



# Massachusetts Municipal Depository Trust

Annual Report, June 30, 2013

Steven Grossman, Trustee

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Commonwealth of Massachusetts  
Department of the State Treasurer  
State House, Room 227  
Boston, MA 02133

Dear MMDT Participant,

I am pleased to present you with the Massachusetts Municipal Depository Trust (MMDT) Annual Report, which contains information for the fiscal year ended June 30, 2013.

As you know, Federated Investors, Inc. assumed management and servicing of the MMDT Cash and MMDT Short Term Bond Portfolios on March 4, and I'm delighted to report that the conversion of assets, which involved 656 MMDT participants having 5,098 accounts, was carried out successfully. As part of this transition, Federated conducted a broad outreach program to fully introduce our participants to the features and benefits of their newly expanded services.

For the fiscal year ended June 30, 2013, the MMDT Cash Portfolio's total return was 0.22%, outperforming the first tier institutional money market fund average by 0.06%.<sup>\*</sup> In the period since the transition, the weighted average maturity of the pool has been targeted in the 45-55 day range, seeking to gather as much available yield as possible from the steepness of the curve. In addition, maximizing the 3% allowable ceiling in second-tier securities within the portfolio has contributed to the strong performance.

The MMDT Short Term Bond Portfolio has also performed well in 2013. Total return for the fiscal year ended June 30, 2013, was 0.70%, outperforming the Barclays 1-5 year Government Credit Index return for the same period by 0.10%. Federated has taken a thoughtful and strategic approach in seeking to maximize your return, focusing on rate sensitivity, sector allocation, yield-curve positioning and security selection.

If you have any questions regarding this report, or if you'd like to share your ideas about the MMDT, please contact Federated Investors at 888-965-6638 or call First Deputy Treasurer Jim MacDonald at 617-367-9333, extension 570.

As always, thank you for your investment with the MMDT.

Sincerely,

Steven Grossman

Treasurer and Receiver General  
Commonwealth of Massachusetts

<sup>\*</sup> Source: iMoneyNet, Inc.

Past performance is no guarantee of future results.

**Before investing in a Massachusetts Municipal Depository Trust (MMDT) portfolio, consider the investment objectives, risks, charges, and expenses. For this and additional information, call Federated Investors at 888-965-6638 for a free Cash Portfolio or Short Term Bond Portfolio investment circular, or view them online at [MyMMDT.com](http://MyMMDT.com). Please read it carefully before investing.**

**An investment in the Massachusetts Municipal Depository Trust Cash Portfolio is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency. Although the issuer seeks to preserve the value of the investment at \$1.00 per share, it is possible to lose money by investing in the Trust.**

Units of Participation of the Massachusetts Municipal Depository Trust (MMDT) are offered by the Commonwealth of Massachusetts. MMDT's investments are managed by Federated Investment Counseling. Federated Investors acts as a servicing agent to MMDT.

# MMDT Cash Portfolio

## Management's Discussion and Analysis / Year Ended June 30, 2013

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The MMDT Cash Portfolio management's discussion and analysis is designed to assist the reader in focusing on pertinent financial information and provide a performance overview for the year ended June 30, 2013.

Since assuming management of the portfolio effective March 4, 2013, the portfolio manager has consistently applied a disciplined money management process to remain consistent with the portfolio's goals of maximizing yield potential while preserving liquidity. This approach weighs macro factors such as interest-rate trends and yield-curve positioning, and relies on a portfolio construction process that complies with, and generally has a more conservative bias than, the SEC's Rule 2a-7 guidelines. At its core is a stringent credit review process that, in addition to and independent of third-party evaluations, includes a proprietary rating of every issuer considered for inclusion on the approved issuers list.

At March 4, 2013, the portfolio's \$6.6 billion in securities had a weighted average maturity of 30 days, with commercial paper and notes accounting for 44% of the assets, followed by bank instruments, 25%; variable-rate instruments, 14%; government, 13%; and repurchase agreements, 4%. With short-term interest rates generally declining over much of spring and into summer, particularly in overnight repo rates, the portfolio was adjusted accordingly, with commercial paper and notes accounting for 43% of the portfolio's \$8.4 billion in assets as of June 30, 2013, followed by bank instruments, 23%; variable-rate instruments, 18%; government, 2%; and repurchase agreements, 14%; and a combined weighted average maturity of 65 days.

Despite a run-up on the long end of the yield curve that sent 10-year Treasury yields to near two-year highs in June, already low short interest rates slipped a bit further during the April-June period. The yield curve's seemingly split personality reflected the dichotomy of the Federal Reserve's (Fed) unprecedented monetary accommodation. On the one hand, as long as the unemployment rate remains above 6.5% and inflation expectations below 2.5%, Fed policymakers said they are likely to stick with a target federal funds rate in the 0% to 0.25% range through 2014. On the other hand, they signaled that with the economy appearing to be on firmer footing, the Fed may soon start whittling down its \$85 billion in monthly purchases of longer-term government and agency bonds. In other words, the beginning of the end to quantitative easing (QE) was in sight—a revelation Fed Chairman Ben Bernanke et al had been subtly signaling for much of the spring, but one that nevertheless roiled the markets when it was openly discussed.

As a result, even though the economic news generally improved since early March, news that QE's days were numbered caused Treasury yields to spike and risk assets to sell off from mid-May through June as traders worried about the impact of the Fed taking some punch out of the punch bowl. Bernanke and several Fed governors tried to ease those worries, arguing tapering is not the same as tightening and that the timing of any paring of the Fed's monthly purchases would be very much dependent on the data (i.e., the Fed's not going to act if the economy appears to be weakening instead of strengthening as expected). But the markets don't like surprises, which from their perspective appears to be exactly what they got. The good news from a portfolio-construction standpoint was the market's reaction—and overreaction—presented a buying opportunity in June as fed funds futures began to price in a move up before 2015.

## MMDT Cash Portfolio

### Portfolio of Investments / June 30, 2013

Principal Amount		Value
	<b>ASSET-BACKED SECURITIES—2.4%</b>	
	<b>Finance—Automotive—1.6%</b>	
\$25,548,843	<sup>1,2</sup> ARI Fleet Lease Trust 2013-A, Class A1, 0.260%, 4/15/2014	\$25,548,843
28,749,515	AmeriCredit Automobile Receivables Trust 2013-2, Class A1, 0.250%, 4/8/2014	28,749,515
20,000,000	AmeriCredit Automobile Receivables Trust 2013-3, Class A1, 0.250%, 6/9/2014	20,000,000
40,518,034	<sup>1,2</sup> Enterprise Fleet Financing LLC 2013-1, Class A1, 0.260%, 3/20/2014	40,518,034
20,000,000	Hyundai Auto Receivables Trust 2013-B, Class A1, 0.250%, 7/15/2014	20,000,000
	<b>TOTAL</b>	<b>134,816,392</b>
	<b>Finance—Equipment—0.8%</b>	
25,823,697	GE Equipment Transportation LLC, Series 2013-1, Class A1, 0.260%, 3/24/2014	25,823,697
37,777,623	<sup>1,2</sup> Volvo Financial Equipment LLC, Series 2013-1, Class A1, 0.260%, 4/15/2014	37,777,623
	<b>TOTAL</b>	<b>63,601,320</b>
	<b>TOTAL ASSET-BACKED SECURITIES</b>	<b>198,417,712</b>
	<b>BANK NOTE—4.9%</b>	
	<b>Finance—Banking—4.9%</b>	
413,500,000	Bank of America N.A., 0.260%—0.290%, 7/9/2013 - 10/3/2013	413,500,000
	<b>CERTIFICATES OF DEPOSIT—33.9%</b>	
	<b>Finance—Banking—33.9%</b>	
100,000,000	BNP Paribas SA, 0.260%, 8/1/2013	100,000,000
150,000,000	Bank of Montreal, 0.273%, 9/12/2013	150,000,000
25,000,000	<sup>3</sup> Bank of Montreal, 0.293%, 9/16/2013	25,000,000
50,000,000	<sup>3</sup> Bank of Montreal, 0.370%, 7/8/2013	50,000,000
31,000,000	<sup>3</sup> Bank of Nova Scotia, Toronto, 0.292%, 7/11/2013	31,000,000
12,000,000	<sup>3</sup> Bank of Nova Scotia, Toronto, 0.504%, 8/16/2013	12,000,000
369,000,000	Bank of Tokyo-Mitsubishi UFJ Ltd., 0.120%—0.230%, 7/5/2013 - 11/1/2013	369,000,000
50,000,000	<sup>3</sup> Bank of Tokyo-Mitsubishi UFJ Ltd., 0.293%, 7/10/2013	50,000,000
78,000,000	<sup>3</sup> Canadian Imperial Bank of Commerce, 0.408%, 7/17/2013	78,000,000
150,000,000	Citibank NA, New York, 0.210%—0.280%, 7/2/2013 - 9/26/2013	150,000,000
118,000,000	Credit Agricole Corporate and Investment Bank, 0.270%, 8/7/2013 - 9/26/2013	118,000,000
100,000,000	Credit Suisse, Zurich, 0.240%, 7/10/2013	100,000,000
50,000,000	Credit Suisse, Zurich, 0.260%, 8/22/2013	50,000,000
100,000,000	Credit Suisse, Zurich, 0.260%, 8/26/2013	100,000,000
145,000,000	Deutsche Bank AG, 0.240%, 7/29/2013 - 7/30/2013	145,000,000
185,000,000	Fifth Third Bank, Cincinnati, 0.300%, 7/30/2013 - 9/30/2013	185,000,000

Principal Amount		Value
<b>CERTIFICATES OF DEPOSIT—continued</b>		
<b>Finance—Banking—continued</b>		
\$50,000,000	JPMorgan Chase Bank, N.A., 0.380%, 5/15/2014	\$50,000,000
100,000,000	Mizuho Bank Ltd., 0.220%, 9/12/2013	100,000,000
175,000,000	Natixis, 0.270%—0.280%, 7/24/2013 - 10/1/2013	175,000,000
60,000,000	<sup>3</sup> PNC Bank, N.A., 0.497%, 9/20/2013	60,000,000
77,000,000	<sup>3</sup> Royal Bank of Canada, Montreal, 0.373%, 8/6/2013	76,997,156
159,000,000	<sup>3</sup> Royal Bank of Canada, Montreal, 0.384%, 7/1/2013	159,000,000
50,000,000	<sup>3</sup> Royal Bank of Canada, Montreal, 0.664%, 7/1/2013	50,000,000
51,800,000	Societe Generale, Paris, 0.270%, 8/15/2013	51,800,000
259,000,000	Sumitomo Mitsui Banking Corp., 0.230%—0.240%, 7/23/2013 - 10/7/2013	259,000,000
150,000,000	<sup>3</sup> Sumitomo Mitsui Banking Corp., 0.232%, 7/19/2013	150,000,000
TOTAL CERTIFICATES OF DEPOSIT		2,844,797,156
<b>COLLATERALIZED LOAN AGREEMENTS—6.4%</b>		
<b>Finance—Banking—6.4%</b>		
25,000,000	BMO Capital Markets Corp., 0.132%, 7/1/2013	25,000,000
100,000,000	Citigroup Global Markets, Inc., 0.780%, 8/23/2013	100,000,000
100,000,000	Credit Suisse Securities (USA) LLC, 0.679%, 9/3/2013	100,000,000
140,000,000	J.P. Morgan Securities LLC, 0.375%—0.527%, 7/24/2013 - 9/17/2013	140,000,000
50,000,000	Mizuho Securities USA, Inc., 0.456%, 7/5/2013	50,000,000
125,000,000	Pershing LLC, 0.284%—0.335%, 7/1/2013	125,000,000
TOTAL COLLATERALIZED LOAN AGREEMENTS		540,000,000
<b>COMMERCIAL PAPER—31.7%<sup>4</sup></b>		
<b>Aerospace/Auto—1.1%</b>		
47,860,000	<sup>1,2</sup> Nissan Motor Acceptance Corp., (Nissan Motor Co., Ltd. Support Agreement), 0.270%—0.350%, 7/17/2013 - 8/9/2013	47,848,365
47,860,000	<sup>1,2</sup> VW Credit, Inc., (GTD by Volkswagen AG), 0.270%—0.320%, 7/8/2013 - 8/9/2013	47,847,942
TOTAL		95,696,307
<b>Consumer Products—0.2%</b>		
10,700,000	<sup>1,2</sup> Bemis Co., Inc., 0.270%—0.300%, 7/1/2013 - 7/17/2013	10,698,839
3,900,000	<sup>1,2</sup> Clorox Co., 0.270%, 7/18/2013	3,899,503
TOTAL		14,598,342
<b>Electric Power—0.4%</b>		
35,481,000	Virginia Electric & Power Co., 0.280%, 7/10/2013 - 7/31/2013	35,476,043

Principal Amount		Value
<b>COMMERCIAL PAPER—continued</b>		
<b>Finance—Automotive—1.9%</b>		
\$29,000,000	FCAR Owner Trust, A1+/P1 Series, 0.250%, 10/8/2013	\$28,980,062
49,750,000	FCAR Owner Trust, A1/P1 Series, 0.250%—0.280%, 10/2/2013 - 12/2/2013	49,700,967
81,100,000	Toyota Motor Credit Corp., (Toyota Motor Corp. Japan Support Agreement), 0.250%—0.270%, 9/6/2013 - 9/16/2013	81,054,859
	TOTAL	159,735,888
<b>Finance—Banking—13.9%</b>		
200,000,000	<sup>1,2,3</sup> ANZ New Zealand National (Int'l) Ltd., 0.233%, 7/15/2013	200,000,000
25,000,000	<sup>1,2</sup> ASB Finance Ltd., 0.250%, 11/6/2013	24,977,778
75,000,000	BNP Paribas Finance, Inc., 0.260%, 8/5/2013	74,981,042
125,000,000	<sup>1,2</sup> Bedford Row Funding Corp., (GTD by Royal Bank of Canada, Montreal), 0.331%, 5/30/2014 - 6/6/2014	124,616,833
40,000,000	Credit Agricole North America, Inc., 0.280%, 10/1/2013	39,971,378
30,000,000	HSBC USA, Inc., 0.250%, 7/9/2013	29,998,333
50,000,000	ICICI Bank Ltd., New York (Series C-BA), (Bank of America N.A. LOC), 0.350%, 7/22/2013	49,989,792
150,000,000	<sup>3</sup> J.P. Morgan Chase & Co., 0.243%, 7/15/2013	150,000,000
106,000,000	<sup>1,2</sup> LMA-Americas LLC, 0.250%—0.280%, 7/8/2013 - 9/4/2013	105,978,264
40,000,000	<sup>1,2</sup> Matchpoint Master Trust, 0.210%, 9/12/2013	39,982,967
100,000,000	<sup>1,2</sup> Mizuho Funding LLC, 0.235%, 8/1/2013	99,979,764
25,000,000	<sup>1,2</sup> Northern Pines Funding LLC, 0.260%, 7/29/2013	24,994,944
200,000,000	<sup>5</sup> Societe Generale North America, Inc., (GTD by Societe Generale, Paris), 0.270%—0.320%, 7/9/2013 - 7/31/2013	199,951,833
	TOTAL	1,165,422,928
<b>Finance—Commercial—1.6%</b>		
17,000,000	General Electric Capital Corp., 0.250%, 7/8/2013	16,999,174
113,000,000	<sup>1,2</sup> Versailles Commercial Paper LLC, 0.240%—0.270%, 7/16/2013 - 9/16/2013	112,952,206
	TOTAL	129,951,380
<b>Finance—Retail—5.7%</b>		
207,000,000	<sup>1,2</sup> Chariot Funding LLC, 0.240%—0.301%, 10/10/2013 - 3/24/2014	206,719,847
171,350,000	<sup>1,2</sup> Jupiter Securitization Co. LLC, 0.230%—0.301%, 9/9/2013 - 3/24/2014	171,185,482
2,000,000	<sup>1,2</sup> Salisbury Receivables Company LLC, 0.210%, 7/15/2013	1,999,837
99,000,000	<sup>1,2</sup> Sheffield Receivables Corp., 0.190%—0.220%, 7/22/2013 - 9/4/2013	98,970,117
	TOTAL	478,875,283

