

**RIBBLE VALLEY BOROUGH COUNCIL** INFORMATION  
**REPORT TO POLICY & FINANCE COMMITTEE**

Agenda Item No 21a

meeting date: 21 SEPTEMBER 2010  
 title: TREASURY MANAGEMENT ACTIVITIES 2009/10  
 submitted by: DIRECTOR OF RESOURCES  
 principal author: TRUDY HOLDERNESS

1 PURPOSE

1.1 To inform you of our 2009/2010 treasury management operations.

2 BACKGROUND

2.1 You have previously approved a treasury management policy in accordance with CIPFA's code of practice on treasury management for Local Authorities.

2.2 In accordance with this policy committee should receive an annual report on its treasury management operations.

3 INFORMATION

3.1 Since 5 March 2009, bank base interest rates have remained at 0.50%.

3.2 This has had no immediate effect on the interest payable on the Council's long-term loan debt from Public Works Loan Board, which is at fixed interest rates. However, interest received from the short-term investment of surplus funds have been affected by the low interest rate dramatically decreasing the Council's external investment interest.

4 BORROWING REQUIREMENTS

4.1 The movements of the Council's external debt for the period can be summarised as follows:

	<b>PWLB £000</b>	<b>Other £000</b>	<b>Total £000</b>
External Debt at 1 April 2009	649	7	656
Repayments	-71	0	- 71
<b>External debt at 31 March 2010</b>	<b>578</b>	<b>7</b>	<b>585</b>

4.2 In April a temporary loan of £500,000 was taken out from Broadland District Council for a period of 7 days at 0.5% interest. This was due to a shortfall in cash balances between paying precepts to Lancashire County Council, the Police and Fire Authorities and receiving council tax direct debit income. No further loans have been taken out during the financial year, although cash balances have remained low.

4.3 The total interest paid on the Council's external debt during the period was £29,566.52 compared with £35,485.99 in the previous year.

## 5 INVESTMENTS

- 5.1 In accordance with the treasury management policy, surplus funds are temporarily invested via the money market at the best rate of interest available with the minimisation of risk to the capital sum.
- 5.2 The average interest we received on all external investments for the period 1 April 2009 to 31 March 2010 was 0.54%, which compares favourably with the average local authority seven-day notice deposit rate of 0.31% but is substantially lower compared to the 6.1% in the previous year.
- 5.3 The movement in the Council's external investments are shown in annex 1 and can be summarised as follows:

	<b>Banks/ Building Societies £000</b>	<b>Other Local Authorities £000</b>	<b>Total £000</b>
Investments at 1 April 2009	1,585	0	1,585
Transactions – Investments	40,894	0	40,894
Repayments	-42,479	0	-42,479
<b>Investments at 31 March 2010</b>	<b>0</b>	<b>0</b>	<b>0</b>

- 5.4 The total interest received from investments and loans to outside bodies was £18,443. This shows a substantial reduction in interest received compared with £243,914 for the previous year. Interest was allocated as follows:

<b>Interest Allocated to:</b>	<b>2008/09 £</b>	<b>2009/10 £</b>
General Fund	210,230	15,112
HRA	27,413	0
Trusts & Bequests	6,271	3,331
	<b>243,914</b>	<b>18,443</b>

Following the closure of the HRA on 31 March 2009 and the transfer of balances to the general fund there is no longer any interest allocated to the HRA.

## 6 PRUDENTIAL INDICATORS

6.1 The Prudential Code for Capital Finance in Local Authorities (the Code) initially came into effect from 1 April 2004 and regulates the Council's ability to undertake new capital investment.

6.2 In March 2009 the Council agreed to monitor four prudential indicators in accordance with this code.

- ❖ Upper limits on variable rate exposure. This indicator identifies a maximum limit for variable interest rates based upon the debt provision net of investments
- ❖ Upper limits on fixed rate exposure. Similar to the previous indicators, this covers a maximum limit on fixed interest rates.
- ❖ Maturity structure of borrowing. These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing.
- ❖ Total principal funds invested for a period longer than 364 days. These limits are set to reduce the need for early sale of investment and are based on the availability of investments after each year-end.

