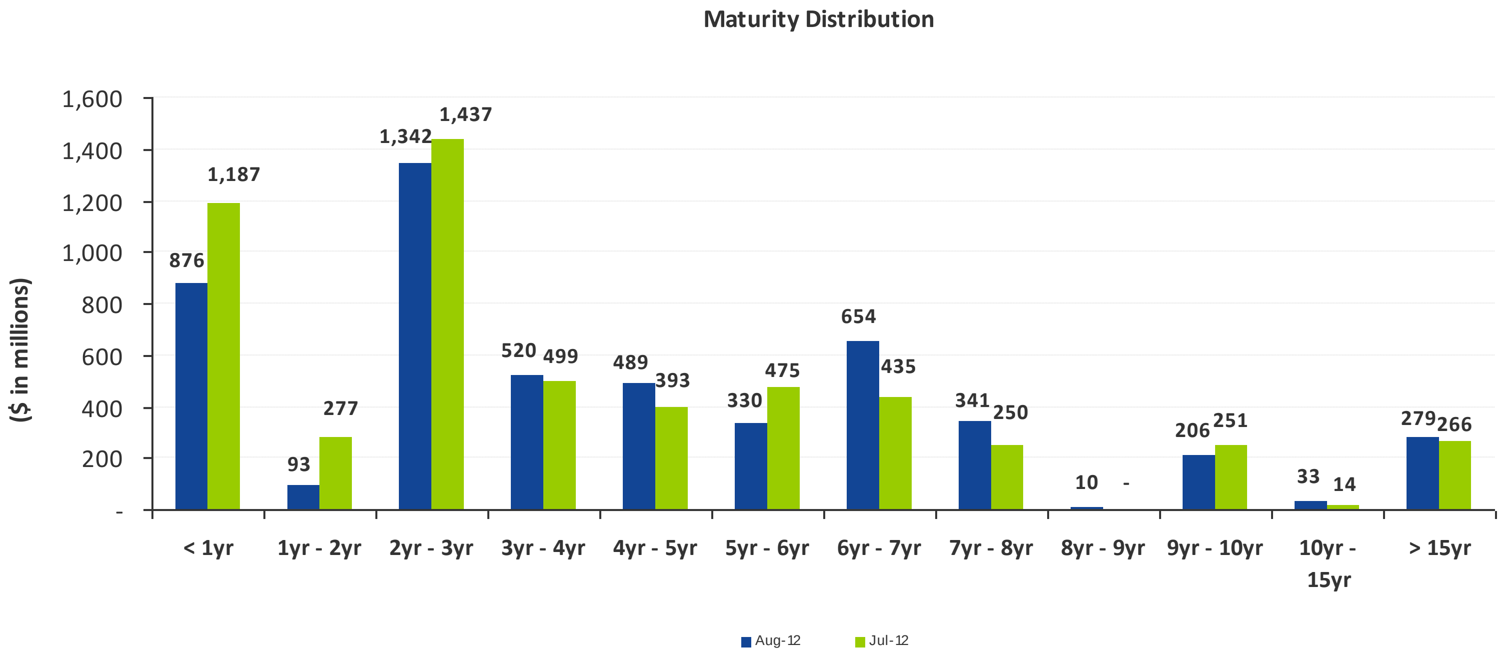
Portfolio Strategy

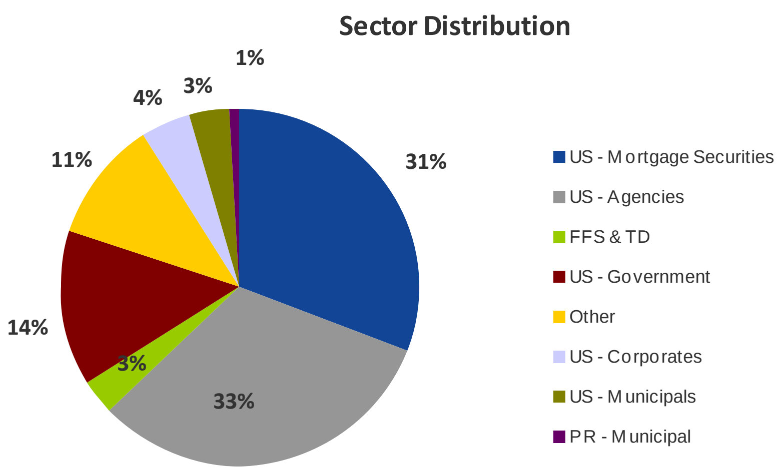
Portfolio Composition

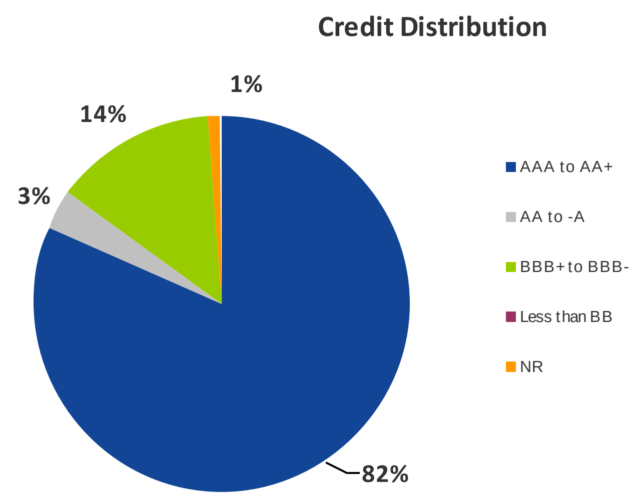
	31-Aug-12			31-Jul-12			Variance		
	Balance	Yield	Years to Maturity	Balance	Yield	Years to Maturity	Balance	Yield	Years to Maturity
Maturity < 1 year									
Corporate Paper	222,575,000	4.00%	0.09	222,575,000	4.00%	0.17	0	0.00%	(0.08)
US Agency Securities	573,148,670	2.06%	0.37	446,353,109	2.34%	0.34	126,795,560	-0.28%	0.03
Federal Funds	-	0.00%	0.00	-	0.00%	0.00	0	0.00%	0.00
Time Deposit	149,200,000	0.94%	0.47	292,000,000	0.59%	0.27	(142,800,000)	0.35%	0.20
US Municipal Bonds	33,077,275	0.62%	0.09	33,082,741	0.66%	0.11	(5,467)	-0.04%	(0.02)
MBS (Variable Rate)	161,923,072	3.44%	0.07	152,372,178	3.40%	0.05	9,550,894	0.04%	0.03
TSO's and CEO's	174,920,000	0.80%	0.06	174,920,000	0.80%	0.06	0	0.00%	(0.01)
Reverse Repurchase Agreements	289,259,801	1.22%	0.00	339,259,801	1.27%	0.00	(50,000,000)	-0.05%	0.00
US Treasury Bills	40,019,841	0.14%	0.17	40,015,188	0.14%	0.25	4,653	0.00%	(0.08)
Money Market Fund	117,834,529	0.11%	2.96	118,111,211	0.16%	0.04	(276,682)	-0.05%	2.92
PR Municipal Bonds	3,530,000	1.36%	0.08	3,530,000	1.36%	0.17	0	0.00%	(0.08)
Total- Maturities < 1 year	**1,765,488,188**	**1.87%**	**0.39**	**1,822,219,229**	**1.78%**	**0.17**	**(56,731,041)**	**0.09%**	**0.22**
Maturity > 1 year									
Corporate Paper	6,152,956	1.50%	2.14	6,160,009	1.50%	2.23	(7,053)	0.00%	(0.08)
US Agency Securities	1,086,970,871	1.09%	2.48	1,021,801,295	1.03%	2.10	65,169,576	0.06%	0.38
US Treasury Notes	692,680,921	0.75%	5.76	1,031,208,078	0.63%	4.53	(338,527,157)	0.12%	1.23
PR Municipal Bonds	46,326,069	6.50%	15.80	46,326,069	6.50%	15.88	0	0.00%	(0.08)
GICS	-	0.00%	0.00	-	0.00%	0.00	0	0.00%	0.00
US Municipal Bonds	143,747,061	2.83%	6.90	54,003,129	2.77%	2.84	89,743,932	0.06%	4.06