Principal Amount		Value
<b>COMMERCIAL PAPER—continued</b>		
<b>Oil &amp; Oil Finance—0.5%</b>		
\$36,600,000	<sup>1,3</sup> Devon Energy Corp., 0.343%, 7/23/2013	\$36,600,000
2,500,000	<sup>1,2</sup> Xstrata Finance (Dubai) Ltd., 0.400%, 7/2/2013	2,499,972
	TOTAL	39,099,972
<b>Sovereign—5.9%</b>		
345,000,000	<sup>1,2</sup> Caisse des Depots et Consignations (CDC), 0.250%–0.300%, 9/24/2013 - 10/15/2013	344,746,046
146,800,000	<sup>1,2</sup> Kells Funding, LLC, 0.210%–0.240%, 8/27/2013 - 10/30/2013	146,732,428
	TOTAL	491,478,474
<b>Telecommunications—0.1%</b>		
10,000,000	<sup>1,2</sup> Verizon Communications, Inc., 0.180%, 7/1/2013	10,000,000
<b>Utility Gas—0.4%</b>		
34,850,000	<sup>1,2</sup> Northeast Utilities, 0.250%, 7/2/2013 - 7/3/2013	34,849,608
	TOTAL COMMERCIAL PAPER	2,655,184,225
<b>CORPORATE BONDS—1.8%</b>		
<b>Finance—Banking—0.0%</b>		
3,000,000	Bank of New York Mellon Corp., 4.300%, 5/15/2014	3,104,434
<b>Finance—Commercial—1.2%</b>		
1,000,000	<sup>3</sup> General Electric Capital Corp., 1.130%, 7/8/2014	1,004,416
2,000,000	General Electric Capital Corp., 2.100%, 1/7/2014	2,018,184
8,000,000	General Electric Capital Corp., 3.125%, 3/12/2014	8,155,441
5,000,000	General Electric Capital Corp., 5.500%, 6/4/2014	5,237,003
2,500,000	General Electric Capital Corp., 5.650%, 6/9/2014	2,624,498
78,048,000	General Electric Capital Corp., 5.900%, 5/13/2014	81,818,068
	TOTAL	100,857,610
<b>Insurance—0.3%</b>		
20,493,000	<sup>1,2</sup> Metropolitan Life Global Funding I, 5.125%, 6/10/2014	21,404,860
<b>Oil &amp; Oil Finance—0.3%</b>		
25,000,000	Shell International Finance B.V., 4.000%, 3/21/2014	25,645,699
	TOTAL CORPORATE BONDS	151,012,603
<b>GOVERNMENT AGENCIES—0.2%</b>		
<b>Federal Home Loan Bank Notes—0.2%</b>		
3,000,000	Federal Home Loan Bank System, 0.125%, 8/23/2013	2,999,573
10,000,000	Federal Home Loan Bank System, 0.190%, 9/19/2013	9,999,384



Principal Amount		Value
	<b>GOVERNMENT AGENCIES—continued</b>	
	<b>Federal Home Loan Bank Notes—continued</b>	
\$3,000,000	Federal Home Loan Bank System, 0.500%, 8/28/2013	\$3,001,326
	TOTAL GOVERNMENT AGENCIES	16,000,283
	<b>NOTES—VARIABLE—3.0%<sup>3</sup></b>	
	<b>Electric Power—0.1%</b>	
6,000,000	Massachusetts IFA, (Series 1992B), 0.400%, 8/9/2013	6,000,000
	<b>Finance—Banking—1.3%</b>	
11,300,000	Houston, TX Combined Utility System, (Series 2004B-3), (Sumitomo Mitsui Banking Corp. LOC), 0.050%, 7/4/2013	11,300,000
100,000,000	JPMorgan Chase Bank, N.A., 0.354%, 9/7/2013	100,000,000
	TOTAL	111,300,000
	<b>Finance—Commercial—0.5%</b>	
45,000,000	<sup>1,2</sup> Fairway Finance Co. LLC, 0.223%, 7/8/2013	45,000,000
	<b>Metals—0.6%</b>	
5,000,000	Berkeley County, SC IDB, (Series 1997), 0.380%, 7/3/2013	5,000,000
13,200,000	Berkeley County, SC IDB, 0.380%, 7/3/2013	13,200,000
33,500,000	St. James Parish, LA, (Series 2010A-1), (GTD by Nucor Corp.), 0.330%, 7/3/2013	33,500,000
	TOTAL	51,700,000
	<b>Municipal—0.5%</b>	
40,880,000	Alaska State Housing Finance Corp., (Series 2009B), 0.050%, 7/4/2013	40,880,000
	TOTAL NOTES—VARIABLE	254,880,000
	<b>U.S. TREASURY NOTES—2.0%</b>	
	<b>U.S. Treasury Bills—0.4%</b>	
35,600,000	<sup>6</sup> United States Treasury Bill, 0.195%, 8/22/2013	35,589,973
	<b>U.S. Treasury Notes—1.6%</b>	
72,000,000	United States Treasury, 0.125%, 8/31/2013	71,989,254
43,000,000	United States Treasury, 3.375%, 7/31/2013	43,112,240
13,000,000	United States Treasury, 4.250%, 8/15/2013	13,064,445
	TOTAL	128,165,939
	TOTAL U.S. TREASURY NOTES	163,755,912
	<b>REPURCHASE AGREEMENTS—13.6%</b>	
99,000,000	Interest in \$100,000,000 joint repurchase agreement 0.14%, dated 6/28/2013 under which BMO Capital Markets Corp. will repurchase securities provided as collateral for \$100,001,167 on 7/1/2013. The securities provided as collateral at the end of the period held with The Bank of New York Mellon, tri-party agent, were U.S. Government Agency securities and a U.S. Treasury security with various maturities to 7/1/2036 and the market value of those underlying securities was \$102,001,211.	99,000,000

Principal Amount		Value
<b>REPURCHASE AGREEMENTS—continued</b>		
\$51,998,000	Interest in \$3,450,000,000 joint repurchase agreement 0.15%, dated 6/28/2013 under which Bank of America, N.A. will repurchase securities provided as collateral for \$3,450,043,125 on 7/1/2013. The securities provided as collateral at the end of the period held with The Bank of New York Mellon, tri-party agent, were U.S. Government Agency securities with various maturities to 4/15/2040 and the market value of those underlying securities was \$3,519,043,988.	\$51,998,000
100,000,000	Interest in \$500,000,000 joint repurchase agreement 0.15%, dated 6/28/2013 under which Bank of Nova Scotia will repurchase securities provided as collateral for \$500,006,250 on 7/1/2013. The securities provided as collateral at the end of the period held with The Bank of New York Mellon, tri-party agent, were U.S. Government Agency securities with various maturities to 6/1/2043 and the market value of those underlying securities was \$514,333,283.	100,000,000
250,000,000	Repurchase agreement 0.13%, dated 6/28/2013 under which Citibank, N.A. will repurchase securities provided as collateral for \$250,002,708 on 7/1/2013. The securities provided as collateral at the end of the period held with The Bank of New York Mellon, tri-party agent, were U.S. Government Agency securities with various maturities to 3/20/2043 and the market value of those underlying securities was \$257,319,404.	250,000,000
140,000,000	Interest in \$250,000,000 joint repurchase agreement 0.14%, dated 6/28/2013 under which RBC Capital Markets, LLC will repurchase securities provided as collateral for \$250,002,917 on 7/1/2013. The securities provided as collateral at the end of the period held with The Bank of New York Mellon, tri-party agent, were U.S. Government Agency securities and a U.S. Treasury security with various maturities to 6/15/2043 and the market value of those underlying securities was \$256,053,228.	140,000,000
500,000,000	Interest in \$2,600,000,000 joint repurchase agreement 0.10%, dated 6/28/2013 under which Royal Bank of Scotland will repurchase securities provided as collateral for \$2,600,021,667 on 7/1/2013. The securities provided as collateral at the end of the period held with JPMorgan Chase & Co., tri-party agent, were U.S. Treasury securities with various maturities to 11/15/2042 and the market value of those underlying securities was \$2,652,000,431.	500,000,000
	<b>TOTAL REPURCHASE AGREEMENTS (AT COST)</b>	<b>1,140,998,000</b>
	<b>TOTAL INVESTMENTS—99.9% (AT AMORTIZED COST)<sup>7</sup></b>	<b>8,378,545,891</b>
	<b>OTHER ASSETS AND LIABILITIES—NET—0.1%<sup>8</sup></b>	<b>11,504,443</b>
	<b>TOTAL NET POSITION—100%</b>	<b>\$8,390,050,334</b>

- 1 Denotes a restricted security that either: (a) cannot be offered for public sale without first being registered, or being able to take advantage of an exemption from registration, under the Securities Act of 1933; or (b) is subject to a contractual restriction on public sales. At June 30, 2013, these restricted securities amounted to \$2,068,330,102, which represented 24.7% of total net position.
- 2 Denotes a restricted security that may be resold without restriction to “qualified institutional buyers” as defined in Rule 144A under the Securities Act of 1933. At June 30, 2013, these liquid restricted securities amounted to \$2,031,730,102, which represented 24.2% of total net position.
- 3 Denotes a variable rate security with current rate and next reset date shown.
- 4 Each issue shows the rate of discount at the time of purchase for discount issues, or the coupon for interest-bearing issues.
- 5 Floating rate note with current and next reset date shown.
- 6 Discount rate at time of purchase.
- 7 Also represents cost for federal tax purposes.
- 8 Assets, other than investments in securities, less liabilities. See Statement of Net Position.

Note: The categories of investments are shown as a percentage of total net position at June 30, 2013.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in the three broad levels listed below:

Level 1 – quoted prices in active markets for identical securities, including investment companies with daily net asset values, if applicable.

Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.). Also includes securities valued at amortized cost.

Level 3 – significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments).

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities.

As of June 30, 2013, all investments of the Fund are valued at amortized cost, which is considered a Level 2 input, in valuing the Fund's assets.

The following acronyms are used throughout this portfolio:

GTD –Guaranteed

IDB –Industrial Development Bond

IFA –Industrial Finance Authority

LOC –Letter of Credit

See Notes which are an integral part of the Financial Statements

# MMDT Cash Portfolio

## Financial Statements

### Statement of Net Position

At June 30, 2013

<b>Assets</b>	
Investment in securities, at amortized cost, which approximates fair value (including repurchase agreements of \$1,140,998,000)	\$8,378,545,891
Cash	16,472,479
Receivable for units sold	538,166
Interest receivable	3,267,019
<b>TOTAL ASSETS</b>	<b>8,398,823,555</b>
<b>Liabilities</b>	
Payable for units redeemed	61,159
Payable for investments purchased	8,322,771
Distributions payable	389,291
<b>TOTAL LIABILITIES</b>	<b>8,773,221</b>
<b>Net Position</b>	<b>\$8,390,050,334</b>
Net Position Consists of:	
Beneficial Interest	\$8,390,025,763
Accumulated net realized gain on investments	913
Undistributed net investment income	23,658
<b>TOTAL NET POSITION</b>	<b>\$8,390,050,334</b>
Units outstanding	8,390,025,763
Net position value per unit	\$1.00

See Notes which are an integral part of the Financial Statements

# MMDT Cash Portfolio

## Financial Statements

### Statement of Changes in Net Position

Year Ended June 30, 2013

<b>Additions</b>	
Interest income	\$ 23,464,053
Management fee	(6,219,776)
Net Investment Income	17,244,277
Net realized gain on investments	135,269
Proceeds from sales of units and reinvestment of distributions	52,411,773,538
<b>TOTAL ADDITIONS</b>	<b>52,429,153,084</b>
<b>Deductions</b>	
Cost of units redeemed	53,533,437,795
Distributions to unit holders	
Distributions from net investment income	17,220,619
Distributions from realized gain on investments	134,356
<b>TOTAL DEDUCTIONS</b>	<b>53,550,792,770</b>
Change in net position	(1,121,639,686)
<b>Net Position:</b>	
Beginning of year	9,511,690,020
End of year (including undistributed net investment income of \$23,658)	\$8,390,050,334

See Notes which are an integral part of the Financial Statements

# MMDT Cash Portfolio

## Financial Statements

### Financial Highlights

Years Ended June 30,	2013 <sup>4</sup>	2012	2011	2010	2009
<b>Selected Per-Unit Data</b>					
Net Position Value, Beginning of Year	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Income from Investment Operations					
Net investment income <sup>3</sup>	0.002	0.003	0.003	0.004	0.020
Distributions to unit holders	(0.002)	(0.003)	(0.003)	(0.004)	(0.020)
Net Position Value, End of Year	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Total Return	0.22%	0.28% <sup>1</sup>	0.31% <sup>1</sup>	0.44% <sup>1</sup>	2.05% <sup>1</sup>

### Ratios to Average Net Position<sup>2</sup>

Expenses before reductions	0.08%	0.09%	0.09%	0.09%	0.09%
Expenses net of fee waivers, if any	0.08%	0.09%	0.09%	0.09%	0.09%
Expenses net of all reductions	0.08%	0.09%	0.09%	0.09%	0.09%
Net investment income <sup>3</sup>	0.22%	0.28%	0.30%	0.44%	2.01%

### Supplemental Data

Net position, end of year (000 omitted)	\$8,390,050	\$9,511,690	\$8,636,804	\$7,175,578	\$8,072,412
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1 Total returns would have been lower if certain expenses had not been reduced.

