



Date: April 30, 2018
To: Mayor and City Council
From: City Manager
By: Director of Finance
Subject: 2018 First Quarter Investment Report

In accordance with California Government Code and the City's Statement of Investment Policy, I am transmitting for your review the quarterly investment report for the period of January 1 – March 31, 2018 (1Q2018). The City's Investment Advisory Committee (IAC) reviewed this report (but took no formal action) during their quarterly meeting on April 23, 2018. The attached report provides a summary of market and economic conditions, the composition of the City's portfolio, investment performance and investment strategy. Monthly summaries of the City's investments managed by PFM along with the quarterly reports are posted on the City of Hayward website at: <http://www.hayward-ca.gov/your-government/documents/investment-reports>.

The City's investment portfolio (pooled cash) carried a market value of \$277.7 million as of March 31, 2018. The investments held at the end of 1Q2018 included \$120.6 million invested through the City's investment advisor, The PFM Group; \$116.1 million on deposit in the Local Agency Investment Fund (LAIF); and \$41 million in the City's general checking account.

Interest earned during 1Q2018 on the City's portfolio managed by the PFM Group (excluding LAIF and cash accounts) totaled \$391,393. The portfolio outperformed the City's benchmark used for comparison (1-3 Year U.S. Treasury Index) – by 20 basis points for the one-year period from March 31, 2017 to March 31, 2018 and met the benchmark for the quarter. Funds on deposit with LAIF earned 1.43% during 1Q2018. The balance held in the City's general checking account does not earn interest.

Pursuant to provision (3) of California Government Code section 53646, the City establishes that it is able to meet its pooled expenditure requirements for the next six months.

Attachments:

First Quarter 2018 Performance Investment Report by The PFM Group
First Quarter 2018 LAIF Performance Report



CITY OF HAYWARD

Investment Performance Review For the Quarter Ended March 31, 2018

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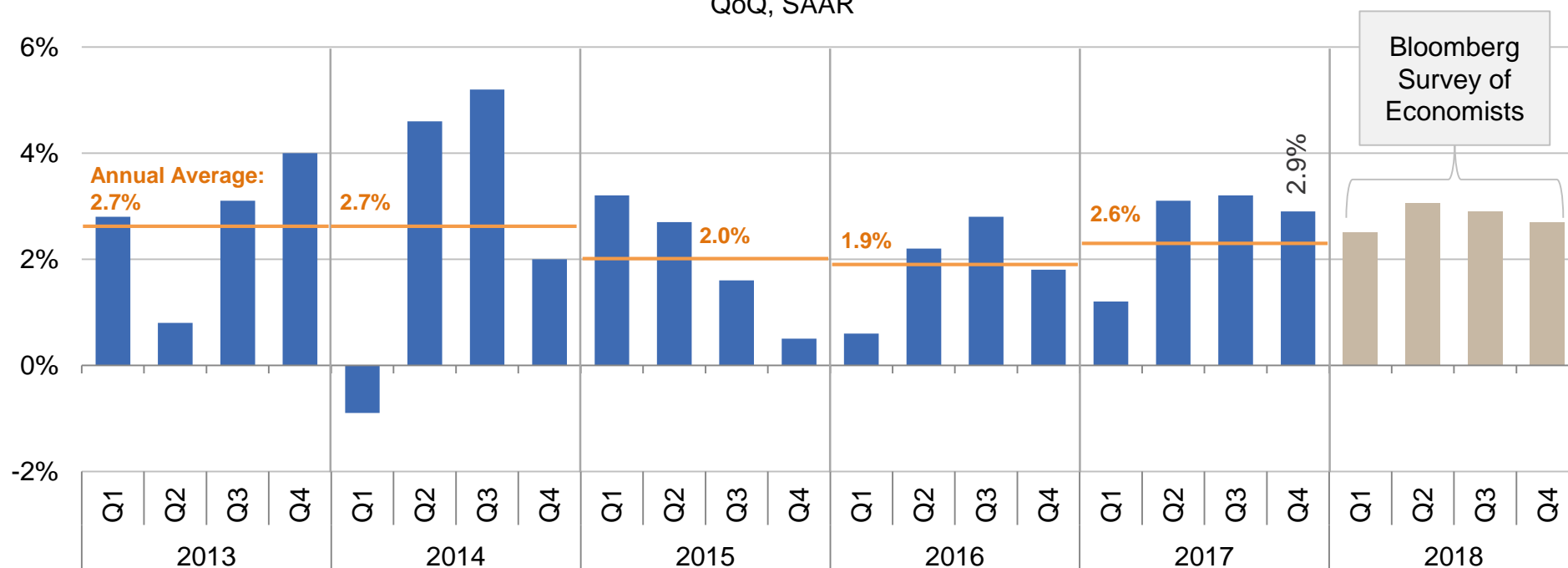
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Market Update

Moderate U.S. Economic Expansion

- U.S. gross domestic product (GDP) grew at an annualized rate of 2.9% in the fourth quarter of 2017. Despite slowing slightly from more than 3% growth in both the second quarter and third quarters, the overall pace of economic activity remained solid as the economy grew at an average of 2.6% on a quarterly basis (annualized), the fastest pace since 2014.
- Strong growth in consumer spending and business investment continued to fuel economic activity over the quarter, while significant declines in inventories and net exports were a drag on reported GDP in the fourth quarter.

U.S. Real GDP QoQ, SAAR

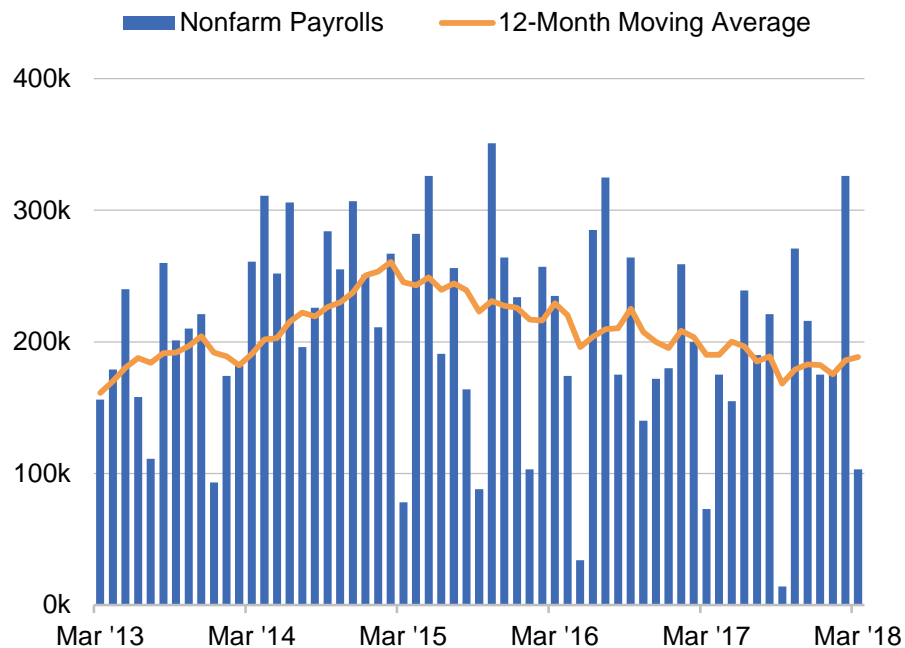


Source: Bloomberg, as of 3/31/2018.

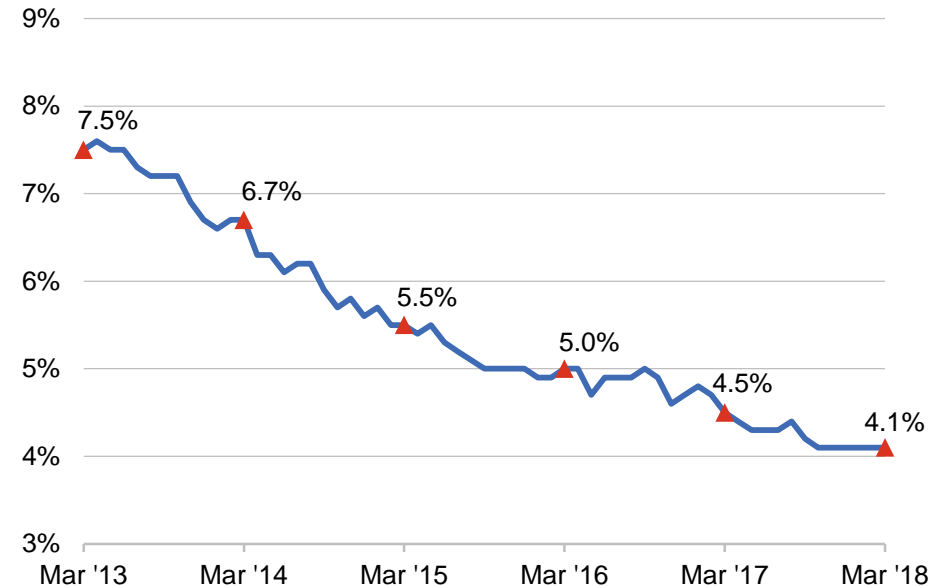
Labor Market Strength Remains

- ◆ The U.S. labor market added 605,000 jobs in the first quarter of 2018.
 - The headline unemployment rate held steady at 4.1% in March for the sixth straight month, matching the lowest level in 17 years.
 - The labor force participation rate ended the quarter at 62.9%, up slightly from 62.7% at the end of 2017.
 - The tight labor market is slowly pushing up worker pay. Average hourly earnings—a key measure of wage growth—rose 2.7% over the past 12 months, ending March.

Monthly Change in Nonfarm Payrolls



Unemployment Rate

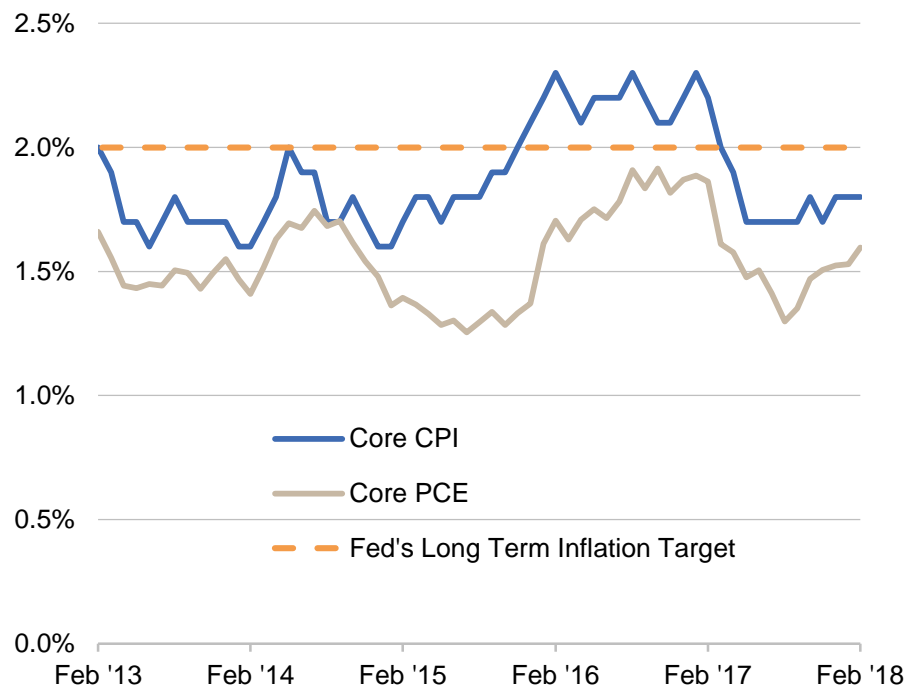


Source: Bloomberg, as of March 2018.

Inflation Expectations Have Moved Higher

- The core personal consumption expenditures (PCE) price index, the Fed's preferred measure of inflation, ticked slightly higher to 1.6% year-over-year in February but still remains firmly below the Fed's 2% target.
- Inflation expectations continue to rise gradually as a result of higher recent wage growth and increases in gold and oil prices.

Inflation Measures
(YoY)



Expectations for Average Inflation
Rate over Next 5 Years

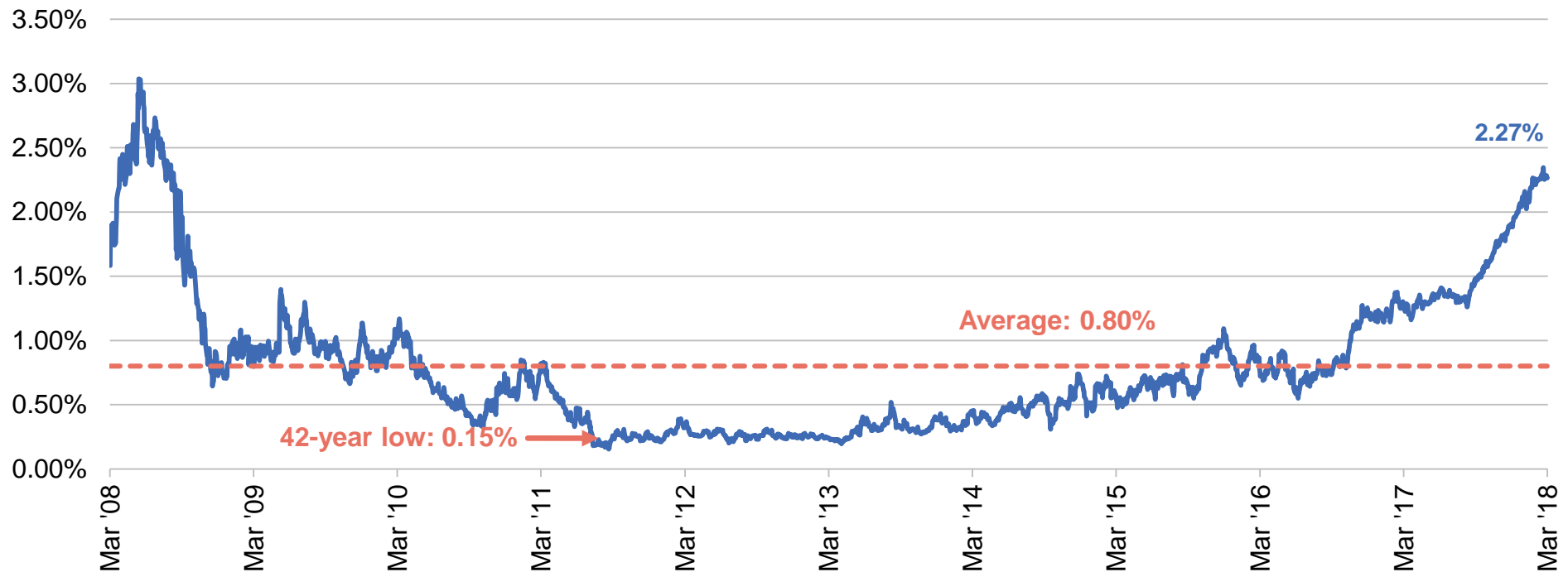


Source: Bloomberg, latest data available as of March 2018. Inflation expectations based on yield difference between 5-year Treasury note and 5-year Treasury Inflation Protected Securities (TIPS).

Short-Term Treasury Yields Continue to Rise

- The 2-year Treasury yield continued to move higher throughout the first quarter of 2018, increasing 38 basis points (0.38%) to 2.27%, levels not seen since 2008.
- The first quarter marked the seventh straight quarterly rise in the 2-year yield as the U.S. economy remained strong and the Federal Reserve continued on its path of quantitative tightening, raising the federal funds target rate by 25 basis points to a range of between 1.50% to 1.75% at its March meeting.

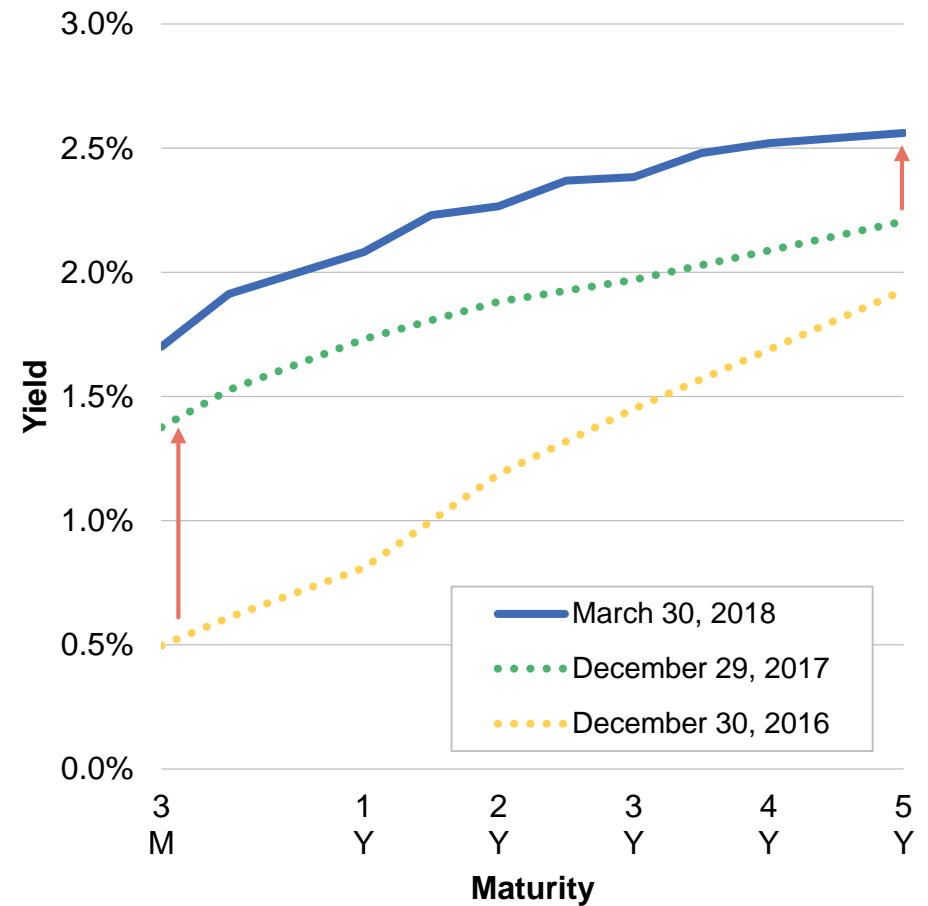
2-Year Treasury Yield



Source: Bloomberg, as of 3/31/2018.

