



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:

| | December 31, 2005 | September 30, 2005 | Change | Note |
|--------------------------------------|----------------------|-------------------------|-----------------------|------|
| 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 | 9,197,804 | 7,691,117 | 1,506,687 | |
| 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 ¹ | 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

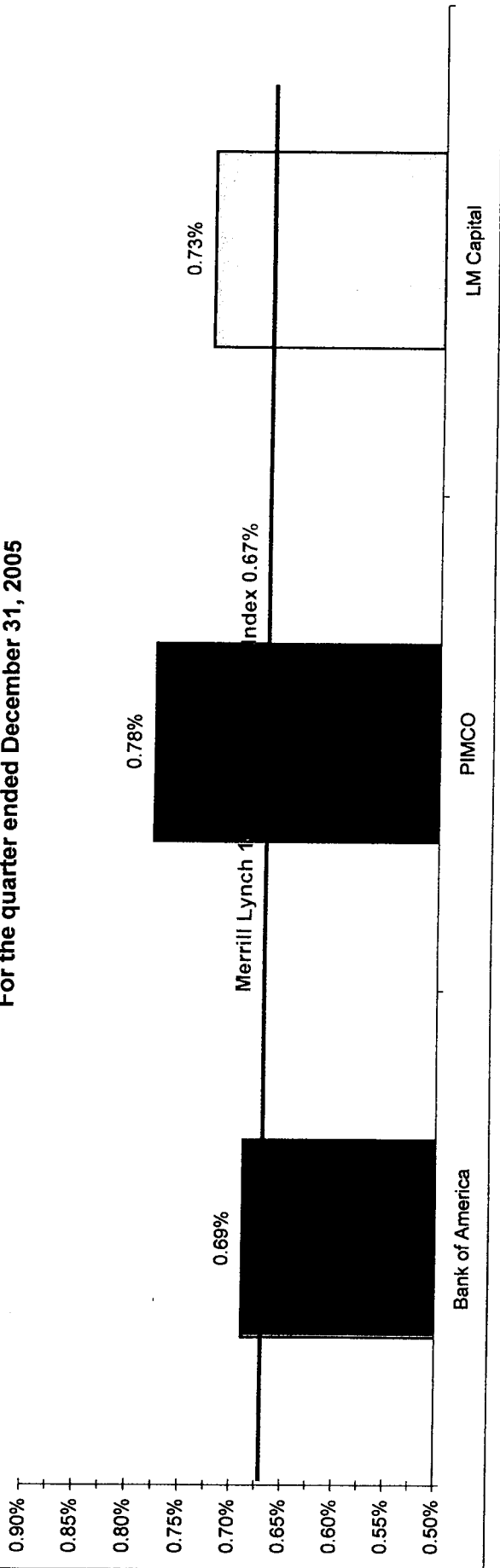
| Investment Manager | Balance at market in dollars | Balance at cost in dollars * | Yield to Maturity at market | Average in days | Duration in years | Performance (in percentages, gross of fees) | | | | |
|---|------------------------------|------------------------------|-----------------------------|-----------------|-------------------|---|----------|---------------------|----------------------------|------------------------------|
| | | | | | | 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