MBS (Fixed Rate)	1,433,335,130	2.12%	4.04	1,503,595,943	2.10%	4.05	(70,260,813)	0.02%	(0.00)
Total- Maturities > 1 year	**3,409,213,008**	**1.60%**	**4.17**	**3,663,094,522**	**1.46%**	**3.77**	**(253,881,514)**	**0.15%**	**0.40**
Total Investment Portfolio	**5,174,701,197**	**1.69%**	**2.88**	**5,485,313,751**	**1.56%**	**2.57**	**(310,612,554)**	**0.13%**	**0.31**

Portfolio Strategy

Portfolio Composition







Portfolio Strategy

Realized Gains/Losses

	Realized Gain/Loss												
($ millions)	**Sep-11**	**Oct-11**	**Nov-11**	**Dec-11**	**Jan-12**	**Feb-12**	**Mar-12**	**Apr-12**	**May-12**	**Jun-12**	**Jul-12**	**Aug-12**	**FY 2013**
T-Bill	-	-	-	-	-	-	-	-	-	-	-	-	**-**
USTN - 2 YRS	1.239	-	-	-	-	-	-	-	-	-	-	0.169	**0.169**
USTN - 3 YRS	4.547	-	-	-	-	-	-	-	-	-	-	1.030	**1.030**
USTN - 5 YRS	-	8.944	0.101	-	-	-	-	-	-	-	-	-	**-**
USTN - 7 YRS	-	-	0.095	-	-	0.836	-	-	0.915	-	-	-	**-**
USTN - 10 YRS	0.287	(0.909)	0.217	0.719	0.311	(0.082)	(2.445)	0.091	0.473	0.285	0.227	-	**0.227**
USTN - 30 YRS	1.137	(1.417)	0.515	1.808	0.067	(0.674)	(8.742)	0.295	1.813	0.696	0.930	-	**0.930**
Agencies FY/Callable	-	-	-	-	0.060	-	-	-	0.113	-	-	0.036	**0.036**
Fed Agency Note	-	-	-	-	-	-	0.865	-	-	-	-	-	**-**
Fed Agency Note	-	-	-	-	-	-	-	-	10.938	0.996	-	-	**-**
CMO Fixed	7.315	0.229	0.035	0.683	0.341	0.885	-	(0.036)	(0.102)	0.318	0.086	0.182	**0.268**
CMO Variable	-	-	-	-	-	-	-	-	0.162	-	-	-	**-**
Municipal	-	-	-	-	-	-	-	-	11.857	-	-	-	**-**
Eurodollar Futures	0.376	(0.485)	0.063	0.268	0.525	-	(0.163)	1.117	0.144	-	-	0.139	**0.139**
EURO Bund Put Options	-	-	0.307	-	(1.288)	-	-	-	-	-	-	-	**-**
TYH Futures	-	-	-	-	(5.855)	-	-	-	0.448	0.688	0.770	-	**0.770**
AIG GIC	-	-	-	9.067	-	-	-	-	-	-	-	-	**-**
Total	**14.902**	**6.362**	**1.333**	**12.545**	**(5.838)**	**0.965**	**(10.485)**	**1.466**	**26.761**	**2.984**	**2.013**	**1.557**	**3.569**

