

METRO

INVESTMENT REPORT

ALL FUNDS

OCTOBER 2012

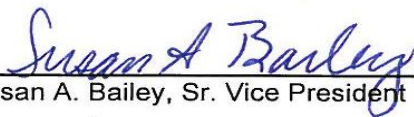
**Metropolitan Transit Authority of Harris County
Investment Report
For the Month Ended October 31, 2012
Portfolio Summary Management Report**

The following is a summary of METRO's Investment Portfolios:

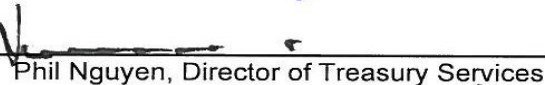
<u>Fund:</u>	<u>General</u>	<u>Construction</u>	<u>General Mobility</u>
Prior Month End Book Value	323,881,133	166,573,966	36,322,526
Current Month End Book Value	301,336,895	147,553,400	40,753,372
Change	(22,544,238)	(19,020,566)	4,430,846
Prior Month End Market Value*	324,155,736	166,573,966	36,322,526
Current Month End Market Value*	301,596,277	147,553,400	40,753,372
Change	(22,559,459)	(19,020,566)	4,430,846
Interest Receivable	364,575	0	0
Weighted Average Days Outstanding	121	1	1
Weighted Average Years Outstanding	0.33	0.00	0.00
Yield	0.511%	0.175%	0.140%
Benchmark Yield	0.107%	0.115%	0.097%
Yield Over / <Under> Benchmark	0.404%	0.060%	0.043%
LGIP Wtd Avg. Days Outstanding (1)	45	45	45

* Change in Market Value is presented in accordance with the Public Funds Investment Act and primarily reflects receipts, expenditures, securities purchases and maturities and changes in the marketability of securities held at the end of the period.

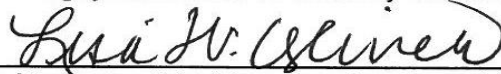
All Funds are managed in full compliance with the Public Funds Investment Act, the Investment Policy and Strategy of the Metropolitan Transit Authority of Harris County and under the safety parameters set by the Board of Directors.



Susan A. Bailey, Sr. Vice President and Chief Financial Officer



Phil Nguyen, Director of Treasury Services



Lisa W. Oliver, Manager of Banking, Investments and Debt Services



Philip Brenner, Director of Budget Services

(1) This weighted average maturity calculation for TexStar uses the SEC Rule 2a-7 definition for stated maturity for any floating rate instrument held in the portfolio to determine the weighted average maturity for the pool. This Rule specifies that a variable rate instrument to be paid in 397 calendar days or less shall be deemed to have a maturity equal to the period remaining until the next readjustment of the interest rate.