U.S. Treasury Curve

	Current 3/31/18	Year-End 12/29/17	Year-End 12/30/16
3-month	1.70%	1.38%	0.50%
6-month	1.91%	1.53%	0.61%
1-year	2.08%	1.73%	0.81%
2-year	2.27%	1.88%	1.19%
3-year	2.38%	1.97%	1.45%
5-year	2.56%	2.21%	1.93%



Source: Bloomberg, as of 3/31/2018.

Credit Spreads Widen to Start 2018

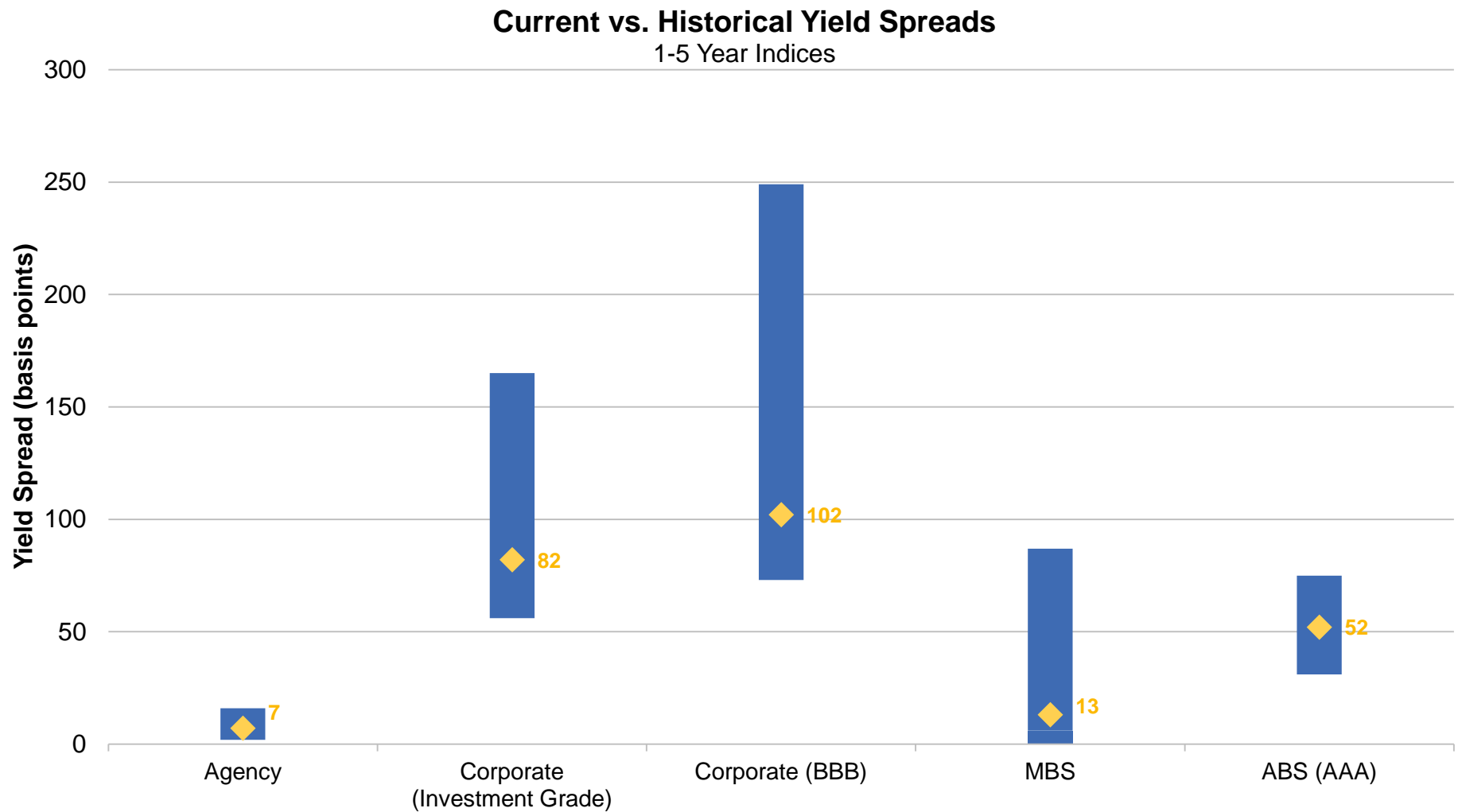
- Credit spreads spiked after the equity market turmoil in early February and have continued to drift wider, increasing the value available in the sector. Although corporate securities have underperformed in the first quarter as a result of spread widening, they are now offered at their cheapest levels since May 2017. With the economy still improving and credit fundamentals still strong, this has been an opportunity to purchase credit investments with incremental value.

1-5 Year Investment Grade Corporate Yield Spreads (OAS)



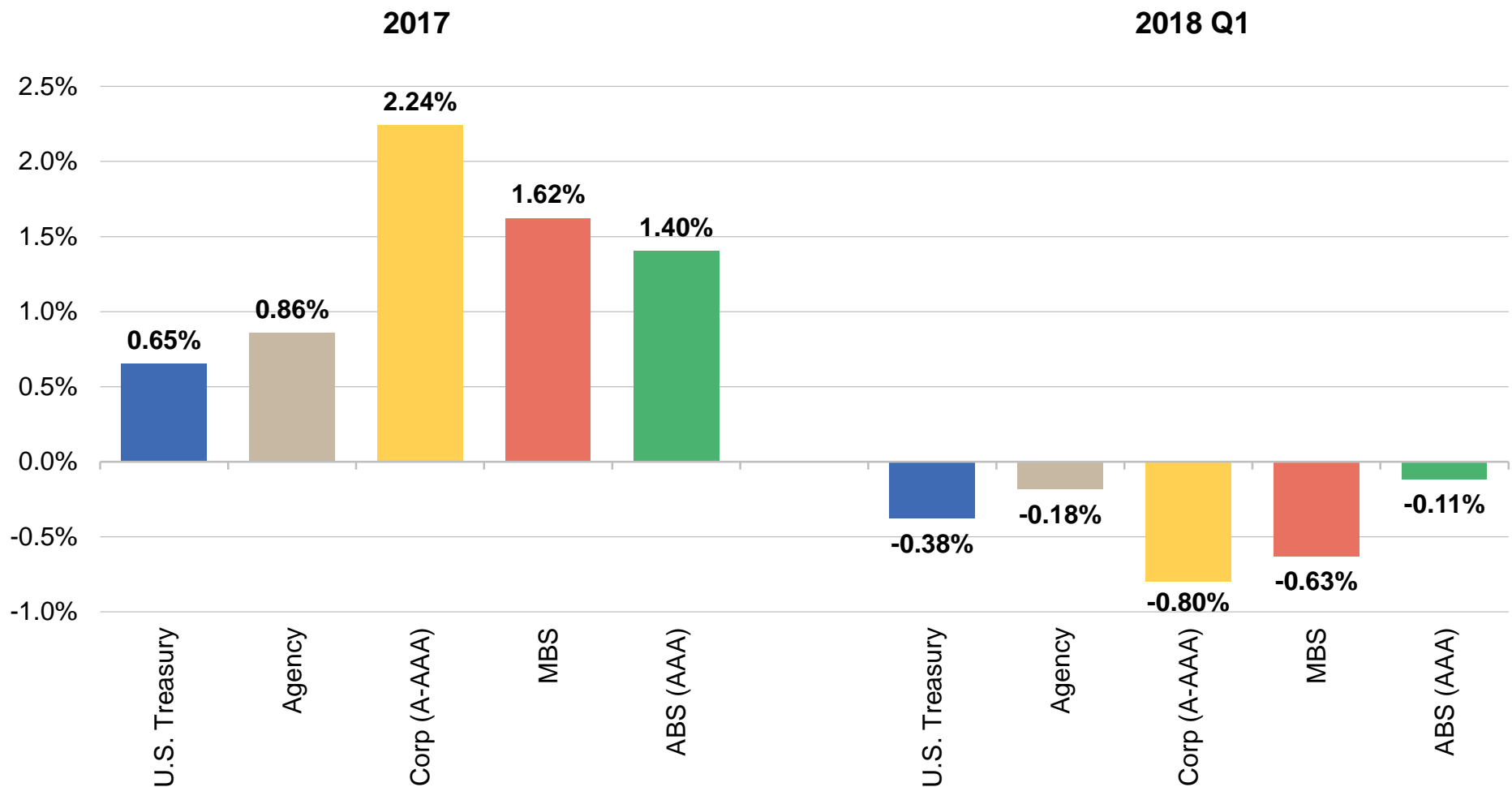
Source: Bloomberg, Bank of America Merrill Lynch Indices, as of March 2018. OAS is Option Adjusted Spread.

Sector Yield Spreads Still Near Historically Tight Levels



Source: ICE BofAML 1-5 year Indices, as of 4/2/2018.

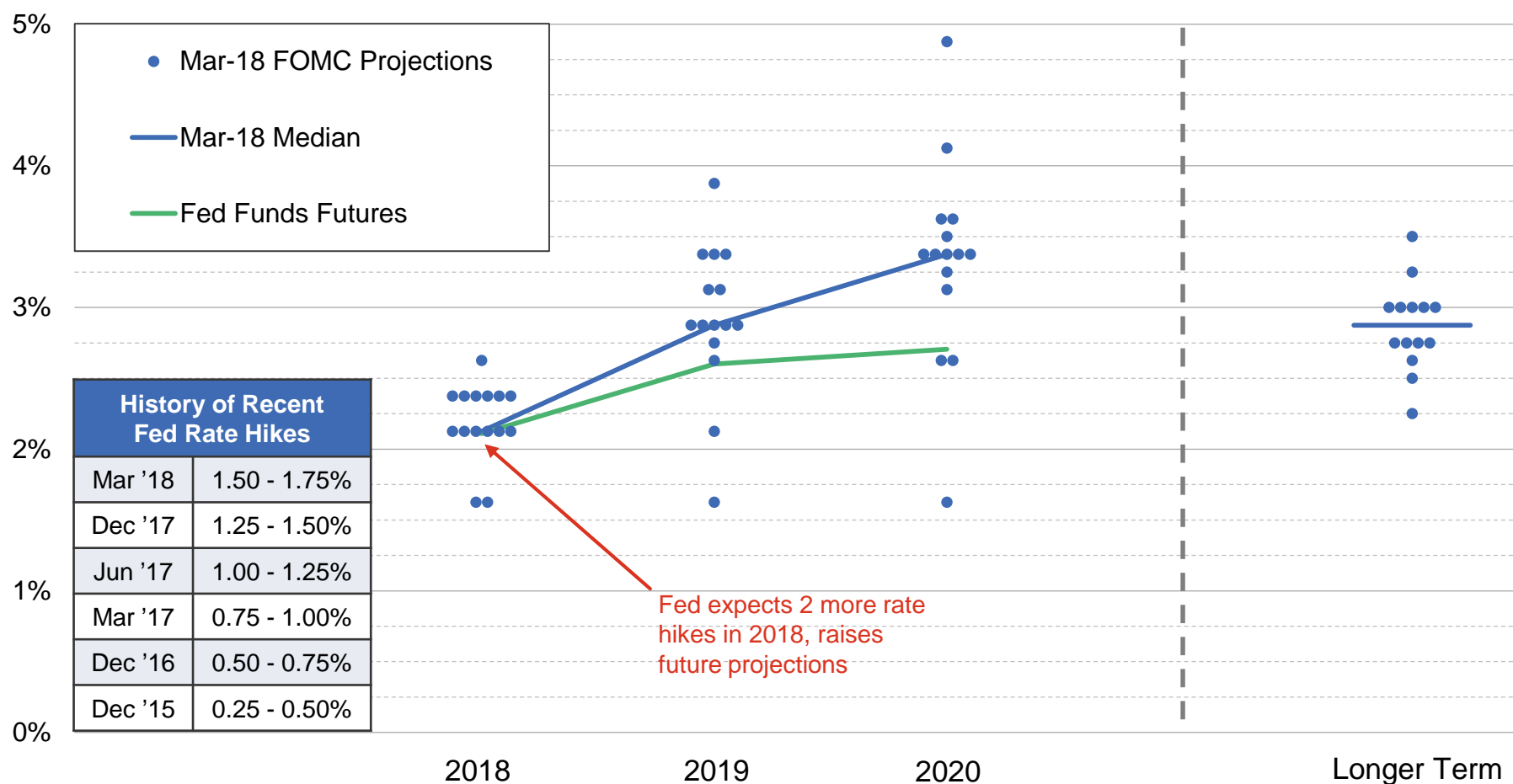
Sector Returns 1-5 Year Indices



Source: ICE BofAML Indices. MBS and ABS indices are 0-5 year, based on weighted average life. As of 3/31/2018.

FOMC “Dot Plot” – March 2018

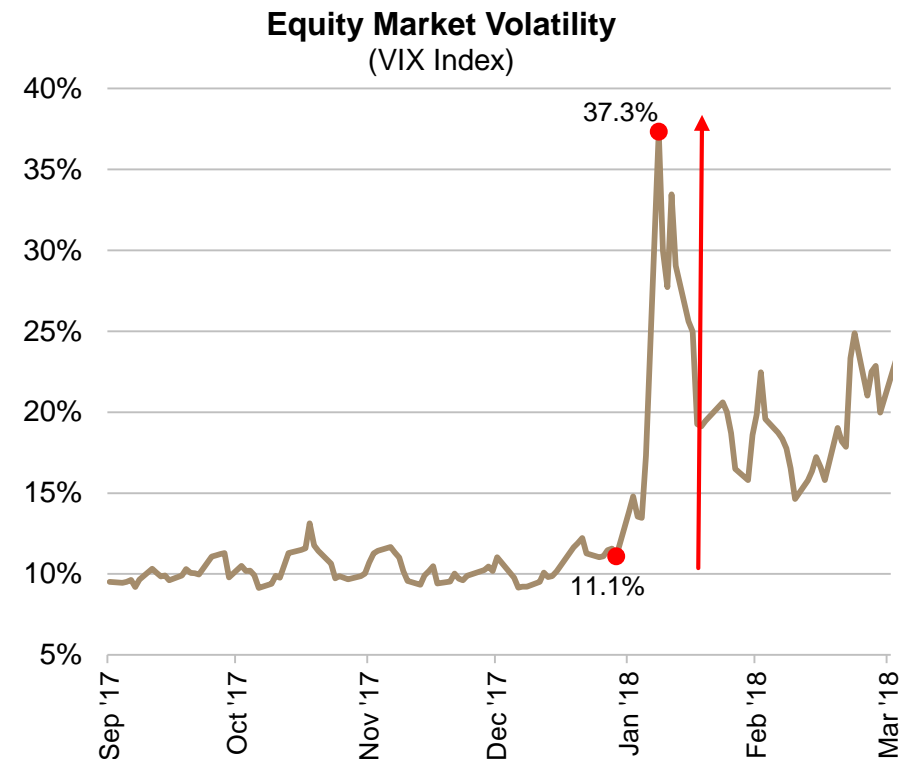
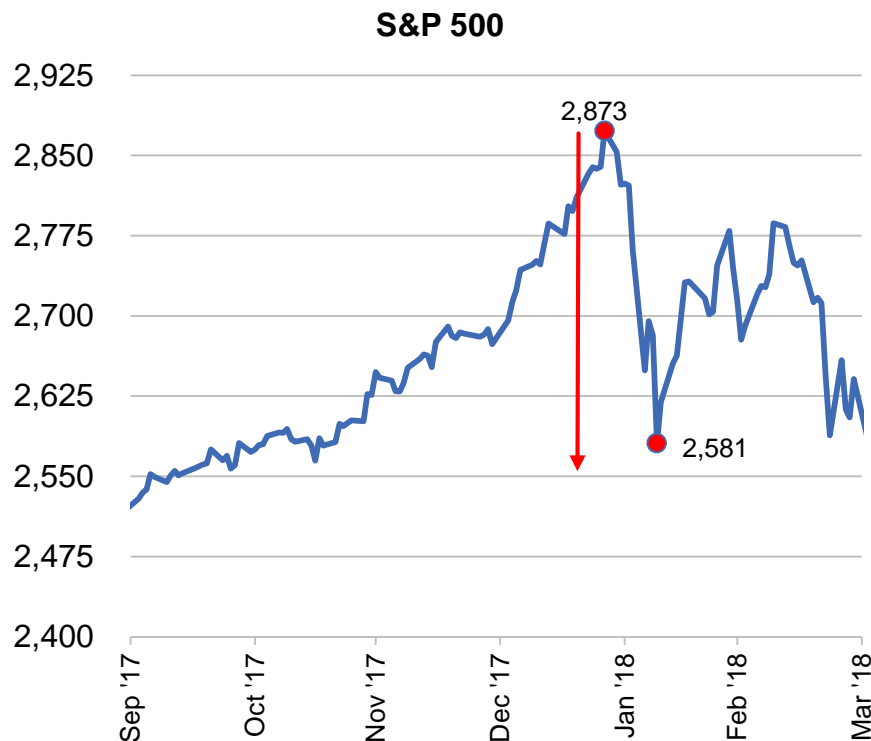
Fed Participants’ Assessments of “Appropriate” Monetary Policy



Source: Federal Reserve and Bloomberg. Individual dots represent each Fed members' judgement of the midpoint of the appropriate target range for the federal funds rate at each year-end. Fed funds futures as of 3/21/18.

