



Date: October 24, 2018
To: Mayor and City Council
From: City Manager
By: Director of Finance
Subject: 2018 Third 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 July 1 – September 30, 2018 (3Q2018). The City's Investment Advisory Committee (IAC) reviewed this report (but took no formal action) during their quarterly meeting on October 22, 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 \$269.8 million as of September 30, 2018. The investments held at the end of 3Q2018 included \$121.6 million invested through the City's investment advisor, The PFM Group; \$107.2 million on deposit in the Local Agency Investment Fund (LAIF); and \$41.0 million in the City's general checking account.

Interest earned during 3Q2018 on the City's portfolio managed by the PFM Group (excluding LAIF and cash accounts) totaled \$479,806. The portfolio outperformed the City's benchmark used for comparison (1-3 Year U.S. Treasury Index) – by 27 basis points for the one-year period from September 30, 2017 to September 30, 2018 and met the benchmark for the quarter. Funds on deposit with LAIF earned 2.0% during 3Q2018. 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:

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



CITY OF HAYWARD

Investment Performance Review For the Quarter Ended September 30, 2018

Client Management Team

Monique Spyke, Managing Director

Izac Chyou, Senior Managing Consultant

PFM Asset Management LLC

50 California Street, Suite 2300

San Francisco, CA 94111

415-982-5544

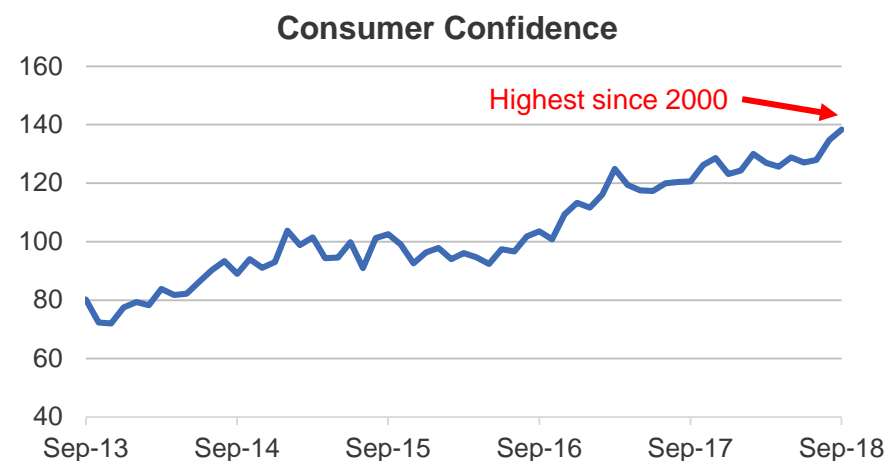
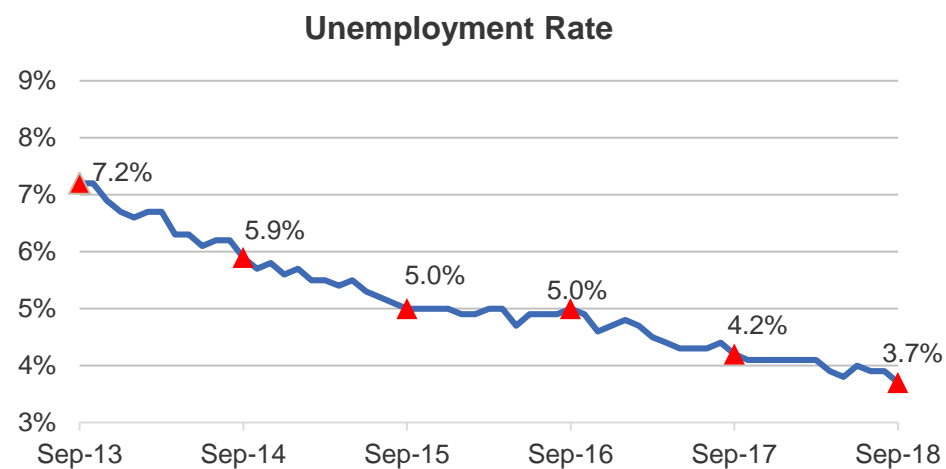
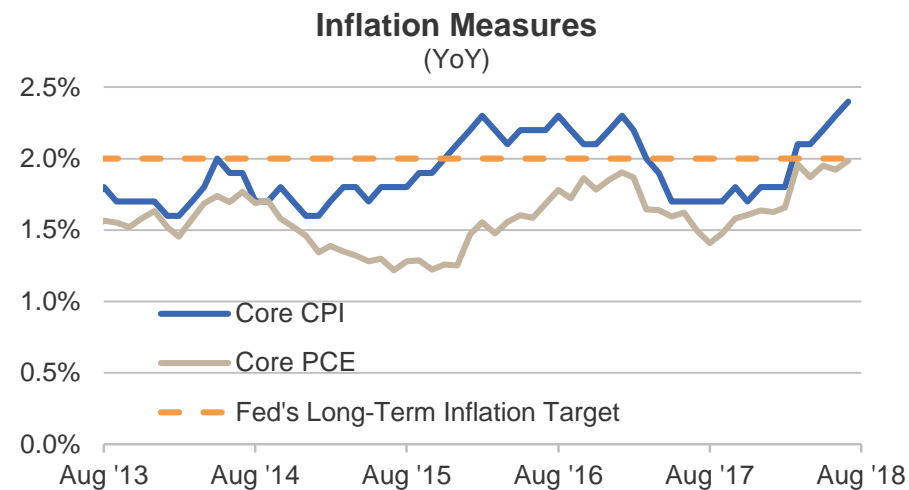
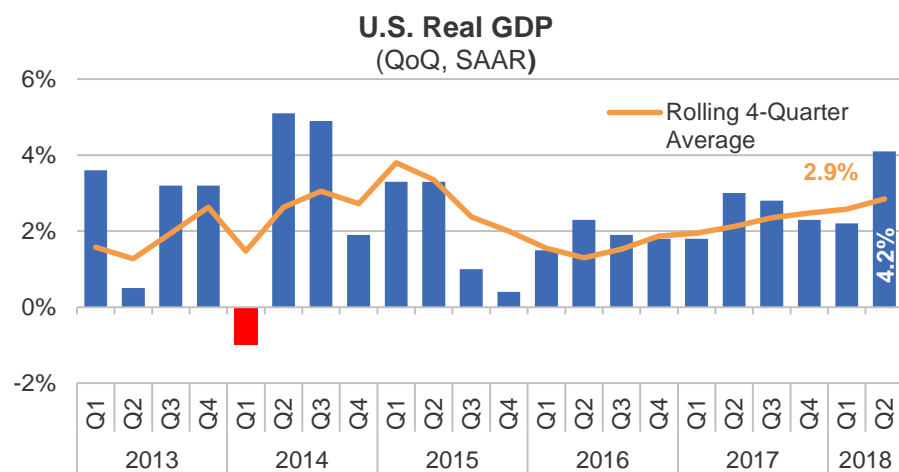
213 Market Street

