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POSTAL RATE COMMISSION  
OFFICE OF THE SECRETARY

May 6, 1997

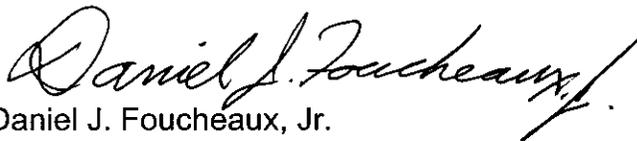
Hon. Margaret P. Crenshaw, Secretary  
Postal Rate Commission  
1333 H Street, NW, Suite 300  
Washington, D.C. 20268-0001

Dear Ms. Crenshaw:

In connection with the Commission's rules pertaining to periodic reports, 39 C.F.R. § 3001.102 (1996), I have enclosed copies of the following:

Investment Income Statement, Second Quarter, GFY 1997.

Sincerely,



Daniel J. Foucheaux, Jr.  
Chief Counsel, Ratemaking

Enclosures

cc: Ms. Brown



INVESTMENT INCOME  
SECOND QUARTER, GFY 1997

PRC 103

	SECOND QUARTER (12/7/96-2/28/97)	YTD GFY 1997 (10/1/96-2/28/97)
BEGINNING BALANCE (Book Value)	\$865,600,324.31	\$859,800,329.09
ADD		
PURCHASES AT COST	51,695,870,000.00	74,656,270,000.00
ACCRUAL OF DISCOUNT	10,483,946.44	15,111,691.97
PROFIT (LOSS) NET _1/	0.00	0.00
SUBTOTAL	51,706,353,946.44	74,671,381,691.97
DEDUCT		
AMORTIZATION OF PREMIUM	6.00	10.78
PROCEEDS FROM SALES	51,358,653,946.44	74,317,881,691.97
SUBTOTAL	51,358,653,952.44	74,317,881,702.75
ENDING BALANCE (Book Value)	\$1,213,300,318.31	\$1,213,300,318.31
AVERAGE INVESTMENT BALANCE	\$874,292,821.27	\$697,568,999.16
INVESTMENT INCOME	\$10,486,057.84	\$15,115,468.55
AVERAGE YIELD = _2/	5.21%	5.24%

\_1/ DOES NOT INCLUDE CERTIFICATE OF DEPOSIT \$8,586,000.00

\_2/ AVERAGE YIELD = 
$$\frac{\text{INVESTMENT INCOME/\# OF DAYS IN QTR} \times 365}{\text{AVERAGE INVESTMENT BALANCE}}$$

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