Portfolio Strategy

Unrealized Gains/Losses

	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12
Treasuries	-339,455	666,652	5,164,347	-1,364,027	-1,431,579	2,638,128	2,797,899	2,078,327	5,144,022	2,571,329
Agencies Bullets/Callables	5,212,773	7,235,968	12,926,309	10,796,353	494,146	15,619,272	9,273,901	7,831,617	10,734,703	12,254,063
US Munis	7,783,402	10,516,117	12,296,519	13,061,347	12,307,789	14,857,853	2,575,682	2,343,056	2,426,887	3,530,681
CMOs	-4,505,452	-13,163,935	-4,641,967	-12,254,719	-19,380,131	-5,585,294	703,218	-1,070,847	8,778,013	3,843,795
Corporate	63,430	70,154	1,350,216	3,102,451	3,318,364	3,153,613	1,678,810	1,698,057	1,889,489	1,629,135
Interest Rate / Futures				-368,800	-904,875	37,500	-	-	-	
Total	**8,214,697**	**5,324,956**	**27,095,424**	**12,972,604**	**-5,596,286**	**30,721,072**	**17,029,509**	**12,880,210**	**28,973,114**	**23,829,003**

Loan Portfolio Composition

Ending Balances

	Ending Balances				Variance	
	31-Aug-12		31-Jul-12			
	Balance	Rate	Balance	Rate	Balance	Rate
Municipalities:						
Fixed	46,306,131	5.62	46,969,485	5.56	(663,353)	0.06
Floaters (peg to Libor)	779,257,963	1.74	779,257,963	1.74	0	0.00
Floaters (peg to PRIME)	1,281,144,998	5.74	1,232,500,402	5.73	48,644,596	0.01
Non Accruals	-	-	-	-	**0**	**0.00**
Total	**2,106,709,092**	**4.26**	**2,058,727,850**	**4.22**	**47,981,242**	**0.04**
Agencies & Corporations:						
Fixed	1,547,367,920	6.78	1,542,707,081	6.79	4,660,839	(0.00)
Floaters (peg to Prime)	3,392,614,264	5.97	3,198,434,559	5.97	194,179,705	0.00
Floaters (peg to Libor)	223,227,395	3.87	222,191,795	3.85	1,035,600	0.01
Loans tied to GDB Notes (103)	675,610,980	7.00	675,610,980	7.00	0	0.00
APLA Loan	218,868,380	7.00	219,408,621	7.00	(540,241)	0.00
TDF Loans - Floater	283,626,415	4.52	284,213,412	4.52	(586,998)	(0.01)
Non Accruals	26,860,126	-	26,860,126	-	0	0.00
Total	**6,368,175,478**	**6.15**	**6,169,426,574**	**6.16**	**198,748,904**	**(0.00)**
Total Public Loan Portfolio	**8,474,884,571**	**5.68**	**8,228,154,424**	**5.67**	**246,730,147**	**0.01**
Private Loan Portfolio	5,540,777	6.05	5,516,861	6.05	23,916	0.00
Total Loan Portfolio	**8,480,425,347**	**5.68**	**8,233,671,285**	**5.67**	**246,754,062**	**0.01**

Funding Composition

	31-Aug-12			31-Jul-12			Variance		
	Balance	Yield	Years to Maturity	Balance	Yield	Years to Maturity	Balance	Yield	Years to Maturity
Maturity < 1 year									
Private Deposits	449,436,225	0.91%	0.25	491,151,739	0.76%	0.07	(41,715,514)	0.15%	0.18
GICS Fix Rate	29,051,513	0.78%	0.58	30,619,697	0.76%	0.28	(1,568,184)	0.01%	0.30
GICS Variable Rate	48,223,461	0.37%	0.31	48,555,753	0.37%	0.37	(332,291)	0.00%	(0.06)
Public Deposits	1,258,800,064	0.69%	0.19	1,203,606,029	0.71%	0.15	55,194,035	-0.02%	0.04
GDB Notes	66,290,182	4.39%	0.25	66,319,225	4.39%	0.34	(29,043)	0.00%	(0.08)
Revolving Line of Credit	250,000,000	1.58%	0.07	125,000,000	1.59%	0.07	125,000,000	-0.01%	0.01
Repurchase Agreements	1,171,295,959	0.59%	0.13	1,359,396,959	0.55%	0.22	(188,101,000)	0.04%	(0.08)
IBA's & Escrow Accounts	3,696,530,777	0.90%	0.25	3,666,303,996	0.89%	0.23	30,226,780	0.01%	0.02
Total- Maturities < 1 year	**6,969,628,180**	**0.86%**	**0.21**	**6,990,953,398**	**0.82%**	**0.20**	**(21,325,217)**	**0.04%**	**0.02**
Maturity > 1 year									
GDB Bond	267,000,000	4.75%	3.25	267,000,000	4.75%	3.34	-	0.00%	(0.08)
GICS Fix Rate	20,362,299	5.18%	20.56	20,421,657	5.18%	20.65	(59,358)	0.00%	(0.09)
GDB Notes	4,728,406,016	4.53%	6.34	4,728,379,715	4.53%	6.43	26,300	0.00%	(0.08)
Total- Maturities > 1 year	**5,015,768,315**	**4.54%**	**6.24**	**5,015,801,372**	**4.54%**	**6.32**	**(33,058)**	**0.00%**	**(0.09)**
Total Funding	**11,985,396,495**	**2.40%**	**2.74**	**12,006,754,770**	**2.38%**	**2.76**	**(21,358,275)**	**0.02%**	**-0.02**