Harrisburg, PA 17101-2141

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Market Update

Economic Summary



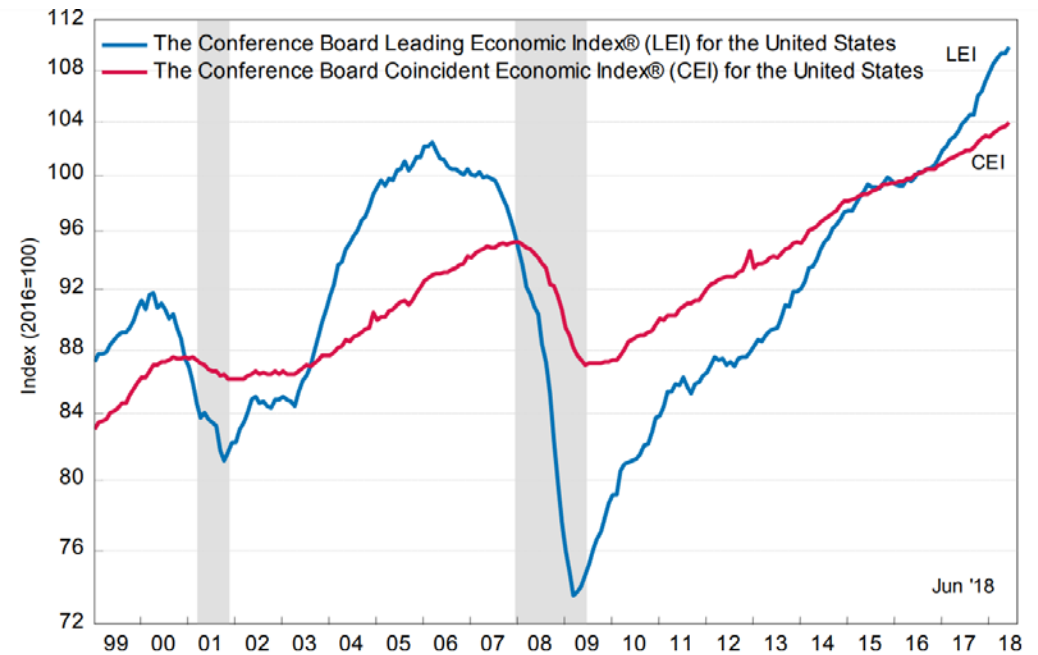
Source: Bloomberg, data available as of 9/30/2018. SAAR is seasonally adjusted annualized rate.

Where Are We in the Economic Cycle?

Different Indicators Give Differing Views

Duration	Length of cycle	Late
Slack	Labor market slack	Late
	Output market slack	Late
Cost pressures	Wage growth	Mid
	Unit labor cost growth	Early
Cyclical demand	Resi investment/GDP	Early
	Housing starts	Mid
	Consumer durables/GDP	Early
	Capital spending	Mid
Confidence	Cyclically adj. confidence	Mid
Leverage	Household leverage	Early
	Most levered companies	Mid
Credit	Bond default rates	Mid
	Loan delinquencies	Mid
	Bank lending standards	Mid
Profits	S&P 500 margins	Late
	Earnings rel. to normalized	Mid

The Conference Board Leading Economic Index Continues to Rise



Latest LEI Trough March 2009, Latest CEI Trough June 2009

Shaded areas represent recessions as determined by the NBER Business Cycle Dating Committee.

- Supports the continuing solid growth in the economy
- Suggests no recession in the near-term

Source (left): Wall Street Journal; Deutsche Bank. Source (right): Conference Board.

Treasury Yields Continue to Rise

- The third quarter marked the tenth straight quarterly rise in the 2-year yield as the U.S. economy remained strong and the Federal Reserve continued quantitative tightening, raising the federal funds' target rate by 25 basis points for the third time this year at its September meeting.
- The 2-year Treasury increased by 29 basis points to 2.82% in the third quarter.