6.3 The limits set on interest rate exposures for 2009/10 were as follows:

	<b>Upper Limit £'000</b>	<b>Actual £'000</b>
Maximum Principal Sums Borrowed >364 days	9,448	657
Limits on Fixed Interest Rates	9,448	1,157
Limits on Variable Interest Rates	1,890	0

6.4 The upper and lower limits for the maturity structure of its borrowings for 2009/10 were as follows:

	<b>Upper Limit %</b>	<b>Lower Limit %</b>	<b>Actual %</b>
Under 12 months	20		10.83
12 Months and Within 24 Months	20		10.83
24 Months and Within 5 Years	30		32.48
5 Years and Within 10 Years	30		23.95
10 Years and Above	90	0	21.91

6.5 The upper limit for the maturity structure for 2009/10 has been exceeded. This was due to the limits not being reviewed after repayment of a significant part of our public works loan board debt by DCLG following housing stock transfer and to relatively low level of external debt / loans remaining. These limits have been changed in the 2010/11 Treasury Management Strategy.

6.6 The total principal funds invested for a period longer than 364 days was set at nil. No investments have been made in the financial year for longer than this period.

7 CONCLUSION

- 7.1 The current economic climate continues to have a detrimental impact on the interest we receive on our investments.

SENIOR ACCOUNTANT

PF32-10/TH/AC  
1 September 2010

## POLICY AND FINANCE COMMITTEE

## TEMPORARY INVESTMENT ACTIVITY – 2009/10

Date Invested	Temporary Investment Number	Borrower	Amount Invested	Interest Rate	Date Repaid	Principal Repaid	Interest Received	Fitch Ratings	
								At time of Investment	
								Long-Term	Short-Term
<b>INVESTMENTS OUTSTANDING @ 1 APRIL 2009</b>									
16-Feb-09	125	Skipton BS	560,000	1.84%	21-Apr-09	-560,000	-1,806.73	A-	F2
				1.84%	08/09 Debtor		1,242.13		
16-Mar-09	129	Britannia Bs	400,000	1.00%	14-Apr-09	-400,000	-317.81	A-	F2
				1.00%	08/09 Debtor		175.34		
23-Mar-09	130	HSBC	125,000	0.25%	01-Apr-09	-125,000	-7.71	AA	F1+
				0.25%	08/09 Debtor		7.71		
31-Mar-09	123	Skipton BS	500,000	0.65%	21-Apr-09	-500,000	-186.99	A-	F2
				0.65%	08/09 Debtor		8.90		
<b>Monies invested as 1 April 2009</b>			<b>1,585,000</b>			<b>-1,585,000</b>	<b>-885.16</b>		
<b>NEW INVESTMENTS - 2009/10</b>									
<b>Apr</b>									
1-Apr-09	1	Skipton Bs	250,000	0.62%	21-Apr-09	-250,000	-84.93	A-	F2
7-Apr-09	2	HSBC	200,000	0.25%	14-Apr-09	-200,000	-9.59	AA	F1+
9-Apr-09	3	Alliance & Leicester PLC	200,000	0.62%	21-Apr-09	-200,000	-40.77	AA-	F1+
15-Apr-09	4	Alliance & Leicester PLC	570,000	0.61%	21-Apr-09	-570,000	-57.16	AA-	F1+
17-Apr-09	5	HSBC	250,000	0.30%	21-Apr-09	-250,000	-8.22	AA	F1+
30-Apr-09	6	Abbey National Bank Plc	1,100,000	0.78%	29-May-09	-1,100,000	-681.70	AA-	F1+
30-Apr-09	7	Skipton Bs	500,000	0.45%	05-May-09	-500,000	-30.82	A-	F2
30-Apr-09	8	Skipton Bs	400,000	0.62%	21-May-09	-400,000	-142.68	A-	F2
30-Apr-09	9	Skipton Bs	250,000	0.60%	22-May-09	-250,000	-90.41	A-	F2
1-May-09	10	Alliance & Leicester PLC	150,000	0.70%	29-May-09	-150,000	-80.55	AA-	F1+
			<b>3,870,000</b>			<b>-3,870,000</b>	<b>-1,226.83</b>		