The Return of Market Volatility

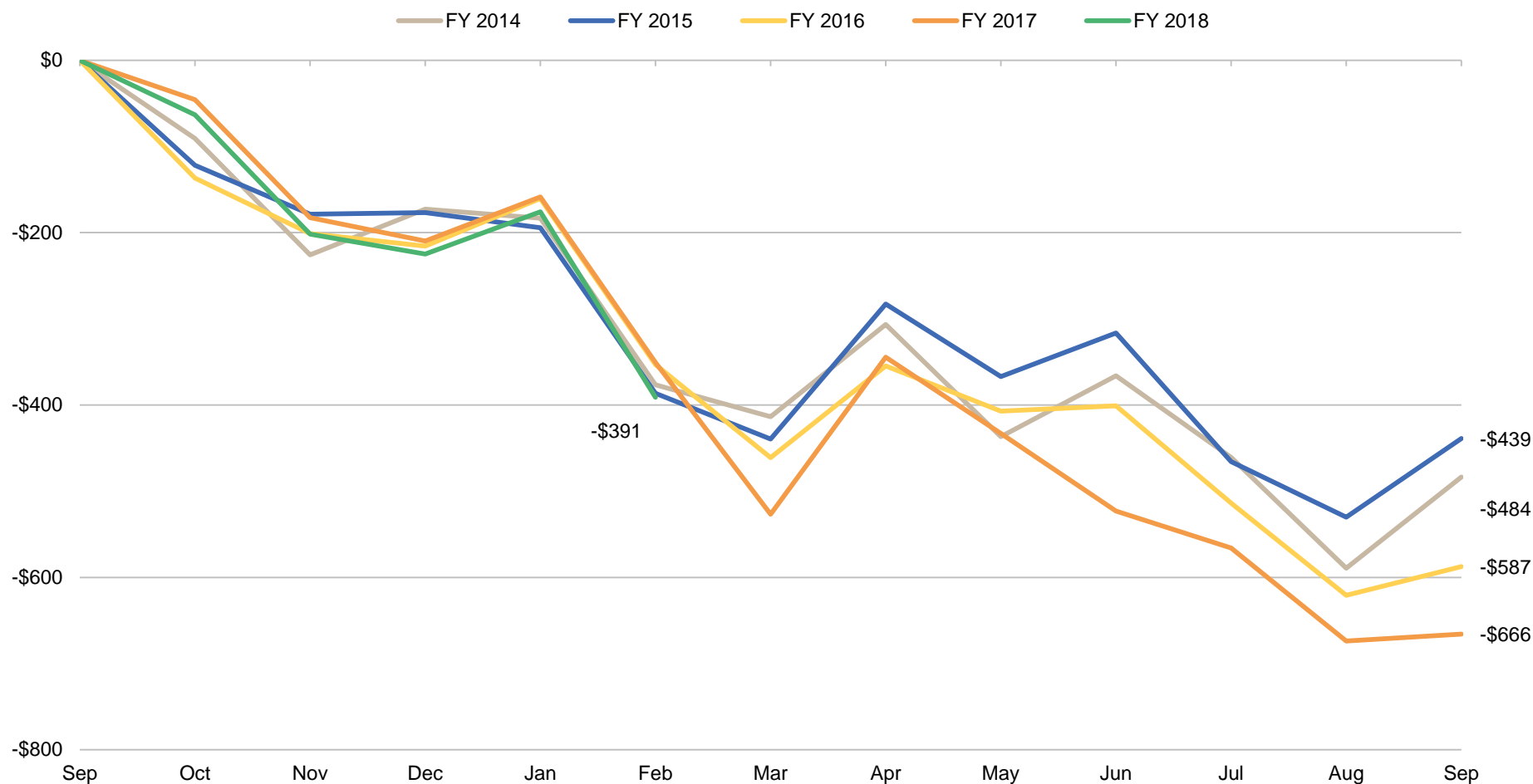
- After beginning 2018 as 2017 ended, calm and complacent with the S&P 500 logging 14 new record highs in January, volatility roared back into financial markets in early February. After months near all-time record lows, the Chicago Board Options Exchange (CBOE) Volatility Index surged to a near five-year high as concerns surrounding possible trade wars, overheating of the economy given tax cuts and expansionary fiscal budget, and stretched valuations took investors' focus.



Source: Bloomberg, as of 3/31/2018.

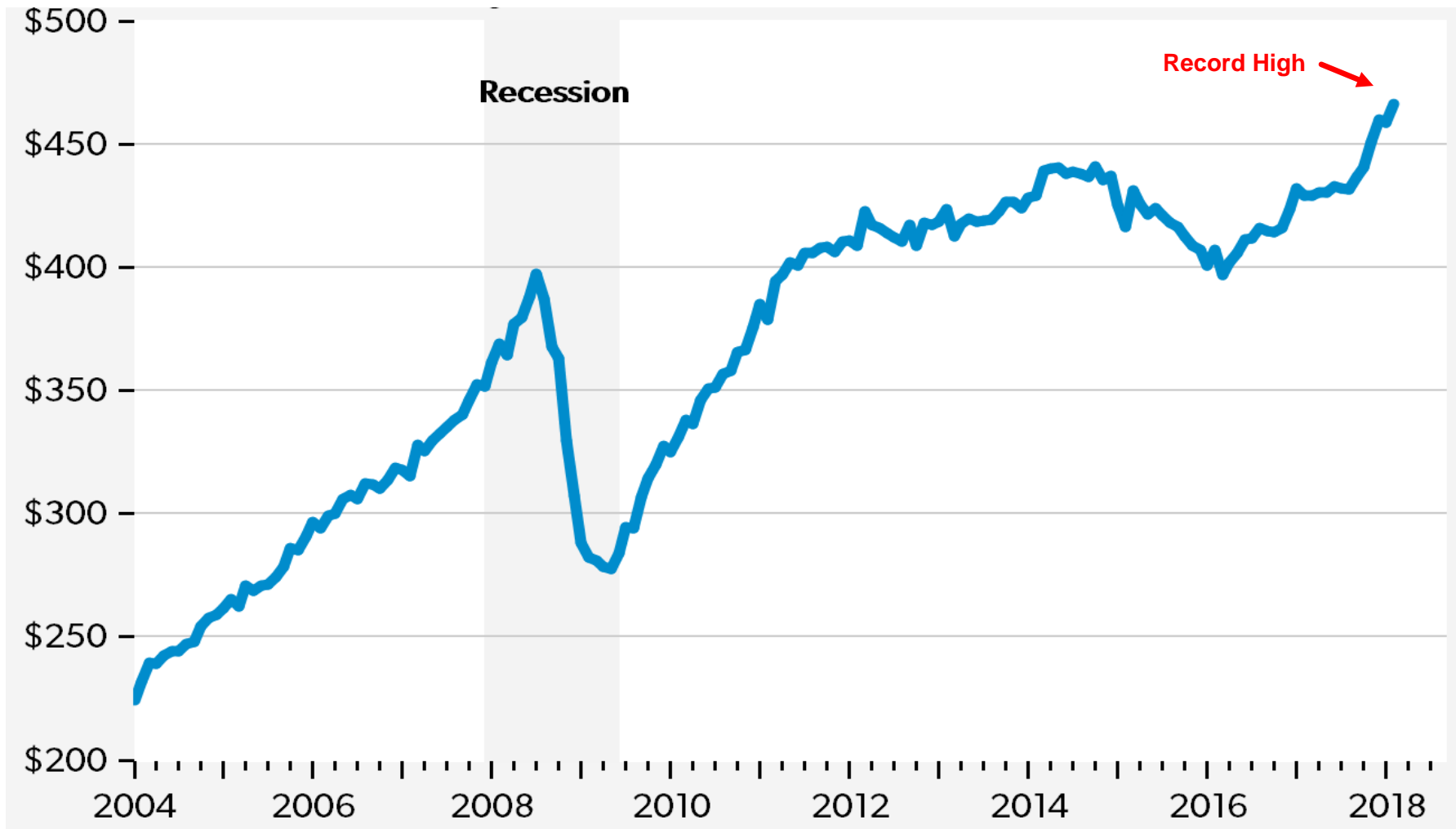
U.S. Federal Budget Deficit on Track to Increase in 2018

U.S. Budget Deficit: Cumulative Fiscal YTD (in billions)



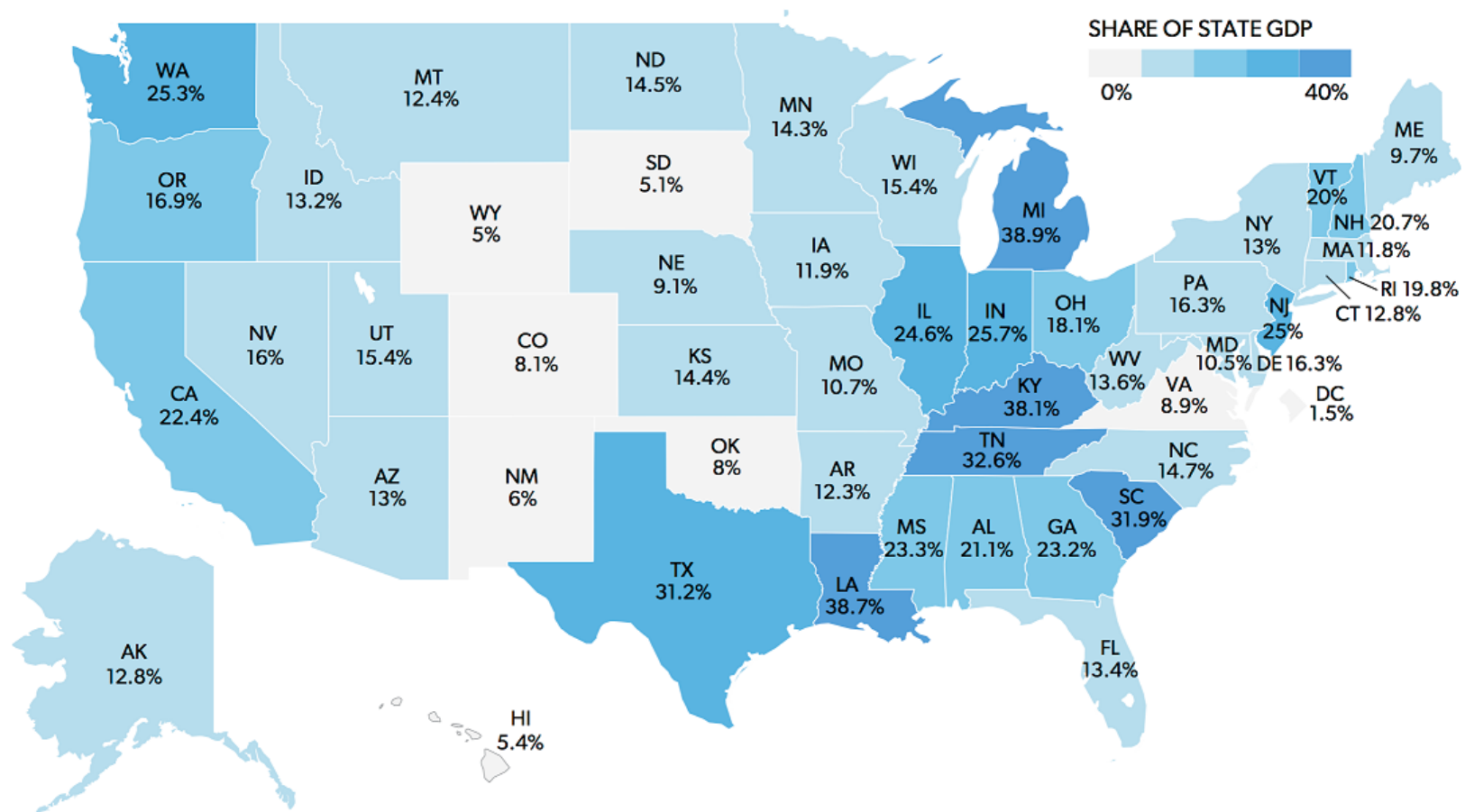
Source: Bloomberg, U.S. Office of Budget and Management. U.S. fiscal year ends September 30 of each year. YTD FY 2018 is as of February 2018.

Trade Focus: U.S. International Trade (Exports + Imports)



Source: U.S. Census Bureau and Bureau of Economic Analysis.

Trade Focus: International Trade as a Share of State GDP



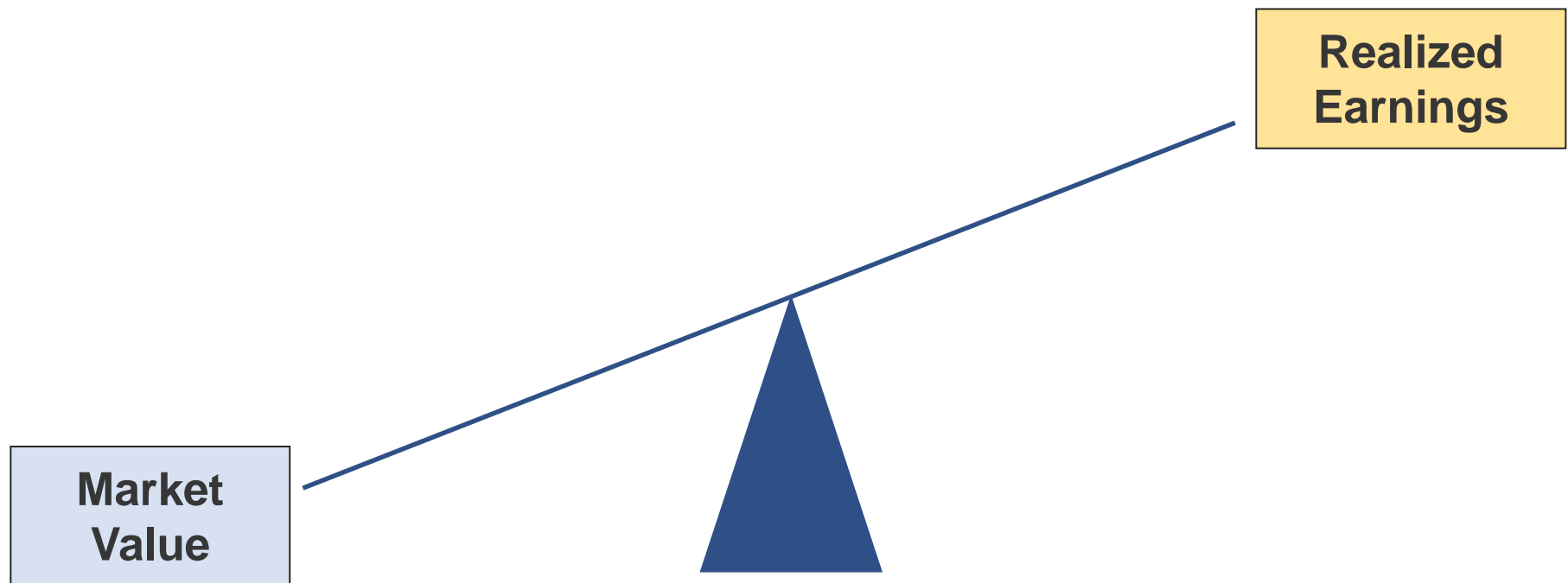
Source: U.S. Census Bureau and Bureau of Economic Analysis (2017 data).

The Impact of Rising Rates

- For fixed-income holdings, when interest rates rise. . .
- Market values of existing holdings decline, resulting in *unrealized* market value losses and possibly negative total return;

HOWEVER

- Realized earnings will increase over time as new securities are added at higher interest rates.