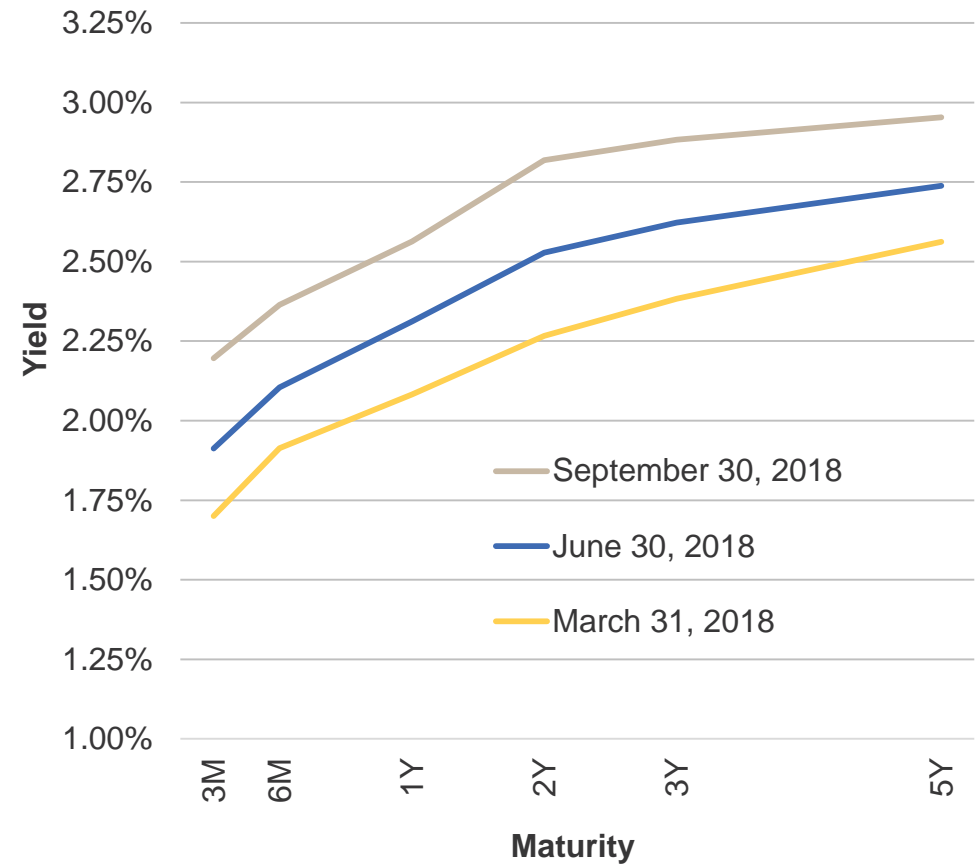
2-Year U.S. Treasury



Source: Bloomberg, as of 9/30/2018.

U.S. Treasury Curve

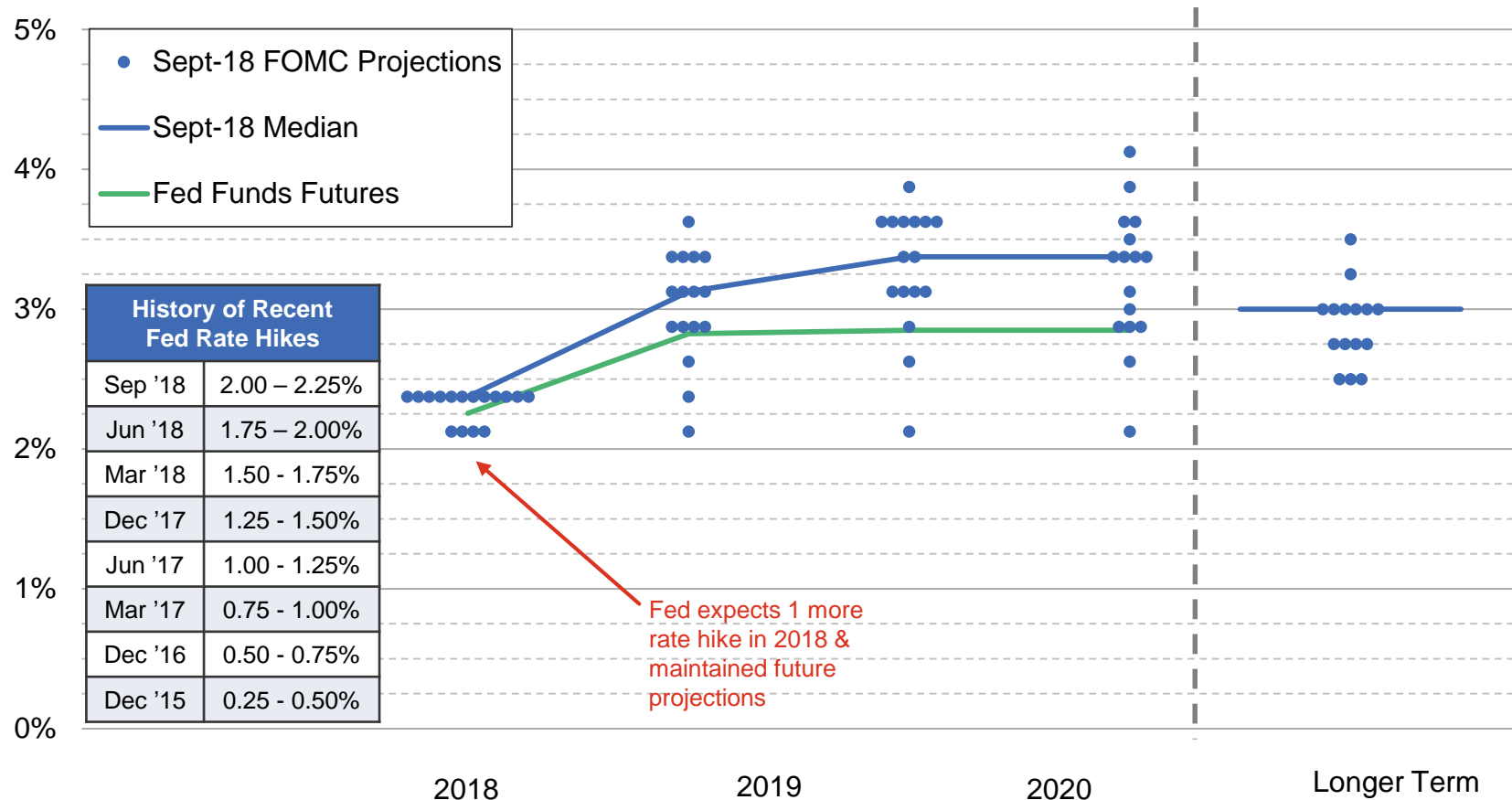
	3Q2018 9/30/18	2Q2018 6/30/18	1Q2018 3/31/18
3 month	2.20%	1.91%	1.70%
6 month	2.36%	2.10%	1.91%
1 year	2.56%	2.31%	2.08%
2 year	2.82%	2.53%	2.27%
3 year	2.88%	2.62%	2.38%
5 year	2.95%	2.74%	2.56%