2 Expense ratios reflect operating expenses of the Fund. Expenses before reductions do not reflect amounts reimbursed or waived or reductions from expense offset arrangements and do not represent the amount paid by the Fund during periods when reimbursements, waivers or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement and waivers but prior to reductions from expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the Fund.

3 Adjusted to reflect realized gains or losses, if any.

4 For the year ended June 30, 2013, the Fund was audited by KPMG LLP. The previous years were audited by another independent registered public accounting firm.

See Notes which are an integral part of the Financial Statements

## MMDT Short Term Bond Portfolio Management's Discussion and Analysis / Year Ended June 30, 2013

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The MMDT Short Term Bond Portfolio management's discussion and analysis is designed to assist the reader in focusing on pertinent financial information and provide a performance overview for the year ended June 30, 2013.

Since assuming management of the portfolio effective March 4, 2013, the portfolio manager has consistently applied a disciplined fixed-income investment process, using duration, sector allocation, yield curve positioning and fundamental security selection decisions in an effort to achieve the investment goals of the portfolio. The strategy is to increase the portfolio yield and total return potential, primarily by increasing investment-grade corporate exposure, as a means of offsetting expected price erosion from higher interest rates.

At March 4, 2013, the portfolio was positioned as follows: duration 2.51 years, approximately 92% of benchmark; sector allocation was underweight U.S. Treasuries and U.S. Government Agencies, and overweight investment-grade corporates, with an allocation to asset-backed securities, 13.6%; commercial mortgage-backed securities, 3.8%; and residential mortgage-backed securities, 8.5%. Since that time, lower-yielding, amortizing assets such as asset-backed

and mortgage-backed securities have matured or been called and have been replaced with higher-yielding, fixed-rate corporate notes.

Considerable market volatility affected the markets during May and June. U.S. Treasury yields hit year-to-date lows in early May, but uncertainty as to the direction of Federal Reserve policy caused yields to rise through May and into June. Somewhat stronger-than-expected economic data furthered the bond market sell-off, which was in turn worsened by quarter-end pressures. Through this period, the bond portfolio maintained its strategy of lower-than-market interest rate sensitivity and focused on adding high-quality yield to offset the price erosion from higher rates.

The net position value per unit held relatively constant during March, starting and ending the month at \$10.70, ticking up to finish April at \$10.71, but market volatility in May and June took it down to \$10.64 and \$10.57 respectively. During this volatile period, the portfolio performed in-line with the benchmark due largely to the manager's sector positioning and shortening of duration—risk-mitigating strategies intended to counter the sharp steepening of the yield curve.

# MMDT Short Term Bond Portfolio

## Portfolio of Investments / June 30, 2013

Principal Amount or Shares		Value
	<b>ADJUSTABLE RATE MORTGAGES—1.4%</b>	
	<b>Federal Home Loan Mortgage Corporation—0.1%</b>	
\$142,310	FHLMC ARM 1B8533, 2.969%, 8/01/2041	\$147,015
77,981	FHLMC ARM 1B8608, 3.117%, 9/01/2041	80,279
29,603	FHLMC ARM 1J0005, 2.990%, 8/01/2035	31,727
14,753	FHLMC ARM 1N0063, 3.155%, 10/01/2035	15,842
31,075	FHLMC ARM 847584, 2.513%, 1/01/2036	33,155
48,554	FHLMC ARM 848185, 2.806%, 8/01/2036	51,806
	TOTAL	359,824
	<b>Federal National Mortgage Association—1.3%</b>	
1,384,317	FNMA ARM 689969, 1.795%, 5/01/2033	1,431,570
176,311	FNMA ARM 726017, 1.703%, 8/01/2033	181,417
55,818	FNMA ARM AD0066, 2.377%, 12/01/2033	59,021
413,906	FNMA ARM 995609, 2.866%, 4/01/2035	437,648
604,327	FNMA ARM 889946, 2.342%, 5/01/2035	638,589
22,943	FNMA ARM 823810, 2.606%, 6/01/2035	24,541
811,322	FNMA ARM 838441, 2.293%, 8/01/2035	850,237
10,720	FNMA ARM 847787, 2.315%, 10/01/2035	11,233
526,861	FNMA ARM 995415, 2.618%, 10/01/2035	558,209
11,113	FNMA ARM 886983, 2.303%, 6/01/2036	11,832
101,496	FNMA ARM AD0820, 3.485%, 3/01/2040	107,130
44,596	FNMA ARM AC8610, 3.517%, 12/01/2039	46,783
72,857	FNMA ARM AI4358, 3.023%, 8/01/2041	74,992
	TOTAL	4,433,202
	TOTAL ADJUSTABLE RATE MORTGAGES (IDENTIFIED COST \$4,568,331)	4,793,026
	<b>ASSET-BACKED SECURITIES—12.0%</b>	
	<b>Auto Receivables—6.0%</b>	
59,299	Ally Auto Receivables Trust 2011-1, Class A3, 1.38%, 1/15/2015	59,406
86,207	Ally Auto Receivables Trust 2011-2, Class A3, 1.18%, 4/15/2015	86,427
175,391	Ally Auto Receivables Trust 2011-3, Class A3, 0.97%, 8/17/2015	175,867
51,406	Ally Auto Receivables Trust 2012-1, Class A2, 0.71%, 9/15/2014	51,463
290,000	Ally Auto Receivables Trust 2012-2, Class A3, 0.74%, 4/15/2016	290,442
410,000	Ally Auto Receivables Trust 2012-SN1, Class A3, 0.57%, 8/20/2015	410,219



Principal  
Amount  
or Shares

Value

ASSET-BACKED SECURITIES—continued		
Auto Receivables—continued		
\$240,000	Ally Master Owner Trust 2011-1, Class A2, 2.15%, 1/15/2016	\$241,325
580,000	Ally Master Owner Trust 2011-3, Class A2, 1.81%, 5/15/2016	584,860
600,000	Ally Master Owner Trust 2012-1, Class A2, 1.44%, 2/15/2017	606,296
1,000,000	<sup>1</sup> Ally Master Owner Trust 2012-2, Class A, 0.6925%, 3/15/2016	1,002,077
600,000	Ally Master Owner Trust 2012-3, Class A2, 1.21%, 6/15/2017	603,873
112,561	Americredit Automobile Receivables Trust 2011-3, Class A3, 1.17%, 1/8/2016	112,947
28,692	Americredit Automobile Receivables Trust 2011-5, Class A2, 1.19%, 8/8/2015	28,759
352,653	Americredit Automobile Receivables Trust 2012-1, Class A2, 0.91%, 10/8/2015	353,256
180,000	Americredit Automobile Receivables Trust 2012-2, Class A3, 1.05%, 10/11/2016	180,557
500,000	Americredit Automobile Receivables Trust 2012-5, Class A3, 0.62%, 6/8/2017	499,742
1,000,000	<sup>2,3</sup> BMW Floorplan Master Owner Trust 2012-1, Class A, 0.592%, 9/15/2017	1,003,214
310,000	BMW Vehicle Lease Trust 2012-1, Class A3, 0.75%, 2/20/2015	310,651
840,000	BMW Vehicle Lease Trust 2013-1, Class A3, 0.54%, 9/21/2015	839,744
181,691	BMW Vehicle Owner Trust 2011-A, Class A3, 0.76%, 8/25/2015	182,105
410,000	Bank of America Auto Trust 2012-1, Class A3, 0.78%, 6/15/2016	411,000
230,000	Carmax Auto Owner Trust 2012-3, Class A3, 0.52%, 7/17/2017	228,639
318,810	<sup>2,3</sup> Enterprise Fleet Financing, LLC Series 2012-1, Class A2, 1.14%, 11/20/2017	320,252
116,802	Ford Credit Auto Lease Trust 2011-A, Class A3, 1.03%, 7/15/2014	116,941
352,682	Ford Credit Auto Lease Trust 2011-B, Class A3, 1.05%, 10/15/2014	353,596
180,000	Ford Credit Auto Lease Trust 2012-A, Class A3, 0.85%, 1/15/2015	180,490
133,071	Ford Credit Auto Lease Trust 2012-B, Class A2, 0.54%, 11/15/2014	133,203
340,000	Ford Credit Auto Lease Trust 2012-B, Class A3, 0.57%, 9/15/2015	339,531
121,773	Ford Credit Auto Owner Trust 2011-B, Class A3, 0.84%, 6/15/2015	122,051
430,000	Ford Credit Auto Owner Trust 2012-B, Class A3, 0.72%, 12/15/2016	430,687
400,000	Ford Credit Auto Owner Trust 2012-D, Class A3, 0.51%, 4/15/2017	398,474
1,100,000	Ford Credit Floorplan Master Owner Trust 2012-4, Class A1, 0.74%, 9/15/2016	1,098,942
730,000	Ford Credit Floorplan Master Owner Trust 2013-1, Class A1, 0.85%, 1/15/2018	726,789
2,000,000	Ford Credit FloorPlan Master Owner, Class A, 0.662%, 1/15/2016	2,004,846
150,000	Honda Auto Receivables Owner Trust 2011-1, Class A4, 1.80%, 4/17/2017	151,176
165,800	Honda Auto Receivables Owner Trust 2011-2, Class A3, 0.94%, 3/18/2015	166,246
180,000	Honda Auto Receivables Owner Trust 2012-1, Class A3, 0.77%, 1/15/2016	180,419
360,000	Honda Auto Receivables Owner Trust 2012-2, Class A3, 0.70%, 2/16/2016	360,453
116,249	<sup>2,3</sup> Hyundai Auto Lease Securitization Trust 2011-A, Class A3, 1.02%, 8/15/2014	116,498
20,831	Hyundai Auto Receivables Trust 2009-A, Class A4, 3.15%, 3/15/2016	20,994

Principal  
Amount  
or Shares

Value

ASSET-BACKED SECURITIES—continued		
<b>Auto Receivables—continued</b>		
\$66,424	Hyundai Auto Receivables Trust 2011-A, Class A3, 1.16%, 4/15/2015	\$66,592
420,000	Hyundai Auto Receivables Trust 2012-B, Class A3, 0.62%, 9/15/2016	420,169
226,961	<sup>2,3</sup> Mercedes-Benz Auto Lease Trust 2011-B, Class A3, 1.07%, 8/15/2014	227,525
290,000	Mercedes-Benz Auto Lease Trust 2012-A, Class A3, 0.88%, 11/17/2014	290,755
174,032	Mercedes-Benz Auto Receivables Trust 2011-1, Class A3, 0.85%, 3/16/2015	174,373
880,000	<sup>2,3</sup> Mercedes-Benz Master Owner Trust 2012-AA, Class A, 0.79%, 11/15/2017	877,261
200,969	Nissan Auto Lease Trust 2011-A, Class A3, 1.04%, 8/15/2014	201,420
185,346	Nissan Auto Lease Trust 2011-B, Class A3, 0.92%, 2/16/2015	185,812
120,407	Nissan Auto Receivables Owner Trust 2011-A, Class A3, 1.18%, 2/16/2015	120,759
210,000	Nissan Auto Receivables Owner Trust 2011-B, Class A3, 0.95%, 2/16/2016	210,815
1,000,000	<sup>1</sup> Nissan Master Owner Trust Receivables 2012-A, Class A, 0.662%, 5/15/2017	1,002,072
42,636	Santander Drive Auto Receivables Trust 2011-4, Class A2, 1.37%, 3/16/2015	42,714
73,563	Santander Drive Auto Receivables Trust 2012-1, Class A2, 1.25%, 4/15/2015	73,749
200,000	Santander Drive Auto Receivables Trust 2012-3, Class A3, 1.08%, 4/15/2016	200,876
379,556	Volkswagen Auto Loan Enhanced Trust 2011-1, Class A3, 1.22%, 6/22/2015	380,961
380,000	World Omni Auto Receivables Trust 2012-A, Class A3, 0.64%, 2/15/2017	381,134
102,605	World Omni Automobile Lease Securitization Trust 2011-A, Class A3, 1.49%, 10/15/2014	102,858
200,000	World Omni Automobile Lease Securitization Trust 2012-A, Class A3, 0.93%, 11/16/2015	200,615
	<b>TOTAL</b>	<b>20,644,917</b>
<b>Credit Card—5.5%</b>		
1,690,000	American Express Credit Account Master 2012-5, Class A, 0.59%, 5/15/2018	1,685,140
1,460,000	American Express Credit Account Master Trust 2012-2, Class A, 0.68%, 3/15/2018	1,463,570
250,000	Bank One Issuance Trust 2003-A8, Class A8, 0.442%, 5/16/2016	250,277
1,690,000	Capital One Multi-Asset Execution Trust 2012-A1, Class A1, 0.63%, 11/15/2018	1,685,877
1,000,000	Chase Issuance Trust 2011-A3, Class A3, 0.3125%, 12/15/2015	1,000,915
2,000,000	Chase Issuance Trust 2012-A3, Class A3, 0.79%, 6/15/2017	2,004,002
1,490,000	Chase Issuance Trust 2012-A5, Class A5, 0.59%, 8/15/2017	1,487,984
2,000,000	Chase Issuance Trust 2012-A8, Class A8, 0.54%, 10/16/2017	1,993,817
320,000	Citibank Credit Card Issuance Trust 2009-A4, Class A4, 4.90%, 6/23/2016	333,134
840,000	Citibank Credit Card Issuance Trust 2012-A1, Class A1, 0.55%, 10/10/2017	837,910
650,000	Discover Card Master Trust I 2012-A1, Class A1, 0.81%, 8/15/2017	653,376
600,000	Discover Card Master Trust I 2012-A2, Class A2, 0.342%, 10/17/2016	600,580
1,190,000	Discover Card Master Trust I 2012-A3, Class A3, 0.86%, 11/15/2017	1,197,239
1,690,000	Discover Card Master Trust I 2013-A2, Class A2, 0.69%, 8/15/2018	1,672,896