Portfolio Review

Portfolio Recap

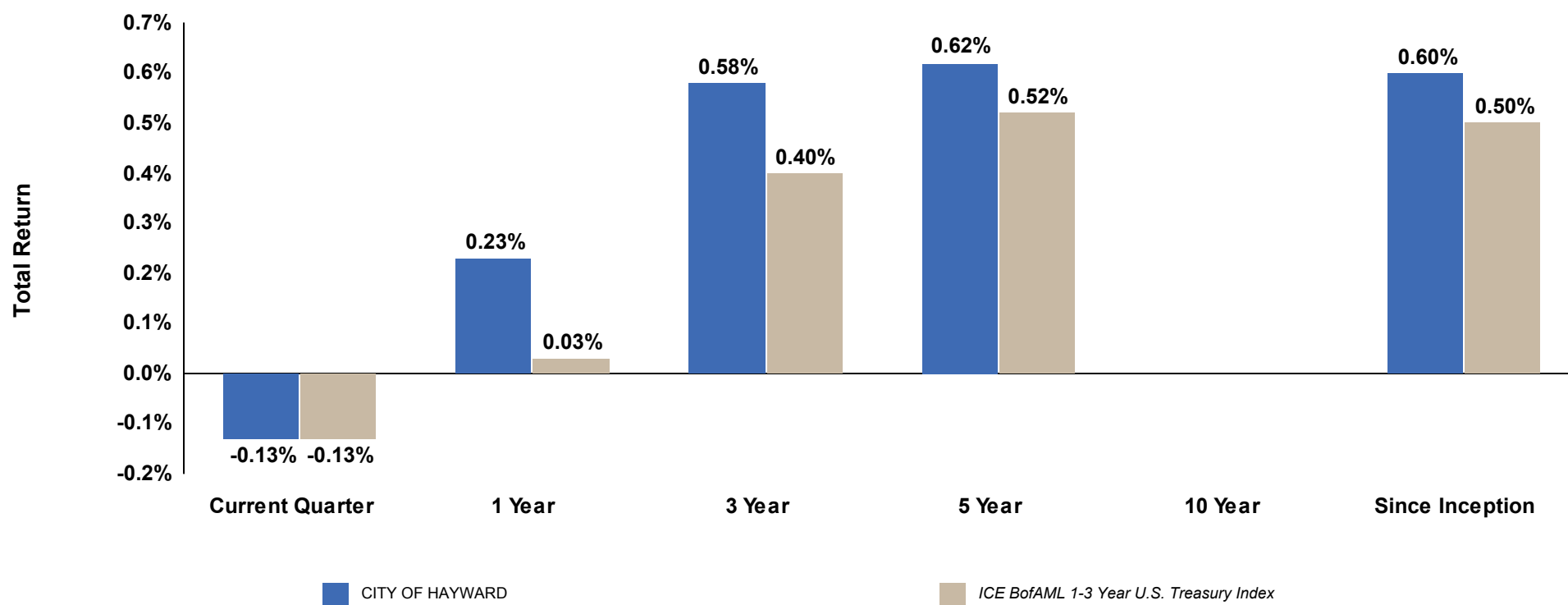
- ◆ A long list of positive economic data remains a key driver of economic growth, consumer confidence, and business optimism.
 - GDP posted an upward revision of fourth-quarter GDP to 2.9%.
 - Estimates for 2018 GDP call for growth in the range of 2.7% to 2.8%.
 - Jobs growth continued to strengthen, averaging over 200,000 per month in the first quarter.
 - The unemployment rate remained at 4.1%—a 17-year low.
 - Productivity hit a 2-year high.
 - Manufacturing reached a 3-year high.
 - Consumer confidence rebounded after a dampened fourth quarter and now sits at a 14-year high.
 - Inflation, while below the Fed's target of 2%, inched higher by most measures.
- ◆ New Fed Chair Jay Powell made his first public address at February's semi-annual monetary policy report to Congress. His maiden testimony hinted at a continuance of gradual rate hikes while acknowledging that "the economic outlook remains strong" and the expectation for inflation to increase and closely approach the FOMC's 2% objective remains intact.
- ◆ The Fed remained true to its stated course, raising short-term rates by $\frac{1}{4}$ percent in March, and interest rates continued their ascent over the quarter. As a result, we strategically positioned portfolios with a defensive duration bias relative to benchmarks to help insulate market values in the well-choreographed interest rate environment. However, with rates at or near multi-year highs, there were also opportunities to capture higher yields selectively in some parts of the yield curve when rebalancing portfolios.

Portfolio Recap (Continued)

- ◆ The combined effects of less predictable U.S. politics and policy (e.g., tariffs, trade wars, Facebook, global relations, budget deficits, etc.) created an environment of heightened volatility. The “risk off” sentiment triggered wider credit spreads.
 - Wider spreads caused corporate-related investments to underperform for the quarter. While portfolios typically benefit from increased credit allocations, returns in the first quarter were negatively affected.
 - Federal agency yield spreads remained very narrow throughout the quarter. New issue agencies continued to be our preferred—in some cases only—outlet to add exposure at relatively attractive yields. Generally, the agency sector added modest positive excess returns in the first quarter (returns in excess of similar-duration Treasuries) across much of the yield curve, benefiting portfolio performance.
 - Supranational seasonal supply increased as expected in the first quarter, and we utilized the opportunity to increase allocations in the sector at attractive yield spreads. This incremental income helped boost sector returns.
 - Following a flurry of 2017 year-end issuance ahead of tax reform and notable underperformance, the municipal sector bounced back in the first quarter as short- to intermediate-term municipal indexes generated strong relative performance for the quarter. However, the temporary nature of the outperformance was not a compelling reason to jump into the sector in full force.
 - After yield spreads in the corporate sector reached another new post-recession low in January, we shifted our generally constructive view of the corporate sector to a slightly more defensive posture by holding current positions (and letting them drift shorter over time) rather than adding to allocations. In the latter half of the quarter, the story shifted abruptly as market volatility pushed credit spreads markedly wider through quarter-end. As a result, we began to add corporate exposure (including negotiable CDs) more aggressively again in March.
 - Asset-backed securities (ABS) were also impacted by adverse spread widening during the quarter but prompted no change in our fundamental view of the sector. We continued to select ABS issues we found attractively priced during the quarter.
 - Rising rates and wider yield spreads hurt agency mortgage-backed security (MBS) returns in the quarter. We continued our cautious approach to the MBS sector, adding only shorter duration, less interest-rate-sensitive issues, like commercial MBS (CMBS)—those backed by loans on commercial properties.

Portfolio Performance (Total Return)

Portfolio/Benchmark	Effective Duration	Current Quarter	Annualized Return				
			1 Year	3 Year	5 Year	10 Year	Since Inception (09/30/12) *
CITY OF HAYWARD	1.76	-0.13%	0.23%	0.58%	0.62%	-	0.60%
ICE BofAML 1-3 Year U.S. Treasury Index	1.80	-0.13%	0.03%	0.40%	0.52%	-	0.50%
Difference		0.00%	0.20%	0.18%	0.10%	-	0.10%



Portfolio performance is gross of fees unless otherwise indicated. *Since Inception performance is not shown for periods less than one year.

Portfolio Earnings**Quarter-Ended March 31, 2018**

	Market Value Basis	Accrual (Amortized Cost) Basis
Beginning Value (12/31/2017)	\$121,139,384.27	\$122,165,981.22
Net Purchases/Sales	(\$292,778.71)	(\$292,778.71)
Change in Value	(\$611,993.38)	(\$83,247.06)
Ending Value (03/31/2018)	\$120,234,612.18	\$121,789,955.45
Interest Earned	\$448,882.97	\$448,882.97
Portfolio Earnings	(\$163,110.41)	\$365,635.91

Sector Allocation and Compliance

- The portfolio is in compliance with the City of Hayward's Investment Policy and the California Government Code.

Security Type	Market Value	% of Portfolio	Permitted by Policy	In Compliance
U.S. Treasury	\$58,238,348	21.0%	100%	✓
Federal Agency	\$28,706,226	10.3%	100%	✓
Federal Agency CMOs	\$4,997,230	1.8%	20%	✓
Municipal Bonds	\$2,556,925	0.9%	20%	✓
Supranationals	\$7,752,991	2.8%	30%	✓
Negotiable CDs	\$8,370,230	3.0%	30%	✓
Corporate Notes	\$6,949,435	2.5%	30%	✓
Asset-Backed Securities	\$2,663,226	1.0%	20%	✓
Securities Sub-Total	\$120,234,612	43.3%		
Accrued Interest	\$391,393			
Securities Total	\$120,626,005			
LAIF	\$116,147,913	41.9%	195 Million ¹	✓
Bank of West	\$40,995,490	14.8%	100%	✓
Total Investments	\$277,769,408	100.0%		

As of 3/31/2018. Detail may not add to total due to rounding.

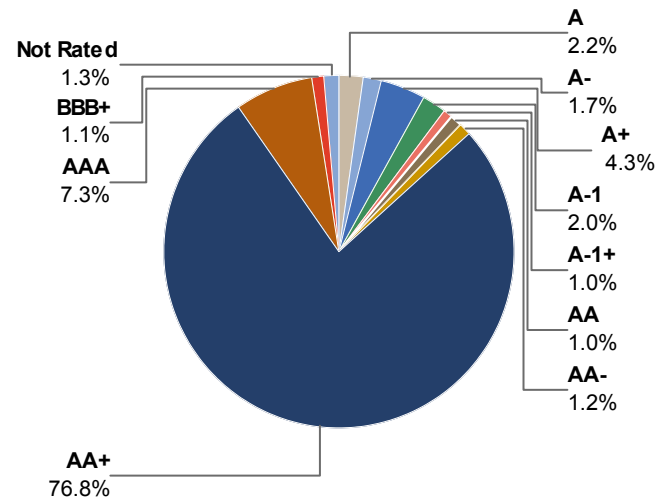
1. The maximum allowable LAIF balance is \$65 million per account. LAIF City: \$58.6 million. LAIF HPFA: \$17.3 million. LAIF Housing: \$40.2 million.

Portfolio Statistics

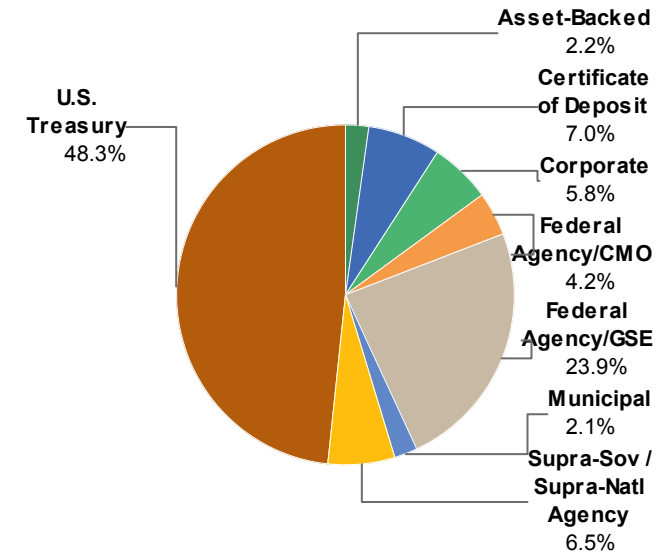
As of March 31, 2018

Par Value:	\$122,069,957
Total Market Value:	\$120,626,005
Security Market Value:	\$120,234,612
Accrued Interest:	\$391,393
Cash:	-
Amortized Cost:	\$121,789,955
Yield at Market:	2.32%
Yield at Cost:	1.55%
Effective Duration:	1.76 Years
Duration to Worst:	1.80 Years
Average Maturity:	1.91 Years
Average Credit: *	AA

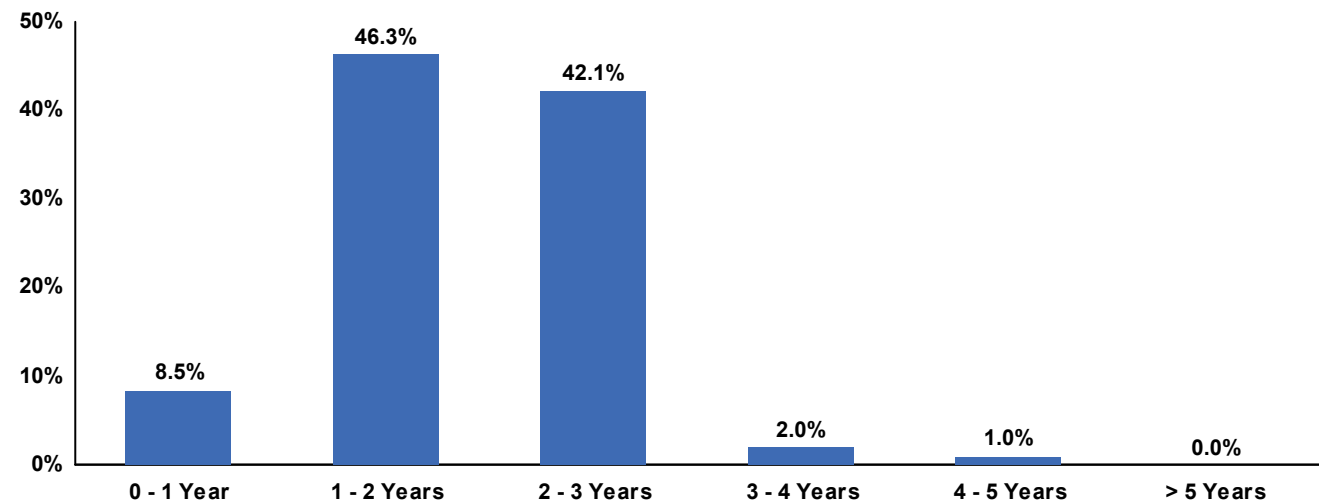
Credit Quality (S&P Ratings)



Sector Allocation



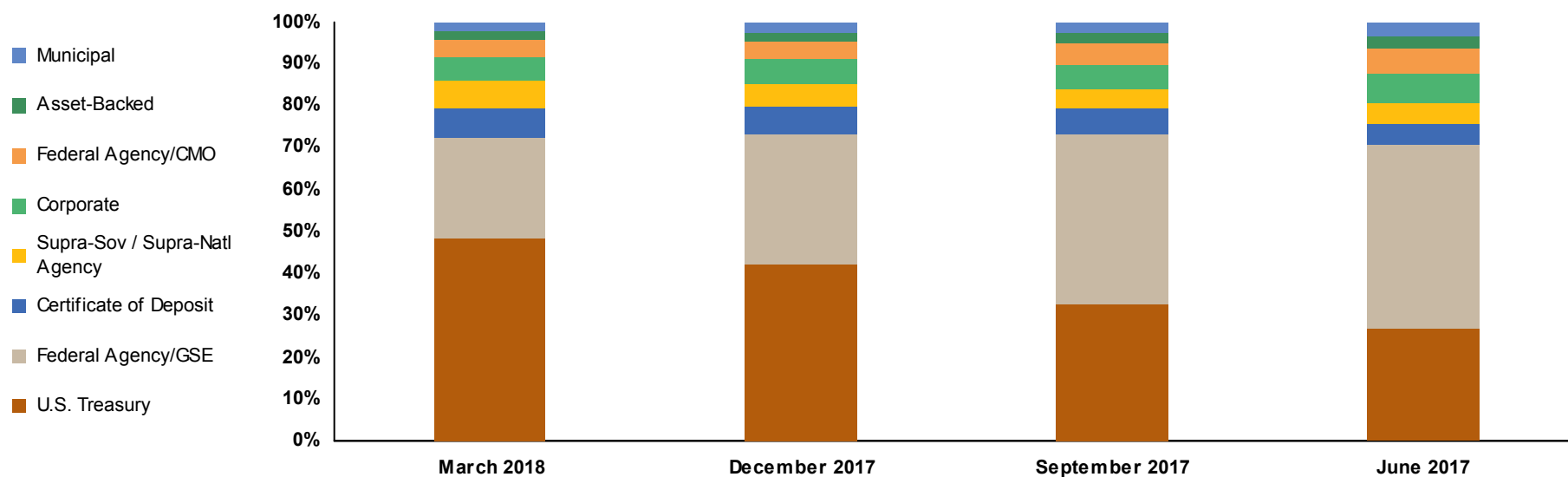
Maturity Distribution



* An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.

Sector Allocation

Sector	March 31, 2018		December 31, 2017		September 30, 2017		June 30, 2017	
	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total
U.S. Treasury	58.2	48.3%	50.9	42.1%	39.7	32.5%	32.2	26.7%
Federal Agency/GSE	28.7	23.9%	37.7	31.1%	49.2	40.2%	52.6	43.7%
Certificate of Deposit	8.4	7.0%	7.8	6.4%	7.8	6.4%	6.0	5.0%
Supra-Sov / Supra-Natl Agency	7.8	6.5%	6.5	5.4%	5.3	4.4%	6.3	5.3%
Corporate	6.9	5.8%	7.3	6.0%	7.3	6.0%	8.5	7.0%
Federal Agency/CMO	5.0	4.2%	5.0	4.1%	6.5	5.4%	7.4	6.1%
Asset-Backed	2.7	2.2%	2.9	2.4%	3.1	2.6%	3.3	2.8%
Municipal	2.6	2.1%	3.0	2.5%	3.0	2.5%	4.1	3.4%
Total	\$120.2	100.0%	\$121.1	100.0%	\$122.0	100.0%	\$120.4	100.0%

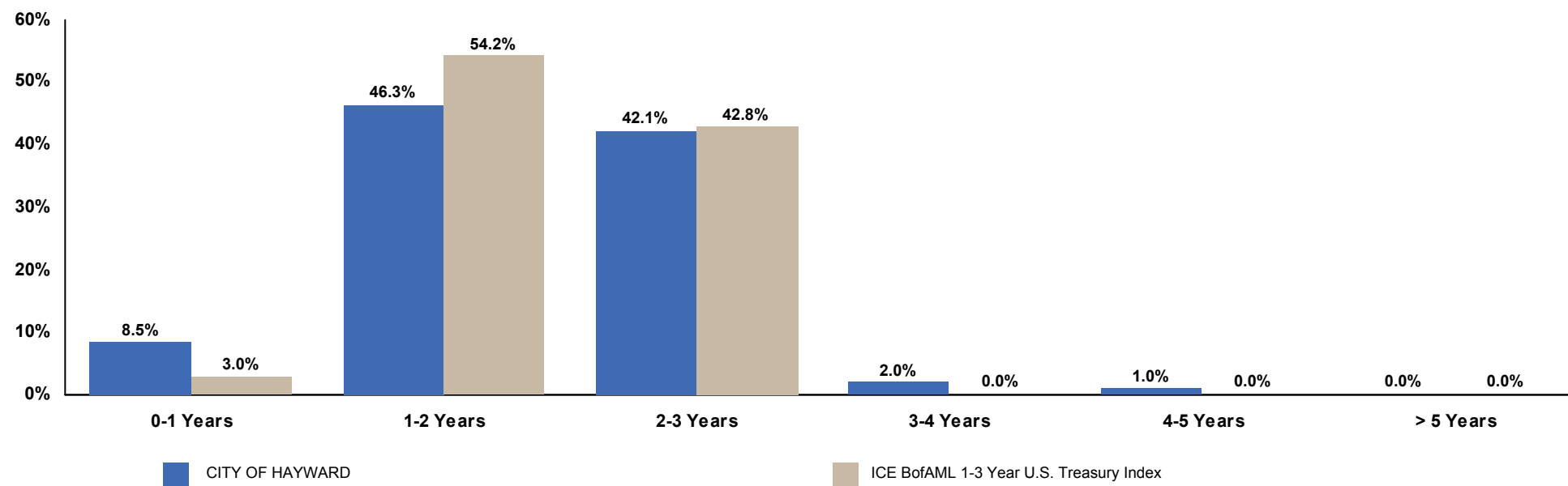


Detail may not add to total due to rounding.

