTAL BANK CORPORATE BONDS		1,217,028.00 1,147,152.00	(69,876.00)	40,500.00 15,075.00	3.33 3.53
FINANCE & INSUR CORPORATE BONDS						
1,000,000.000	BEAR STEARNS COS INC 3.0000% DUE 03/30/06 CUSIP # 073902CB2 ISSUED 02/19/03	101.557 99.611	1,015,570.00 996,110.00	(19,460.00)	30,000.00 7,583.33	2.95 3.01
1,500,000.000	MERRILL LYNCH & CO INC MEDIUM 3.0000% DUE 04/30/07 CUSIP # 59018YTN1 ISSUED 04/22/04	97.449 97.625	1,461,735.00 1,464,375.00	2,640.00	45,000.00 7,500.00	3.08 3.07
1,500,000.000	WAL-MART STORES INC 4.7500% DUE 08/15/10 CUSIP # 931142CA9 ISSUED 08/15/05	99.345 99.418	1,490,175.00 1,491,270.00	1,095.00	71,250.00 26,916.66	4.78 4.78
3,000,000.000	CATERPILLAR FINL SVCS CORP M/T/N 2.3500% DUE 09/15/06 CUSIP # 14912LX97 ISSUED 07/24/03	98.281 98.289	2,948,425.00 2,948,670.00	245.00	70,500.00 20,758.32	2.39 2.39
7,000,000.000	TOTAL FINANCE & INSUR CORPORATE BONDS		6,915,905.00 6,900,425.00	(15,480.00)	216,750.00 62,758.31	3.13 3.14
INDUSTRIAL CORPORATE BONDS						
1,460,000.000	BOTTLING GROUP LLC 2.4500% DUE 10/16/06 CUSIP # 10138MAE5 ISSUED 10/07/03	98.155 98.075	1,433,063.00 1,431,895.00	(1,168.00)	35,770.00 7,452.07	2.50 2.50
1,500,000.000	CIT GROUP INC NEW 4.0000% DUE 05/08/08 CUSIP # 125581AE8 ISSUED 05/08/03	99.525 97.823	1,492,875.00 1,467,345.00	(25,530.00)	60,000.00 8,833.32	4.02 4.09

LOS ANGELES METROPOLITAN TRANSPORTATION
 LACMTA-L M CAPITAL MANAGEMENT INC
 ACCOUNT NUMBER 000220081
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**THE BANK OF NEW YORK
 TRUST COMPANY, N.A.**

INVESTMENT HOLDINGS

UNITS	DESCRIPTION	UNIT VALUE BOOK/MARKET	TOTAL VALUE BOOK MARKET	UNREALIZED GAIN/(LOSS)	EST ANNUAL INC/ ACCRUED INCOME	YLD AT BK/MKT
1,500,000.000	INTERNATIONAL BUSINESS MACHS M/T/N 2.3750% DUE 11/01/06 CUSIP # 45920QER1 ISSUED 07/28/03	98.755 98.071	1,481,325.00 1,471,065.00	(10,260.00)	35,625.00 5,937.50	2.40 2.42
2,500,000.000	SARA LEE CORP 2.7500% DUE 06/15/08 CUSIP # 80311IAP8 ISSUED 06/06/03	99.107 94.577	2,477,685.00 2,364,425.00	(113,260.00)	68,750.00 3,055.55	2.77 2.91
6,960,000.000	TOTAL INDUSTRIAL CORPORATE BONDS		6,884,948.00 6,734,730.00	(150,218.00)	200,145.00 25,278.44	2.91 2.97
OIL & COAL CORPORATE BONDS						
2,000,000.000	CHEVRONTXACO CAP CO 3.5000% DUE 09/17/07 CUSIP # 166760AA6 ISSUED 09/10/02	101.321 97.963	2,026,420.00 1,959,260.00	(67,160.00)	70,000.00 20,222.22	3.45 3.57
2,000,000.000	TOTAL OIL & COAL CORPORATE BONDS		2,026,420.00 1,959,260.00	(67,160.00)	70,000.00 20,222.22	3.45 3.57
TELEPHONE CORPORATE BONDS						
2,000,000.000	BELLSOUTH CORP 5.0000% DUE 10/15/06 CUSIP # 079860AC6 ISSUED 10/25/01	100.197 100.136	2,003,940.00 2,002,720.00	(1,220.00)	100,000.00 21,111.10	4.99 4.99
2,000,000.000	SEC COMMUNICATIONS INC 4.1250% DUE 09/15/09 CUSIP # 78387GAN3 ISSUED 11/03/04	97.836 96.563	1,956,720.00 1,931,250.00	(25,470.00)	82,500.00 24,291.66	4.22 4.27
4,000,000.000	TOTAL TELEPHONE CORPORATE BONDS		3,960,660.00 3,933,970.00	(26,690.00)	182,500.00 45,402.76	4.61 4.64
21,160,000.000	TOTAL CORPORATE BONDS		21,004,961.00 20,675,537.00	(329,424.00)	709,895.00 168,736.73	3.38 3.43
GOVERNMENT BONDS U S TREASURIES						