**Metropolitan Transit Authority of Harris County
Monthly Changes in Position
For the Month Ended October 31, 2012**

No.	Description	Coupon	Rating	Maturity	Purchase	Par	Cost	Price	Type	Book Value		Market Value	
										9/30/2012	10/31/2012	9/30/2012	10/31/2012
General Fund													
	JPMorgan Chase Master			1-Nov-12	31-Oct-12	2,258,018	2,258,018	100.00	DDA	1,439,529	2,258,018	1,439,529	2,258,018
	JPMorgan Chase HOT Lanes			1-Nov-12	31-Oct-12	430,111	430,111	100.00	DDA	209,755	430,111	209,755	430,111
	TexStar Investment Pool	0.17%	AAAm	1-Nov-12	31-Oct-12	112,300,856	112,300,856	100.00	LGIP	145,832,291	112,300,856	145,832,291	112,300,856
4488	San Antonio Water System	0.22%	A-1+/P1/F1+	3-Oct-12	12-Sep-12	10,000,000	10,000,000	100.00	MCP	10,000,000	Matured/Called	10,000,000	Matured/Called
4483	Tx Agriculture Finance Authority	0.15%	A-1+/P-1	11-Oct-12	02-Aug-12	9,000,000	8,997,375	99.97	MCP	8,999,625	Matured/Called	8,997,375	Matured/Called
4489	Tx Dept of Econ Development	0.15%	A-1+/P-1	11-Oct-12	13-Sep-12	10,000,000	9,998,678	99.99	MCP	9,999,528	Matured/Called	9,998,678	Matured/Called
4493	Tx Dept of Econ Development	0.15%	A-1+/P-1	8-Nov-12	11-Oct-12	10,000,000	9,998,756	99.99	MCP	Did Not Own	9,999,689	Did Not Own	9,998,756
4494	Dallas Area Rapid Transit	0.15%	A-1+/P-1	8-Nov-12	04-Oct-12	20,000,000	20,000,000	100.00	MCP	Did Not Own	20,000,000	Did Not Own	20,000,000
4487	City of Houston GO - Series G	0.19%	A-1+/F-1	5-Dec-12	06-Sep-12	10,000,000	10,000,000	100.00	MCP	10,000,000	10,000,000	10,000,000	10,000,000
EWBCD4	East West Bank Certificate	0.40%	Coll = Aaa	9-Dec-12	10-Sep-12	10,000,000	10,000,000	100.00	CD	10,000,000	10,000,000	10,000,000	10,000,000
4492	FHLMC 0.85 12/28/12	0.16%	Aaa	28-Dec-12	27-Sep-12	15,000,000	15,026,640	100.18	A	15,025,482	15,016,505	15,024,750	15,016,380
4495	Tx Agriculture Finance Authority	0.20%	A-1+/P-1	9-Jan-13	11-Oct-12	9,000,000	8,995,500	99.95	MCP	Did Not Own	8,996,550	Did Not Own	8,995,500
4470	FHLB 0.16 2/8/13	0.16%	Aaa	8-Feb-13	12-Mar-12	10,000,000	9,994,570	99.95	A	9,997,880	9,998,386	9,999,690	9,999,970
4477	Houston Comm College Rev	5.25%	Aa2/AA-	15-Apr-13	30-May-12	1,000,000	1,043,400	104.34	MB	1,026,583	1,022,378	1,026,590	1,021,885
4491	FFCB 0.85 4/15/13	0.16%	Aaa	15-Apr-13	24-Sep-12	10,000,000	10,037,742	100.38	A	10,036,441	10,030,677	10,042,300	10,034,960
3566	T 3.625 05/15/13	3.63%	Aaa	15-May-13	12-Jun-03	10,000,000	10,364,063	103.64	T	10,022,697	10,019,584	10,214,844	10,185,938
4467	FFCB .22 7/26/13	0.22%	Aaa	26-Jul-13	30-Jan-12	15,000,000	14,988,750	99.93	A	14,993,826	14,994,468	15,000,300	15,000,375
4486	Tx Tax Rev Anticipation Notes	2.50%	VIIG1/ SP-1+/F1-	30-Aug-13	30-Aug-12	15,000,000	15,342,750	102.29	MB	15,312,701	15,283,590	15,313,950	15,313,950
4490	FHLB 0.125 09/25/13	0.22%	Aaa	25-Sep-13	25-Sep-12	16,000,000	15,986,102	99.91	A	15,986,331	15,987,511	15,990,784	15,990,128
4463	FFCB 0.47 12/19/13	0.47%	Aaa	19-Dec-13	19-Dec-11	10,000,000	9,999,000	99.99	A	9,999,393	9,999,435	10,008,900	10,005,300
4464	FHLMC 0.50 12/27/13	0.50%	Aaa	27-Dec-13	27-Dec-11	10,000,000	9,998,500	99.99	A	9,999,073	9,999,136	10,008,000	10,005,300
4466	FFCB 0.35 1/23/14	0.35%	Aaa	23-Jan-14	23-Jan-12	15,000,000	15,000,000	100.00	A	15,000,000	15,000,000	15,048,000	15,038,850
Total General Fund										323,881,133	301,336,895	324,155,736	301,596,277
Construction Fund													
	Interest & Sinking Fund 2008B (Wells Fargo)			1-Nov-12	31-Oct-12	8,450	8,450	100.00	DDA	7,752	8,450	7,752	8,450
	Series 2008B DSR (TexStar)	0.17%	AAAm	1-Nov-12	31-Oct-12	4,706,095	4,706,095	100.00	LGIP	4,706,095	4,706,095	4,706,095	4,706,095
	Series 2011A Proceeds (TexStar)	0.17%	AAAm	1-Nov-12	31-Oct-12	73,321,789	73,321,789	100.00	LGIP	95,238,287	73,321,789	95,238,287	73,321,789
	Sales & Use Tax Bonds DSR (TexStar)	0.17%	AAAm	1-Nov-12	31-Oct-12	11,117,254	11,117,254	100.00	LGIP	10,690,382	11,117,254	10,690,382	11,117,254
	Contractual Obligations DSR (TexStar)	0.17%	AAAm	1-Nov-12	31-Oct-12	5,933,331	5,933,331	100.00	LGIP	5,746,197	5,933,331	5,746,197	5,933,331
	Interest & Sinking Fund (2009 & 2010) (TexStar)	0.17%	AAAm	1-Nov-12	31-Oct-12	17,153,408	17,153,408	100.00	LGIP	15,319,702	17,153,408	15,319,702	17,153,408
	Interest & Sinking Fund 2011A (TexStar)	0.17%	AAAm	1-Nov-12	31-Oct-12	31,011,463	31,011,463	100.00	LGIP	31,006,866	31,011,463	31,006,866	31,011,463
	Interest & Sinking Fund 2011B (TexStar)	0.17%	AAAm	1-Nov-12	31-Oct-12	4,301,610	4,301,610	100.00	LGIP	3,858,684	4,301,610	3,858,684	4,301,610
Total Construction Fund										166,573,966	147,553,400	166,573,966	147,553,400
General Mobility Fund													
	TexStar Investment Pool GMP	0.17%	AAAm	1-Nov-12	31-Oct-12	30,476,391	30,476,391	100.00	LGIP	26,045,658	30,476,391	26,045,658	30,476,391
	Williams Capital Govt. Fund GMP	0.01%	AAAm	1-Nov-12	31-Oct-12	10,276,981	10,276,981	100.00	MMA	10,276,868	10,276,981	10,276,868	10,276,981
Total General Mobility Fund										36,322,526	40,753,372	36,322,526	40,753,372
Grand Total All Funds										526,777,625	489,643,667	527,052,229	489,903,049