Principal Amount or Shares		Value
<b>ASSET-BACKED SECURITIES—continued</b>		
<b>Credit Card—continued</b>		
\$1,440,000	GE Capital Credit Card Master Note Trust, Class A, 0.95%, 6/15/2018	\$1,438,185
540,000	GE Capital Credit Card Master Note Trust, Class A, 1.03%, 1/15/2018	540,819
	TOTAL	18,845,721
<b>Equipment Lease—0.3%</b>		
400,000	<sup>2,3</sup> CIT Equipment Collateral 2012-VT1, Class A3, 1.10%, 8/22/2016	401,587
230,000	<sup>2,3</sup> GE Equipment Small Ticket LLC Series 2012-1A, Class A3, 1.04%, 9/21/2015	231,154
170,689	John Deere Owner Trust 2011-A, Class A3, 1.29%, 1/15/2016	171,241
52,471	John Deere Owner Trust 2012-A, Class A2, 0.59%, 6/16/2014	52,512
	TOTAL	856,494
<b>Home Equity Loan—0.2%</b>		
265,000	<sup>1</sup> Granite Master Issuer PLC, Class 1C1, 0.791%, 12/20/2054	225,230
140,000	<sup>1</sup> Granite Master Issuer PLC, Class 2C1, 1.051%, 12/20/2054	118,990
247,543	<sup>2,3</sup> Granite Master Issuer PLC, Class A5, 0.331%, 12/20/2054	240,046
	TOTAL	584,266
	TOTAL ASSET-BACKED SECURITIES (IDENTIFIED COST \$40,971,718)	40,931,398
<b>CORPORATE BONDS—36.5%</b>		
<b>Basic Industry—Chemicals—0.1%</b>		
182,000	Ecolab, Inc., 1.45%, 12/8/2017	176,899
330,000	Sherwin-Williams Co., 1.35%, 12/15/2017	321,240
	TOTAL	498,139
<b>Basic Industry—Metals &amp; Mining—0.6%</b>		
440,000	BHP Billiton Finance (USA), Ltd., 1.125%, 11/21/2014	443,218
1,200,000	Goldcorp, Inc., Sr. Unsecd. Note, 2.125%, 3/15/2018	1,149,884
290,000	Rio Tinto Finance USA PLC, 1.625%, 8/21/2017	284,617
	TOTAL	1,877,719
<b>Capital Goods—Construction Machinery—0.1%</b>		
420,000	Caterpillar Financial Services Corp., Series MTN, 1.375%, 5/20/2014	423,591
<b>Capital Goods—Diversified Manufacturing—0.2%</b>		
114,000	ABB Finance USA, Inc., Sr. Unsecd. Note, 1.625%, 5/8/2017	113,320
314,000	General Electric Co., 0.85%, 10/9/2015	313,836
152,000	Tyco Electronics Group SA, 1.60%, 2/3/2015	153,133
	TOTAL	580,289

Principal Amount or Shares		Value
<b>CORPORATE BONDS—continued</b>		
<b>Communications—Media &amp; Cable—0.4%</b>		
\$550,000	DIRECTV Holdings LLC, Sr. Unsecd. Note, 4.75%, 10/1/2014	\$575,694
270,000	NBCUniversal Media LLC, 3.65%, 4/30/2015	283,794
500,000	Time Warner Cable, Inc., Sr. Unsecd. Note, 6.20%, 7/1/2013	500,000
	TOTAL	1,359,488
<b>Communications—Telecom Wireless—0.5%</b>		
207,000	America Movil S.A.B. de C.V., Sr. Unsecd. Note, 2.375%, 9/8/2016	210,735
560,000	Cellco Partnership/Verizon Wireless Capital LLC, Sr. Unsecd. Note, 5.55%, 2/1/2014	574,995
850,000	Vodafone Group PLC, 0.90%, 2/19/2016	836,372
141,000	Vodafone Group PLC, Sr. Unsecd. Note, 4.15%, 6/10/2014	145,354
	TOTAL	1,767,456
<b>Communications—Telecom Wirelines—1.0%</b>		
710,000	AT&T, Inc., Sr. Note, 2.50%, 8/15/2015	731,894
279,000	AT&T, Inc., Sr. Unsecd. Note, 2.40%, 8/15/2016	287,696
280,000	AT&T, Inc., Sr. Unsecd. Note, 2.95%, 5/15/2016	292,758
92,000	France Telecom SA, 2.125%, 9/16/2015	93,394
1,250,000	Telefonica Emisiones SAU, Sr. Unsecd. Note, 3.729%, 4/27/2015	1,290,375
601,000	Verizon Communications, Inc., 2.00%, 11/1/2016	612,786
	TOTAL	3,308,903
<b>Consumer Cyclical—Automotive—1.6%</b>		
290,000	<sup>2,3</sup> American Honda Finance Corp., Series 144A, 1.45%, 2/27/2015	293,067
275,000	<sup>2,3</sup> American Honda Finance Corp., Sr. Unsecd. Note, Series 144A, 2.50%, 9/21/2015	284,060
290,000	<sup>2,3</sup> Daimler Finance NA LLC, Company Guarantee, Series 144A, 1.65%, 4/10/2015	292,565
372,000	<sup>2,3</sup> Daimler Finance NA LLC, Company Guarantee, Series 144A, 1.95%, 3/28/2014	374,300
300,000	<sup>2,3</sup> Daimler Finance NA LLC, Series 144A, 1.30%, 7/31/2015	300,776
285,000	<sup>2,3</sup> Daimler Finance NA LLC, Series 144A, 1.875%, 9/15/2014	287,579
750,000	Ford Motor Credit Co., Sr. Unsecd. Note, 3.00%, 6/12/2017	752,044
197,000	<sup>2,3</sup> Hyundai Capital America, Series 144A, 1.625%, 10/2/2015	196,444
1,000,000	Toyota Motor Corp., Series MTN, 0.677%, 1/17/2014	1,002,153
440,000	Toyota Motor Corp., Series MTN, 1.25%, 10/5/2017	427,548
510,000	<sup>2,3</sup> Volkswagen International Finance NV, Company Guarantee, Series 144A, 1.625%, 3/22/2015	516,116
280,000	<sup>2,3</sup> Volkswagen International Finance NV, Company Guarantee, Series 144A, 2.375%, 3/22/2017	284,866

Principal Amount or Shares		Value
<b>CORPORATE BONDS—continued</b>		
<b>Consumer Cyclical—Automotive—continued</b>		
\$330,000	<sup>2,3</sup> Volkswagen International Finance NV, Series 144A, 1.60%, 11/20/2017	\$323,861
	TOTAL	5,335,379
<b>Consumer Cyclical—Entertainment—0.3%</b>		
408,000	Time Warner, Inc., 3.15%, 7/15/2015	426,342
367,000	Viacom, Inc., Sr. Unsecd. Note, 1.25%, 2/27/2015	368,177
299,000	Walt Disney Co., Sr. Unsecd. Note, Series MTN, 1.10%, 12/1/2017	290,087
	TOTAL	1,084,606
<b>Consumer Cyclical—Retailers—0.2%</b>		
136,000	Target Corp., 1.125%, 7/18/2014	136,952
341,000	Wal-Mart Stores, Inc., Sr. Unsecd. Note, 2.25%, 7/8/2015	352,153
127,000	Walgreen Co., 1.80%, 9/15/2017	125,495
	TOTAL	614,600
<b>Consumer Cyclical—Services—0.0%</b>		
110,000	Yale University, Note, Series MTN, 2.90%, 10/15/2014	113,339
<b>Consumer Non-Cyclical—Food/Beverage—1.3%</b>		
1,000,000	Anheuser-Busch Cos., Inc., 0.80%, 1/15/2016	994,893
300,000	Anheuser-Busch InBev NV, 1.375%, 7/15/2017	295,453
143,000	Beam, Inc., 1.875%, 5/15/2017	142,834
1,030,000	Bottling Group LLC, Company Guarantee, 6.95%, 3/15/2014	1,075,058
300,000	General Mills, Inc., Sr. Note, 1.55%, 5/16/2014	302,668
409,000	<sup>2,3</sup> Heineken NV, Series 144A, 0.80%, 10/1/2015	407,068
152,000	<sup>2,3</sup> Heineken NV, Series 144A, 1.40%, 10/1/2017	147,784
600,000	Kraft Foods Group, Inc., 1.625%, 6/4/2015	606,614
580,000	<sup>2,3</sup> SABMiller Holdings, Inc., Company Guarantee, Series 144A, 2.45%, 1/15/2017	589,535
	TOTAL	4,561,907
<b>Consumer Non-Cyclical—Health Care—0.6%</b>		
42,000	Aetna, Inc., 1.50%, 11/15/2017	40,806
590,000	Covidien International Finance SA, 2.80%, 6/15/2015	610,882
580,000	Express Scripts Holding Co., 2.10%, 2/12/2015	590,027
650,000	Stryker Corp., Sr. Unsecd. Note, 1.30%, 4/1/2018	629,038
	TOTAL	1,870,753
<b>Consumer Non-Cyclical—Pharmaceuticals—0.5%</b>		
350,000	<sup>2,3</sup> AbbVie, Inc., Series 144A, 1.20%, 11/6/2015	350,537
576,000	<sup>2,3</sup> AbbVie, Inc., Series 144A, 1.75%, 11/6/2017	564,708

Principal Amount or Shares		Value
<b>CORPORATE BONDS—continued</b>		
<b>Consumer Non-Cyclical-Pharmaceuticals—continued</b>		
\$300,000	Amgen, Inc., 1.875%, 11/15/2014	\$304,607
65,000	McKesson Corp., 0.95%, 12/4/2015	64,855
280,000	Merck & Co., Inc., Sr. Unsecd. Note, 2.25%, 1/15/2016	289,413
194,000	Sanofi, Sr. Unsecd. Note, 1.20%, 9/30/2014	195,815
	TOTAL	1,769,935
<b>Consumer Non-Cyclical-Products—0.1%</b>		
280,000	Procter & Gamble Co., 1.80%, 11/15/2015	287,327
<b>Consumer Non-Cyclical-Tobacco—0.2%</b>		
420,000	Philip Morris International, Inc., 2.50%, 5/16/2016	436,505
384,000	Reynolds American, Inc., 1.05%, 10/30/2015	384,058
	TOTAL	820,563
<b>Energy-Independent—0.7%</b>		
81,000	Apache Corp., Sr. Unsecd. Note, 1.75%, 4/15/2017	81,159
547,000	Canadian Natural Resources Ltd., 1.45%, 11/14/2014	551,564
285,000	Occidental Petroleum Corp., 1.75%, 2/15/2017	284,938
1,250,000	Pemex Project Funding Master Trust, Sr. Unsecd. Note, 5.75%, 3/1/2018	1,375,000
	TOTAL	2,292,661
<b>Energy-Integrated—2.1%</b>		
280,000	<sup>2,3</sup> BG Energy Capital PLC, Series 144A, 2.875%, 10/15/2016	293,254
330,000	BP Capital Markets PLC, 1.375%, 11/6/2017	321,515
290,000	BP Capital Markets PLC, 2.248%, 11/1/2016	297,159
300,000	BP Capital Markets PLC, Company Guarantee, 1.70%, 12/5/2014	304,138
560,000	BP Capital Markets PLC, Company Guarantee, 3.20%, 3/11/2016	588,709
625,000	Chevron Corp., 1.104%, 12/5/2017	611,132
750,000	Chevron Corp., Sr. Unsecd. Note, 1.718%, 6/24/2018	743,690
800,000	Petrobras Global Finance BV, Sr. Unsecd. Note, 2.00%, 5/20/2016	785,273
500,000	Petrobras International Finance Co., Sr. Unsecd. Note, 2.875%, 2/6/2015	505,715
150,000	Phillips 66, 2.95%, 5/1/2017	154,686
600,000	Phillips 66, Sr. Unsecd. Note, 1.95%, 3/5/2015	609,493
650,000	Shell International Finance B.V., 0.625%, 12/4/2015	649,559
290,000	Total Capital Canada Ltd., 1.625%, 1/28/2014	291,982
429,000	Total Capital International SA, 0.75%, 1/25/2016	425,813
290,000	Total Capital International SA, 1.55%, 6/28/2017	287,599

Principal Amount or Shares		Value
<b>CORPORATE BONDS—continued</b>		
<b>Energy—Integrated—continued</b>		
\$299,000	Total Capital International SA, Sr. Unsecd. Note, 1.50%, 2/17/2017	\$297,156
	TOTAL	7,166,873
<b>Energy—Oil Field Services—0.6%</b>		
224,000	Cameron International Corp., 1.60%, 4/30/2015	225,639
1,250,000	Nabors Industries, Inc., Sr. Unsecd. Note, 6.15%, 2/15/2018	1,395,332
330,000	National-Oilwell, Inc., 1.35%, 12/1/2017	321,723
122,000	Noble Holding International Ltd., Sr. Unsecd. Note, 2.50%, 3/15/2017	122,101
	TOTAL	2,064,795
<b>Energy—Refining—0.0%</b>		
146,000	Marathon Petroleum Corp., 3.50%, 3/1/2016	153,335
<b>Financial Institution—Banking—15.3%</b>		
550,000	<sup>2,3</sup> Abbey National Treasury Services PLC, Series 144A, 3.875%, 11/10/2014	566,496
330,000	American Express Centurion Bank, Sr. Unsecd. Note, 0.875%, 11/13/2015	329,320
628,000	American Express Co., Sr. Unsecd. Note, 2.75%, 9/15/2015	651,664
242,000	American Express Credit Corp., Sr. Unsecd. Note, Series MTN, 2.80%, 9/19/2016	251,401
507,000	Australia & New Zealand Banking Group, 0.90%, 2/12/2016	504,080
290,000	Australia & New Zealand Banking Group, Series 1234, 1.875%, 10/6/2017	288,571
280,000	<sup>2,3</sup> Australia & New Zealand Banking Group, Series 144A, 2.125%, 1/10/2014	282,389
500,000	BB&T Corp., 2.05%, 4/28/2014	504,850
500,000	BB&T Corp., Series MTN, 1.45%, 1/12/2018	483,385
600,000	Bank of America Corp., 1.50%, 10/9/2015	598,887
220,000	Bank of America Corp., 1.828%, 7/11/2014	222,405
850,000	Bank of America Corp., Series MTN, 1.25%, 1/11/2016	838,633
400,000	Bank of America Corp., Sr. Unsecd. Note, 3.70%, 9/1/2015	417,130
895,000	Bank of America Corp., Sr. Unsecd. Note, 4.50%, 4/1/2015	939,087
406,000	<sup>2,3</sup> Bank of England, Series 144A, 0.50%, 3/6/2015	406,498
290,000	Bank of Montreal, Series MTN, 2.50%, 1/11/2017	297,438
460,000	Bank of Montreal, Sr. Unsecd. Note, Series MTN, 1.45%, 4/9/2018	444,343
340,000	Bank of New York Mellon Corp., Series MTN, 1.70%, 11/24/2014	344,907
290,000	Bank of New York Mellon Corp., Series MTN, 2.40%, 1/17/2017	296,045
570,000	Bank of New York Mellon Corp., Sr. Unsecd. Note, Series MTN, 2.30%, 7/28/2016	587,884
450,000	Bank of Nova Scotia, 1.375%, 12/18/2017	437,195
1,520,000	Bank of Nova Scotia, 2.05%, 10/7/2015	1,560,640
700,000	<sup>2,3</sup> Bank of Tokyo-Mitsubishi UFJ Ltd., Series 144A, 1.00%, 2/26/2016	694,105