Maturity Distribution

As of March 31, 2018

Portfolio/Benchmark	Yield at Market	Average Maturity	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years
CITY OF HAYWARD	2.32%	1.91 yrs	8.5%	46.3%	42.1%	2.0%	1.0%	0.0%
ICE BofAML 1-3 Year U.S. Treasury Index	2.28%	1.93 yrs	3.0%	54.2%	42.8%	0.0%	0.0%	0.0%



Sector/Issuer Distribution

As of March 31, 2018

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
Asset-Backed			
ALLY AUTO RECEIVABLES TRUST	608,991	22.9%	0.5%
CARMAX AUTO OWNER TRUST	265,150	10.0%	0.2%
CITIGROUP INC	447,441	16.8%	0.4%
FORD CREDIT AUTO OWNER TRUST	240,241	9.0%	0.2%
HONDA AUTO RECEIVABLES	271,919	10.2%	0.2%
HYUNDAI AUTO RECEIVABLES	256,396	9.6%	0.2%
JOHN DEERE OWNER TRUST	118,712	4.5%	0.1%
NISSAN AUTO RECEIVABLES	310,898	11.7%	0.3%
TOYOTA MOTOR CORP	143,479	5.4%	0.1%
Sector Total	2,663,226	100.0%	2.2%
Certificate of Deposit			
BANK OF MONTREAL	1,198,874	14.3%	1.0%
BANK OF NOVA SCOTIA	1,193,285	14.3%	1.0%
CANADIAN IMPERIAL BANK OF COMMERCE	1,196,652	14.3%	1.0%
CREDIT SUISSE GROUP	601,988	7.2%	0.5%
MITSUBISHI UFJ FINANCIAL GROUP INC	619,163	7.4%	0.5%
NORDEA BANK AB	598,183	7.1%	0.5%
SKANDINAVISKA ENSKILDA BANKEN AB	1,163,651	13.9%	1.0%
SVENSKA HANDELSBANKEN AB	1,194,101	14.3%	1.0%

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
UBS AG	604,333	7.2%	0.5%
Sector Total	8,370,230	100.0%	7.0%
Corporate			
AMERICAN EXPRESS CO	589,639	8.5%	0.5%
AMERICAN HONDA FINANCE	275,838	4.0%	0.2%
APPLE INC	395,410	5.7%	0.3%
BANK OF AMERICA CO	576,951	8.3%	0.5%
CHEVRON CORPORATION	298,076	4.3%	0.2%
CITIGROUP INC	460,722	6.6%	0.4%
DEERE & COMPANY	546,489	7.9%	0.5%
GOLDMAN SACHS GROUP INC	593,584	8.5%	0.5%
IBM CORP	592,426	8.5%	0.5%
JP MORGAN CHASE & CO	892,943	12.8%	0.7%
MORGAN STANLEY	293,950	4.2%	0.2%
NATIONAL RURAL UTILITIES CO FINANCE CORP	249,311	3.6%	0.2%
THE BANK OF NEW YORK MELLON CORPORATION	592,019	8.5%	0.5%
TOYOTA MOTOR CORP	592,078	8.5%	0.5%
Sector Total	6,949,435	100.0%	5.8%
Federal Agency/CMO			
FANNIE MAE	2,169,407	43.4%	1.8%
FREDDIE MAC	2,827,823	56.6%	2.4%

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
Sector Total	4,997,230	100.0%	4.2%
Federal Agency/GSE			
FANNIE MAE	16,503,694	57.5%	13.7%
FEDERAL HOME LOAN BANKS	8,007,903	27.9%	6.7%
FREDDIE MAC	4,194,629	14.6%	3.5%
Sector Total	28,706,226	100.0%	23.9%
Municipal			
STATE OF CONNECTICUT	1,316,738	51.5%	1.1%
UNIVERSITY OF CALIFORNIA	1,240,188	48.5%	1.0%
Sector Total	2,556,925	100.0%	2.1%
Supra-Sov / Supra-Natl Agency			
INTER-AMERICAN DEVELOPMENT BANK	2,896,254	37.4%	2.4%
INTERNATIONAL FINANCE CORPORATION	1,843,305	23.8%	1.5%
INTL BANK OF RECONSTRUCTION AND DEV	3,013,432	38.9%	2.5%
Sector Total	7,752,991	100.0%	6.4%
U.S. Treasury			
UNITED STATES TREASURY	58,238,348	100.0%	48.4%
Sector Total	58,238,348	100.0%	48.4%

Portfolio Total	120,234,612	100.0%	100.0%
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Investment Strategy Outlook

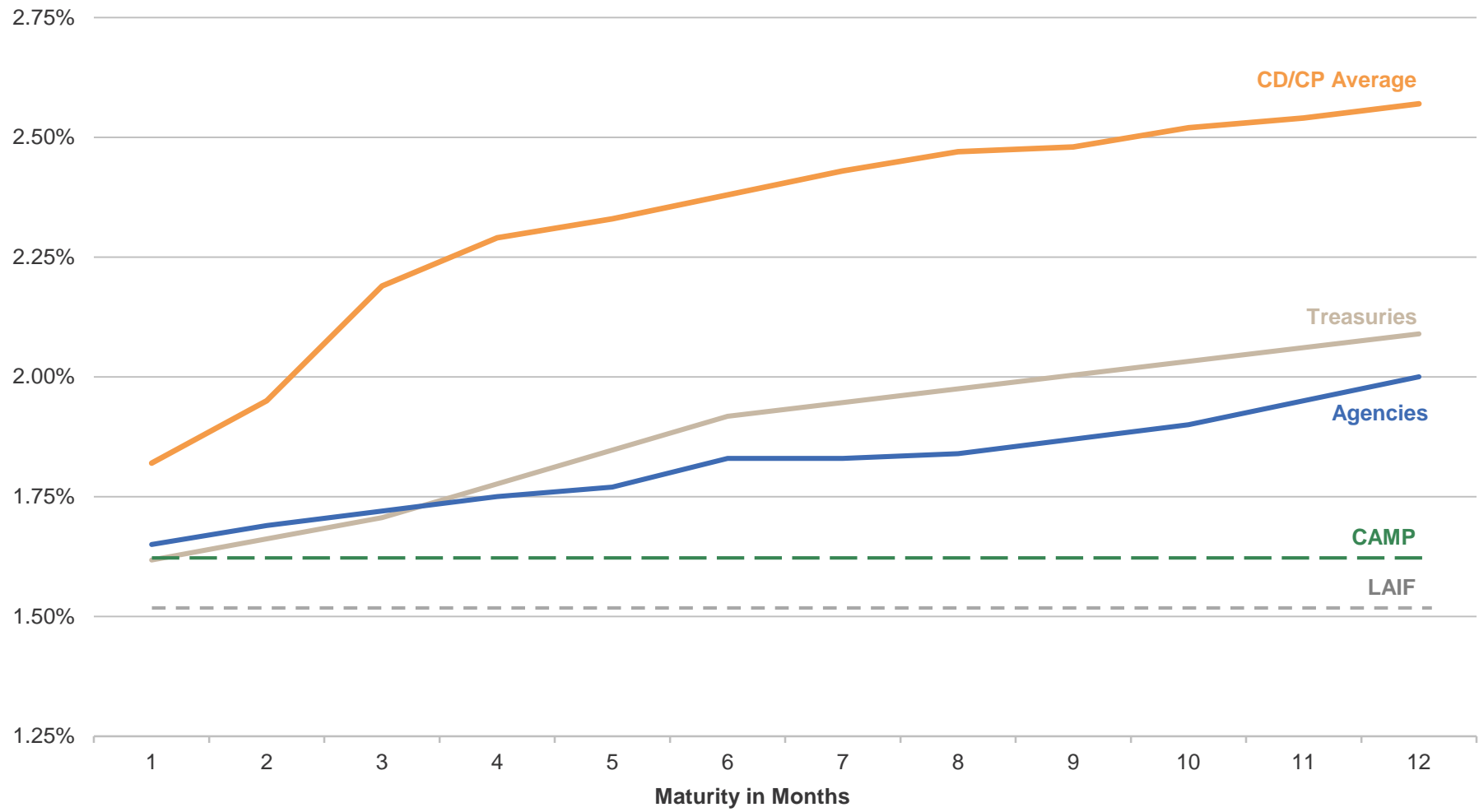
- The economic themes of the previous quarter have carried over into 2018: healthy job production, consistent GDP growth, positive corporate guidance, and heightened consumer confidence. However, where complacency had characterized the global markets quarter after quarter, volatility roared back in the first quarter. While rising volatility increases some market risks, it can also create investment opportunities.
- Our outlook for each of the major investment-grade fixed income sectors are as follows:
 - In the corporate sector, our view is that recent yield spread widening represents a modest normalization of spreads off of post-recession lows as opposed to a weakening in fundamentals. As such, wider spreads present an opportunity to selectively add to allocations that have become less expensive. While corporate fundamentals remain healthy and the outlook for the sector is still positive, careful issuer due diligence will drive selection. In particular, we are closely watching the supply/demand impacts of corporate profit repatriation (prompted by the December 2017 tax cuts) and signs of excessive balance sheet leverage in companies in certain industries.
 - Negotiable CDs and asset-backed securities remain attractively priced credit sectors, and we will continue to source new exposure.
 - Federal agency securities remain expensive, as spreads are in the low single digits across much of the yield curve; however, by quarter end, specific agency maturities (2- and 5-year) were more attractively priced, representing an opportunity to potentially increase allocations.
 - The expected spike in supranational issuance is approaching its seasonal slowdown. Over the next few months, this supply dynamic may nudge spreads temporarily wider and offer additional investment opportunities. Our current strategy calls for continuing to add to allocations of supranationals as an attractive alternative to Treasuries and agencies.
 - With municipal market issuance down significantly year-to-date, opportunities to add to the sector remain limited. However, municipals provide positive diversification prospects to portfolios, and we will continue to seek out attractive issues in both the secondary and new issue markets.

Investment Strategy Outlook (Continued)

- The increasing pace of Fed balance sheet run-off in the MBS sector, coupled with an anticipated increase in seasonal supply, warrants a cautious approach to the sector. Portfolio additions will be based on specific collateral, coupon, and overall sensitivity to rising rates.
- The short-term credit curve (under one year) steepened noticeably heading into the March Fed meeting and remained elevated through quarter end. With 6-month prime commercial paper and negotiable certificates of deposit spreads at 50 to 60 basis points over comparable Treasury securities, the sector appears very attractive and compensates investors for at least two more fed rate hikes in 2018.

Comparison of Short-Term Yields

Money Market Yield Curves



Source: PFM Trading Desk, Bloomberg, as of 3/31/18. CAMP and LAIF yield as of 3/31/18.

Yield Environment as of March 31, 2018

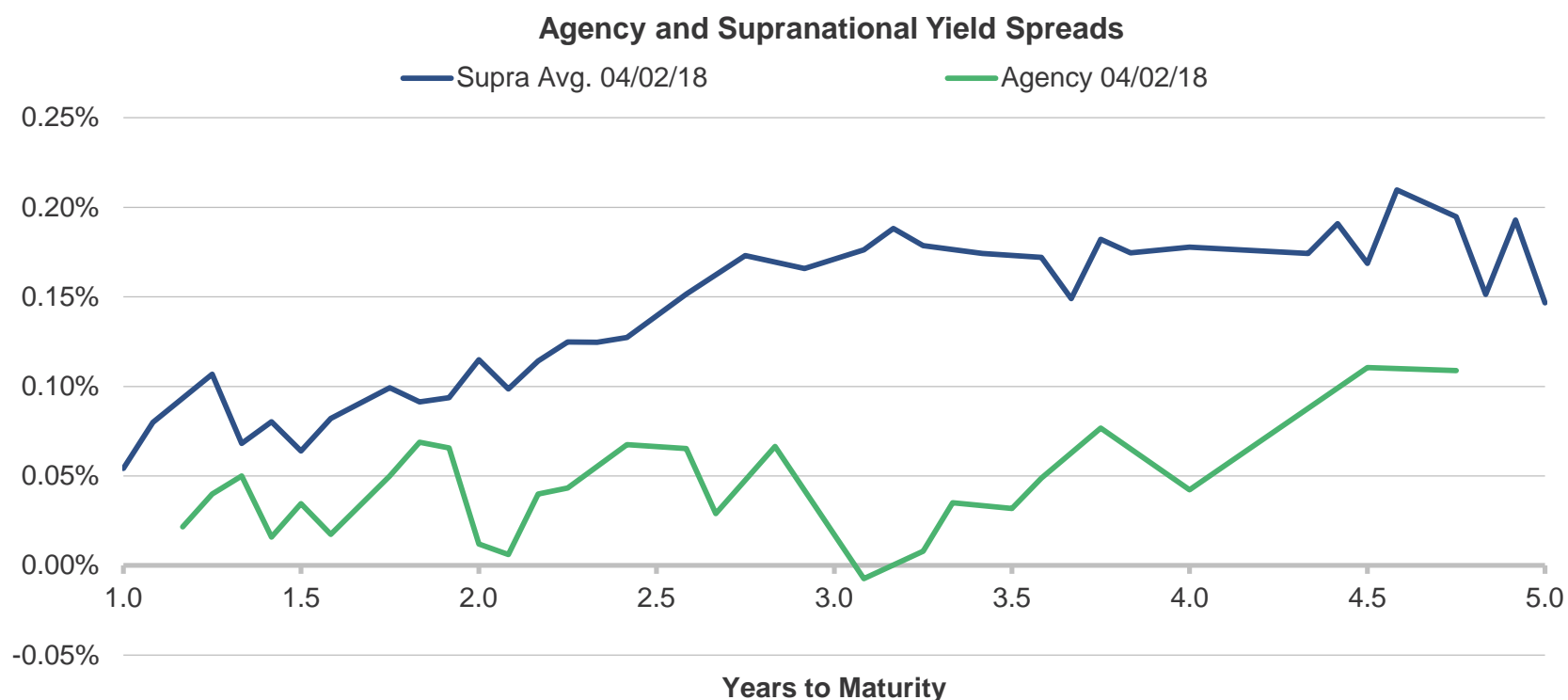
Maturity	Treasury	Federal Agency	AA Corporate	A Corporate
3-Month	1.70%	1.72%	2.11%	2.21%
6-Month	1.91%	1.85%	2.32%	2.39%
1-Year	2.08%	2.06%	2.54%	2.63%
2-Year	2.27%	2.35%	2.66%	2.82%
3-Year	2.38%	2.44%	2.82%	2.99%
5-Year	2.56%	2.66%	3.08%	3.22%

>3%!

Source: Bloomberg BVAL yield curves for Treasury and Corporate. TradeWeb for Federal Agency yields. 3 and 6 month corporate yields from commercial paper; A-1+ for AA and A-1 for A. Yields are for indicative purposes only; actual yields may vary by issue.

Supranationals Continue to Offer Value over Agencies

- Yield spreads for federal agency securities widened modestly in March, but remain narrow by historical standards.
- Supranationals continue to offer incremental value, with spreads of +10 to +20 basis points over agencies of similar maturity. We purchased a 3-year IFC security at a spread of +20 basis points to matched-maturity Treasuries.



Source: Bloomberg, as of 3/31/18, California Gov't Code Section 53601(q) permits investments in International Bank for Reconstruction and Development (World Bank), International Finance Corporation (IFC), and Inter-American Development Bank (IADB).