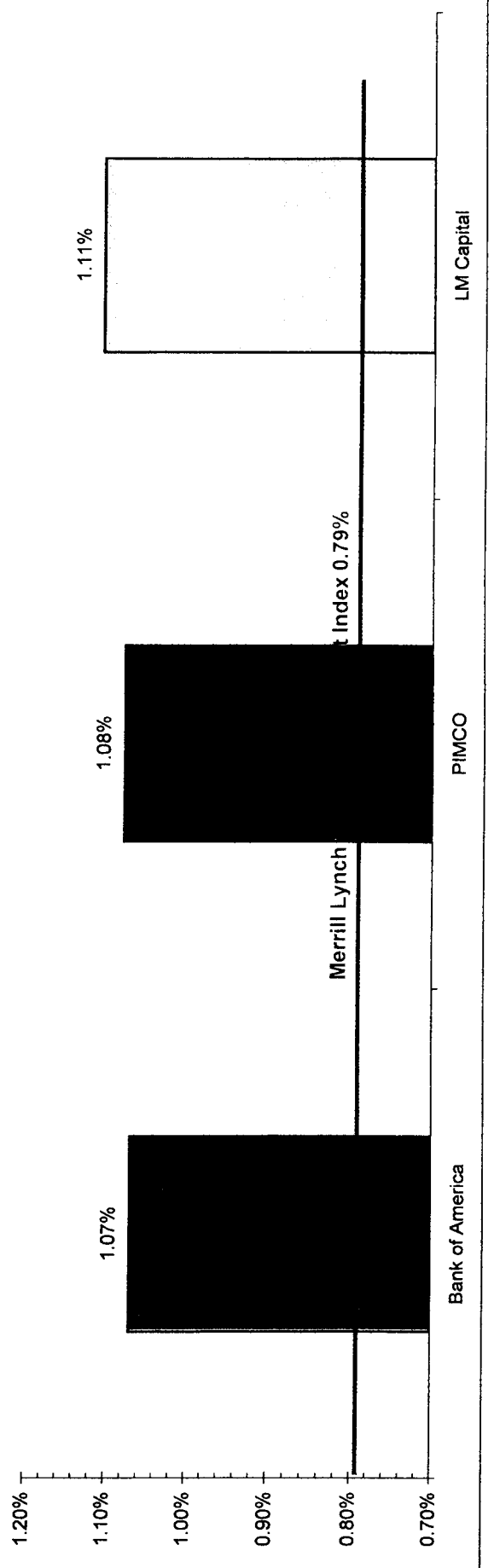
** Inception dates; Internal 9/30/93; TradeStreet 1/31/97; LM Capital 1/29/90; PIMCO 1/31/97. Benchmark returns are a composite of the Merrill Lynch 1-3 yr Govt/Corp Index and the Lehman Brothers 1-3 yr Govt/Corp Index.

*** 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.

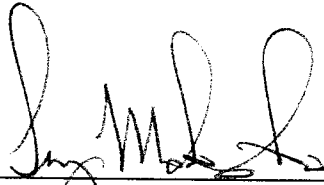
**Los Angeles County Metropolitan Transportation Authority
ATTACHMENT II**