Principal  
Amount  
or Shares

Value

CORPORATE BONDS—continued		
Financial Institution—Banking—continued		
\$330,000	<sup>2,3</sup> Bank of Tokyo-Mitsubishi UFJ Ltd., Series 144A, 1.65%, 2/26/2018	\$320,936
700,000	Barclays Bank PLC, 2.375%, 1/13/2014	705,893
1,000,000	Barclays Bank PLC, Floating Rate Note—Sr. Note, 1.317%, 1/13/2014	1,004,822
248,000	Canadian Imperial Bank of Commerce, 0.90%, 10/1/2015	248,256
330,000	Capital One Financial Corp., 1.00%, 11/6/2015	325,666
750,000	Capital One Financial Corp., Series FRN, 1.427%, 7/15/2014	756,516
622,000	Capital One Financial Corp., Sr. Unsecd. Note, 2.125%, 7/15/2014	629,411
590,000	Capital One Financial Corp., Sr. Unsecd. Note, 2.15%, 3/23/2015	599,488
300,000	Citigroup, Inc., 2.25%, 8/7/2015	305,160
1,000,000	Citigroup, Inc., 2.65%, 3/2/2015	1,019,758
280,000	Citigroup, Inc., 3.953%, 6/15/2016	295,301
670,000	Citigroup, Inc., Sr. Unsecd. Note, 1.25%, 1/15/2016	662,313
1,100,000	Citigroup, Inc., Sr. Unsecd. Note, 4.75%, 5/19/2015	1,163,757
710,000	Citigroup, Inc., Sr. Unsecd. Note, 6.50%, 8/19/2013	715,267
32,000	Comerica, Inc., Sr. Unsecd. Note, 3.00%, 9/16/2015	33,445
590,000	Commonwealth Bank of Australia, 1.95%, 3/16/2015	600,811
300,000	<sup>2,3</sup> Commonwealth Bank of Australia, Series 144A, 3.50%, 3/19/2015	313,090
856,000	Credit Suisse AG New York, Sr. Unsecd. Note, 2.20%, 1/14/2014	863,498
185,000	Export Development Corp., 1.50%, 5/15/2014	186,912
158,000	Fifth Third Bancorp, Sr. Unsecd. Note, 3.625%, 1/25/2016	166,876
330,000	Goldman Sachs Group, Inc., 2.375%, 1/22/2018	324,236
420,000	Goldman Sachs Group, Inc., Sr. Unsecd. Note, 3.625%, 2/7/2016	438,635
230,000	Goldman Sachs Group, Inc., Sr. Unsecd. Note, 3.70%, 8/1/2015	239,718
1,300,000	Goldman Sachs Group, Inc., Sr. Unsecd. Note, 5.125%, 1/15/2015	1,371,707
528,000	HSBC USA, Inc., Sr. Unsecd. Note, 2.375%, 2/13/2015	539,714
3,350,000	International Bank for Reconstruction & Development, 0.50%, 4/15/2016	3,340,339
290,000	J.P. Morgan Chase & Co., 1.10%, 10/15/2015	288,352
1,780,000	J.P. Morgan Chase & Co., 3.40%, 6/24/2015	1,858,576
850,000	J.P. Morgan Chase & Co., 3.70%, 1/20/2015	883,097
250,000	Key Bank, N.A., Series BKNT, 1.65%, 2/1/2018	244,191
1,250,000	Key Bank, N.A., Series BKNT, 5.80%, 7/1/2014	1,307,550
512,000	Merrill Lynch & Co., Inc., Unsecd. Note, Series MTN, 5.45%, 7/15/2014	534,043
440,000	<sup>2,3</sup> Mizuho Corporate Bank Ltd., Series 144A, 1.55%, 10/17/2017	426,257
127,000	Morgan Stanley Group, Inc., Series GMTN, 4.10%, 1/26/2015	132,520



Principal  
Amount  
or Shares

Value

CORPORATE BONDS—continued		
Financial Institution—Banking—continued		
\$280,000	Morgan Stanley, Sr. Unsecd. Note, 2.875%, 1/24/2014	\$282,939
103,000	Morgan Stanley, Sr. Unsecd. Note, 2.875%, 7/28/2014	104,923
100,000	Morgan Stanley, Sr. Unsecd. Note, 4.20%, 11/20/2014	103,474
1,400,000	Morgan Stanley, Sr. Unsecd. Note, 6.00%, 5/13/2014	1,456,302
290,000	National Australia Bank Ltd., 1.60%, 8/7/2015	294,060
290,000	National Australia Bank Ltd., Series MTN, 2.00%, 3/9/2015	295,496
395,000	National Bank of Canada, NY, 1.50%, 6/26/2015	399,850
570,000	PNC Funding Corp., 3.00%, 5/19/2014	581,749
308,000	PNC Funding Corp., Sr. Unsecd. Note, 3.625%, 2/8/2015	321,412
232,000	Rabobank Nederland NV, Utrecht, 2.125%, 10/13/2015	237,527
1,436,000	Rabobank Nederland NV, Utrecht, Company Guarantee, 1.85%, 1/10/2014	1,446,506
54,000	Royal Bank of Canada, Montreal, Series GMTN, 1.125%, 1/15/2014	54,196
463,000	Royal Bank of Canada, Montreal, Series GMTN, 1.45%, 10/30/2014	468,042
670,000	Royal Bank of Canada, Montreal, Series MTN, 0.80%, 10/30/2015	669,332
670,000	Royal Bank of Canada, Montreal, Series MTN, 1.50%, 1/16/2018	655,084
500,000	Royal Bank of Canada, Montreal, Series MTN, 2.30%, 7/20/2016	514,819
459,000	Royal Bank of Scotland Group PLC, 2.55%, 9/18/2015	466,881
280,000	State Street Corp., Sr. Unsecd. Note, 2.875%, 3/7/2016	292,512
440,000	Sumitomo Mitsui Banking Corp., 1.80%, 7/18/2017	434,977
560,000	<sup>2,3</sup> Sumitomo Mitsui Banking Corp., Series 144A, 1.95%, 1/14/2014	563,992
236,000	SunTrust Banks, Inc., Series BKNT, 5.00%, 9/1/2015	253,112
850,000	Toronto Dominion Bank, 2.375%, 10/19/2016	880,074
574,000	Toronto Dominion Bank, Series GMTN, 2.50%, 7/14/2016	595,364
280,000	UBS AG Stamford, CT, 2.25%, 1/28/2014	282,724
690,000	Union Bank, N.A., Series BKNT, 3.00%, 6/6/2016	722,852
420,000	Wachovia Bank N.A., Series BKNT, 0.653%, 11/3/2014	420,267
1,000,000	Wells Fargo & Co., Floating Rate Note, 0.475%, 10/28/2015	995,995
248,000	Wells Fargo & Co., Sr. Note, 3.625%, 4/15/2015	260,454
300,000	Wells Fargo & Co., Sr. Unsecd. Note, 2.625%, 12/15/2016	311,052
450,000	Wells Fargo & Co., Sr. Unsecd. Note, 3.676%, 6/15/2016	481,054
748,000	Wells Fargo & Co., Sr. Unsecd. Note, Series MTN, 1.25%, 2/13/2015	752,496

Principal Amount or Shares		Value
<b>CORPORATE BONDS—continued</b>		
<b>Financial Institution—Banking—continued</b>		
\$150,000	Western Union Co., 2.375%, 12/10/2015	\$152,718
528,000	Westpac Banking Corp., 1.85%, 12/9/2013	531,691
532,000	Westpac Banking Corp., 2.00%, 8/14/2017	534,176
772,000	Westpac Banking Corp., Sr. Unsecd. Note, 1.125%, 9/25/2015	775,594
	TOTAL	52,387,160
<b>Financial Institution—Finance Noncaptive—1.7%</b>		
590,000	General Electric Capital Corp., Floating Rate Note—Sr. Note, Series MTN, 0.975%, 4/24/2014	593,339
250,000	General Electric Capital Corp., Series MTN, 3.50%, 6/29/2015	260,949
1,615,000	General Electric Capital Corp., Sr. Unsecd. Note, 1.625%, 7/2/2015	1,634,483
1,725,000	General Electric Capital Corp., Sr. Unsecd. Note, 2.15%, 1/9/2015	1,759,422
290,000	General Electric Capital Corp., Sr. Unsecd. Note, 2.90%, 1/9/2017	299,960
290,000	General Electric Capital Corp., Sr. Unsecd. Note, Series MTN, 3.35%, 10/17/2016	305,479
570,000	<sup>2,3</sup> HSBC Bank PLC, Series 144A, 3.10%, 5/24/2016	598,357
326,000	<sup>2,3</sup> USAA Capital Corp., Series 144A, 1.05%, 9/30/2014	328,203
	TOTAL	5,780,192
<b>Financial Institution—Insurance—Health—0.2%</b>		
86,000	UnitedHealth Group, Inc., 0.85%, 10/15/2015	86,149
61,000	UnitedHealth Group, Inc., 1.40%, 10/15/2017	59,934
221,000	UnitedHealth Group, Inc., Sr. Unsecd. Note, 1.875%, 11/15/2016	224,917
86,000	Wellpoint, Inc., 1.25%, 9/10/2015	86,179
155,000	Wellpoint, Inc., 1.875%, 1/15/2018	151,876
	TOTAL	609,055
<b>Financial Institution—Insurance—Life—1.8%</b>		
140,000	American International Group, Inc., 3.00%, 3/20/2015	144,325
1,230,000	American International Group, Inc., 3.80%, 3/22/2017	1,290,175
430,000	American International Group, Inc., Sr. Unsecd. Note, 4.25%, 9/15/2014	446,159
580,000	<sup>2,3</sup> Mass Mutual Global Funding II, Series 144A, 2.00%, 4/5/2017	581,541
700,000	<sup>2,3</sup> Mass Mutual Global Funding II, Series 144A, 3.125%, 4/14/2016	736,249
788,000	<sup>2,3</sup> MetLife Global Funding I, Series 144A, 1.50%, 1/10/2018	764,525
127,000	MetLife, Inc., 1.756%, 12/15/2017	125,116
500,000	MetLife, Inc., Sr. Unsecd. Note, 2.375%, 2/6/2014	505,531
630,000	<sup>2,3</sup> Metropolitan Life Global Funding I, Series 144A, 2.00%, 1/9/2015	640,001

Principal Amount or Shares		Value
<b>CORPORATE BONDS—continued</b>		
<b>Financial Institution—Insurance—Life—continued</b>		
\$840,000	<sup>2,3</sup> New York Life Global Funding, Sr. Secd. Note, Series 144A, 1.30%, 10/30/2017	\$819,300
	TOTAL	6,052,922
<b>Financial Institution—Insurance—P&amp;C—0.4%</b>		
375,000	Berkshire Hathaway, Inc., 1.60%, 5/15/2017	373,656
290,000	Berkshire Hathaway, Inc., Sr. Unsecd. Note, 1.90%, 1/31/2017	293,253
500,000	Berkshire Hathaway, Inc., Sr. Unsecd. Note, 3.20%, 2/11/2015	520,220
	TOTAL	1,187,129
<b>Financial Institution—REITs—0.7%</b>		
340,000	AMB Property LP, Company Guarantee, Series MTN, 5.90%, 8/15/2013	341,895
238,000	Mack-Cali Realty Corp., 2.50%, 12/15/2017	234,090
1,250,000	ProLogis LP, 6.25%, 3/15/2017	1,397,432
300,000	Simon Property Group LP, 2.15%, 9/15/2017	301,178
66,000	Simon Property Group LP, Sr. Unsecd. Note, 2.80%, 1/30/2017	67,979
213,000	Ventas Realty LP, 2.00%, 2/15/2018	206,330
	TOTAL	2,548,904
<b>Foreign-Local-Government—0.7%</b>		
1,200,000	Hydro Quebec, 2.00%, 6/30/2016	1,234,248
1,200,000	Ontario, Province of, 2.30%, 5/10/2016	1,244,216
	TOTAL	2,478,464
<b>Government Agency—0.1%</b>		
400,000	NCUA Guaranteed Notes, Series A2, 1.40%, 6/12/2015	406,468
<b>Sovereign—0.9%</b>		
1,770,000	British Columbia, Province of, 1.20%, 4/25/2017	1,780,838
910,000	British Columbia, Province of, 2.10%, 5/18/2016	943,074
500,000	Canada, Government of, 0.875%, 2/14/2017	497,403
	TOTAL	3,221,315
<b>Technology—1.2%</b>		
1,100,000	Apple, Inc., Sr. Unsecd. Note, 1.00%, 5/3/2018	1,057,153
272,000	Hewlett-Packard Co., Sr. Unsecd. Note, 1.25%, 9/13/2013	272,102
290,000	Hewlett-Packard Co., Sr. Unsecd. Note, 2.625%, 12/9/2014	296,048
382,000	IBM Corp., 1.95%, 7/22/2016	391,783
330,000	Intel Corp., 1.35%, 12/15/2017	323,176
100,000	Microsoft Corp., 0.875%, 11/15/2017	97,177