Funding Composition

Repo Book

As of 8/31/2012

Long-term Repo's

Counterparty	Issue Date	Maturity Date	Exposure ($)	WAC(%)
Nomura Securities	9/30/2011	9/28/2012	125,000,000	0.58
Nomura Securities	2/1/2012	1/2/2013	168,066,209	2.94
Total			**293,066,209**	**1.94**

Open and Term Repo's

Counterparty	Issue Date	Maturity Date	Exposure ($)	WAC(%)
Barclays	8/31/2012	9/4/2012	97,835,000	0.29
Guggenheim	7/24/2012	10/23/2012	247,500,000	0.23
Goldman Sachs	7/24/2012	10/23/2012	97,522,000	0.28
Goldman Sachs	7/24/2012	10/23/2012	50,490,000	0.23
Goldman Sachs	7/12/2012	OPEN	50,118,750	0.24
Goldman Sachs	7/31/2012	OPEN	197,010,000	0.02
Guggenheim	8/16/2012	OPEN	75,656,250	0.26
Goldman Sachs	8/27/2012	OPEN	41,976,000	0.15
Goldman Sachs	8/27/2012	OPEN	20,121,750	0.24
Total			**878,229,750**	**0.19**

Total			**1,171,295,959**	**0.63**

Funding Composition

Private Funding

	August 31, 2012			July 31, 2012			Variance		
	Balance	Funding Cost	DTM	Balance	Funding Cost	DTM	Balance	Funding Cost	DTM
BBVA	400,000	0.40	53	400,000	0.40	84	-		(31)
CARACAS INTL. BANKING CORP.	300,000	0.60	12	300,000	0.60	43	-	0.00	(31)
CITIBANK	182,335,000	1.02	206	182,335,000	0.66	35	-	0.36	170
CARIBBEAN REFRESCOS	75,000,000	0.55	19	75,000,000	0.55	50	-		(31)
FIDECOOP	500,000	0.80	28	500,000	0.80	59	-	0.00	(31)
MCS	497,893	0.67	288	495,129	0.71	29	2,763	(0.04)	259
MCS ADVANTAGE, INC	632,378	0.75	56	632,378	0.75	87	-	0.00	(31)
SCOTIABANK	0			0			-	0.00	
PAM - FUNDS	55,000,000	1.00	4	50,000,000	1.00	4	5,000,000	0.00	0
PREFERRED HEALTH	0			0			-	0.00	
SANTANDER	266,224	0.19	28	266,179	0.20	31	46	(0.01)	(3)
SAM - FUNDS	0			30,000,000	0.44	2	(30,000,000)	(0.44)	(2)
SERRALLES	2,710,204	4.81	7,518	2,708,870	4.81	7,549	1,334		(31)
UBSAM - FUNDS	114,125,000	1.00	19	130,855,000	1.00	12	(16,730,000)		6
VS INT'L BANKING ENTITY INC	0			0			-		
V.SUAREZ & CO.	20,028,899	0.60	7	20,017,222	0.70	8	11,677	(0.10)	(1)
WORLDSKY INTERNATIONAL	300,000	0.58	67	300,000	0.58	98	-	0.00	(31)
COOP. DR. MANUEL ZENO GANDIA	50,831	0.58	266	50,831	0.58	297	-	0.00	(31)
Total Private Funding	**452,146,429**	**0.93**	**137**	**493,860,610**	**0.78**	**66**	**(41,714,180)**	**0.16**	**71**