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 | 313339YOM6 | 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 | BANC/AMERICA | 4.11 |
| 12/05/2005 | 313589QD8 | 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 | 3.97 |
| 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 | 313589QE6 | 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 | 313589QE6 | 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 | 9028X0Z77 | 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 | 313385QN9 | 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 | 9028X0Z85 | 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 | 90282CZ60 | 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 LN MTG CORP | 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 | 9028X0Z93 | 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 | 19,991,200.00 | 0.00 | BANK OF NY CUST CLEARANCE | 4.14 |
| 12/09/2005 | 90282CZD2 | UBS FIN (DEL) DISC C/P | 0.00 | 12/14/2005 | 15,000,000.00 | 14,993,066.67 | 0.00 | CITIGROUP GLOBAL MARKETS INC | 3.96 |
| 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 | LEHMAN-LBI | 4.16 |
| 12/12/2005 | 74977KZD4 | RABOBANK USA FINL CORP CPDS | 0.00 | 12/13/2005 | 20,000,000.00 | 19,997,794.44 | 0.00 | SMITH BARNEY HARRIS UPHAMD | 3.97 |
| 12/12/2005 | R34653E18 | REPO CREDIT SUISSE FIRST BOSTON | 4.21 | 12/13/2005 | 9,900,000.00 | 9,900,000.00 | 0.00 | LEHMAN-LBI | 4.22 |
| 12/13/2005 | 313589QM8 | FEDERAL NATL MTGE ASSN DISCOUNT NT | 0.00 | 12/13/2005 | 35,000,000.00 | 34,995,945.83 | 0.00 | CREDIT SUISSE FIRST BOSTON | 0.00 |
| 12/13/2005 | 313589QN6 | FEDERAL NATL MTGE ASSN DISCOUNT NT | 0.00 | 12/14/2005 | 35,000,000.00 | 34,991,930.56 | 0.00 | SMITH BARNEY HARRIS UPHAMD | 4.17 |
| 12/13/2005 | R34754165 | REPO CREDIT SUISSE FIRST BOSTON | 4.20 | 12/14/2005 | 10,128,000.00 | 9,900,000.00 | 0.00 | LEHMAN-LBI | 4.15 |
| 12/13/2005 | 9028X0ZE2 | UBS AMERS INC CPDS | 0.00 | 12/14/2005 | 22,000,000.00 | 21,997,415.00 | 0.00 | CREDIT SUISSE FIRST BOSTON | 0.00 |
| 12/14/2005 | 313385RA6 | FEDERAL HOME LOAN BANK DISCOUNT | 0.00 | 12/12/2005 | 15,000,000.00 | 14,977,683.33 | 0.00 | MERRILL LYNCH GOVT SECS/M.MKTS | 4.23 |
| 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 | 4.13 |
| 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 | LEHMAN-LBI | 4.11 |
| 12/14/2005 | 74977KZT9 | RABOBANK USA FINL CORP CPDS | 0.00 | 12/27/2005 | 22,000,000.00 | 21,966,315.56 | 0.00 | UBS FINANCIAL SERVICES INC | 4.01 |
| 12/14/2005 | R34854791 | REPO CREDIT SUISSE FIRST BOSTON | 4.19 | 12/15/2005 | 8,700,000.00 | 8,700,000.00 | 0.00 | JPM SECURITIES | 4.24 |
| 12/14/2005 | R34854402 | REPO LEHMAN-LBI | 4.19 | 12/15/2005 | 940,000.00 | 940,000.00 | 0.00 | LEHMAN-LBI | 4.25 |
| 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 | CREDIT SUISSE FIRST BOSTON | 0.00 |
| 12/15/2005 | 313385RA6 | FEDERAL HOME LOAN BANK DISCOUNT | 0.00 | 12/15/2005 | 18,000,000.00 | 17,975,220.00 | 0.00 | LEHMAN-LBI | 4.22 |
| 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 | CITIGROUP GLOBAL MARKETS INC | 4.14 |
| 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 | LEHMAN-LBI | 4.01 |
| 12/15/2005 | R34953487 | REPO CREDIT SUISSE FIRST BOSTON | 4.17 | 12/16/2005 | 9,400,000.00 | 9,400,000.00 | 0.00 | UBS FINANCIAL SERVICES INC | 4.20 |
| 12/15/2005 | R34955110 | REPO LEHMAN-LBI | 4.20 | 12/16/2005 | 1,200,000.00 | 1,200,000.00 | 0.00 | CREDIT SUISSE FIRST BOSTON | 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 | LEHMAN-LBI | 0.00 |
| 12/16/2005 | 313385QT6 | FEDERAL HOME LOAN BANK DISCOUNT | 0.00 | 12/20/2005 | 4,000,000.00 | 3,998,168.89 | 0.00 | CITIGROUP GLOBAL MARKETS INC | 4.07 |
| 12/16/2005 | 313385QK5 | 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 | 313397RB9 | 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 | 14,999,754.17 | 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 | 17,621.53 | 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 | 0.00 | 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 |
| | | | | | | 1,176,835,447.04 | \$ | 262,919.66 | |
| | | | | | | 1,178,677,625.00 | \$ | 1,176,835,447.04 | \$ |

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
 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 |
|---------------------------|---|---------------------------|--------------------------------|---------------------------|-----------------------------------|----------------------|
| 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
 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 |
|----------------------|--|---------------------------|------------------------------|---------------------------|-----------------------------------|----------------------|
| 10,000,000.000 | TOTAL U S TREASURIES | | 9,876,809.72 9,879,258.39 | 2,448.67 | 383,899.68 74,091.61 | 3.89 3.89 |
| U S AGENCIES | | | | | | |
| 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
 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 |
|----------------------|--|---------------------------|----------------------------|---------------------------|-----------------------------------|----------------------|
| 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
 MONTHLY REPORT / TRADE DATE BASIS
 DECEMBER 01, 2005 - DECEMBER 31, 2005

**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
 MONTHLY REPORT / TRADE DATE BASIS
 DECEMBER 01, 2005 - DECEMBER 31, 2005

**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 | | | | | | |

LOS ANGELES METROPOLITAN TRANSPORTATION
 LACMTA-L M CAPITAL MANAGEMENT INC
 ACCOUNT NUMBER 000220081
 MONTHLY REPORT / TRADE DATE BASIS
 DECEMBER 01, 2005 - DECEMBER 31, 2005

**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 |
|----------------|---|---------------------------|--|---------------------------|-----------------------------------|----------------------|
| 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 |