Date Invested	Temporary Investment Number	Borrower	Amount Invested	Interest Rate	Date Repaid	Principal Repaid	Interest Received	Fitch Ratings	
								At time of Investment	
								Long-Term	Short-Term
<b>May</b>									
8-May-09	11	Skipton Bs	150,000	0.64%	29-May-09	-150,000	-55.23	A-	F2
13-May-09	12	Skipton Bs	200,000	0.59%	29-May-09	-200,000	-51.73	A-	F2
15-May-09	13	Alliance & Leicester PLC	350,000	0.58%	29-May-09	-350,000	-77.86	AA-	F1+
15-May-09	14	HSBC	300,000	0.25%	18-May-09	-300,000	-6.16	AA	F1+
21-May-09	15	Alliance & Leicester PLC	250,000	0.55%	29-May-09	-250,000	-30.14	AA-	F1+
22-May-09	16	HSBC	100,000	0.25%	26-May-09	-100,000	-2.74	AA	F1+
28-May-09	17	HSBC	680,000	0.25%	29-May-09	-680,000	-4.66	AA	F1+
			2,030,000			-2,030,000	-228.52		
<b>June</b>									
1-Jun-09	18	HSBC	400,000	0.25%	03-Jun-09	-400,000	-5.48	AA	F1+
1-Jun-09	19	Skipton Bs	400,000	0.55%	18-Jun-09	-400,000	-102.47	A-	F2
1-Jun-09	20	Skipton Bs	400,000	0.90%	02-Jul-09	-400,000	-305.75	A-	F2
1-Jun-09	21	Alliance & Leicester PLC	1,150,000	0.70%	06-Jul-09	-1,150,000	-771.92	AA-	F1+
5-Jun-09	22	HSBC	90,000	0.25%	01-Jul-09	-90,000	-16.03	AA	F1+
12-Jun-09	23	Skipton BS	250,000	0.52%	22-Jun-09	-250,000	-35.62	A-	F2
15-Jun-09	24	Abbey	400,000	0.58%	06-Jul-09	-400,000	-133.48	AA-	F1+
			3,090,000			-3,090,000	-1,370.75		
<b>July</b>									
29-Jun-09	25	Skipton BS	700,000	0.53%	06-Jul-09	-700,000	-71.15	A-	F2
30-Jun-09	26	Nation Wide	1,000,000	0.60%	11-Aug-09	-1,000,000	-690.41	AA-	F1+
30-Jun-09	27	Britannia BS	700,000	0.43%	06-Jul-09	-700,000	-49.48	A-	F2
30-Jun-09	28	Abbey	400,000	0.56%	20-Jul-09	-400,000	-122.74	AA-	F1+
30-Jun-09	29	HSBC	350,000	0.25%	01-Jul-09		-2.39	AA	F1+
				0.25%	13-Jul-09	-150,000	-28.77	AA	F1+
				0.25%	21-Jul-09	-100,000	-10.97	AA	F1+
				0.25%	10-Aug-09	-100,000	-13.70	AA	F1+
1-Jul-09	30	Skipton BS	200,000	0.55%	17-Jul-09		-48.22	A-	F2
				0.85%	11-Aug-09	-200,000	-116.44	A-	F2
3-Jul-09	31	Skipton BS	100,000	0.52%	22-Jul-09	-100,000	-27.07	A-	F2
10-Jul-09	32	Skipton BS	300,000	0.55%	22-Jul-09	-300,000	-54.25	A-	F2