Source: Bloomberg, as of 9/30/2018.

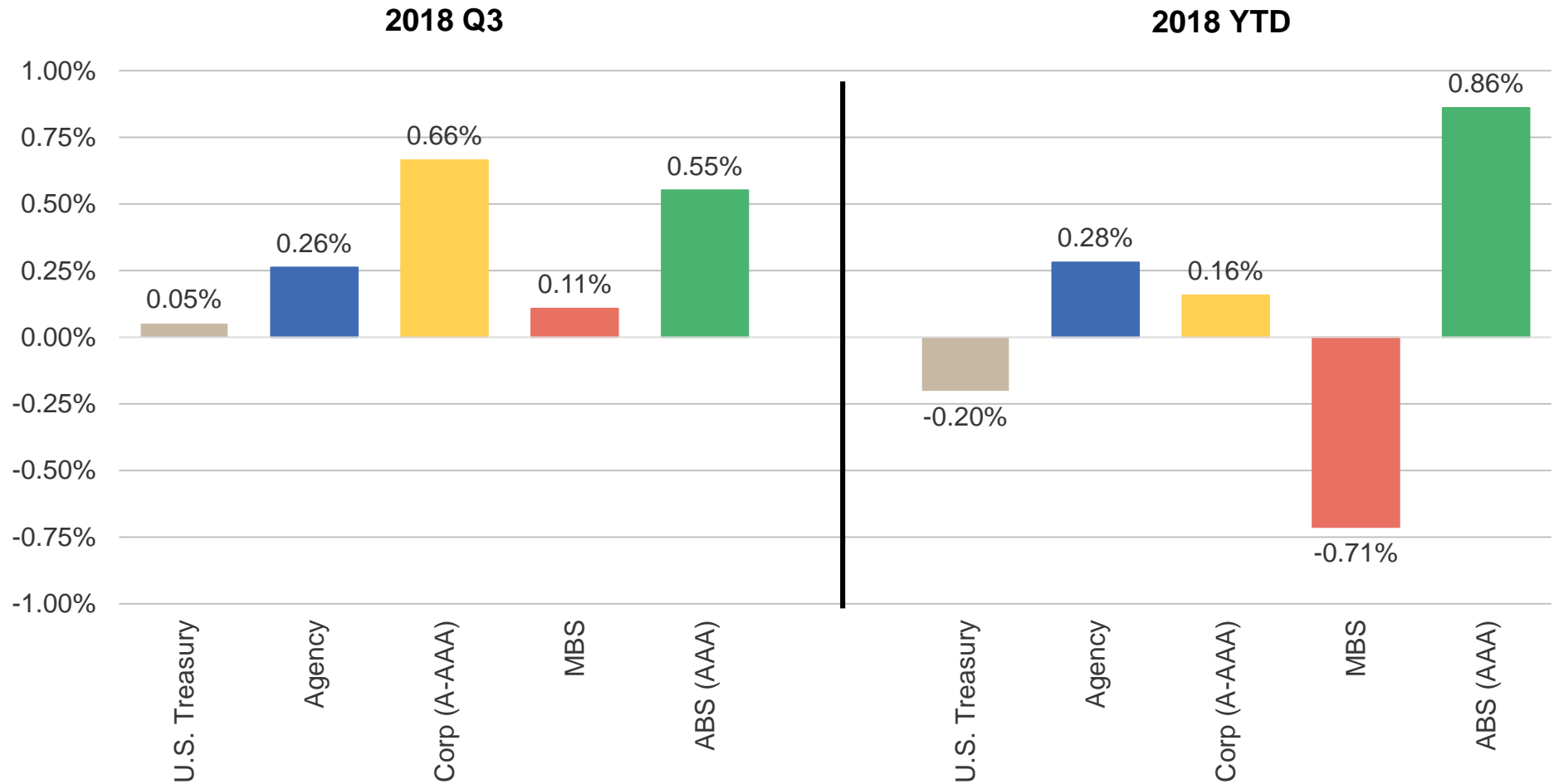
FOMC “Dot Plot” – A Third 2018 Rate Hike in September

Fed Participants’ Assessments of ‘Appropriate’ Monetary Policy September 2018



Source: Federal Reserve and Bloomberg. Individual dots represent each Fed members’ judgment of the midpoint of the appropriate target range for the federal funds rate at each year-end. Fed funds futures as of 9/26/2018.