Funding Composition

Public Funding

	August 31, 2012			July 31, 2012			Variance		
	Balance	Funding Cost	DTM	Balance	Funding Cost	DTM	Balance	Funding Cost	DTM
Public Agencys									
A.S.D.A.	6,942,096	0.75	196	6,938,461	0.75	227	3,635	0.00	(31)
ADM. ACTIVOS EXTINTA CRUV	6,512,232	0.74	323	6,475,090	0.74	79	37,142	0.00	244
ADMINISTRACION DE TERRENOS	0			0			0	0.00	
AFI	7,602,673	0.64	106	7,595,061	0.53	34	7,612	0.11	72
ASES	53,868,968	0.42	96	53,857,735	0.52	105	11,233	(0.10)	(9)
AUTORIDAD DE TIERRAS	1,374,653	0.60	93	1,223,746	0.62	77	150,907	(0.02)	17
ADM. DE VIVIENDA PUBLICA	0	0.00	0	0	0.00	0	0	0.00	
CDES	10,036,825	0.26	35	9,821,185	0.27	56	215,640	(0.01)	(20)
COMPANIA DE TURISMO	3,688,911	0.30	17	3,684,919	0.65	17	3,992	(0.35)	
DEPARTAMENTO DE EDUCACION	20,613,194	0.71	154	22,024,033	0.71	187	(1,410,839)	(0.00)	(33)
FIDA	12,000,000	0.70	10	12,000,000	0.70	41	0	0.00	(31)
FIDECOOP	0	0.00	0	0	0.00	0	0	0.00	0
COMPANIA PARQUES NACIONALES	2,905,516	0.76	11	2,905,516	0.76	42	0	0.00	(31)
HACIENDA	410,585,730	0.81	826	393,634,657	0.82	898	16,951,073	(0.00)	(72)
PR Public Finance Corporation	10,126,504	0.10	1,980	10,126,504	0.10	2,011	0	0.00	(31)
PRHF	199,610,130	1.03	685	169,297,308	1.14	797	30,312,821	(0.11)	(112)
AUTORIDAD DE CARRETERAS	0	0.00	0	0	0.00	0	0	0.00	0
PRIDCO	111,889,847	0.83	151	78,043,165	0.94	146	33,846,682	(0.11)	5
SISTEMA RETIRO EMPLEADOS-ELA	216,831,787	0.45	13	216,831,787	0.45	13	0	(0.00)	
FSE	1,950,155	5.38	5,950	1,950,155	5.38	5,981	0	0.00	(31)
SIST. 911	17,570,330	0.90	224	17,570,330	0.71	255	0	0.19	(31)
Tourism Development Fund	0	0.00	0	0	0.00	0	0	0.00	
FONDO DESARROLLO TURISMO	0	0.00	0	0	0.00	0	0	0.00	0
Total	**1,094,109,551**	**0.75**	**498**	**1,013,979,651**	**0.77**	**545**	**80,129,899**	**(0.02)**	**(47)**
Public Corporations									
A.A.A.	579,609	0.44	112	577,899	0.50	31	1,710	(0.06)	81
BANCO DE DESARROLLO	50,000,000	0.93	126	72,000,000	1.00	2	(22,000,000)	(0.07)	124
PREPA	0	0.00	0	0	0.00	0	0	0.00	
Total	**50,579,609**	**0.92**	**126**	**72,577,899**	**1.00**	**2**	**(21,998,290)**	**(0.07)**	**124**
Other Institution									
Special Communities Trust Fund	129,305,394	0.64	57	132,305,227	0.64	88	(2,999,833)	(0.00)	(31)
Total	**129,305,394**	**0.64**	**57**	**132,305,227**	**0.64**	**88**	**(2,999,833)**	**(0.00)**	**(31)**
Municipalities									
Bayamon	6,874,123	0.56	191	6,883,056	0.56	222	(8,933)	(0.00)	(31)
Carolina	28,967,145	0.74	248	30,604,337	0.73	171	(1,637,192)	0.01	77
Caguas	3,665,412	0.47	171	3,665,108	0.47	193	305	0.00	(23)
Hormigueros	73,335	0.25	39	73,335	0.25	70	0	0.00	(31)
Fajardo	11,163,056	0.68	124	11,163,056	0.68	155	0	0.00	(31)
Isabela	186,146	0.35	31	185,834	0.35	62	313	0.00	(31)
Mayaguez	21,234,828	0.36	272	21,409,490	0.37	303	(174,662)	(0.00)	(31)
Aguadilla	2,000,000	0.58	53	2,000,000	0.58	84	0	0.00	(31)
Dorado	4,000,000	0.72	11	4,000,000	0.72	42	0	0.00	(31)
Humacao	1,342,223	0.18	364	1,420,961	0.19	30	(78,738)	(0.01)	334
Ponce	226,312	0.40	143	226,312	0.40	174	0	0.00	(31)
Total	**79,732,579**	**0.59**	**213**	**81,631,487**	**0.59**	**198**	**(1,898,908)**	**0.00**	**15**
Total Public Funding	**1,353,727,133**	**0.74**	**425**	**1,300,494,265**	**0.76**	**446**	**53,232,868**	**(0.02)**	**(21)**

GAP Analysis

GOVERNMENT DEVELOPMENT BANK

8/31/2012

($ in millions)	0-30 days	31-61 days	62-91 days	3 - 6 months	6 - 12 months	1 - 2 years	2 - 3 years	3 - 4 years	4 - 5 years	> 5 AÑOS
RATE SENSITIVE ASSETS	$ 803	$ 1,315	$ 299	$ 292	$ 5,092	$ 474	$ 1,582	$ 1,012	$ 532	$ 2,253
RATE SENSITIVE LIABILITIES	$ 2,769	$ 662	$ 28	$ 495	$ 241	$ 2,983	$ 542	$ 737	$ 495	$ 2,784
GAP BY PERIOD	$ (1,966)	$ 652	$ 272	$ (203)	$ 4,852	$ (2,509)	$ 1,040	$ 275	$ 37	$ (531)
CUMULATIVE GAP	**$ (1,966)**	**$ (1,314)**	**$ (1,042)**	**$ (1,245)**	**$ 3,607**	**$ 1,098**	**$ 2,138**	**$ 2,413**	**$ 2,451**	**$ 1,920**
GAP BY PERIOD (%)	**-13.91%**	**4.62%**	**1.92%**	**-1.44%**	**34.33%**	**-17.75%**	**7.36%**	**1.95%**	**0.27%**	**-3.76%**
CUMULATIVE GAP (%)	**-13.91%**	**-9.30%**	**-7.37%**	**-8.81%**	**25.53%**	**7.77%**	**15.13%**	**17.08%**	**17.34%**	**13.59%**