Date Invested	Temporary Investment Number	Borrower	Amount Invested	Interest Rate	Date Repaid	Principal Repaid	Interest Received	Fitch Ratings	
								At time of Investment	
								Long-Term	Short-Term
15-Jul-09	33	Skipton BS	400,000	0.60%	03-Aug-09	-400,000	-124.93	A-	F2
28-Jul-09	34	Skipton BS	650,000	0.59%	11-Aug-09	-650,000	-147.10	A-	F2
31-Jul-09	35	Abbey	1,100,000	0.39%	11-Aug-09	-1,100,000	-129.29	AA-	F1+
31-Jul-09	36	Abbey	400,000	0.50%	19-Aug-09	-400,000	-104.11	AA-	F1+
31-Jul-09	37	Britannia Bs	500,000	0.40%	14-Aug-09		-76.71	A-	F2
				0.40%	17-Aug-09	-500,000	-16.44	A-	F2
31-Jul-09	38	Britannia Bs	500,000	0.50%	17-Sep-09	-500,000	-328.77	A-	F2
			7,300,000			-7,300,000	-2,162.94		
<b>Aug</b>									
7-Aug-09	39	HSBC	150,000	0.25%	14-Aug-09	-150,000	-7.18	AA	F1+
17-Aug-09	40	HSBC	200,000	0.20%	21-Aug-09		-4.38	AA	F1+
				0.20%	24-Aug-09	-200,000	-1.65	AA	F1+
17-Aug-09	37a	Britannia Bs	500,000	0.40%	17-Sep-09	-500,000	-169.86	A-	F2
28-Aug-09	41	Skipton BS	750,000	0.65%	17-Sep-09	-750,000	-267.12	A-	F2
			1,600,000			-1,600,000	-450.19		
<b>Sept</b>									
1-Sep-09	42	Abbey	1,200,000	0.52%	17-Sep-09	-1,200,000	-273.53	AA-	F1+
1-Sep-09	43	Skipton BS	350,000	0.60%	21-Sep-09	-350,000	-115.07	A-	F2
1-Sep-09	44	Skipton BS	400,000	0.72%	01-Oct-09	-400,000	-236.71	A-	F2
3-Sep-09	45	HSBC	400,000	0.25%	03-Sep-09	-400,000	-5.48	AA	F1+
1-Sep-09	46	HSBC	250,000	0.25%	22-Sep-09	-150,000	-21.57	AA	F1+
					19-Oct-09	-100,000	-32.88	AA	F1+
4-Sep-09	47	HSBC	130,000	0.25%	14-Sep-09	-130,000	-8.90	AA	F1+
11-Aug-09	48	HSBC	200,000	0.25%	14-Aug-09	-200,000	-4.11	AA	F1+
14-Sep-09	49	Abbey	250,000	0.50%	23-Oct-09	-250,000	-133.56	AA-	F1+
15-Sep-09	50	Yorkshire BS	300,000	0.50%	19-Oct-09	-300,000	-139.73	A-	F2
25-Sep-09	51	HSBC	100,000	0.25%	11-Nov-09	-100,000	-32.19	AA	F1+
			3,580,000			-3,580,000	-1,003.73		
<b>Oct</b>									
28-Sep-09	52	Abbey	650,000	0.50%	23-Oct-09	-650,000	-222.60	AA-	F1+
30-Sep-09	53	Skipton BS	1,100,000	0.67%	23-Oct-09	-1,100,000	-464.41	A-	F2