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 9/30/2018.

Portfolio Review

Portfolio Recap

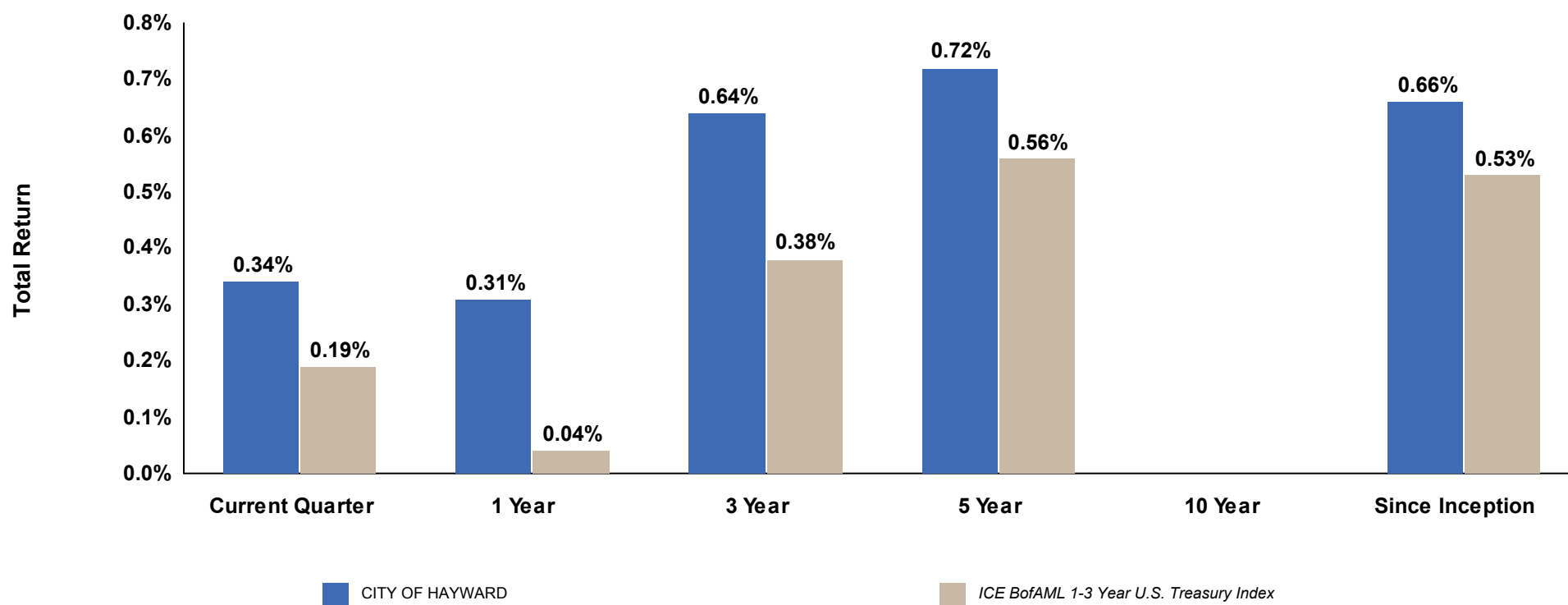
- ◆ We positioned your portfolios with a defensive duration posture for the majority of the past two quarters in light of the Fed's impact on short-term rates. This has benefited portfolio returns as yields across the curve approached new highs for this cycle.
- ◆ After a weaker Q2, strong economic fundamentals gave investors confidence in corporate and other non-government sectors. Most investment-grade sectors contributed positive excess returns (returns in excess of similar-duration Treasuries) to fixed-income portfolios for the quarter.
- ◆ Our strategy continued to favor broad diversification generally including the widest range of permitted investments.
 - As has been the case for some time, federal agency yield spreads remained extremely narrow throughout the quarter. We generally underweighted agencies in favor of U.S. Treasuries or other sectors. Occasional purchases occurred when new issues came at attractive spread concessions (new bonds issued at yields higher than those in the secondary market to entice buyers). The very flat yield curve also created better return prospects for callable agencies, a sector we had previously been avoiding. As a result, we began to modestly increase callable allocations, especially in accounts limited to government securities.
 - After adding to supranational allocations in the first half of the year, a sharp decline in issuance caused yield spreads to narrow, reducing their attractiveness. The result was a strong performance for the sector but few new opportunities.
 - In the corporate sector, strong economic tailwinds created a favorable investment landscape. Strong investor demand amid pro-credit conditions caused yield spreads to narrow and re-approach post-recession tights. Our credit strategy took aim at balancing the positive outlook of the sector with tighter valuations. Throughout the quarter, we were a bit more cautious, generally maintaining corporate allocations. However, we also took the opportunity to sell out of holdings that had gotten particularly "rich" (i.e. trading at very narrow spreads) into new issues at wider spreads. Corporate returns dominated their government counterparts, adding significant value to portfolios in Q3.