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INVESTMENT HOLDINGS

UNITS	DESCRIPTION	UNIT VALUE BOOK/MARKET	TOTAL VALUE BOOK MARKET	UNREALIZED GAIN/(LOSS)	EST ANNUAL INC/ ACCRUED INCOME	YLD AT BK/MKT
4,400,000.000	UNITED STATES TREAS NTS 2.0000% DUE 05/15/06 CUSIP # 912828AY6 ISSUED 05/15/03	99.982 99.156	4,399,217.36 4,362,875.00	(36,342.36)	88,000.00 11,425.39	2.00 2.02
2,200,000.000	UNITED STATES TREAS NTS 2.6250% DUE 05/15/08 CUSIP # 912828AZ3 ISSUED 05/15/03	96.199 96.063	2,116,382.81 2,113,375.00	(3,007.81)	57,750.00 7,497.91	2.73 2.73
1,600,000.000	UNITED STATES TREAS NTS 3.0000% DUE 02/15/09 CUSIP # 912828BZ2 ISSUED 02/15/04	97.559 95.977	1,560,937.50 1,535,632.00	(25,305.50)	48,000.00 18,130.43	3.08 3.13
5,300,000.000	UNITED STATES TREAS NTS 2.2500% DUE 02/15/07 CUSIP # 912828BY5 ISSUED 02/11/04	97.577 97.613	5,171,562.50 5,173,489.00	1,926.50	119,250.00 45,042.79	2.31 2.31
2,100,000.000	UNITED STATES TREAS NTS 4.1250% DUE 08/15/10 CUSIP # 912828ED8 ISSUED 08/15/05	100.398 99.016	2,108,367.19 2,079,328.13	(29,039.06)	86,625.00 32,719.76	4.11 4.17
15,600,000.000	TOTAL U S TREASURIES		15,356,467.36 15,264,699.13	(91,768.23)	399,625.00 114,816.28	2.60 2.62
3,300,000.000	FEDERAL HOME LN MTG CORP M/T/N 3.2500% DUE 11/02/07 CUSIP # 3128X3H55 ISSUED 11/02/04	99.007 97.061	3,267,231.00 3,203,013.00	(64,218.00)	107,250.00 17,577.05	3.28 3.35
3,000,000.000	FEDERAL NATL MTG ASSN 2.0000% DUE 01/15/06 CUSIP # 31359MTU7 ISSUED 12/19/03	98.930 99.906	2,967,890.63 2,997,187.50	29,296.87	60,000.00 27,666.66	2.02 2.00
4,000,000.000	FEDERAL NATL MTG ASSN 2.1250% DUE 04/15/06 CUSIP # 31359MQZ9 ISSUED 02/28/03	101.254 99.313	4,050,163.91 3,972,500.00	(77,663.91)	85,000.00 17,944.44	2.10 2.14
3,500,000.000	FEDERAL NATL MTG ASSN 1.7500% DUE 06/16/06 CUSIP # 31359MSE4 ISSUED 06/16/03	99.788 98.719	3,492,580.00 3,455,156.25	(37,423.75)	61,250.00 2,552.06	1.75 1.77