Note: AAA is the highest long-term rating A-1+ is the highest short term rating.

**Metropolitan Transit Authority of Harris County
Monthly Changes in Position - Construction Funds
For the Month Ended October 31, 2012**

No.	Description	Coupon	Rating	Maturity	Purchase	Par	Cost	Price	Type	Book Value		Market Value	
										9/30/2012	10/31/2012	9/30/2012	10/31/2012
The Construction Fund includes Interest and Sinking Funds, Debt Service Reserves and remaining Proceeds from Bond Issuances:													
<u>Interest and Sinking Funds - Required by Bond Covenants, Interest and Sinking Funds represent an escrow for the next principal and interest payments</u>													
	Interest & Sinking Fund 2008B (Wells Fargo)			1-Nov-12	31-Oct-12	8,450	8,450	100.00	DDA	7,752	8,450	7,752	8,450
	Interest & Sinking Fund (2009 & 2010) (TexStar)	0.15%	AAAm	1-Nov-12	31-Oct-12	17,153,408	17,153,408	100.00	LGIP	15,319,702	17,153,408	15,319,702	17,153,408
	Interest & Sinking Fund 2011A (TexStar)	0.15%	AAAm	1-Nov-12	31-Oct-12	31,011,463	31,011,463	100.00	LGIP	31,006,866	31,011,463	31,006,866	31,011,463
	Interest & Sinking Fund 2011B (TexStar)	0.15%	AAAm	1-Nov-12	31-Oct-12	4,301,610	4,301,610	100.00	LGIP	3,858,684	4,301,610	3,858,684	4,301,610
	Subtotal Interest and Sinking Funds									50,193,005	52,474,931	50,193,005	52,474,931
													Net Change resulting from required Contributions and Interest Earned on Balances
													2,281,926
<u>Debt Service Reserves - Required by Bond Covenants, Debt Service Reserves represent 50% of the Maximum Annual Debt Service for each bond issuance</u>													
	Series 2008B DSR (TexStar)	0.15%	AAAm	1-Nov-12	31-Oct-12	4,706,095	4,706,095	100.00	LGIP	4,706,095	4,706,095	4,706,095	4,706,095
	Sales & Use Tax Bonds DSR (TexStar)	0.15%	AAAm	1-Nov-12	31-Oct-12	11,117,254	11,117,254	100.00	LGIP	10,690,382	11,117,254	10,690,382	11,117,254
	Contractual Obligations DSR (TexStar)	0.15%	AAAm	1-Nov-12	31-Oct-12	5,933,331	5,933,331	100.00	LGIP	5,746,197	5,933,331	5,746,197	5,933,331
	Subtotal Debt Service Reserves									21,142,674	21,756,680	21,142,674	21,756,680
													Net Change resulting from required Contributions and Interest Earned on Balances
													614,006
<u>Bond Proceeds - Remaining proceeds available from Voted Sales Tax Bond issuances for North and Southeast Corridor expansion activities</u>													
	Series 2011A Proceeds (TexStar)	0.15%	AAAm	1-Nov-12	31-Oct-12	73,321,789	73,321,789	100.00	LGIP	95,238,287	73,321,789	95,238,287	73,321,789
													Net Change resulting from payments to Contractors and Interest Earned on Balances
													(21,916,498)
	Total Construction Fund									166,573,966	147,553,400	166,573,966	147,553,400