Date Invested	Temporary Investment Number	Borrower	Amount Invested	Interest Rate	Date Repaid	Principal Repaid	Interest Received	Fitch Ratings	
								At time of Investment	
								Long-Term	Short-Term
30-Sep-09	54	Yorkshire BS	900,000	0.50%	23-Oct-09	-900,000	-283.56	A-	F2
30-Sep-09	55	Abbey	350,000	0.50%	04-Nov-09	-350,000	-167.81	AA-	F1+
1-Oct-09	56	Skipton Bs	150,000	0.65%	13-Nov-09		-114.86	A-	F2
				0.47%	20-Nov-09		-13.52	A-	F2
				0.50%	04-Dec-09		-28.77	A-	F2
				0.50%	08-Jan-10		-71.92	A-	F2
				0.45%	25-Jan-10		-31.44	A-	F2
				45.00%	15-Feb-10	-150,000	-38.84	A-	F2
9-Oct-09	57	Skipton BS	150,000	0.54%	22-Oct-09		-28.85	A-	F2
				0.47%	06-Nov-09	-150,000	-28.97	A-	F2
15-Oct-09	58	HSBC	200,000	0.25%	23-Nov-09	-100,000	-26.71	AA	F1+
				0.25%	08-Dec-09	-100,000	-36.99	AA	F1+
15-Oct-09	59	Alliance	400,000	0.51%	19-Nov-09		-195.62	AA-	F1+
					20-Nov-09	-400,000	-16.45	AA-	F1+
28-Oct-09	60	Abbey	700,000	0.51%	30-Nov-09		-322.77	AA-	F1+
				0.51%	08-Jan-10	-700,000	-381.45	AA-	F1+
30-Oct-09	61	Skipton BS	250,000	0.55%	02-Dec-09	-250,000	-124.32	A-	F2
			4,850,000			-4,850,000	-2,599.86		
<b>Nov</b>									
2-Nov-09	62	Yorkshire BS	1,150,000	0.55%	08-Jan-10	-1,150,000	-1,161.03	A-	F2
2-Nov-09	63	Skipton BS	150,000	0.50%	02-Dec-09	-150,000	-61.64	A-	F2
2-Nov-09	64	Skipton BS	400,000	0.60%	21-Dec-09	-400,000	-322.19	A-	F2
2-Nov-09	65	Skipton BS	400,000	0.75%	06-Jan-10	-400,000	-534.25	A-	F2
16-Nov-09	66	Bank Of Scotland	600,000	0.47%	08-Jan-10	-600,000	-409.48	AA-	F1+
19-Nov-09	67	HSBC	150,000	0.26%	23-Nov-09	-150,000	-4.27	AA	F1+
27-Nov-09	68	HSBC	150,000	0.25%	01-Jan-10		-35.96	AA	F1+
					18-Jan-10	-50,000	-17.47	AA	F1+
					25-Jan-10	-30,000	-4.79	AA	F1+
					29-Jan-10	-20,000	-1.92	AA	F1+
					26-Feb-10	-25,000	-9.59	AA	F1+
					17-Mar-10	-15,000	-3.25	AA	F1+



Date Invested	Temporary Investment Number	Borrower	Amount Invested	Interest Rate	Date Repaid	Principal Repaid	Interest Received	Fitch Ratings	
								At time of Investment	
								Long-Term	Short-Term
					31-Mar-10	-10,000	-0.96	AA	F1+
			3,000,000			-3,000,000	-2,566.80		
<b>Dec</b>									
30-Nov-09	69	Abbey	120,000	0.51%	22-Dec-09	-120,000	-36.89	AA-	F1+
11-Dec-09	70	HSBC	235,000	0.26%	14-Dec-09	-235,000	-5.02	AA	F1+
14-Dec-09	71	HSBC	100,000	0.25%	01-Jan-10		-12.33	AA	F1+
					31-Mar-10	-100,000	-60.96	AA	F1+
15-Dec-09	72	Skipton BS	200,000	0.41%	21-Dec-09		-13.48	A-	F2
				0.54%	21-Jan-10	-200,000	-91.73	A-	F2
15-Dec-09	73	Abbey / Santander UK Plc	150,000	0.51%	22-Jan-10		-79.64	AA-	F1+
				0.55%	15-Feb-10		-54.25	AA-	F1+
				0.52%	08-Mar-10		-44.88	AA-	F1+
				0.36%	22-Mar-10	-150,000	-20.71	AA-	F1+
17-Dec-09	74	Skipton BS	100,000	0.65%	29-Jan-10		-76.58	A-	F2
				0.45%	22-Feb-10	-100,000	-29.59	A-	F2
23-Dec-09	75	Abbey	110,000	0.65%	21-Jan-10	-110,000	-56.81	AA-	F1+
29-Dec-09	76	HSBC	450,000	0.26%	04-Jan-10	-450,000	-19.23	AA	F1+
31-Dec-09	77	Abbey	500,000	0.33%	08-Jan-10	-500,000	-36.16	AA-	F1+
31-Dec-09	78	Nation Wide	1,500,000	0.42%	15-Feb-10	-1,500,000	-793.97	AA-	F1+
31-Dec-09	79	HSBC	200,000	0.26%	04-Jan-10	-200,000	-5.70	AA	F1+
			3,665,000			-3,665,000	-1,437.93		
<b>Jan</b>									
4-Jan-10	80	HSBC	200,000	0.26%	05-Jan-10	-200,000	-1.42	AA	F1+
4-Jan-10	81	Bank Of Scotland	450,000	0.45%	15-Feb-10	-450,000	-233.01	AA-	F1+
4-Jan-10	82	Skipton BS	500,000	0.60%	15-Feb-10	-500,000	-345.21	A-	F2
5-Jan-10	83	HSBC	150,000	0.26%	06-Jan-10	-150,000	-1.07	AA	F1+
6-Jan-10	84	HSBC	130,000	0.26%	07-Jan-10	-130,000	-0.93	AA	F1+
7-Jan-10	85	Skipton BS	170,000	0.45%	18-Jan-10		-23.05	A-	F2
				0.50%	15-Feb-10		-65.21	A-	F2
				0.45%	04-Mar-10	-170,000	-35.63	A-	F2
8-Jan-10	86	HSBC	140,000	0.26%	11-Jan-10	-140,000	-2.99	AA	F1+