Portfolio Holdings and Transactions

Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
BUY									
1/2/18	1/4/18	3,500,000	912828N89	US TREASURY NOTES	1.37%	1/31/21	3,450,531.59	2.05%	
2/2/18	2/2/18	400,000	912828N89	US TREASURY NOTES	1.37%	1/31/21	388,749.14	2.36%	
2/7/18	2/8/18	600,000	22549LFR1	CREDIT SUISSE NEW YORK CERT DEPOS	2.67%	2/7/20	600,000.00	2.67%	
2/7/18	2/8/18	625,000	912828P87	US TREASURY N/B	1.12%	2/28/21	605,446.50	2.36%	
2/13/18	2/15/18	300,000	61746BEA0	MORGAN STANLEY CORP NOTES	2.50%	4/21/21	297,335.00	3.06%	
2/15/18	2/16/18	3,100,000	912828P87	US TREASURY N/B	1.12%	2/28/21	2,999,910.33	2.42%	
2/20/18	2/22/18	600,000	65590ASN7	NORDEA BANK AB NY CD	2.72%	2/20/20	600,000.00	2.72%	
2/21/18	2/22/18	600,000	912828G95	US TREASURY NOTES	1.62%	12/31/19	594,747.80	2.24%	
2/21/18	2/26/18	250,000	63743HER9	NATIONAL RURAL UTIL COOP	2.90%	3/15/21	249,722.50	2.94%	
3/2/18	3/6/18	600,000	90275DHG8	UBS AG STAMFORD CT LT CD	2.90%	3/2/20	600,000.00	2.93%	
3/6/18	3/9/18	121,661	3137AWQG3	FHMS K023 A1	1.58%	4/25/22	119,061.59	2.58%	
3/7/18	3/9/18	1,097,917	3137AWQG3	FHMS K023 A1	1.58%	4/25/22	1,074,286.64	2.59%	
3/8/18	3/13/18	300,000	24422EUD9	JOHN DEERE CAPITAL CORP NOTES	2.87%	3/12/21	299,796.00	2.90%	
3/9/18	3/16/18	1,850,000	45950VLQ7	INTERNATIONAL FINANCE CORPORATION NOTE	2.63%	3/9/21	1,848,612.50	2.66%	
Total BUY		13,944,578					13,728,199.59		

INTEREST

1/1/18	1/15/18	131,015	3137BHU39	FREDDIE MAC SERIES 4459 NB	4.50%	1/1/20	491.30		
1/1/18	1/25/18	27,032	3136AMKW8	FNMA SERIES 2015-M1 ASQ2	1.62%	2/1/18	36.63		
1/1/18	1/25/18	185,654	3136AQSW1	FNMA SERIES 2015-M15 ASQ2	1.89%	1/1/19	293.66		
1/1/18	1/25/18	750,380	3137AA4V2	FHLMC SERIES K013 A1	2.90%	8/25/20	1,814.67		
1/1/18	1/25/18	977,197	3136AP3Z3	FNMA SERIES 2015-M12 FA	1.92%	4/1/20	1,365.43		
1/1/18	1/25/18	140,656	3136ANJY4	FNMA SERIES 2015-M7 ASQ2	1.55%	4/1/18	181.68		
1/1/18	1/25/18	560,154	3136AQDQ0	FANNIE MAE SERIES 2015-M13 ASQ2	1.64%	9/1/19	800.11		

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
1/1/18	1/25/18	9,953	3136AMMC0	FNMA SERIES 2015-M3 FA	1.80%	6/1/18	12.88		
1/1/18	1/25/18	72,709	3136AMTM1	FNMA SERIES M4 FA	1.79%	9/1/18	93.46		
1/1/18	1/25/18	880,000	3137B6ZM6	FHMS K714 A2	3.03%	10/25/20	2,224.93		
1/1/18	1/25/18	878,207	3136ANA98	FNMA SERIES 2015-M10 FA	1.83%	3/1/19	1,159.05		
1/1/18	1/25/18	329,561	3136ASPX8	FNMA SERIES 2016-M9 ASQ2	1.78%	6/1/19	601.55		
1/10/18	1/10/18	1,200,000	86958JHB8	SVENSKA HANDELSBANKEN NY LT CD	1.89%	1/10/19	11,592.00		
1/15/18	1/15/18	145,000	89238MAD0	TOYOTA ABS 2017-A A3	1.73%	2/15/21	209.04		
1/15/18	1/15/18	343,019	34530YAD5	FORD ABS 2015-C A3	1.41%	2/15/20	403.05		
1/15/18	1/15/18	120,000	47787XAC1	JOHN DEERE ABS 2017-A A3	1.78%	4/15/21	178.00		
1/15/18	1/15/18	480,000	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	712.00		
1/15/18	1/15/18	135,000	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	191.25		
1/15/18	1/15/18	380,320	14314JAB6	CARMAX ABS 2017-1 A2	1.54%	2/15/20	488.08		
1/15/18	1/15/18	315,000	654747AD6	NISSAN ABS 2017-A A3	1.74%	8/15/21	456.75		
1/15/18	1/15/18	260,000	44931PAD8	HYUNDAI ABS 2017-A A3	1.76%	8/15/21	381.33		
1/17/18	1/17/18	450,000	17305EGA7	CITIBANK ABS 2017-A2 A2	1.74%	1/17/21	3,915.00		
1/21/18	1/21/18	275,000	43814TAC6	HONDA ABS 2017-1 A3	1.72%	7/21/21	394.17		
1/27/18	1/27/18	600,000	459200JN2	IBM CORP NOTES	1.90%	1/27/20	5,700.00		
1/28/18	1/28/18	3,000,000	3135G0H63	FNMA BENCHMARK NOTE	1.37%	1/28/19	20,625.00		
1/30/18	1/30/18	3,600,000	3135G0T60	FNMA NOTES	1.50%	7/30/20	26,850.00		
1/31/18	1/31/18	4,070,000	912828H52	US TREASURY NOTES	1.25%	1/31/20	25,437.50		
1/31/18	1/31/18	3,500,000	912828N89	US TREASURY NOTES	1.37%	1/31/21	24,062.50		
1/31/18	1/31/18	450,000	912828N89	US TREASURY NOTES	1.37%	1/31/21	3,093.75		
1/31/18	1/31/18	2,750,000	912828XM7	US TREASURY NOTES	1.62%	7/31/20	22,343.75		
2/1/18	2/15/18	108,136	3137BHU39	FREDDIE MAC SERIES 4459 NB	4.50%	1/1/20	405.51		
2/1/18	2/25/18	302,018	3136ASPX8	FNMA SERIES 2016-M9 ASQ2	1.78%	6/1/19	449.25		
2/1/18	2/25/18	880,000	3137B6ZM6	FHMS K714 A2	3.03%	10/25/20	2,224.93		
2/1/18	2/25/18	753,756	3136ANA98	FNMA SERIES 2015-M10 FA	1.83%	3/1/19	1,132.62		
2/1/18	2/25/18	928,716	3136AP3Z3	FNMA SERIES 2015-M12 FA	1.92%	4/1/20	1,467.50		
2/1/18	2/25/18	537,467	3136AQDQ0	FANNIE MAE SERIES 2015-M13 ASQ2	1.64%	9/1/19	872.44		
2/1/18	2/25/18	102,817	3136ANJY4	FNMA SERIES 2015-M7 ASQ2	1.55%	4/1/18	132.81		

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
2/1/18	2/25/18	185,362	3136AQSW1	FNMA SERIES 2015-M15 ASQ2	1.89%	1/1/19	293.19		
2/1/18	2/25/18	8,235	3136AMMC0	FNMA SERIES 2015-M3 FA	1.80%	6/1/18	12.16		
2/1/18	2/25/18	66,865	3136AMTM1	FNMA SERIES M4 FA	1.79%	9/1/18	98.17		
2/1/18	2/25/18	729,271	3137AA4V2	FHLMC SERIES K013 A1	2.90%	8/25/20	1,763.62		
2/2/18	2/2/18	3,050,000	3135G0N33	FNMA BENCHMARK NOTE	0.87%	8/2/19	13,343.75		
2/2/18	2/2/18	1,200,000	83050FXT3	SKANDINAV ENSKILDA BANKEN NY CD	1.84%	8/2/19	11,162.67		
2/6/18	2/6/18	285,000	594918BV5	MICROSOFT CORP NOTES	1.85%	2/6/20	2,636.25		
2/7/18	2/7/18	1,200,000	06427KRC3	BANK OF MONTREAL CHICAGO CERT DEPOS	1.88%	2/7/19	11,280.00		
2/7/18	2/7/18	500,000	037833CK4	APPLE INC BONDS	1.90%	2/7/20	4,750.00		
2/14/18	2/14/18	280,000	02665WBM2	AMERICAN HONDA FINANCE	2.00%	2/14/20	2,800.00		
2/15/18	2/15/18	480,000	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	712.00		
2/15/18	2/15/18	342,795	14314JAB6	CARMAX ABS 2017-1 A2	1.54%	2/15/20	439.92		
2/15/18	2/15/18	315,000	654747AD6	NISSAN ABS 2017-A A3	1.74%	8/15/21	456.75		
2/15/18	2/15/18	1,340,000	20772J3D2	CT ST TXBL GO BONDS	1.30%	8/15/19	8,710.00		
2/15/18	2/15/18	260,000	44931PAD8	HYUNDAI ABS 2017-A A3	1.76%	8/15/21	381.33		
2/15/18	2/15/18	630,000	459058FK4	INTL BANK OF RECON AND DEV SN NOTE	0.87%	8/15/19	2,759.40		
2/15/18	2/15/18	308,812	34530YAD5	FORD ABS 2015-C A3	1.41%	2/15/20	362.85		
2/15/18	2/15/18	145,000	89238MAD0	TOYOTA ABS 2017-A A3	1.73%	2/15/21	209.04		
2/15/18	2/15/18	135,000	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	191.25		
2/15/18	2/15/18	120,000	47787XAC1	JOHN DEERE ABS 2017-A A3	1.78%	4/15/21	178.00		
2/21/18	2/21/18	275,000	43814TAC6	HONDA ABS 2017-1 A3	1.72%	7/21/21	394.17		
2/24/18	2/24/18	600,000	06406HCZ0	BNY MELLON (CALLABLE) CORP NOTE	2.15%	2/24/20	6,450.00		
2/26/18	2/26/18	4,900,000	3135G0J53	FNMA BENCHMARK NOTE	1.00%	2/26/19	24,500.00		
2/28/18	2/28/18	300,000	166764BS8	CHEVRON CORP NOTES	1.68%	2/28/19	2,529.00		
2/28/18	2/28/18	1,300,000	3135G0P49	FNMA NOTES	1.00%	8/28/19	6,500.00		
2/28/18	2/28/18	1,000,000	912828J50	US TREASURY NOTES	1.37%	2/29/20	6,875.00		
2/28/18	2/28/18	3,500,000	912828J50	US TREASURY NOTES	1.37%	2/29/20	24,062.50		
2/28/18	2/28/18	3,100,000	912828P87	US TREASURY N/B	1.12%	2/28/21	17,437.50		
2/28/18	2/28/18	1,275,000	912828L32	US TREASURY NOTES	1.37%	8/31/20	8,765.63		
2/28/18	2/28/18	625,000	912828P87	US TREASURY N/B	1.12%	2/28/21	3,515.63		

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
2/28/18	2/28/18	5,425,000	3135G0P49	FNMA NOTES	1.00%	8/28/19	27,125.00		
2/28/18	2/28/18	1,510,000	3135G0T29	FNMA NOTES	1.50%	2/28/20	11,325.00		
3/1/18	3/15/18	85,433	3137BHU39	FREDDIE MAC SERIES 4459 NB	4.50%	1/1/20	320.37		
3/1/18	3/25/18	708,073	3137AA4V2	FHLMC SERIES K013 A1	2.90%	8/25/20	1,712.36		
3/1/18	3/25/18	6,194	3136AMMC0	FNMA SERIES 2015-M3 FA	1.80%	6/1/18	8.56		
3/1/18	3/25/18	617,921	3136ANA98	FNMA SERIES 2015-M10 FA	1.83%	3/1/19	868.69		
3/1/18	3/25/18	274,360	3136ASPX8	FNMA SERIES 2016-M9 ASQ2	1.78%	6/1/19	408.11		
3/1/18	3/25/18	880,000	3137B6ZM6	FHMS K714 A2	3.03%	10/25/20	2,224.93		
3/1/18	3/25/18	58,956	3136AMTM1	FNMA SERIES M4 FA	1.79%	9/1/18	81.05		
3/1/18	3/25/18	927,294	3136AP3Z3	FNMA SERIES 2015-M12 FA	1.92%	4/1/20	1,368.53		
3/1/18	3/25/18	501,998	3136AQDQ0	FANNIE MAE SERIES 2015-M13 ASQ2	1.64%	9/1/19	829.53		
3/1/18	3/25/18	185,067	3136AQSW1	FNMA SERIES 2015-M15 ASQ2	1.89%	1/1/19	292.73		
3/1/18	3/25/18	7,455	3136ANJY4	FNMA SERIES 2015-M7 ASQ2	1.55%	4/1/18	9.63		
3/12/18	3/12/18	1,225,000	45905UP32	INTL BANK OF RECONSTRUCTION AND DEV NOTE	1.56%	9/12/20	9,189.30		
3/13/18	3/13/18	250,000	24422ETQ2	JOHN DEERE CAPITAL CORP NOTES	2.20%	3/13/20	2,750.00		
3/15/18	3/15/18	273,090	34530YAD5	FORD ABS 2015-C A3	1.41%	2/15/20	320.88		
3/15/18	3/15/18	120,000	47787XAC1	JOHN DEERE ABS 2017-A A3	1.78%	4/15/21	178.00		
3/15/18	3/15/18	303,924	14314JAB6	CARMAX ABS 2017-1 A2	1.54%	2/15/20	390.04		
3/15/18	3/15/18	145,000	89238MAD0	TOYOTA ABS 2017-A A3	1.73%	2/15/21	209.04		
3/15/18	3/15/18	135,000	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	191.25		
3/15/18	3/15/18	430,000	20772JZJ4	CT ST TXBL GO BONDS	1.42%	3/15/18	3,057.30		
3/15/18	3/15/18	480,000	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	712.00		
3/15/18	3/15/18	315,000	654747AD6	NISSAN ABS 2017-A A3	1.74%	8/15/21	456.75		
3/15/18	3/15/18	260,000	44931PAD8	HYUNDAI ABS 2017-A A3	1.76%	8/15/21	381.33		
3/21/18	3/21/18	275,000	43814TAC6	HONDA ABS 2017-1 A3	1.72%	7/21/21	394.17		
3/22/18	3/22/18	900,000	46625HQU7	JP MORGAN CHASE & CORP NOTES (CALLABLE)	1.85%	3/22/19	8,325.00		
3/26/18	3/26/18	1,575,000	3130A9EP2	FHLB GLOBAL NOTES	1.00%	9/26/19	7,875.00		
3/31/18	3/31/18	2,995,000	912828C65	US TREASURY NOTES	1.62%	3/31/19	24,334.38		
3/31/18	3/31/18	2,915,000	912828UV0	US TREASURY NOTES	1.12%	3/31/20	16,396.88		

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
Total INTEREST		82,869,870					448,099.17		
MATURITY									
3/15/18	3/15/18	430,000	20772JZJ4	CT ST TXBL GO BONDS	1.42%	3/15/18	430,000.00		0.00
Total MATURITY		430,000					430,000.00		0.00
PAYDOWNS									
1/1/18	1/15/18	22,878	3137BHU39	FREDDIE MAC SERIES 4459 NB	4.50%	1/1/20	22,878.32		0.00
1/1/18	1/25/18	5,844	3136AMTM1	FNMA SERIES M4 FA	1.79%	9/1/18	5,843.70		0.00
1/1/18	1/25/18	27,032	3136AMKW8	FNMA SERIES 2015-M1 ASQ2	1.62%	2/1/18	27,031.59		0.00
1/1/18	1/25/18	48,480	3136AP3Z3	FNMA SERIES 2015-M12 FA	1.92%	4/1/20	48,480.33		0.00
1/1/18	1/25/18	1,717	3136AMMC0	FNMA SERIES 2015-M3 FA	1.80%	6/1/18	1,717.47		0.00
1/1/18	1/25/18	27,543	3136ASPX8	FNMA SERIES 2016-M9 ASQ2	1.78%	6/1/19	27,542.98		0.00
1/1/18	1/25/18	293	3136AQSW1	FNMA SERIES 2015-M15 ASQ2	1.89%	1/1/19	292.74		0.00
1/1/18	1/25/18	37,839	3136ANJY4	FNMA SERIES 2015-M7 ASQ2	1.55%	4/1/18	37,838.99		0.00
1/1/18	1/25/18	22,687	3136AQDQ0	FANNIE MAE SERIES 2015-M13 ASQ2	1.64%	9/1/19	22,686.95		0.00
1/1/18	1/25/18	124,451	3136ANA98	FNMA SERIES 2015-M10 FA	1.83%	3/1/19	124,450.75		0.00
1/1/18	1/25/18	21,110	3137AA4V2	FHLMC SERIES K013 A1	2.90%	8/25/20	21,109.64		0.00
1/15/18	1/15/18	34,207	34530YAD5	FORD ABS 2015-C A3	1.41%	2/15/20	34,207.38		0.00
1/15/18	1/15/18	37,525	14314JAB6	CARMAX ABS 2017-1 A2	1.54%	2/15/20	37,524.98		0.00
2/1/18	2/25/18	7,909	3136AMTM1	FNMA SERIES M4 FA	1.79%	9/1/18	7,909.02		0.00
2/1/18	2/25/18	2,041	3136AMMC0	FNMA SERIES 2015-M3 FA	1.80%	6/1/18	2,041.23		0.00
2/1/18	2/25/18	1,423	3136AP3Z3	FNMA SERIES 2015-M12 FA	1.92%	4/1/20	1,422.52		0.00
2/1/18	2/25/18	35,469	3136AQDQ0	FANNIE MAE SERIES 2015-M13 ASQ2	1.64%	9/1/19	35,468.64		0.00
2/1/18	2/25/18	27,658	3136ASPX8	FNMA SERIES 2016-M9 ASQ2	1.78%	6/1/19	27,658.11		0.00
2/1/18	2/25/18	135,835	3136ANA98	FNMA SERIES 2015-M10 FA	1.83%	3/1/19	135,835.06		0.00