Portfolio Recap continued...

- We actively sought to increase allocations to asset-backed securities (ABS). Our view of the ABS sector was that it remained a high-quality diversifier to corporate allocations, providing incremental income, with a high degree of downside protection given the sector's strong structural protections and AAA ratings. During Q3, the sector provided attractive excess returns.
- After providing several consecutive quarters of incremental income relative to short-term government alternatives, yield spreads on commercial paper and negotiable bank certificates of deposit grinded to 12-month tight. Our strategy in Q3 was to be more selective with regard to issuer/maturity and wait for the next Fed rate hike (which occurred September 26) before reassessing value in short credit instruments.
- Our view of mortgage-backed securities (MBS) remained cautious. As such, our allocations to MBS were generally small and focused on structures with limited extension risk such as shorter maturity pass-throughs and collateralized mortgage obligations (CMOs), agency-backed commercial mortgage-backed securities (CMBS), and MBS with higher coupons, all of which carry less downside risk in a rising rate environment.

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	1.69	0.34%	0.31%	0.64%	0.72%	-	0.66%
ICE BofAML 1-3 Year U.S. Treasury Index	1.80	0.19%	0.04%	0.38%	0.56%	-	0.53%
Difference		0.15%	0.27%	0.26%	0.16%	-	0.13%



*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 September 30, 2018**

	Market Value Basis	Accrual (Amortized Cost) Basis
Beginning Value (06/30/2018)	\$120,691,097.55	\$122,244,331.16
Net Purchases/Sales	\$504,813.04	\$504,813.04
Change in Value	(\$130,638.11)	(\$93,323.79)
Ending Value (09/30/2018)	\$121,065,272.48	\$122,655,820.41
Interest Earned	\$541,234.76	\$541,234.76
Portfolio Earnings	\$410,596.65	\$447,910.97

Sector Allocation and Compliance

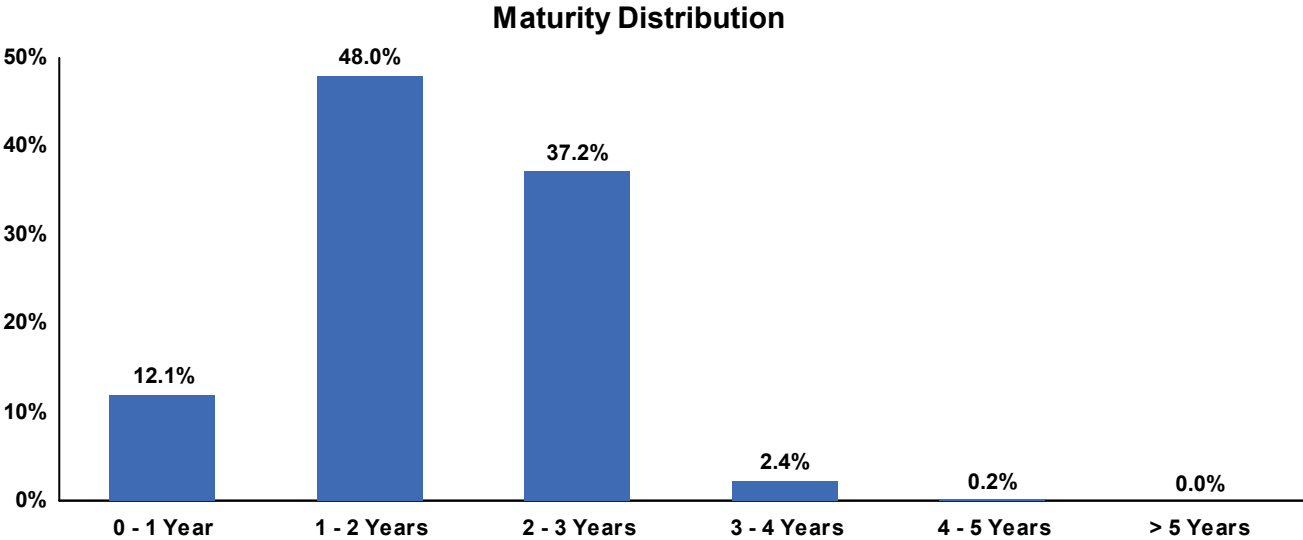
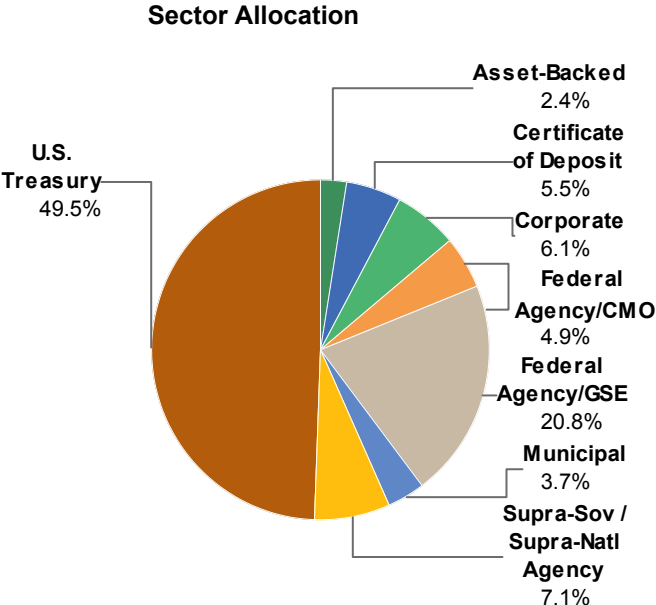
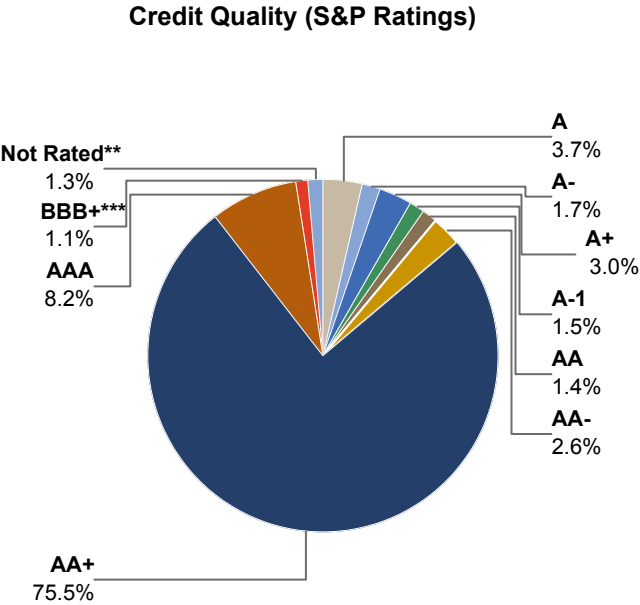
- The portfolio is in compliance with the City of Hayward's Investment Policy and the California Government Code.