Principal Amount or Shares		Value
<b>CORPORATE BONDS—continued</b>		
<b>Technology—continued</b>		
\$1,790,000	Xerox Corp., Floating Rate Note—Sr. Note, 1.094%, 5/16/2014	\$1,789,116
	TOTAL	4,226,555
<b>Utility—Electric—2.2%</b>		
139,000	American Electric Power Co., Inc., 1.65%, 12/15/2017	135,222
310,000	Baltimore Gas & Electric Co., 6.125%, 7/1/2013	310,000
75,000	Cleveland Electric Illuminating Co., Sr. Note, 5.65%, 12/15/2013	76,588
441,000	Commonwealth Edison Co., 1.625%, 1/15/2014	443,564
174,000	Commonwealth Edison Co., 1.95%, 9/1/2016	178,010
268,000	Consolidated Edison Co., Sr. Unsecd. Note, 5.55%, 4/1/2014	277,670
192,000	Dominion Resources, Inc., 1.95%, 8/15/2016	195,949
763,000	Dominion Resources, Inc., 2.25%, 9/1/2015	782,124
167,000	Dominion Resources, Inc., Series 06-B, 2.575%, 9/30/2066	157,511
98,000	Duke Energy Carolinas LLC, 1.75%, 12/15/2016	99,401
165,000	Entergy Louisiana LLC, 1.875%, 12/15/2014	167,232
195,000	LG&E & KU Energy LLC, 2.125%, 11/15/2015	199,318
498,000	NextEra Energy Capital Holdings, Inc., Sr. Unsecd. Note, 1.611%, 6/1/2014	502,199
300,000	NiSource Finance Corp., 5.40%, 7/15/2014	313,588
140,000	PG&E Corp., 5.75%, 4/1/2014	145,205
1,000,000	PPL Energy Supply LLC, Sr. Unsecd. Note, 6.30%, 7/15/2013	1,001,896
70,000	PSEG Power LLC, 2.75%, 9/15/2016	72,224
549,000	Pacific Gas & Electric Co., 6.25%, 12/1/2013	561,662
420,000	Peco Energy Co., Series EXC, 5.60%, 10/15/2013	426,075
241,000	Pepco Holdings, Inc., 2.70%, 10/1/2015	248,040
704,000	Sierra Pacific Power Co., 5.45%, 9/1/2013	709,609
498,000	Southern Co., Series A, 2.375%, 9/15/2015	513,154
	TOTAL	7,516,241
<b>Utility—Natural Gas Distributor—0.1%</b>		
290,000	Sempra Energy, 2.30%, 4/1/2017	293,896
<b>Utility—Natural Gas Pipelines—0.1%</b>		
228,000	Enterprise Products Operating LP, Sr. Unsecd. Note, 1.25%, 8/13/2015	228,838
	TOTAL CORPORATE BONDS (IDENTIFIED COST \$123,912,969)	124,888,797

Principal Amount or Shares		Value
<b>MORTGAGE-BACKED SECURITIES—3.4%</b>		
<b>Federal Home Loan Mortgage Corporation—1.8%</b>		
\$253,240	Federal Home Loan Mortgage Corp., Pool E02787, 4.00%, 9/1/2025	\$267,795
130,498	Federal Home Loan Mortgage Corp., Pool E02867, 4.00%, 4/1/2026	137,509
179,113	Federal Home Loan Mortgage Corp., Pool E98688, 4.50%, 8/1/2018	188,286
159,681	Federal Home Loan Mortgage Corp., Pool G01665, 5.50%, 3/1/2034	173,117
106,114	Federal Home Loan Mortgage Corp., Pool G05815, 5.50%, 7/1/2035	115,142
284,690	Federal Home Loan Mortgage Corp., Pool G13596, 4.00%, 7/1/2024	298,606
228,239	Federal Home Loan Mortgage Corp., Pool G14376, 4.00%, 9/1/2025	239,396
507,114	Federal Home Loan Mortgage Corp., Pool G14449, 3.50%, 2/1/2027	529,538
2,195,269	Federal Home Loan Mortgage Corp., Pool G14450, 3.50%, 10/1/2026	2,289,597
336,273	Federal Home Loan Mortgage Corp., Pool G18312, 4.00%, 6/1/2024	352,711
205,363	Federal Home Loan Mortgage Corp., Pool J16393, 3.00%, 8/1/2021	212,670
193,496	Federal Home Loan Mortgage Corp., Pool J16442, 3.00%, 8/1/2021	200,382
1,144,471	Federal Home Loan Mortgage Corp., Pool Z40042, 5.50%, 5/1/2034	1,242,619
	TOTAL	6,247,368
<b>Federal National Mortgage Association—1.6%</b>		
849,920	Federal National Mortgage Association, Pool 310105, 5.50%, 11/1/2034	929,604
78,420	Federal National Mortgage Association, Pool 745278, 4.50%, 6/1/2019	83,146
37,583	Federal National Mortgage Association, Pool 888653, 4.50%, 7/1/2020	39,848
2,455,533	Federal National Mortgage Association, Pool AE0368, 3.50%, 12/1/2025	2,559,031
490,260	Federal National Mortgage Association, Pool AL1741, 3.50%, 5/1/2027	512,302
366,461	Federal National Mortgage Association, Pool AL1742, 3.50%, 5/1/2027	382,250
782,585	Federal National Mortgage Association, Pool AL1746, 3.50%, 3/1/2027	819,238
188,274	Federal National Mortgage Association, Pool AL1751, 3.50%, 5/1/2027	196,740
	TOTAL	5,522,159
	TOTAL MORTGAGE-BACKED SECURITIES (IDENTIFIED COST \$11,851,894)	11,769,527
<b>COLLATERALIZED MORTGAGE OBLIGATIONS—6.0%</b>		
<b>Commercial Mortgage—3.4%</b>		
300,000	Bear Stearns Commercial Mortgage Securities 2005-PWR8, Class A4, 4.674%, 6/11/2041	317,217
420,575	Bear Stearns Commercial Mortgage Securities 2005-T18, Class A4, 4.933%, 2/13/2042	443,862
96,409	Commercial Mortgage Pass-Through Certificates 2012-CR1, Class A1, 1.116%, 5/15/2045	96,386
240,000	Commercial Mortgage Pass-Through Certificates 2012-CR1, Class A2, 2.350%, 5/15/2045	244,546
229,995	Commercial Mortgage Pass-Through Certificates 2012-CR5, Class A1, 0.673%, 12/10/2045	227,285
1,175,000	Commercial Mortgage Trust 2013-CR8, Class A2, 2.367%, 6/10/2046	1,183,089
781,000	Commercial Mortgage Trust Pass Through 2004-LB4A, Class A5, 4.840%, 10/15/2037	806,660

Principal Amount or Shares		Value
<b>COLLATERALIZED MORTGAGE OBLIGATIONS—continued</b>		
<b>Commercial Mortgage—continued</b>		
\$1,000,000	Commercial Mortgage Trust Pass Through 2006-C8, Class A3, 5.308%, 12/10/2046	\$1,004,982
380,000	Commercial Mortgage Trust Pass Through 2006-C8, Class A4, 5.306%, 12/10/2046	419,272
54,987	DBUBS Mortgage Trust 2011-LC3A, Class A1, 2.238%, 8/10/2044	55,661
400,000	<sup>1</sup> GE Commercial Mortgage Corp Trust 2006-C1, Class A4, 5.469%, 3/10/2044	432,300
7,221,426	<sup>1,4</sup> GE Commercial Mortgage Corp Trust 2007-C1, Class XP, 0.341%, 12/10/2049	12,625
41,829	<sup>1</sup> GMAC Commercial Mortgage Securities, Inc. 2003-C2, Class A2, 5.636%, 5/10/2040	41,797
270,000	GMAC Commercial Mortgage Securities, Inc. 2004-C2, Class A4, 5.301%, 8/10/2038	280,043
300,000	GS Mortgage Securities Corp. 2004-GG2, Class A6, 5.396%, 8/10/2038	309,015
19,767	GS Mortgage Securities Corp. 2006-GG8, Class A2, 5.479%, 11/10/2039	19,862
163,079	GS Mortgage Securities Corp. 2011-GC5, Class A1, 1.468%, 8/10/2044	163,647
81,025	GS Mortgage Securities Corp. 2012-GC6, Class A1, 1.282%, 1/10/2045	81,216
121,943	JP Morgan Chase Commercial Mortgage Securities 2005-LDP5, Class A2, 5.198%, 12/15/2044	122,272
132,475	<sup>1</sup> JP Morgan Chase Commercial Mortgage Securities 2007-LD11, Class A2, 5.7987%, 6/15/2049	134,400
36,570	JP Morgan Chase Commercial Mortgage Securities 2007-LDPX, Class A2S, 5.305%, 1/15/2049	36,719
280,000	JP Morgan Chase Commercial Mortgage Securities 2012-C6, Class A2, 2.2058%, 5/15/2045	284,411
91,972	JP Morgan Chase Commercial Mortgage Securities Trust 2003-CB7, Class A4, 4.879%, 1/12/2038	92,689
222,089	JP Morgan Chase Commercial Mortgage Securities Trust 2012-C6, Class A1, 1.0305%, 5/15/2045	221,256
260,192	LB-UBS Commercial Mortgage Trust 2004-C8, Class A6, 4.799%, 12/15/2029	269,282
100,000	LB-UBS Commercial Mortgage Trust 2006-C6, Class A4, 5.372%, 9/15/2039	110,707
80,707	LB-UBS Commercial Mortgage Trust 2007-C6, Class A2, 5.845%, 7/15/2040	81,195
1,090,000	Merrill Lynch-CFC Commercial Mortgage Trust 2006-3, Class A4, 5.414%, 7/12/2046	1,207,161
5,050,921	<sup>1,4</sup> Merrill Lynch-CFC Commercial Mortgage Trust 2006-3, Class XP, 0.684%, 7/12/2046	42,667
258,771	Morgan Stanley BAML Trust 2012-C5, Class A1, 0.916%, 8/15/2045	257,593
490,000	Morgan Stanley BAML Trust 2012-C5, Class A2, 1.972%, 8/15/2045	491,538
11,873	Morgan Stanley Capital Trust I 2003-T11, Class A4, 5.15%, 6/13/2041	11,873
401,333	Morgan Stanley Capital Trust I 2011-C3, Class A1, 2.178%, 7/15/2049	407,664
144,722	UBS Commercial Mortgage Trust 2012-C1, Class A1, 1.032%, 5/10/2045	144,458
250,000	UBS Commercial Mortgage Trust 2012-C1, Class A2, 2.18%, 5/10/2045	252,627
193,969	UBS-Barclays Commercial Mortgage Trust 2012-C4, Class A1, 0.672%, 12/10/2045	191,747
69,491	WF-RBS Commercial Mortgage Trust 2011-C5, Class A1, 1.456%, 11/15/2044	69,817

Principal Amount or Shares		Value
<b>COLLATERALIZED MORTGAGE OBLIGATIONS—continued</b>		
<b>Commercial Mortgage—continued</b>		
\$174,184	Wachovia Bank Commercial Mortgage 2007-C31, Class A2, 5.421%, 4/15/2047	\$176,404
266,503	Wachovia Bank Commercial Mortgage Trust 2003-C9, Class A4, 5.012%, 12/15/2035	268,630
510,000	Wachovia Bank Commercial Mortgage Trust 2006-C23, Class A5, 5.416%, 1/15/2045	557,569
140,000	<sup>1</sup> Wachovia Bank Commercial Mortgage Trust 2006-C25, Class A5, 5.7314%, 5/15/2043	154,754
	TOTAL	11,726,898
<b>Federal Home Loan Mortgage Corporation—1.0%</b>		
51,974	Federal Home Loan Mortgage Corp. REMIC 2382 MB, 6.000%, 11/15/2016	55,080
26,072	Federal Home Loan Mortgage Corp. REMIC 2394 KD, 6.000%, 12/15/2016	27,510
15,895	Federal Home Loan Mortgage Corp. REMIC 2417 EH, 6.000%, 2/15/2017	16,856
315,343	<sup>1</sup> Federal Home Loan Mortgage Corp. REMIC 2711 FC, 1.092%, 2/15/2033	321,078
491,949	Federal Home Loan Mortgage Corp. REMIC 2836 PX, 4.000%, 5/15/2018	497,661
86,929	Federal Home Loan Mortgage Corp. REMIC 2866 XE, 4.000%, 12/15/2018	89,094
427,502	Federal Home Loan Mortgage Corp. REMIC 3081 CP, 5.500%, 10/15/2034	439,721
473,102	<sup>1</sup> Federal Home Loan Mortgage Corp. REMIC 3102 FD, 0.492%, 1/15/2036	474,426
186,522	<sup>1</sup> Federal Home Loan Mortgage Corp. REMIC 3117 JF, 0.492%, 2/15/2036	186,835
164,667	<sup>1</sup> Federal Home Loan Mortgage Corp. REMIC 3346 FA, 0.422%, 2/15/2019	164,778
7,408	<sup>1</sup> Federal Home Loan Mortgage Corp. REMIC 3387 DF, 0.372%, 10/15/2017	7,409
45,309	Federal Home Loan Mortgage Corp. REMIC 3573 LC, 1.850%, 8/15/2014	45,403
278,403	Federal Home Loan Mortgage Corp. REMIC 3659 EJ, 3.000%, 6/15/2018	285,301
105,237	Federal Home Loan Mortgage Corp. REMIC 3696 AE, 1.200%, 7/15/2015	105,679
192,811	Federal Home Loan Mortgage Corp. REMIC 3741 HD, 3.000%, 11/15/2039	198,811
248,268	Federal Home Loan Mortgage Corp. REMIC 3763 QA, 4.000%, 4/15/2034	262,059
278,528	Federal Home Loan Mortgage Corp. REMIC 3943 EF, 0.442%, 2/15/2026	279,262
	TOTAL	3,456,963
<b>Federal National Mortgage Association—0.7%</b>		
26,695	Federal National Mortgage Association REMIC 2002-56 MC, 5.500%, 9/25/2017	28,005
119,493	Federal National Mortgage Association REMIC 2003-74 PG, 4.500%, 8/25/2018	126,352
164,114	<sup>1</sup> Federal National Mortgage Association REMIC 2005-106 UF, 0.493%, 11/25/2035	164,650
166,233	<sup>1</sup> Federal National Mortgage Association REMIC 2005-90 FC, 0.443%, 10/25/2035	166,489
91,627	Federal National Mortgage Association REMIC 2008-29 BG, 4.700%, 12/25/2035	95,986
105,377	Federal National Mortgage Association REMIC 2010-123 DL, 3.500%, 11/25/2025	109,144
199,845	Federal National Mortgage Association REMIC 2010-135 DE, 2.250%, 4/25/2024	203,067
166,766	Federal National Mortgage Association REMIC 2010-143 B, 3.500%, 12/25/2025	172,857
131,833	Federal National Mortgage Association REMIC 2011-23 AB, 2.750%, 6/25/2020	135,181