Interest Rate Analysis

Shock Analysis

	2.00%	1.50%	1.00%	0.50%	0.00%	-0.50%	-1.00%	-1.50%	-2.00%
Rate Sensitivuty Assets									
Investment Portfolio	109,344,453	103,935,982	98,527,510	93,119,038	87,710,566	82,302,094	76,893,622	71,485,151	67,448,836
Loan Portfolio	540,425,527	511,144,625	493,561,973	487,677,571	481,793,169	475,908,767	470,024,366	464,139,964	458,255,562
Total Interest Income	649,769,980	615,080,606	592,089,483	580,796,609	569,503,735	558,210,862	546,917,988	535,625,114	525,704,398
	80,266,245	**45,576,871**	**22,585,747**	**11,292,874**	**-**	**(11,292,874)**	**(22,585,747)**	**(33,878,621)**	**(43,799,337)**
Rate Sensitivity Liabilities	397,523,314	370,156,267	342,789,219	315,422,172	288,055,125	260,688,078	240,863,315	240,863,315	240,863,315
	109,468,189	**82,101,142**	**54,734,094**	**27,367,047**	**-**	**(27,367,047)**	**(47,191,810)**	**(47,191,810)**	**(47,191,810)**
	252,246,666	244,924,340	249,300,263	265,374,437	281,448,610	297,522,784	306,054,673	294,761,800	284,841,083
	(29,201,944)	(36,524,271)	(32,148,347)	(16,074,174)	-	16,074,174	24,606,063	13,313,189	3,392,473
	-10.38%	-12.98%	-11.42%	-5.71%	0.00%	5.71%	8.74%	4.73%	1.21%

Interest Rate Analysis

Parallel Shift

Yield Chg (bps)	Total Return	Income Return	Price Return	Ending YTW	Ending Eff Dur	Ending Conv	Mkt Val (USD 000)	Mkt Val Diff (USD 000)
-300	6.031	0.050	5.981	-1.749	1.820	0.084	5,778,567	323,541
-275	5.558	0.055	5.503	-1.499	1.798	0.069	5,752,792	297,767
-250	5.100	0.060	5.040	-1.249	1.778	0.049	5,727,812	272,786
-225	4.654	0.064	4.590	-0.999	1.762	0.024	5,703,507	248,481
-200	4.212	0.068	4.144	-0.749	1.758	-0.002	5,679,446	224,420
-175	3.763	0.072	3.691	-0.499	1.784	-0.046	5,654,878	199,852
-150	3.314	0.076	3.238	-0.249	1.835	-0.105	5,630,475	175,449
-125	2.862	0.079	2.782	0.001	1.915	-0.182	5,605,844	150,818
-100	2.404	0.083	2.321	0.251	2.025	-0.255	5,580,887	125,861
-75	1.901	0.086	1.815	0.501	2.200	-0.342	5,553,471	98,445
-50	1.357	0.089	1.268	0.751	2.424	-0.449	5,523,821	68,795
-25	0.761	0.092	0.670	1.001	2.683	-0.566	5,491,337	36,312
0	0.094	0.094	0.000	1.251	2.958	-0.637	5,455,026	0
25	-0.692	0.098	-0.789	1.501	3.232	-0.593	5,412,176	-42,849
50	-1.571	0.101	-1.671	1.751	3.498	-0.498	5,364,276	-90,749
75	-2.510	0.103	-2.614	2.001	3.750	-0.359	5,313,062	-141,964
100	-3.489	0.106	-3.595	2.251	3.962	-0.226	5,259,712	-195,314
125	-4.490	0.108	-4.598	2.501	4.111	-0.121	5,205,182	-249,843
150	-5.501	0.110	-5.612	2.751	4.210	-0.043	5,150,054	-304,971
175	-6.516	0.112	-6.628	3.001	4.275	0.016	5,094,791	-360,235
200	-7.525	0.114	-7.639	3.251	4.317	0.055	5,039,794	-415,231
225	-8.523	0.116	-8.639	3.501	4.336	0.068	4,985,383	-469,643
250	-9.510	0.118	-9.627	3.751	4.347	0.078	4,931,612	-523,414
275	-10.485	0.119	-10.604	4.001	4.355	0.081	4,878,468	-576,557
300	-11.449	0.121	-11.570	4.251	4.362	0.081	4,825,934	-629,092