Security Type	Market Value	% of Portfolio	Permitted by Policy	In Compliance
U.S. Treasury	\$59,970,973	22.3%	100%	✓
Federal Agency	\$25,119,121	9.3%	100%	✓
Federal Agency CMOs	\$5,958,662	2.2%	20%	✓
Municipal Bonds	\$4,428,199	1.6%	20%	✓
Supranationals	\$8,594,033	3.2%	30%	✓
Negotiable CDs	\$6,618,809	2.5%	30%	✓
Corporate Notes	\$7,431,819	2.8%	30%	✓
Asset-Backed Securities	\$2,943,656	1.1%	20%	✓
Securities Sub-Total	\$121,065,272	45.0%		
Accrued Interest	\$479,806			
Securities Total	\$121,545,079			
LAIF	\$107,176,673	39.8%	195 Million ¹	✓
Bank of West	\$41,031,838	15.2%	100%	✓
Total Investments	\$269,753,589	22.3%		

As of 9/30/2018. Detail may not add to total due to rounding.

1. The maximum allowable LAIF balance is \$65 million per account. LAIF City: \$39.1 million. LAIF HPFA: \$27.4 million. LAIF Housing: \$40.6 million.

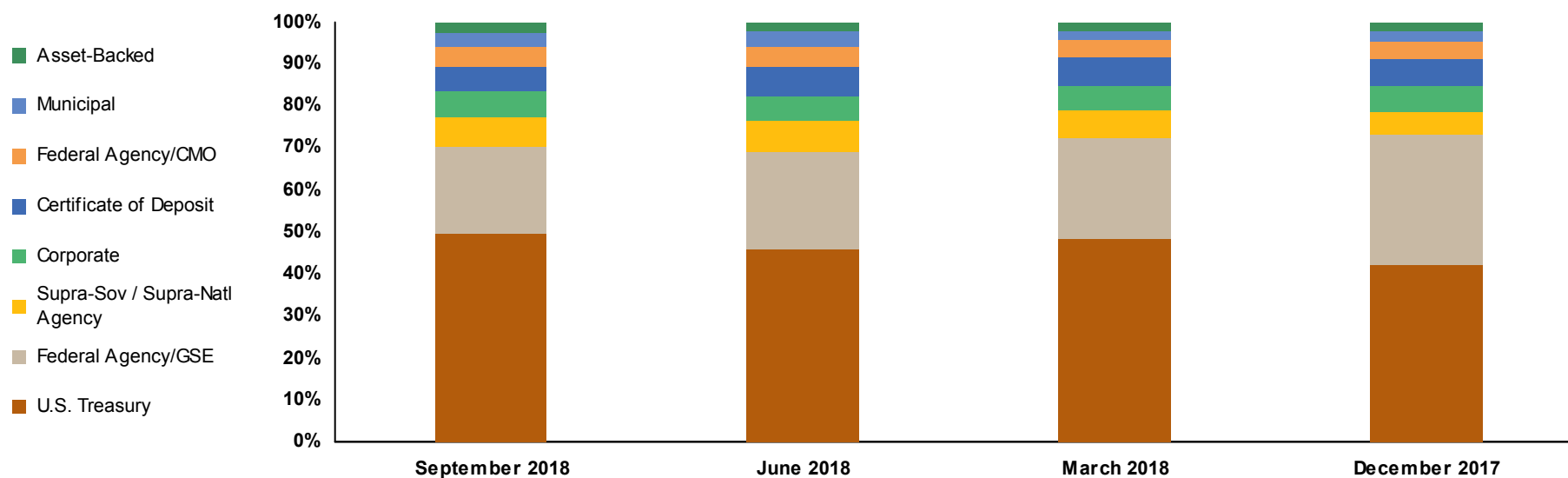
Portfolio Statistics	
As of September 30, 2018	
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Par Value:	\$122,983,831
Total Market Value:	\$121,545,079
Security Market Value:	\$121,065,272
Accrued Interest:	\$479,806
Cash:	-
Amortized Cost:	\$122,655,820
Yield at Market:	2.81%
Yield at Cost:	1.95%
Effective Duration:	1.69 Years
Duration to Worst:	1.75 Years
Average Maturity:	1.89 Years
Average Credit: *	AA



* An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.
** The "Not Rated" category comprises asset-backed securities rated Aaa by Moody's.
*** The "BBB+" category comprises securities rated A- or better by Moody's and Fitch.