Principal Amount or Shares		Value
<b>COLLATERALIZED MORTGAGE OBLIGATIONS—continued</b>		
<b>Federal National Mortgage Association—continued</b>		
\$174,074	Federal National Mortgage Association REMIC 2011-88 AB, 2.500%, 9/25/2026	\$178,761
481,221	<sup>1</sup> Federal National Mortgage Association REMIC 2012-15 FP, 0.573%, 6/25/2040	483,475
489,889	Federal National Mortgage Association REMIC 2012-94 E, 3.000%, 6/25/2022	509,319
	TOTAL	2,373,286
<b>Government National Mortgage Association—0.5%</b>		
93,446	Government National Mortgage Association REMIC 2010-112 PM, 3.250%, 9/20/2033	94,916
147,986	Government National Mortgage Association REMIC 2010-53 FC, 1.011%, 4/20/2040	149,923
121,933	Government National Mortgage Association REMIC 2010-99 PT, 3.500%, 8/20/2033	124,370
119,481	Government National Mortgage Association REMIC 2011-150 D, 3.000%, 4/20/2037	121,774
888,293	Government National Mortgage Association REMIC 2012-149 MF, 0.441%, 12/20/2042	886,801
357,640	Government National Mortgage Association REMIC 2012-97 JF, 0.442%, 8/16/2042	357,897
	TOTAL	1,735,681
<b>Non-Agency Mortgage—0.4%</b>		
916,966	Federal Home Loan Mortgage Corp., Multifamily Structured Pass Through Certs, Series K017, Class A1, 1.891%, 12/25/2020	924,323
379,238	Federal Home Loan Mortgage Corp., Multifamily Structured Pass Through Certs, Series K707, Class A1, 1.615%, 9/25/2018	384,118
	TOTAL	1,308,441
	TOTAL COLLATERALIZED MORTGAGE OBLIGATIONS (IDENTIFIED COST \$20,896,240)	20,601,269
<b>U.S. TREASURY—31.3%</b>		
<b>U.S. Treasury Notes—31.3%</b>		
28,000,000	United States Treasury Note, 0.250%, 10/15/2015	27,866,535
7,000,000	United States Treasury Note, 0.500%, 7/31/2017	6,829,320
2,500,000	United States Treasury Note, 0.625%, 4/30/2018	2,416,016
3,023,000	United States Treasury Note, 0.750%, 10/31/2017	2,964,713
17,010,000	United States Treasury Note, 0.875%, 11/30/2016	17,021,029
22,888,000	United States Treasury Note, 0.875%, 4/30/2017	22,774,812
434,000	United States Treasury Note, 0.875%, 1/31/2018	426,042
24,118,000	United States Treasury Note, 1.000%, 9/30/2016	24,272,505
2,500,000	United States Treasury Note, 1.500%, 7/31/2016	2,559,590
	TOTAL U.S. TREASURY (IDENTIFIED COST \$107,302,044)	107,130,562



Principal Amount or Shares		Value
<b>GOVERNMENT AGENCIES—7.4%</b>		
<b>Federal Home Loan Mortgage Corporation—2.4%</b>		
\$1,708,000	Federal Home Loan Mortgage Corp., Note, 1.750%, 9/10/2015	\$1,754,214
4,834,000	Federal Home Loan Mortgage Corp., 1.000%, 9/29/2017	4,745,179
2,000,000	Federal Home Loan Mortgage Corp., Series 1, 0.750%, 1/12/2018	1,937,562
	TOTAL	8,436,955
<b>Federal National Mortgage Association—5.0%</b>		
1,000,000	Federal National Mortgage Association, Unsecd. Note, 0.500%, 7/2/2015	996,413
4,699,000	Federal National Mortgage Association, Unsecd. Note, Series 1, 0.500%, 9/28/2015	4,678,565
3,748,000	Federal National Mortgage Association, 0.875%, 12/20/2017	3,647,243
4,087,000	Federal National Mortgage Association, 0.875%, 2/8/2018	3,972,701
3,649,000	Federal National Mortgage Association, Note, 1.625%, 10/26/2015	3,723,416
	TOTAL	17,018,338
	TOTAL GOVERNMENT AGENCIES (IDENTIFIED COST \$25,785,939)	25,455,293
<b>MUTUAL FUND—1.7%</b>		
5,878,803	<sup>5,6</sup> Federated Prime Value Obligations Fund, Institutional Shares, 0.08% (AT NET ASSET VALUE)	\$5,878,803
	TOTAL INVESTMENTS—99.7% (IDENTIFIED COST \$341,167,938) <sup>7</sup>	341,448,675
	OTHER ASSETS AND LIABILITIES—NET—0.3% <sup>8</sup>	959,058
	TOTAL NET POSITION—100%	\$342,407,733

1 Denotes variable rate and floating rate obligations for which the current rate is shown.

2 Denotes a restricted security that either: (a) cannot be offered for public sale without first being registered, or being able to take advantage of an exemption from registration, under the Securities Act of 1933; or (b) is subject to a contractual restriction on public sales. At June 30, 2013, these restricted securities amounted to \$16,965,996, which represented 5.0% of total net position.

3 Denotes a restricted security that may be resold without restriction to “qualified institutional buyers” as defined in Rule 144A under the Securities Act of 1933. At June 30, 2013, these liquid restricted securities amounted to \$16,965,996, which represented 5.0% of total net position.

4 Security represents right to receive monthly interest payments on an underlying pool of mortgages or assets. Principal shown is the outstanding par amount of the pool as of the end of the period.

5 Affiliated holding.

6 7-day net yield.

7 Also represents cost for federal tax purposes.

8 Assets, other than investments in securities, less liabilities. See Statement of Net Position.

Note: The categories of investments are shown as a percentage of total net position at June 30, 2013.

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in the three broad levels listed below:

Level 1 – quoted prices in active markets for identical securities, including investment companies with daily net asset values, if applicable.

Level 2 – other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.). Also includes securities valued at amortized cost.

Level 3 – significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments).

The inputs or methodology used for valuing securities are not an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used, as of June 30, 2013, in valuing the Fund's assets carried at fair value:

#### Valuation Inputs

	Level 1 – Quoted Prices and Investments in Mutual Funds	Level 2 – Other Significant Observable Inputs	Level 3 – Significant Unobservable Inputs	Total
<b>Debt Securities:</b>				
Adjustable Rate Mortgages	\$ –	\$ 4,793,026	\$–	\$ 4,793,026
Asset-Backed Securities	–	40,931,398	–	40,931,398
Corporate Bonds	–	124,888,797	–	124,888,797
Mortgage-Backed Securities	–	11,769,527	–	11,769,527
Collateralized Mortgage Obligations	–	20,601,269	–	20,601,269
U.S. Treasury	–	107,130,562	–	107,130,562
Government Agencies	–	25,455,293	–	25,455,293
<b>Mutual Fund</b>	5,878,803	–	–	5,878,803
<b>TOTAL SECURITIES</b>	<b>\$5,878,803</b>	<b>\$335,569,872</b>	<b>\$–</b>	<b>\$341,448,675</b>

The following acronyms are used throughout this portfolio:

ARM –Adjustable Rate Mortgage

FHLMC –Federal Home Loan Mortgage Corporation

FNMA –Federal National Mortgage Association

LP –Limited Partnership

MTN –Medium Term Note

REITs –Real Estate Investment Trusts

REMIC –Real Estate Mortgage Investment Conduit

See Notes which are an integral part of the Financial Statements

# MMDT Short Term Bond Portfolio

## Financial Statements

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### Statement of Net Position

At June 30, 2013

#### Assets

Investment in securities, at value (including an affiliated holding of \$5,878,803): Unaffiliated issuers (cost \$335,289,135)	\$341,448,675
Interest receivable	1,254,081
<b>TOTAL ASSETS</b>	<b>342,702,756</b>

#### Liabilities

Distributions payable	295,023
<b>TOTAL LIABILITIES</b>	<b>295,023</b>

<b>Net Position</b>	<b>\$342,407,733</b>
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Net Position Consists of:

Beneficial Interest	\$324,894,615
Net unrealized appreciation on investments	280,738
Accumulated net realized gain on investments	14,730,054
Undistributed net investment income	2,502,326
<b>TOTAL NET POSITION</b>	<b>\$342,407,733</b>
Units outstanding	32,387,955
Net position value per unit	\$10.57

See Notes which are an integral part of the Financial Statements

## MMDT Short Term Bond Portfolio

### Financial Statements

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#### Statement of Changes in Net Position

Year Ended June 30, 2013

<b>Additions</b>	
Interest and dividend income	\$ 4,797,087
Management fee (net of reimbursement by the Adviser, Note 4)	(426,876)
Net Investment Income	4,370,211
Net realized gain (loss) on investments	580,458
Net change in unrealized appreciation of investments	(3,043,571)
Proceeds from sales of units and reinvestment of distributions	48,895,317
<b>TOTAL ADDITIONS</b>	<b>50,802,415</b>
<b>Deductions</b>	
Cost of units redeemed	1,695,750
Distributions to unit holders	
Distributions from net investment income	4,415,790
<b>TOTAL DEDUCTIONS</b>	<b>6,111,540</b>
Change in net position	44,690,875
<b>Net Position:</b>	
Beginning of year	297,716,858
End of year (including undistributed net investment income of \$2,502,326)	\$342,407,733

See Notes which are an integral part of the Financial Statements

# MMDT Short Term Bond Portfolio

## Financial Statements

### Financial Highlights

Years Ended June 30,	2013 <sup>4</sup>	2012	2011	2010	2009
<b>Selected Per-Unit Data</b>					
Net Position Value, Beginning of Year	\$10.64	\$10.50	\$10.42	\$10.04	\$10.01
Income from Investment Operations					
Net investment income	0.131	0.173 <sup>2</sup>	0.242 <sup>2</sup>	0.310 <sup>2</sup>	0.386 <sup>2</sup>
Net realized and unrealized gain (loss)	(0.056)	0.140	0.077	0.371	0.027
Total from investment operations	0.075	0.313	0.319	0.681	0.413
Distributions from net investment income	(0.145)	(0.173)	(0.239)	(0.301)	(0.383)
Net Position Value, End of Year	\$10.57	\$10.64	\$10.50	\$10.42	\$10.04
Total Return <sup>1</sup>	0.70%	3.00%	3.09%	6.86%	4.24%

### Ratios to Average Net Position<sup>3</sup>

Expenses before reductions	0.13%	0.15%	0.15%	0.15%	0.14%
Expenses net of fee waivers, if any	0.13%	0.15%	0.15%	0.15%	0.14%
Expenses net of all reductions	0.13%	0.15%	0.15%	0.15%	0.13%
Net investment income	1.34%	1.63%	2.31%	3.02%	3.89%

### Supplemental Data

Net position, end of year (000 omitted)	\$342,408	\$297,717	\$286,113	\$285,099	\$371,921
Portfolio turnover rate	42% <sup>5</sup>	146%	154%	142%	164%

1 Total returns would have been lower if certain expenses had not been reduced.

2 Calculated based on average shares outstanding during the period.

3 Expense ratios reflect operating expenses of the Fund. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or reductions from expense offset arrangements and do not represent the amount paid by the Fund during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the Fund.

4 For the year ended June 30, 2013, the Fund was audited by KPMG LLP. The previous years were audited by another independent registered public accounting firm.

5 Excludes short-term securities.

See Notes which are an integral part of the Financial Statements

# Notes to Financial Statements

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## 1. Significant Accounting Policies

MMDT Cash Portfolio (the “Cash Portfolio”) and MMDT Short Term Bond Portfolio (the “Short Term Bond Portfolio”) (collectively, the “Funds”) are portfolios of the Massachusetts Municipal Depository Trust (the “Trust”) and are investment pools for political subdivisions in the Commonwealth of Massachusetts (the “Commonwealth”) established by the Treasurer of the Commonwealth (the “Treasurer”) as Trustee under Declaration of Trust, dated June 8, 1977, for the purpose of investing funds of, and funds under custody of, agencies, authorities, boards, commissions, political subdivisions, and other public units within the Commonwealth (M.G.L. Ch. 29, sec. 38A) and state and local retirement boards (M.G.L. Ch. 32, sec. 23 (2)(b)). The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America which require management to make certain estimates and assumptions at the date of the financial statements. Actual results could differ from those estimates. Subsequent events, if any, through the date of the financial statements were issued have been evaluated in the preparation of the financial statements. All applicable pronouncements required by the Governmental Accounting Standards Board (GASB) are presented in the financial statements.

The following is a summary of the Funds' significant accounting policies:

### Security Valuation

The Cash Portfolio is not registered with the Securities and Exchange Commission (SEC) as an investment company, but maintains a policy to operate in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940 (Rule 2a-7). GASB Statement No. 31, “Accounting and Financial Reporting for Certain Investments and for External Investment Pools,” establishes standards for accounting for investments held by government entities. The Cash Portfolio operates as a Rule 2a-7-like pool and thus, reports all investments at amortized cost rather than fair value.

Under the amortized cost valuation method, an investment is valued initially at its cost and thereafter adjusted for the amount of interest income accrued each day over the term of the investment to account for any difference between the initial cost of the investment and the amount payable at its maturity. If amortized cost is determined not to approximate fair value, the value of the portfolio securities will be determined under procedures established by Federated Investment Counseling (the “Adviser”), a wholly owned subsidiary of Federated Investors, Inc.

In calculating its net position per unit, Short Term Bond Portfolio generally values investments as follows:

- Fixed-income securities acquired with remaining maturities greater than 60 days are fair valued using price evaluations provided by a pricing service.
- Fixed-income securities and repurchase agreements acquired with remaining maturities of 60 days or less are valued at their amortized cost (adjusted for the accretion of any discount or amortization of any premium), unless the issuer's creditworthiness is impaired or other factors indicate that amortized cost is not an accurate estimate of the investment's fair value, in which case it would be valued in the same manner as a longer-term security.
- Shares of other mutual funds are valued based upon their reported net asset values.
- Derivative contracts listed on exchanges are valued at their reported settlement or closing price.
- Over-the-counter (OTC) derivative contracts are fair valued using price evaluations provided by a pricing service.
- For securities that are fair valued, certain factors may be considered such as: the purchase price of the security, information obtained by contacting the issuer, analysis of the issuer's financial statements or other available documents, fundamental analytical data, the nature and duration of restrictions on disposition, the movement of the market in which the security is normally traded and public trading in similar securities of the issuer or comparable issuers.

If Short Term Bond Portfolio cannot obtain a price or price evaluation from a pricing service for an investment, it may attempt to value the investment based upon the mean of bid and asked quotations or fair value the investment based on price evaluations from one or more dealers. If any price, quotation, price evaluation or other pricing source is not readily available when the net position per unit is calculated, or if Short Term Bond Portfolio cannot obtain price evaluations from a pricing service or from more than one dealer for an investment within a reasonable period of time as set forth in the applicable valuation policies and procedures, it uses the fair value of the investment determined in accordance with the procedures described below. There can be no assurance that Short Term Bond Portfolio could purchase or sell an investment at the price used to calculate its net position per unit.