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
2/1/18	2/25/18	294	3136AQSW1	FNMA SERIES 2015-M15 ASQ2	1.89%	1/1/19	294.24		0.00
2/1/18	2/25/18	95,362	3136ANJY4	FNMA SERIES 2015-M7 ASQ2	1.55%	4/1/18	95,362.19		0.00
2/1/18	2/25/18	21,198	3137AA4V2	FHLMC SERIES K013 A1	2.90%	8/25/20	21,197.87		0.00
2/1/18	2/15/18	22,703	3137BHU39	FREDDIE MAC SERIES 4459 NB	4.50%	1/1/20	22,703.14		0.00
2/15/18	2/15/18	35,721	34530YAD5	FORD ABS 2015-C A3	1.41%	2/15/20	35,721.28		0.00
2/15/18	2/15/18	38,871	14314JAB6	CARMAX ABS 2017-1 A2	1.54%	2/15/20	38,870.88		0.00
3/1/18	3/25/18	25,638	3136AMTM1	FNMA SERIES M4 FA	1.79%	9/1/18	25,637.81		0.00
3/1/18	3/25/18	5,236	3136ANJY4	FNMA SERIES 2015-M7 ASQ2	1.55%	4/1/18	5,235.79		0.00
3/1/18	3/25/18	1,783	3136AP3Z3	FNMA SERIES 2015-M12 FA	1.92%	4/1/20	1,782.76		0.00
3/1/18	3/25/18	18	3136AMMC0	FNMA SERIES 2015-M3 FA	1.80%	6/1/18	17.92		0.00
3/1/18	3/25/18	20,387	3136AQSW1	FNMA SERIES 2015-M15 ASQ2	1.89%	1/1/19	20,387.28		0.00
3/1/18	3/25/18	70,186	3136AQDQ0	FANNIE MAE SERIES 2015-M13 ASQ2	1.64%	9/1/19	70,185.79		0.00
3/1/18	3/25/18	33,239	3136ASPX8	FNMA SERIES 2016-M9 ASQ2	1.78%	6/1/19	33,238.71		0.00
3/1/18	3/25/18	247,008	3136ANA98	FNMA SERIES 2015-M10 FA	1.83%	3/1/19	247,008.34		0.00
3/1/18	3/25/18	26,271	3137AA4V2	FHLMC SERIES K013 A1	2.90%	8/25/20	26,271.41		0.00
3/1/18	3/15/18	19,630	3137BHU39	FREDDIE MAC SERIES 4459 NB	4.50%	1/1/20	19,629.53		0.00
3/15/18	3/15/18	31,946	34530YAD5	FORD ABS 2015-C A3	1.41%	2/15/20	31,945.58		0.00
3/15/18	3/15/18	38,046	14314JAB6	CARMAX ABS 2017-1 A2	1.54%	2/15/20	38,046.47		0.00
Total PAYDOWNS		1,355,477					1,355,477.39		0.00

SELL

1/2/18	1/4/18	800,000	3130AAE46	FHLB NOTES	1.25%	1/16/19	799,738.67	1.85%	(4,910.91)
1/2/18	1/4/18	2,195,000	3135G0H63	FNMA BENCHMARK NOTE	1.37%	1/28/19	2,196,905.99	1.86%	(10,689.15)
1/2/18	1/4/18	340,000	912828A75	US TREASURY NOTES	1.50%	12/31/18	338,967.29	1.83%	(2,028.49)
2/7/18	2/8/18	595,000	459058FK4	INTL BANK OF RECON AND DEV SN NOTE	0.87%	8/15/19	589,186.65	1.81%	(8,255.80)
2/7/18	2/8/18	285,000	594918BV5	MICROSOFT CORP NOTES	1.85%	2/6/20	282,680.89	2.27%	(2,220.27)
2/7/18	2/8/18	130,000	717081EB5	PFIZER INC CORP NOTE	1.70%	12/15/19	128,956.46	2.28%	(1,311.44)
2/13/18	2/15/18	200,000	717081EB5	PFIZER INC CORP NOTE	1.70%	12/15/19	198,064.66	2.40%	(2,410.89)

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
2/13/18	2/15/18	140,000	717081EB5	PFIZER INC CORP NOTE	1.70%	12/15/19	138,645.27	2.40%	(1,690.16)
2/15/18	2/16/18	3,000,000	3135G0H63	FNMA BENCHMARK NOTE	1.37%	1/28/19	2,982,832.50	2.06%	(18,641.07)
2/20/18	2/22/18	1,200,000	65558LWA6	NORDEA BANK FINLAND NY CD	1.76%	11/30/18	1,201,004.00	2.16%	(3,924.00)
3/2/18	3/6/18	350,000	3135G0J53	FNMA BENCHMARK NOTE	1.00%	2/26/19	346,341.72	2.12%	(3,485.62)
3/2/18	3/6/18	100,000	037833CK4	APPLE INC BONDS	1.90%	2/7/20	98,940.06	2.55%	(1,181.24)
3/6/18	3/9/18	1,225,000	3135G0J53	FNMA BENCHMARK NOTE	1.00%	2/26/19	1,212,420.61	2.12%	(12,085.24)
3/9/18	3/13/18	300,000	89236TDE2	TOYOTA MOTOR CREDIT CORP NOTES	1.40%	5/20/19	297,430.33	2.52%	(3,807.53)
3/9/18	3/16/18	1,425,000	3135G0J53	FNMA BENCHMARK NOTE	1.00%	2/26/19	1,410,601.17	2.15%	(14,123.00)
Total SELL		12,285,000					12,222,716.27		-90,764.81



Managed Account Detail of Securities Held

For the Month Ending **March 31, 2018**

CITY OF HAYWARD

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 03/31/2014 1.625% 03/31/2019	912828C65	2,995,000.00	AA+	Aaa	03/02/16	03/04/16	3,046,944.54	1.05	132.97	3,012,039.21	2,979,908.20
US TREASURY NOTES DTD 04/30/2014 1.625% 04/30/2019	912828D23	3,015,000.00	AA+	Aaa	11/10/16	11/14/16	3,056,220.70	1.06	20,571.96	3,033,220.28	2,997,923.04
US TREASURY NOTES DTD 12/01/2014 1.500% 11/30/2019	912828G61	5,850,000.00	AA+	Aaa	12/01/16	12/05/16	5,859,140.63	1.45	29,410.71	5,855,145.54	5,778,015.75
US TREASURY NOTES DTD 12/31/2014 1.625% 12/31/2019	912828G95	600,000.00	AA+	Aaa	02/21/18	02/22/18	593,320.31	2.24	2,450.97	593,693.66	593,437.20
US TREASURY NOTES DTD 02/02/2015 1.250% 01/31/2020	912828H52	4,070,000.00	AA+	Aaa	01/03/17	01/05/17	4,037,567.19	1.52	8,432.32	4,050,457.04	3,995,278.87
US TREASURY NOTES DTD 03/02/2015 1.375% 02/29/2020	912828J50	1,000,000.00	AA+	Aaa	02/01/17	02/03/17	993,945.31	1.58	1,195.65	996,194.29	983,008.00
US TREASURY NOTES DTD 03/02/2015 1.375% 02/29/2020	912828J50	3,500,000.00	AA+	Aaa	08/31/17	09/01/17	3,499,863.28	1.38	4,184.78	3,499,895.21	3,440,528.00
US TREASURY NOTES DTD 04/01/2013 1.125% 03/31/2020	912828UV0	2,915,000.00	AA+	Aaa	03/15/17	03/17/17	2,864,784.57	1.71	89.60	2,881,703.79	2,848,503.02
US TREASURY NOTES DTD 04/30/2015 1.375% 04/30/2020	912828K58	4,300,000.00	AA+	Aaa	04/03/17	04/05/17	4,280,683.59	1.53	24,825.97	4,286,820.59	4,217,526.00
US TREASURY NOTES DTD 06/01/2015 1.500% 05/31/2020	912828XE5	2,500,000.00	AA+	Aaa	10/03/17	10/05/17	2,494,238.28	1.59	12,568.68	2,495,294.25	2,456,445.00
US TREASURY NOTES DTD 06/30/2015 1.625% 06/30/2020	912828XH8	7,750,000.00	AA+	Aaa	06/26/17	06/28/17	7,777,851.56	1.50	31,658.32	7,770,952.75	7,630,115.25
US TREASURY NOTES DTD 07/31/2015 1.625% 07/31/2020	912828XM7	2,750,000.00	AA+	Aaa	07/05/17	07/05/17	2,750,537.11	1.62	7,406.77	2,750,418.96	2,705,848.75
US TREASURY NOTES DTD 08/31/2015 1.375% 08/31/2020	912828L32	1,275,000.00	AA+	Aaa	08/31/17	09/01/17	1,272,559.57	1.44	1,524.46	1,273,027.38	1,245,813.98
US TREASURY NOTES DTD 11/30/2015 1.625% 11/30/2020	912828M98	500,000.00	AA+	Aaa	10/31/17	10/31/17	498,125.00	1.75	2,723.21	498,375.32	490,351.50



Managed Account Detail of Securities Held

For the Month Ending **March 31, 2018**

CITY OF HAYWARD

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
U.S. Treasury Bond / Note											
US TREASURY NOTES DTD 11/30/2015 1.625% 11/30/2020	912828M98	3,600,000.00	AA+	Aaa	11/01/17	11/03/17	3,584,390.63	1.77	19,607.14	3,586,435.38	3,530,530.80
US TREASURY N/B DTD 12/31/2015 1.750% 12/31/2020	912828N48	4,600,000.00	AA+	Aaa	12/01/17	12/05/17	4,578,078.13	1.91	20,236.19	4,580,342.59	4,523,630.80
US TREASURY NOTES DTD 01/31/2016 1.375% 01/31/2021	912828N89	400,000.00	AA+	Aaa	02/02/18	02/02/18	388,718.75	2.36	911.60	389,304.88	388,890.80
US TREASURY NOTES DTD 01/31/2016 1.375% 01/31/2021	912828N89	450,000.00	AA+	Aaa	12/27/17	12/28/17	441,052.73	2.04	1,025.55	441,782.06	437,502.15
US TREASURY NOTES DTD 01/31/2016 1.375% 01/31/2021	912828N89	3,500,000.00	AA+	Aaa	01/02/18	01/04/18	3,430,000.00	2.05	7,976.52	3,435,316.92	3,402,794.50
US TREASURY N/B DTD 02/29/2016 1.125% 02/28/2021	912828P87	625,000.00	AA+	Aaa	02/07/18	02/08/18	602,319.34	2.36	611.41	603,344.25	602,734.38
US TREASURY N/B DTD 02/29/2016 1.125% 02/28/2021	912828P87	3,100,000.00	AA+	Aaa	02/15/18	02/16/18	2,983,628.91	2.42	3,032.61	2,988,099.83	2,989,562.50

Security Type Sub-Total		59,295,000.00					59,033,970.13	1.62	200,577.39	59,021,864.18	58,238,348.49
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Supra-National Agency Bond / Note											
INTER-AMERICAN DEVELOPMENT BANK DTD 04/12/2016 1.000% 05/13/2019	458182DX7	1,715,000.00	AAA	Aaa	04/05/16	04/12/16	1,709,855.00	1.10	6,574.17	1,713,117.41	1,691,447.91
INTL BANK OF RECON AND DEV SN NOTE DTD 07/13/2016 0.875% 08/15/2019	459058FK4	630,000.00	AAA	Aaa	07/06/16	07/13/16	629,867.70	0.88	704.38	629,940.40	617,960.70
INTL BANK OF RECON AND DEV GLOBAL NOTES DTD 10/27/2016 1.125% 11/27/2019	459058FS7	1,225,000.00	AAA	Aaa	08/28/17	08/30/17	1,214,550.75	1.51	4,746.88	1,217,255.51	1,200,759.70
INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 09/19/2017 1.561% 09/12/2020	45905UP32	1,225,000.00	AAA	Aaa	09/12/17	09/19/17	1,222,060.00	1.64	1,009.23	1,222,574.59	1,194,711.88
INTER-AMERICAN DEVELOPMENT BANK DTD 11/08/2013 2.125% 11/09/2020	4581X0CD8	1,215,000.00	AAA	Aaa	10/02/17	10/10/17	1,226,261.96	1.81	10,184.06	1,224,571.39	1,204,806.15



Managed Account Detail of Securities Held

For the Month Ending **March 31, 2018**

CITY OF HAYWARD

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Supra-National Agency Bond / Note											
INTERNATIONAL FINANCE CORPORATION NOTE DTD 03/16/2018 2.635% 03/09/2021	45950VLQ7	1,850,000.00	AAA	Aaa	03/09/18	03/16/18	1,848,612.50	2.66	2,031.15	1,848,630.83	1,843,304.85

Security Type Sub-Total	7,860,000.00	7,851,207.91	1.71	25,249.87	7,856,090.13	7,752,991.19
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Municipal Bond / Note											
UNIV OF CAL TXBL REV BOND DTD 05/18/2017 1.610% 05/15/2019	91412GS71	625,000.00	AA	Aa2	05/05/17	05/18/17	625,000.00	1.61	3,801.39	625,000.00	621,300.00
CT ST TXBL GO BONDS DTD 08/17/2016 1.300% 08/15/2019	20772J3D2	1,340,000.00	A+	A1	08/03/16	08/17/16	1,342,894.40	1.23	2,225.89	1,341,339.12	1,316,737.60
UNIV OF CAL TXBL REV BOND DTD 05/18/2017 1.900% 05/15/2020	91412GS89	625,000.00	AA	Aa2	05/05/17	05/18/17	625,000.00	1.90	4,486.11	625,000.00	618,887.50

Security Type Sub-Total	2,590,000.00	2,592,894.40	1.48	10,513.39	2,591,339.12	2,556,925.10
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Federal Agency Collateralized Mortgage Obligation											
FNMA SERIES 2015-M7 ASQ2 DTD 04/01/2015 1.550% 04/01/2018	3136ANJY4	2,218.95	AA+	Aaa	04/15/15	04/30/15	2,241.13	0.83	2.87	2,218.95	2,214.90
FNMA SERIES 2015-M3 FA DTD 02/01/2015 1.808% 06/01/2018	3136AMMC0	6,176.12	AA+	Aaa	02/12/15	02/27/15	6,174.50	0.39	21.80	6,176.12	6,170.46
FNMA SERIES M4 FA DTD 03/01/2015 1.798% 09/01/2018	3136AMTM1	33,318.25	AA+	Aaa	03/12/15	03/31/15	33,309.72	0.38	81.26	33,318.25	33,287.37
FNMA SERIES 2015-M15 ASQ2 DTD 11/01/2015 1.898% 01/01/2019	3136AOSW1	164,680.07	AA+	Aaa	11/06/15	11/30/15	166,326.85	1.20	260.48	164,880.89	164,041.33
FNMA SERIES 2015-M10 FA DTD 06/01/2015 1.838% 03/01/2019	3136ANA98	370,912.41	AA+	Aaa	06/12/15	06/30/15	370,805.07	0.43	604.32	370,912.41	370,447.92
FNMA SERIES 2016-M9 ASQ2 DTD 06/01/2016 1.785% 06/01/2019	3136ASPX8	241,121.30	AA+	Aaa	06/09/16	06/30/16	243,532.39	1.05	358.67	241,845.99	239,954.61
FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AQDQ0	431,812.52	AA+	Aaa	10/07/15	10/30/15	436,136.65	1.08	592.30	433,015.03	429,131.74



Managed Account Detail of Securities Held

For the Month Ending **March 31, 2018**

CITY OF HAYWARD

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Collateralized Mortgage Obligation											
FREDDIE MAC SERIES 4459 NB DTD 04/01/2015 4.500% 01/01/2020	3137BHU39	65,803.60	AA+	Aaa	06/08/15	06/11/15	68,990.96	0.77	246.76	66,919.94	66,129.26
FNMA SERIES 2015-M12 FA DTD 09/01/2015 1.928% 04/01/2020	3136AP3Z3	925,511.08	AA+	Aaa	09/10/15	09/30/15	925,177.89	0.54	1,487.09	925,511.08	924,158.45
FHLMC SERIES K013 A1 DTD 05/01/2011 2.902% 08/25/2020	3137AA4V2	681,801.50	AA+	Aaa	06/23/17	06/28/17	694,771.69	1.60	1,648.82	690,911.12	684,039.10
FHMS K714 A2 DTD 01/01/2014 3.034% 10/25/2020	3137B6ZM6	880,000.00	AA+	Aaa	09/21/17	09/26/17	904,440.63	1.15	2,224.93	900,720.87	884,117.70
FHMS K023 A1 DTD 12/01/2012 1.583% 04/25/2022	3137AWOG3	121,661.11	AA+	Aaa	03/06/18	03/09/18	119,018.79	2.58	160.49	119,041.39	119,063.32
FHMS K023 A1 DTD 12/01/2012 1.583% 04/25/2022	3137AWOG3	1,097,917.36	AA+	Aaa	03/07/18	03/09/18	1,073,900.42	2.59	1,448.34	1,074,105.95	1,074,473.86