Note: AAA is the highest long-term rating A-1+ is the highest short term rating.

**Metropolitan Transit Authority of Harris County Texas
General Mobility Escrow Activity Summary
For the Month Ended October 31, 2012**

Description	FY2012				Escrow Balance
	Escrow Funding	Disbursements from Escrow	Interest to General Fund	Interest Earned on Escrow Funds	
Oct-12 Escrow Balance Forward	-	-	-	-	36,322,526
Oct-12 25% of Net Sales Tax Received (\$49,406,212.86 X 25%)	12,192,769				48,515,295
Oct-12 FY 2013 Carryover Commitment \$3,250,000 per Month until FY13 Commitment of \$17,704,000 Is Reached	3,250,000				51,765,295
Oct-12 FY2013 Multi-Cities Congestion Mitigation and Traffic Management		(2,872,000)			48,893,295
Oct-12 City of Houston See Attached		(5,869,559)			43,023,736
Oct-12 Harris County See Attached		(1,000,000)			42,023,736
Oct-12 Katy, Humble and Missouri City Congestion Mitigation & Traffic Management		(1,275,378)			40,748,358
Oct-12 Interest Earned			-	5,013	40,753,372
Oct-12 Escrow to Fiscal Year to Date	15,442,769	(11,016,937)	-	5,013	40,753,372

General Mobility Program

Political Jurisdictions of Projects Funded in October 2012

Project	Invoiced Amount	City Council District	County Precinct	State Representative District	State Senate District	U.S. Congressional District
<u>City of Houston Projects</u>						
14th Period: Citywide Overlay / Rehabilitation Project	\$3,339,352.41	All	N/A	All	All	All
14th Period: Sign Maintenance Program	\$669,102.00	All	N/A	All	All	All
14th Period: Pavement Marking Maintenance Program	\$468,000.00	All	N/A	All	All	All
14th Period: Clearing and Grubbing Project	\$297,000.00	All	TBD	TBD	TBD	TBD
14th Period: Bridge Replacement / Special Projects	\$211,640.00	All	N/A	All	All	All
14th Period: Bringham Bridge Project	\$202,200.00	F, J, K	TBD	TBD	TBD	TBD
Consent Agreement Payment: To Be Reclassified	\$150,000.00	N.A.	N.A.	N.A.	N.A.	N.A.
9th Period: Market Street Paving - McCarty to Wayside	\$123,519.36	I	2	29	6	143
9th Period: Buffalo Speedway Paving - Holmes Rd. to Airport	\$98,610.98	D	1	9	13	131
9th Period: Lockwood Paving - Bennington to Tidwell	\$97,840.50	B	1	18	13	141
10th Period: Traffic Signal Management Program / Intel. Trans. Sys.	\$75,743.50	All	N/A	All	All	All
9th Period: Traffic Signal Management Program / ITS	\$75,070.29	All	N/A	All	All	All
14th Period: Buffalo Bayou Trail - Shepherd to Sabine	\$56,300.00	F, J, K	TBD	TBD	TBD	TBD
10th Period: Hillcroft Rehabilitation: S.W. Freeway	\$5,180.01	F, C	3	9	17	137
	\$5,869,559.05					
<u>Harris County Projects</u>						
12th Period: Imperial Valley Drive - Remington Heights to Airtex Blvd	\$1,000,000.00	TBD	TBD	TBD	TBD	TBD
	\$1,000,000.00					