A Valuation Committee (the “Committee”) comprised of officers of the Adviser and certain of the Adviser’s affiliated companies determines the fair value of securities and oversees the comparison of amortized cost to market value for the Cash Portfolio and the calculation of the net position per unit for Short Term Bond Portfolio. Pricing services recommended by the Committee are used to provide fair value evaluations of the current value of certain investments for purposes of monitoring the relationship of market value and amortized cost for the Cash Portfolio and calculating the net position per unit for Short Term Bond Portfolio. The Committee employs various methods for reviewing third-party pricing-service evaluations including periodic reviews of third-party pricing services’ policies, procedures and valuation methods (including key inputs and assumptions), transactional back-testing, comparisons of evaluations of different pricing services, and review of price challenges by the Adviser based on recent market activity. In the event that market quotations and price evaluations are not available for an investment, the Committee determines the fair value of the investment in accordance with procedures it has adopted.

Factors considered by pricing services for Short Term Bond Portfolio in evaluating an investment include the yields or prices of investments of comparable quality, coupon, maturity, call rights and other potential prepayments, terms and type, reported transactions, indications as to values from dealers and general market conditions. Short Term Bond Portfolio may hold securities that are valued on the basis of prices provided by a single pricing source, including dealers from whom the securities were purchased. These securities may be less liquid and the price realized upon a sale may be different than the price used to value the security. Short Term Bond Portfolio may classify these securities as having a Level 3 valuation due to a lack of observable market transactions. Some pricing services provide a single price evaluation reflecting the bid-side of

the market for an investment (a “bid” evaluation). Other pricing services offer both bid evaluations and price evaluations indicative of a price between the prices bid and asked for the investment (a “mid” evaluation). Short Term Bond Portfolio normally uses bid evaluations for U.S. Treasury and Agency securities, mortgage-backed securities and municipal securities. Short Term Bond Portfolio normally uses mid evaluations for other types of fixed-income securities and OTC derivative contracts. In the event that market quotations and price evaluations are not available for an investment, the fair value of the investment is determined in accordance with procedures adopted by the Committee.

### **Repurchase Agreements**

The Funds may invest in repurchase agreements for short-term liquidity purposes. It is the policy of the Funds to require the other party to a repurchase agreement to transfer to the Funds custodian or sub-custodian eligible securities or cash with a market value (after transaction costs) at least equal to the repurchase price to be paid under the repurchase agreement. The eligible securities are transferred to accounts with the custodian or sub-custodian in which the Funds hold a “securities entitlement” and exercises “control” as those terms are defined in the Uniform Commercial Code. The Funds have established procedures for monitoring the market value of the transferred securities and requiring the transfer of additional eligible securities if necessary to equal at least the repurchase price. These procedures also allow the other party to require securities to be transferred from the account to the extent that their market value exceeds the repurchase price or in exchange for other eligible securities of equivalent market value.

The insolvency of the other party or other failure to repurchase the securities may delay the disposition of the underlying securities or cause the Funds to receive less than the full repurchase price. Under the terms of the repurchase agreement, any amounts received by the Funds in excess of the repurchase price and related transaction costs must be remitted to the other party.

The Funds may enter into repurchase agreements in which eligible securities are transferred into joint trading accounts maintained by the custodian or sub-custodian for investment companies and other clients advised by the Funds and its affiliates. The Funds will participate on a pro rata basis with investment companies and other clients in its share of the securities transferred under such repurchase agreements and in its share of proceeds from any repurchase or other disposition of such securities.

## Federal Income Taxes

Funds in the Trust are not subject to federal income taxes in accordance with IRC Section 115. Pursuant to IRC Section 115, income derived or accrued in any essential governmental function or political subdivision thereof is excluded from gross income.

## Investment Income, Gains and Losses, Expenses and Distributions

Investment transactions are accounted for on a trade-date basis. Realized gains and losses from investment transactions are recorded on an identified-cost basis. Interest income and expenses are accrued daily. Dividend income and distributions to shareholders are recorded on the ex-dividend date. Distributions of net investment income are declared daily and paid monthly. Non-cash dividends included in dividend income, if any, are recorded at fair value.

## Premium and Discount Amortization/Paydown Gains and Losses

For the Cash Portfolio, all premiums and discounts on fixed-income securities are amortized/accreted using the straight-line method.

For the Short Term Bond Portfolio, all premiums and discounts on fixed-income securities, other than mortgage-backed securities, are amortized/accreted using the effective-interest-rate method. Gains and losses realized on principal payment of mortgage-backed securities (paydown gains and losses) are classified as part of investment income.

## Restricted Securities

The Funds may purchase securities which are considered restricted. Restricted securities are securities that either: (a) cannot be offered for public sale without first being registered, or being able to take advantage of an exemption from registration, under the Securities Act of 1933; or (b) are subject to contractual restrictions on public sales. In some cases, when a security cannot be offered for public sale without first being registered, the issuer of the restricted security has agreed to register such securities for resale, at the issuer's expense, either upon demand by the Funds or in connection with another registered offering of the securities. Many such restricted securities may be resold in the secondary market in transactions exempt from registration. Restricted securities may be determined to be liquid under criteria established by the Committee. The Funds will not incur any registration costs upon such resales. The Funds' restricted securities are priced in accordance with procedures established by and under the general supervision of the Committee.

Additional information on restricted securities, excluding securities purchased under Rule 144A that have been deemed liquid by the Committee, if applicable, held at June 30, 2013 by the Cash Portfolio, is as follows:

<u>Security</u>	<u>Acquisition Date</u>	<u>Cost</u>	<u>Market Value</u>
Devon Energy Corp., 0.343%, 7/23/2013	3/22/2013	\$36,600,000	\$36,600,000

## 2. Investment Risk Disclosure

### Interest Rate Risk

Interest rate risk is the risk associated with changes in interest rates that could adversely affect the fair value of an investment. Effective maturity for the Cash Portfolio is determined in accordance with the requirements of Rule 2a-7 since the Fund operates as a Rule 2a-7-like pool. Effective maturity for the Short Term Bond Portfolio is the unexpired period until the earliest date the investment is subject to prepayment or repurchase by the issuer (and market conditions indicate that the issuer will prepay or repurchase the investment), for callable investments. For all other investments effective maturity is the unexpired period until final maturity.

At June 30, 2013, the Cash Portfolio's effective maturity schedule was as follows:

<u>Securities With an Effective Maturity of:</u>	<u>Percentage of Total Net Position</u>
1-7 Days	22.6%
8-30 Days	17.8%
31-90 Days	39.1%
91-180 Days	15.5%
181 Days or more	4.9%
Other Assets and Liabilities—Net	0.1%
<b>TOTAL</b>	<b>100.0%</b>

At June 30, 2013, the Short Term Bond Portfolio's effective maturity schedule was as follows:

<u>Securities with an Effective Maturity of:</u>	<u>Percentage of Total Net Position</u>
Less than 1 Year	11.5%
1-5 Years	85.5%
6-10 Years	1.0%
Greater than 10 Years	0.0%
Cash Equivalents	1.7%
Other Assets and Liabilities—Net	0.3%
<b>TOTAL</b>	<b>100.0%</b>



## Credit Risk

Credit risk is the risk that the issuer or counterparty to an investment may default. The Cash Portfolio may only invest in securities rated in one of the two highest short-term rating categories by nationally recognized statistical rating organizations (NRSROs) or unrated securities of comparable quality. An NRSRO's two highest rating categories are determined without regard for sub-categories and gradations. For example, securities rated SP-1+, SP-1 or SP-2 by Standard & Poor's, MIG-1, or MIG-2 by Moody's Investors Service, or F-1+, F-1 or F-2 by Fitch Ratings, are all considered rated in one of the two highest short-term rating categories.

Securities rated in the highest short-term rating category (and unrated securities of comparable quality) are identified as First Tier securities. Securities rated in the second highest short-term rating category (and unrated securities of comparable quality) are identified as Second Tier securities. The Cash Portfolio follows applicable regulations in determining whether a security is rated and whether a security rated by multiple NRSROs in different rating categories should be identified as a First or Second Tier security.

The Short Term Bond Portfolio uses ratings from Standard & Poor's, Moody's Investors Service and Fitch Ratings. When ratings vary, the highest rating is used.

At June 30, 2013, the Cash Portfolio's securities were rated as follows:

Tier Rating Percentages Based on Total Market Value (unaudited)

<b>First Tier</b>	<b>Second Tier</b>
96.6%	3.4%

At June 30, 2013, the Short Term Bond Portfolio's securities were rated as follows:

<b>Portfolio Composition:</b>	<b>Percentage of Total Net Position</b>
AAA	63.7%
AA	11.6%
A	15.9%
BBB	6.8%
Cash Equivalents	1.7%
Other Assets and Liabilities—Net	0.3%
<b>TOTAL</b>	<b>100.0%</b>

## Custodial Credit Risk

Custodial credit risk is the risk that in the event of the failure of the counterparty, the Funds will not be able to recover the value of their investments. Investments in the Funds are not a deposit of a bank and are neither insured nor guaranteed by the Commonwealth of Massachusetts, the Federal Deposit Insurance Corporation (FDIC), the U.S. Government, or any of its agencies. Although the Cash Portfolio is managed to seek to maintain a stable \$1 unit price, there is no guarantee it will be able to do so and it is possible to lose money by investing in the Portfolio. Although the Short Term Bond Portfolio's investment objective is to generate returns that exceed the Barclays 1-5 Year Government/Credit Bond Index, there is no guarantee it will be able to do so, and it is possible to lose money by investing in the Portfolio.

## Concentration of Credit Risk

Concentration of credit risk is the risk associated with losses that may occur due to lack of diversification. Concentration of credit risk is mitigated by limiting the percentage invested with any one issuer. The Funds' Investment Circulars limit the maximum investment, at the time of purchase, in the securities of any single issuer to 5% of the portfolio. Obligations issued or guaranteed by the U.S. government, U.S. government agencies, U.S. government-sponsored enterprises or in repurchase agreements collateralized fully by such obligations are exempt from this limitation. As of June 30, 2013, neither the Cash Portfolio nor the Short Term Bond Portfolio exceeded this limitation.

## 3. Units of Participation

The beneficial interest for each Fund shall at all times be divided into an unlimited number of units.

#### 4. Management Fee and Transactions with Affiliates

Each Fund pays one all-inclusive management fee for the investment management, custody, administrative and other participant services. These fees are paid to the Adviser pursuant to an agreement dated September 13, 2012, effective March 4, 2013. The Adviser is responsible for paying all operating expenses of each Fund (excluding expenses of the Trustee, brokerage fees, commissions, taxes and extraordinary non-recurring expenses); no direct fees are charged to participants. The fee paid to the Adviser is based on each Fund's average daily net position as specified below:

Annualized Management Fee	Average Daily Net Position of the Cash Portfolio
0.070%	Position up to but not including \$1 billion
0.060%	Position from \$1 billion up to but not including \$3 billion
0.070%	Position from \$3 billion up to but not including \$5 billion
0.045%	Position equal to or in excess of \$5 billion

Annualized Management Fee	Average Daily Net Position of the Short Term Bond Portfolio
0.110%	Position up to but not including \$100 million
0.100%	Position from \$100 million up to but not including \$200 million
0.095%	Position from \$200 million up to but not including \$300 million
0.090%	Position equal to or in excess of \$300 million

For the period from March 4, 2013 to June 30, 2013, the net fees paid to the Adviser for the Cash Portfolio and the Short Term Bond Portfolio amounted to \$1,388,758 and \$109,349, respectively.

Prior to March 4, 2013, the Funds' Adviser was Pyramis Global Advisers Trust Company ("Pyramis"), a Fidelity Investments company. The fee for the Cash Portfolio was based on a graduated series of rates ranging from 0.07% to 0.13% of average net position, and the fee for the Short Term Bond Portfolio was based on graduated series of rates ranging from 0.10% to 0.25% of average net position. The rates decreased as assets under management increased and increased as assets under management decreased.

For the period from July 1, 2012 to March 3, 2013, the net fees paid to Pyramis for the Cash Portfolio and the Short Term Bond Portfolio amounted to \$4,831,018 and \$317,527, respectively.

#### Transactions Involving Affiliated Holdings

Affiliated holdings are mutual funds which are managed by the Adviser or an affiliate of the Adviser. The Adviser has agreed to reimburse the Funds for certain investment adviser fees as a result of transactions in affiliated mutual funds. For the Short Term Bond Portfolio, for the year ended June 30, 2013, the Adviser reimbursed \$1,916. Transactions involving the affiliated holding during the year ended June 30, 2013, were as follows:

#### Federated Prime Value Obligations Fund, Institutional Shares

Balance of Shares Held 6/30/2012	0
Purchases/Additions	32,812,254
Sales/Reductions	(26,933,451)
Balance of Shares Held 6/30/2013	5,878,803
Value	\$5,878,803
Dividend Income	\$1,801

# Independent Auditors' Report

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## To the Unitholders and the Trustee of Massachusetts Municipal Depository Trust:

### Report on the Financial Statements

We have audited the accompanying financial statements of MMDT Cash Portfolio and MMDT Short Term Bond Portfolio (the "Funds"), funds of the Massachusetts Municipal Depository Trust, which comprise the statements of net position, including the portfolios of investments, as of June 30, 2013, and the related statements of changes in net position and financial highlights for the year then ended, and the related notes to the financial statements.

#### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with U.S. generally accepted accounting principles; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

#### *Auditors' Responsibility*

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### *Opinion*

In our opinion, the financial statements referred to above present fairly in all material respects, the financial position of the Funds as of June 30, 2013, and the changes in net position and financial highlights for the year then ended in accordance with U.S. generally accepted accounting principles.

#### *Other Matters*

The accompanying financial highlights of the Funds for the years presented prior to July 1, 2012 were audited by other auditors whose report thereon dated September 14, 2012, expressed an unmodified opinion on those financial highlights.

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### *Other Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The letter from the Treasurer of the Commonwealth of Massachusetts is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly we do not express an opinion or provide any assurance on it.

**KPMG LLP**

Boston, MA  
September 13, 2013



Managed and serviced by subsidiaries  
of Federated Investors, Inc.

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Federated Investment Counseling

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### **Trustee**

Steven Grossman

### **Investment Adviser**

Federated Investment Counseling

### **Custodian**

State Street Bank & Trust Company

### **Independent Auditors**

KPMG LLP