NIM

Average Balance

($ in millions)	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	May-12	Jun-12	Jul-12	Aug-12
Investment Porfolio	4,386.3	4,355.2	4,266.4	4,548.1	5,452.0	5,498.7	5,816.8	5,860.5	5,390.7	5,502.3	5,455.3	5,464.6
Rate	***1.56%***	***1.64%***	***1.73%***	***1.53%***	***1.44%***	***1.60%***	***1.65%***	***1.69%***	***1.77%***	***1.65%***	***1.57%***	***1.53%***
Loan Portfolio	8,483.5	9,284.1	9,534.5	9,763.1	9,859.4	10,151.7	9,279.4	8,974.7	8,697.2	8,611.3	8,165.2	8,311.7
Rate	***5.28%***	***5.16%***	***5.17%***	***5.20%***	***5.25%***	***5.27%***	***5.21%***	***5.17%***	***5.33%***	***5.47%***	***5.67%***	***5.67%***
Total	12,870	13,639	13,801	14,311.1	15,311.4	15,650.5	15,096.2	14,835.2	14,087.9	14,113.6	13,620.5	13,776.3
Rate	***4.01%***	***4.04%***	***4.10%***	***4.03%***	***3.90%***	***3.98%***	***3.84%***	***3.79%***	***3.97%***	***3.98%***	***4.03%***	***4.03%***
Deposits	3,444.1	3,554.4	3,600.2	3,560.2	3,722.8	3,800.3	4,093.0	3,951.3	3,931.6	4,055.7	3,786.7	3,781.9
Rate	***0.71%***	***0.67%***	***0.67%***	***0.71%***	***0.68%***	***0.68%***	***0.67%***	***0.71%***	***0.85%***	***0.84%***	***0.87%***	***0.86%***
Funding	8,052.0	8,711.4	8,853.4	9,394.6	10,213.6	10,388.4	9,592.7	9,363.8	8,733.1	8,528.5	8,186.3	8,363.0
Rate	***3.22%***	***3.00%***	***2.98%***	***2.88%***	***3.07%***	***3.19%***	***3.13%***	***3.11%***	***3.25%***	***3.08%***	***3.10%***	***3.04%***
Total	11,496	12,266	12,454	12,954.8	13,936.5	14,188.7	13,685.7	13,315.2	12,664.7	12,584.3	11,973.0	12,144.9
Amort Exp-Cost of Issuance	0.724	0.727	0.781	0.854	1.493	0.937	1.033	0.521	0.524	4.926	0.479	0.482
Rate	**2.55%**	**2.40%**	**2.39%**	**2.36%**	**2.56%**	**2.60%**	**2.49%**	**2.44%**	**2.56%**	**2.83%**	**2.47%**	**2.41%**
NIM	1.75%	1.89%	1.96%	1.90%	1.57%	1.63%	1.58%	1.61%	1.68%	1.46%	1.86%	1.91%
Spread	1.47%	1.64%	1.72%	1.67%	1.33%	1.38%	1.35%	1.35%	1.41%	1.15%	1.55%	1.62%

CMO Portfolio

GNR 2012-16 MI

GNR 2012-61 MI Mtge — Yield Table

GNSF 5.5 S 5.971(280)79 38378EK36 97) Settings

9/11	7.9C	132P	1.14B
3Mo	5.7	96	2.36
6Mo	4.0	67	1.70
12Mo	3.8	64	1.70
Life	5.1	86	-

Descr	IO,NTL,PAC
05/30/2012	3,121,908
06/16/2012	3,103,630
Factor	0.994145370
Collar	[No Band Aug'12]

Cpn	5.50000	Next Pay	7/16/12
Delay	15	Record Dt	6/30/12
LTV	89.48	Accrual	6/1-6/30
WAOLS	70		
Parity Px	19.644		

Maturity	4/16/42
Created	9/11/12
1st Proj	9/16/12
# Pools	160

Settle 06/14/2012 MELD Table Yield (YT) Call N

Median	1) Custom	2) Custom	3) Custom	4) Custom	5) Custom	6) Custom	7) Custom
Vary 0	7.9 CPR	5.1 CPR	100.00 P6	10.0 CPR	12.5 CPR	15.0 CPR	19.2 CPR
27-11⅞	3.5865	6.4323	4.4606	3.5792	3.5777	3.5772	-0.0058
Avg Life	5.87	6.67	6.59	5.87	5.87	5.87	5.02
Mod Dur	4.13	3.99	5.53	4.13	4.13	4.13	3.88
D Win	7/12-5/32	7/12-5/32	7/12-6/35	7/12-5/32	7/12-5/32	7/12-5/32	7/12-12/29
Sprd I	274 /AL	545 /AL	349 /AL	273 /AL	273 /AL	273 /AL	-70 /AL

Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct
132P	57	97	55	30	-	-	-	-	-	-	-
7.9C	3.4	5.8	3.3	1.8	-	-	-	-	-	-	-

GOVT(I)	6M	1Y	2Y	3Y	5Y	7Y	10Y	30Y
06/11/12	0.14	0.17	0.27	0.36	0.68	1.04	1.59	2.71

Disc 30/360

- Vector P6 – 80.00 6S 5.00

CMO Portfolio

GNR 2011-137 IK

GNR 2011-137 IK Mtge — Yield Table

G2SF 4.5 N 4.796(342)15 38377YV80 — 97) Settings

9/11	2.1C	67P	0.00B
3Mo	4.4	151	0.00
6Mo	8.2	315	0.28
12Mo	-	-	-
Life	6.5	313	-

Descr	IO,NTL,AD,PAC-1	Cpn	4.50000	Next Pay	7/20/12	Maturity	6/20/36
10/28/2011	7,507,000	Delay	19	Record Dt	6/30/12	Created	9/11/12
06/20/2012	7,162,754	LTV	92.33	Accrual	6/1-6/30	1st Proj	9/20/12
Factor	0.954143290	WAOLS	68			# Pools	8
Collar	[142 242 Aug'12]	Parity Px	11.823				