Date Invested	Temporary Investment Number	Borrower	Amount Invested	Interest Rate	Date Repaid	Principal Repaid	Interest Received	Fitch Ratings	
								At time of Investment	
								Long-Term	Short-Term
11-Jan-10	87	HSBC	85,000	0.26%	12-Jan-10	-85,000	-0.61	AA	F1+
12-Jan-10	88	HSBC	85,000	0.26%	18-Jan-10	-85,000	-3.63	AA	F1+
14-Jan-10	89	HSBC	90,000	0.26%	18-Jan-10	-90,000	-2.56	AA	F1+
15-Jan-10	90	HSBC	150,000	0.26%	18-Jan-10	-150,000	-3.21	AA	F1+
15-Jan-10	91	Santander UK Plc	200,000	0.41%	01-Feb-10		-38.19	AA-	F1+
				0.59%	26-Feb-10		-80.82	AA-	F1+
				0.48%	17-Mar-10	-200,000	-49.97	AA-	F1+
15-Jan-10	92	Skipton Bs	200,000	0.50%	08-Feb-10		-65.75	A-	F2
				0.45%	01-Mar-10	-200,000	-51.78	A-	F2
20-Jan-10	93	HSBC	120,000	0.26%	22-Jan-10	-120,000	-1.71	AA	F1+
22-Jan-10	94	HSBC	60,000	0.26%	25-Jan-10	-60,000	-1.28	AA	F1+
27-Jan-10	95	HSBC	90,000	0.26%	29-Jan-10	-90,000	-1.28	AA	F1+
28-Jan-09	96	HSBC	170,000	0.26%	01-Feb-10	-170,000	-4.84	AA	F1+
28-Jan-09	97	Santander UK Plc	500,000	0.58%	17-Mar-10	-500,000	-381.37	AA	F1+
			3,490,000			-3,490,000	-1,395.52		
<b>Feb</b>									
1-Feb-10	98	Yorkshire BS	1,500,000	0.42%	17-Mar-10	-1,500,000	-759.45	A-	F2
01-Feb-10	99	Santander UK Plc	650,000	0.58%	17-Mar-10	-650,000	-454.47	AA-	F1+
01-Feb-10	100	Skipton Bs	150,000	0.43%	22-Feb-10	-150,000	-37.11	A-	F2
01-Feb-10	101	HSBC	180,000	0.26%	02-Feb-10	-180,000	-1.28	AA	F1+
02-Feb-10	102	HSBC	89,000	0.26%	03-Feb-10	-89,000	-0.63	AA	F1+
03-Feb-10	103	HSBC	90,000	0.26%	04-Feb-10	-90,000	-0.64	AA	F1+
04-Feb-10	104	HSBC	140,000	0.26%	08-Feb-10	-140,000	-3.99	AA	F1+
08-Feb-10	105	HSBC	100,000	0.26%	15-Feb-10	-100,000	-4.99	AA	F1+
11-Feb-10	106	HSBC	75,000	0.26%	15-Feb-10	-75,000	-2.14	AA	F1+
12-Feb-10	107	HSBC	70,000	0.25%	31-Mar-10	-70,000	-22.53	AA	F1+
15-Feb-10	108	HSBC	60,000	0.26%	22-Feb-10	-60,000	-2.99	AA	F1+
19-Feb-10	109	Skipton BS	125,000	0.43%	17-Mar-10		-38.29	A-	F2
				0.47%	26-Mar-10	-125,000	-14.49	A-	F2
			3,229,000			-3,229,000	-1,343.00		