Security Type Sub-Total		5,022,934.27					5,044,826.69	1.37	9,138.13	5,029,577.99	4,997,230.02
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Federal Agency Bond / Note											
FNMA BENCHMARK NOTE DTD 02/23/2016 1.000% 02/26/2019	3135G0J53	1,900,000.00	AA+	Aaa	02/19/16	02/23/16	1,895,516.00	1.08	1,847.22	1,898,639.28	1,880,088.00
FREDDIE MAC NOTES DTD 03/21/2016 1.125% 04/15/2019	3137EADZ9	3,050,000.00	AA+	Aaa	03/30/16	03/31/16	3,057,259.00	1.05	15,821.88	3,052,506.31	3,017,514.45
FHLB GLOBAL NOTE DTD 06/03/2016 1.125% 06/21/2019	3130A8DB6	2,550,000.00	AA+	Aaa	06/02/16	06/03/16	2,548,929.00	1.14	7,968.75	2,549,565.00	2,517,444.15
FHLB GLOBAL NOTE DTD 06/03/2016 1.125% 06/21/2019	3130A8DB6	3,995,000.00	AA+	Aaa	06/27/16	06/29/16	4,031,208.60	0.82	12,484.38	4,009,965.83	3,943,995.84
FNMA BENCHMARK NOTE DTD 08/02/2016 0.875% 08/02/2019	3135G0N33	3,050,000.00	AA+	Aaa	07/29/16	08/02/16	3,044,876.00	0.93	4,373.78	3,047,700.70	2,995,148.80
FNMA NOTES DTD 09/02/2016 1.000% 08/28/2019	3135G0P49	1,300,000.00	AA+	Aaa	10/03/16	10/05/16	1,299,220.00	1.02	1,191.67	1,299,619.06	1,278,430.40
FNMA NOTES DTD 09/02/2016 1.000% 08/28/2019	3135G0P49	5,425,000.00	AA+	Aaa	08/31/16	09/02/16	5,416,537.00	1.05	4,972.92	5,420,979.04	5,334,988.40



Managed Account Detail of Securities Held

For the Month Ending **March 31, 2018**

CITY OF HAYWARD

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Federal Agency Bond / Note											
FHLB GLOBAL NOTES DTD 09/09/2016 1.000% 09/26/2019	3130A9EP2	1,575,000.00	AA+	Aaa	10/03/16	10/05/16	1,574,448.75	1.01	218.75	1,574,723.05	1,546,462.58
FNMA NOTES DTD 02/28/2017 1.500% 02/28/2020	3135G0T29	1,510,000.00	AA+	Aaa	02/24/17	02/28/17	1,509,033.60	1.52	2,076.25	1,509,380.28	1,487,208.06
FHLMC AGENCY NOTES DTD 04/20/2017 1.375% 04/20/2020	3137EAEF2	1,200,000.00	AA+	Aaa	04/19/17	04/20/17	1,195,896.00	1.49	7,379.17	1,197,172.32	1,177,114.80
FNMA NOTES DTD 08/01/2017 1.500% 07/30/2020	3135G0T60	3,600,000.00	AA+	Aaa	07/28/17	08/01/17	3,589,092.00	1.60	9,150.00	3,591,474.44	3,527,830.80

Security Type Sub-Total		29,155,000.00					29,162,015.95	1.12	67,484.77	29,151,725.31	28,706,226.28
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Corporate Note											
CHEVRON CORP NOTES DTD 03/03/2017 1.686% 02/28/2019	166764BS8	300,000.00	AA-	Aa2	02/28/17	03/03/17	300,000.00	1.69	435.55	300,000.00	298,076.10
JP MORGAN CHASE & CORP NOTES (CALLABLE) DTD 03/23/2016 1.850% 03/22/2019	46625HQU7	900,000.00	A-	A3	05/17/16	05/20/16	903,951.00	1.69	416.25	901,303.88	892,943.10
TOYOTA MOTOR CREDIT CORP NOTES DTD 05/20/2016 1.400% 05/20/2019	89236TDE2	600,000.00	AA-	Aa3	05/17/16	05/20/16	599,598.00	1.42	3,056.67	599,845.79	592,078.20
CITIGROUP INC CORP NOTES DTD 06/09/2016 2.050% 06/07/2019	172967KS9	465,000.00	BBB+	Baa1	06/02/16	06/09/16	464,758.20	2.07	3,018.63	464,902.61	460,722.00
AMERICAN EXPRESS CREDIT (CALLABLE) CORP DTD 10/31/2016 1.700% 10/30/2019	0258M0EC9	600,000.00	A-	A2	01/31/17	02/03/17	595,440.00	1.99	4,278.33	597,345.29	589,638.60
GOLDMAN SACHS GROUP (CALLABLE) INC BONDS DTD 12/13/2016 2.300% 12/13/2019	38145GAJ9	600,000.00	BBB+	A3	12/08/16	12/13/16	599,550.00	2.33	4,140.00	599,741.27	593,584.20
IBM CORP NOTES DTD 01/27/2017 1.900% 01/27/2020	459200JN2	600,000.00	A+	A1	01/24/17	01/27/17	599,424.00	1.93	2,026.67	599,646.28	592,425.60



Managed Account Detail of Securities Held

For the Month Ending **March 31, 2018**

CITY OF HAYWARD

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Corporate Note											
APPLE INC BONDS DTD 02/09/2017 1.900% 02/07/2020	037833CK4	400,000.00	AA+	Aa1	02/02/17	02/09/17	399,804.00	1.92	1,140.00	399,877.50	395,410.00
AMERICAN HONDA FINANCE DTD 02/16/2017 2.000% 02/14/2020	02665WBM2	280,000.00	A+	A2	02/13/17	02/16/17	279,602.40	2.05	731.11	279,748.90	275,837.52
BNY MELLON (CALLABLE) CORP NOTE DTD 02/24/2015 2.150% 02/24/2020	06406HCZ0	600,000.00	A	A1	04/10/17	04/13/17	603,102.00	1.96	1,325.83	602,047.73	592,018.80
JOHN DEERE CAPITAL CORP NOTES DTD 03/15/2017 2.200% 03/13/2020	24422ETQ2	250,000.00	A	A2	03/10/17	03/15/17	249,805.00	2.23	275.00	249,871.46	247,296.50
JOHN DEERE CAPITAL CORP NOTES DTD 03/13/2018 2.875% 03/12/2021	24422EUD9	300,000.00	A	A2	03/08/18	03/13/18	299,796.00	2.90	431.25	299,799.27	299,192.40
NATIONAL RURAL UTIL COOP DTD 02/26/2018 2.900% 03/15/2021	63743HER9	250,000.00	A	A2	02/21/18	02/26/18	249,722.50	2.94	704.86	249,731.46	249,310.75
MORGAN STANLEY CORP NOTES DTD 04/21/2016 2.500% 04/21/2021	61746BEA0	300,000.00	BBB+	A3	02/13/18	02/15/18	294,960.00	3.06	3,333.33	295,157.58	293,950.20
BANK OF AMERICA CORP (CALLABLE) DTD 09/18/2017 2.328% 10/01/2021	06051GGS2	200,000.00	A-	A3	11/27/17	11/29/17	199,026.00	2.46	2,496.13	199,112.46	195,576.60
BANK OF AMERICA CORP (CALLABLE) DTD 09/18/2017 2.328% 10/01/2021	06051GGS2	390,000.00	A-	A3	09/13/17	09/18/17	390,000.00	2.33	4,867.46	390,000.00	381,374.37
Security Type Sub-Total		7,035,000.00					7,028,539.10	2.07	32,677.07	7,028,131.48	6,949,434.94
Certificate of Deposit											
CANADIAN IMPERIAL BANK NY CD DTD 12/05/2016 1.760% 11/30/2018	13606A5Z7	1,200,000.00	A-1	P-1	12/01/16	12/05/16	1,199,064.00	1.78	7,098.67	1,199,686.28	1,196,652.00
SVENSKA HANDELSBANKEN NY LT CD DTD 01/12/2017 1.890% 01/10/2019	86958JHB8	1,200,000.00	A-1+	P-1	01/10/17	01/12/17	1,200,000.00	1.91	5,103.00	1,200,000.00	1,194,100.80
BANK OF MONTREAL CHICAGO CERT DEPOS DTD 02/09/2017 1.880% 02/07/2019	06427KRC3	1,200,000.00	A-1	P-1	02/08/17	02/09/17	1,200,000.00	1.90	3,384.00	1,200,000.00	1,198,874.40
BANK OF NOVA SCOTIA HOUSTON LT CD DTD 04/06/2017 1.910% 04/05/2019	06417GUE6	1,200,000.00	A+	A1	04/05/17	04/06/17	1,200,000.00	1.91	11,332.67	1,200,000.00	1,193,284.80



Managed Account Detail of Securities Held

For the Month Ending **March 31, 2018**

CITY OF HAYWARD

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Certificate of Deposit											
SKANDINAV ENSKILDA BANKEN NY CD DTD 08/04/2017 1.840% 08/02/2019	83050FXT3	1,200,000.00	A+	Aa3	08/03/17	08/04/17	1,199,532.00	1.85	3,557.33	1,199,686.28	1,163,651.29
BANK OF TOKYO-MITSUBISHI NY CD DTD 09/27/2017 2.070% 09/25/2019	06539RGM3	625,000.00	A	A1	09/25/17	09/27/17	625,000.00	2.07	6,684.38	625,000.00	619,163.13
CREDIT SUISSE NEW YORK CERT DEPOS DTD 02/08/2018 2.670% 02/07/2020	22549LFR1	600,000.00	A	A1	02/07/18	02/08/18	600,000.00	2.67	2,358.50	600,000.00	601,988.40
NORDEA BANK AB NY CD DTD 02/22/2018 2.720% 02/20/2020	65590ASN7	600,000.00	AA-	Aa3	02/20/18	02/22/18	600,000.00	2.72	1,768.00	600,000.00	598,182.60
UBS AG STAMFORD CT LT CD DTD 03/06/2018 2.900% 03/02/2020	90275DHG8	600,000.00	A+	Aa3	03/02/18	03/06/18	600,000.00	2.93	1,256.67	600,000.00	604,332.60
Security Type Sub-Total		8,425,000.00					8,423,596.00	2.08	42,543.22	8,424,372.56	8,370,230.02
Asset-Backed Security / Collateralized Mortgage Obligation											
FORD ABS 2015-C A3 DTD 09/22/2015 1.410% 02/15/2020	34530YAD5	241,144.64	AAA	Aaa	09/15/15	09/22/15	241,097.72	1.42	151.12	241,127.20	240,241.22
CARMAX ABS 2017-1 A2 DTD 01/31/2017 1.540% 02/15/2020	14314JAB6	265,877.60	NR	Aaa	01/25/17	01/31/17	265,877.50	1.60	181.98	265,877.58	265,149.52
CITIBANK ABS 2017-A2 A2 DTD 01/26/2017 1.740% 01/17/2021	17305EGA7	450,000.00	AAA	Aaa	01/19/17	01/26/17	449,913.83	1.75	1,609.50	450,000.00	447,440.54
TOYOTA ABS 2017-A A3 DTD 03/15/2017 1.730% 02/15/2021	89238MAD0	145,000.00	AAA	Aaa	03/07/17	03/15/17	144,982.93	1.74	111.49	144,984.81	143,478.96
JOHN DEERE ABS 2017-A A3 DTD 03/02/2017 1.780% 04/15/2021	47787XAC1	120,000.00	NR	Aaa	02/22/17	03/02/17	119,982.91	1.79	94.93	119,983.97	118,712.29
ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	135,000.00	NR	Aaa	01/24/17	01/31/17	134,988.20	1.70	102.00	134,991.52	133,655.01
HONDA ABS 2017-1 A3 DTD 03/28/2017 1.720% 07/21/2021	43814TAC6	275,000.00	NR	Aaa	03/21/17	03/28/17	274,983.64	1.72	131.39	274,983.64	271,918.87



Managed Account Detail of Securities Held

For the Month Ending **March 31, 2018**

CITY OF HAYWARD

Security Type/Description Dated Date/Coupon/Maturity	CUSIP	Par	S&P Rating	Moody's Rating	Trade Date	Settle Date	Original Cost	YTM at Cost	Accrued Interest	Amortized Cost	Market Value
Asset-Backed Security / Collateralized Mortgage Obligation											
HYUNDAI ABS 2017-A A3 DTD 03/29/2017 1.760% 08/15/2021	44931PAD8	260,000.00	AAA	NR	03/22/17	03/29/17	259,978.97	1.76	203.38	259,978.97	256,396.09
NISSAN ABS 2017-A A3 DTD 03/28/2017 1.740% 08/15/2021	654747AD6	315,000.00	NR	Aaa	03/21/17	03/28/17	314,966.64	1.74	243.60	314,969.94	310,898.04
ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	480,000.00	NR	Aaa	03/21/17	03/29/17	479,943.41	1.79	379.73	479,957.05	475,335.60
Security Type Sub-Total		2,687,022.24					2,686,715.75	1.71	3,209.12	2,686,854.68	2,663,226.14
Managed Account Sub-Total		122,069,956.51					121,823,765.93	1.55	391,392.96	121,789,955.45	120,234,612.18
Securities Sub-Total		\$122,069,956.51					\$121,823,765.93	1.55%	\$391,392.96	\$121,789,955.45	\$120,234,612.18
Accrued Interest											\$391,392.96
Total Investments											\$120,626,005.14

IMPORTANT DISCLOSURES

This material is based on information obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management LLC cannot guarantee its accuracy, completeness or suitability. This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation. All statements as to what will or may happen under certain circumstances are based on assumptions, some, but not all of which, are noted in the presentation. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Past performance does not necessarily reflect and is not a guaranty of future results. The information contained in this presentation is not an offer to purchase or sell any securities.

- Market values that include accrued interest are derived from closing bid prices as of the last business day of the month as supplied by Interactive Data, Bloomberg, or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield based matrix system to arrive at an estimated market value.
- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. Past performance is not indicative of future returns.
- Bank of America/Merrill Lynch Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

GLOSSARY

- **ACCRUED INTEREST:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **AGENCIES:** Federal agency securities and/or Government-sponsored enterprises.
- **AMORTIZED COST:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **BANKERS' ACCEPTANCE:** A draft or bill or exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- **COMMERCIAL PAPER:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **CONTRIBUTION TO DURATION:** Represents each sector or maturity range's relative contribution to the overall duration of the portfolio measured as a percentage weighting. Since duration is a key measure of interest rate sensitivity, the contribution to duration measures the relative amount or contribution of that sector or maturity range to the total rate sensitivity of the portfolio.
- **DURATION TO WORST:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years, computed from cash flows to the maturity date or to the put date, whichever results in the highest yield to the investor.
- **EFFECTIVE DURATION:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **EFFECTIVE YIELD:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **INTEREST RATE:** Interest per year divided by principal amount and expressed as a percentage.
- **MARKET VALUE:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **MATURITY:** The date upon which the principal or stated value of an investment becomes due and payable.
- **NEGOTIABLE CERTIFICATES OF DEPOSIT:** A CD with a very large denomination, usually \$1 million or more, that can be traded in secondary markets.
- **PAR VALUE:** The nominal dollar face amount of a security.

GLOSSARY

- **PASS THROUGH SECURITY:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.
- **REPURCHASE AGREEMENTS:** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- **SETTLE DATE:** The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- **TRADE DATE:** The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- **UNSETTLED TRADE:** A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- **U.S. TREASURY:** The department of the U.S. government that issues Treasury securities.
- **YIELD:** The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- **YTM AT COST:** The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- **YTM AT MARKET:** The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.



**JOHN CHIANG
TREASURER
STATE OF CALIFORNIA**



PMIA Performance Report

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
03/26/18	1.56	1.42	176
03/27/18	1.57	1.42	175
03/28/18	1.57	1.42	177
03/29/18	1.58	1.43	179
03/30/18	1.59	1.43	183
03/31/18	1.59	1.43	183
04/01/18	1.59	1.59	183
04/02/18	1.60	1.60	190
04/03/18	1.60	1.60	190
04/04/18	1.61	1.60	188
04/05/18	1.61	1.60	187
04/06/18	1.62	1.61	185
04/07/18	1.62	1.61	185
04/08/18	1.62	1.61	185
04/09/18	1.62	1.61	186
04/10/18	1.63	1.61	184
04/11/18	1.63	1.61	183
04/12/18	1.65	1.62	183
04/13/18	1.65	1.62	183
04/14/18	1.65	1.62	183
04/15/18	1.65	1.62	183
04/16/18	1.65	1.63	180
04/17/18	1.66	1.63	181
04/18/18	1.67	1.63	180
04/19/18	1.69	1.63	186
04/20/18	1.69	1.64	185
04/21/18	1.69	1.64	185
04/22/18	1.69	1.64	185
04/23/18	1.69	1.65	185
04/24/18	1.69	1.65	184
04/25/18	1.70	1.65	183

*Daily yield does not reflect capital gains or losses

[View Prior Month Daily Rates](#)

LAIF Performance Report

Quarter Ending 03/31/18

Apportionment Rate: 1.51%
 Earnings Ratio: 0.00004135534904993
 Fair Value Factor: 0.997538001
 Daily: 1.59%
 Quarter to Date: 1.43%
 Average Life: 183

**PMIA Average Monthly
Effective Yields**

Mar 2018 1.524
 Feb 2018 1.412
 Jan 2018 1.350

**Pooled Money Investment Account
Portfolio Composition
03/31/18
\$75.0 billion**