Settle 06/14/2012 MELD — Table Yield (YT) — Call N

	Median	1) Custom	2) Custom	3) Custom	4) Custom	5) Custom	6) Custom	7) Custom
Vary	0	2.1 CPR	6.5 CPR	10.0 CPR	12.5 CPR	15.0 CPR		
17-28⅛		15.4267	4.2746	1.4447	1.4470	0.7605	-	-
Avg Life		7.56	4.58	4.19	4.19	4.11		
Mod Dur		3.27	2.91	2.80	2.80	2.76		
D Win		7/12-7/27	7/12-4/22	7/12-6/21	7/12-6/21	7/12-3/21		
Sprd I		1428 /AL	365 /AL	88 /AL	89 /AL	21 /AL		

Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct
67P	177	218	536	386	625	261	576	239	148	212	-
2.1C	5.1	5.9	13.4	8.8	13.1	4.9	9.8	3.5	1.9	2.3	-

GOVT(I)	6M	1Y	2Y	3Y	5Y	7Y	10Y	30Y
06/11/12	0.14	0.17	0.27	0.36	0.68	1.04	1.59	2.71

Disc 30/360

CMO Portfolio

FHR 4013 AI

FHR 4013 AI Mtge — Yield Table

FGHLU6 4.0 N 4.487(348)7 3137ANEG6 — 97) Settings

9/11	1.4C	98P	1.19B
3Mo	2.9	242	0.40
6Mo	2.0	224	0.20
12Mo	-	-	-
Life	2.0	224	-

Descr	IO,NTL,SEQ	Cpn	4.00000	Next Pay	7/15/12	Maturity	2/15/39
03/30/2012	80,000,000	Delay	14	Record Dt	6/30/12	Created	9/7/12
06/15/2012	79,306,078	LTV	115.01	Accrual	6/1-6/30	1st Proj	10/15/12
Factor	0.991325980	WAOLS	251			# Pools	3
Collar	No Band	Parity Px	15.956				

Settle 06/19/2012 MELD Table Yield (YT) Call N

Median	1) Custom	2) Custom	3) Custom	4) Custom	5) Custom	6) Custom	7) Custom
Vary 0	1.4 CPR	2.0 CPR	5.0 CPR	7.5 CPR	9.1 CPR		
20-05	14.6427	13.7131	8.5775	3.6322	0.1720	-	-
Avg Life	12.20	11.22	7.66	5.90	5.11		
Mod Dur	4.35	4.32	4.12	3.90	3.75		
D Win	7/12-3/36	7/12-4/35	7/12-7/30	7/12-1/27	7/12-3/25		
Sprd I	1288 /AL	1200 /AL	734 /AL	272 /AL	-59 /AL		

Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct
97P	341	321	347	33	87	-	-	-	-	-	-
1.4C	4.0	3.2	2.7	0.2	0.3	-	-	-	-	-	-

GOVT(I)	6M	1Y	2Y	3Y	5Y	7Y	10Y	30Y
06/14/12	0.15	0.17	0.29	0.40	0.74	1.11	1.64	2.74

Disc 30/360

CMO Portfolio

FHR 4067 JI

FHR 4067 JI Mtge — Yield Table

FGHLU4 3.5 N   4.022(173)6   3137AQWC8   97) Settings

9/11	0.6C	51P	0.00B	
3Mo	1.6	152	0.00	
6Mo	-	-	-	
12Mo	-	-	-	
Life	1.6	152	-	

Descr	IO,NTL,PT	Cpn	3.50000	Next Pay	8/15/12	Maturity	6/15/27
06/29/2012	52,857,142	Delay	14	Record Dt	7/31/12	Created	9/7/12
07/15/2012	52,523,341	LTV	115.32	Accrual	7/1-7/31	1st Proj	10/15/12
Factor	0.993684850	WAOLS	219			# Pools	13
Collar	No Band	Parity Px	11.003				

Settle 07/18/2012 MELD   Table Yield (YT)   Call N

Median	1) Custom	2) Custom	3) Custom	4) Custom	5) Custom	6) Custom	7) Custom
Vary 0	0.6 CPR	1.6 CPR	5.0 CPR	7.5 CPR	10.0 CPR	11.7 CPR	
16-16	11.4478	10.4469	7.0035	4.4304	1.8208	0.0246	-
Avg Life	7.80	7.43	6.34	5.67	5.10	4.76	
Mod Dur	3.65	3.67	3.71	3.74	3.77	3.80	
D Win	8/12-6/27	8/12-6/27	8/12-6/27	8/12-6/27	8/12-6/27	8/12-6/27	
Sprd I	1032 /AL	939 /AL	614 /AL	368 /AL	118 /AL	-57 /AL	

Sep	Aug	Jul	Jun	May	Apr	Mar	Feb	Jan	Dec	Nov	Oct
51P	150	300	-	-	-	-	-	-	-	-	-
0.6C	1.6	2.6	-	-	-	-	-	-	-	-	-

GOVT(I)	6M	1Y	2Y	3Y	5Y	7Y	10Y	30Y
07/13/12	0.14	0.17	0.24	0.34	0.62	0.97	1.49	2.57

Disc 30/360