Date Invested	Temporary Investment Number	Borrower	Amount Invested	Interest Rate	Date Repaid	Principal Repaid	Interest Received	Fitch Ratings	
								At time of Investment	
								Long-Term	Short-Term
<b>Mar</b>									
01-Mar-10	110	HSBC	165,000	0.26%	02-Mar-10	-165,000	-1.18	AA	F1+
02-Mar-10	111	HSBC	90,000	0.26%	03-Mar-10	-90,000	-0.64	AA	F1+
03-Mar-10	112	HSBC	105,000	0.26%	04-Mar-10	-105,000	-0.75	AA	F1+
04-Mar-10	113	HSBC	60,000	0.26%	05-Mar-10	-60,000	-0.43	AA	F1+
05-Mar-10	114	HSBC	65,000	0.26%	08-Mar-10	-65,000	-1.39	AA	F1+
15-Mar-10	115	HSBC	200,000	0.26%	22-Mar-10	-200,000	-9.97	AA	F1+
19-Mar-10	116	HSBC	80,000	0.31%	22-Mar-10	-80,000	-2.04	AA	F1+
25-Mar-10	117	HSBC	70,000	0.31%	26-Mar-10	-70,000	-0.59	AA	F1+
26-Mar-10	118	HSBC	80,000	0.31%	29-Mar-10	-80,000	-2.04	AA	F1+
29-Mar-10	119	HSBC	180,000	0.31%	30-Mar-10	-180,000	-1.53	AA	F1+
30-Mar-10	120	HSBC	95,000	0.31%	31-Mar-10	-95,000	-0.81	AA	F1+
			1,190,000			-1,190,000	-21.37		
<b>Total Investments made April to March 2010</b>			<b>40,894,000</b>			<b>-40,894,000</b>	<b>-15,807.44</b>		
<b>Total 2009 / 2010</b>			<b>42,479,000</b>			<b>-42,479,000</b>	<b>-16,692.60</b>		

Fitch Rating Definitions	
International Long-Term Credit Ratings	
Long-term credit rating can be used as a benchmark measure of probability of default.	
AAA	Highest credit quality. 'AAA' denotes the lowest expectation of credit risk. They are assigned only in case of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.

### International Long-Term Credit Ratings

AA	Very high credit quality. 'AA' ratings denote expectation of low credit risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.
A	High credit quality. 'A' ratings denote expectations of low credit risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to changes in circumstances or in economic conditions than in the case for higher ratings.

### International Short-Term Credit ratings

Short-term rating has a time horizon of less than 13 months for most obligations and thus places greater emphasis on the liquidity necessary to meet financial commitments	
F1	Highest credit quality. Indicates the strongest capacity for timely payment of financial commitments; may have an added "+" to denote any exceptionally strong credit feature.
F2	Good credit quality. A satisfactory capacity for timely payment of financial commitments, but the margin of safety is not as great as in the case of the higher ratings.
F3	Fair credit quality. The capacity for timely payment of financial commitments is adequate; however, near term adverse changes could result in a reduction to non-investment grade.