Sector Allocation

Sector	September 30, 2018		June 30, 2018		March 31, 2018		December 31, 2017	
	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total
U.S. Treasury	60.0	49.5%	55.3	45.8%	58.2	48.3%	50.9	42.1%
Federal Agency/GSE	25.1	20.8%	27.7	22.9%	28.7	23.9%	37.7	31.1%
Supra-Sov / Supra-Natl Agency	8.6	7.1%	9.1	7.6%	7.8	6.5%	6.5	5.4%
Corporate	7.4	6.1%	7.0	5.8%	6.9	5.8%	7.3	6.0%
Certificate of Deposit	6.6	5.5%	8.4	7.0%	8.4	7.0%	7.8	6.4%
Federal Agency/CMO	6.0	4.9%	6.3	5.2%	5.0	4.2%	5.0	4.1%
Municipal	4.4	3.7%	4.4	3.7%	2.6	2.1%	3.0	2.5%
Asset-Backed	2.9	2.4%	2.5	2.0%	2.7	2.2%	2.9	2.4%
Total	\$121.1	100.0%	\$120.7	100.0%	\$120.2	100.0%	\$121.1	100.0%

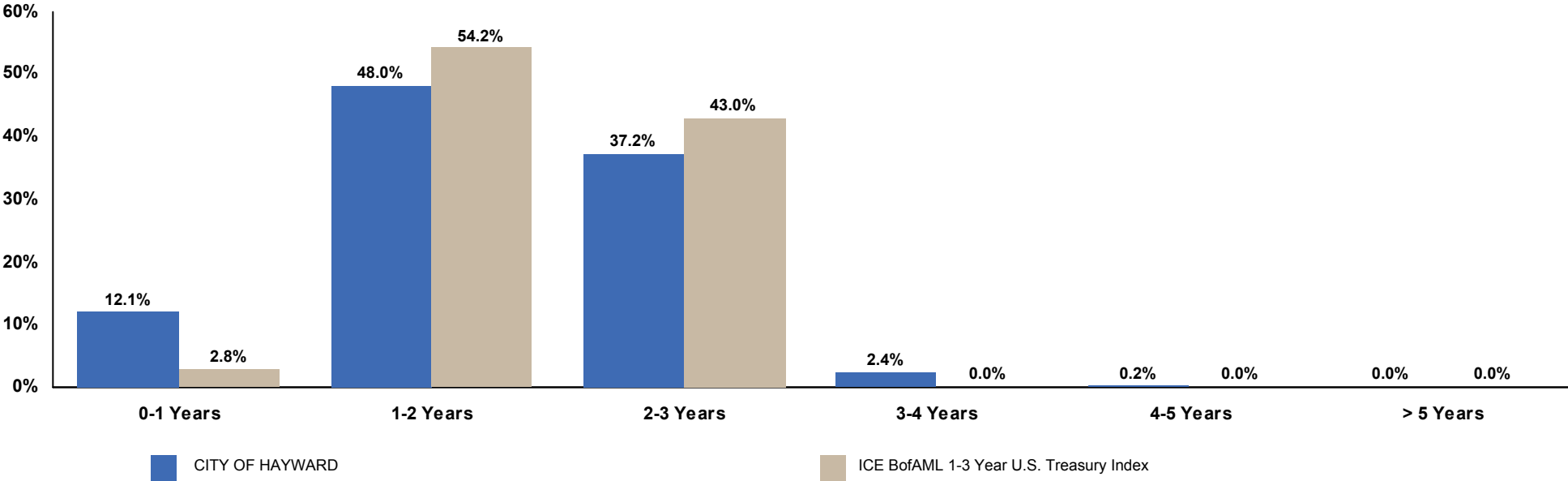


Detail may not add to total due to rounding.

Maturity Distribution

As of September 30, 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	2.81%	1.89 yrs	12.1%	48.0%	37.2%	2.4%	0.2%	0.0%
ICE BofAML 1-3 Year U.S. Treasury Index	2.81%	1.94 yrs	2.8%	54.2%	43.0%	0.0%	0.0%	0.0%



Sector/Issuer Distribution

As of September 30, 2018

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
Asset-Backed			
ALLY AUTO RECEIVABLES TRUST	604,471	20.5%	0.5%
CARMAX AUTO OWNER TRUST	332,455	11.3%	0.3%
CITIGROUP INC	449,010	15.3%	0.4%
FORD CREDIT AUTO LEASE TRUST	229,987	7.8%	0.2%
FORD CREDIT AUTO OWNER TRUST	53,958	1.8%	- %
GM FINANCIAL AUTO LEASING TRUST	170,025	5.8%	0.1%
HONDA AUTO RECEIVABLES	272,209	9.2%	0.2%
HYUNDAI AUTO RECEIVABLES	257,187	8.7%	0.2%
JOHN DEERE OWNER TRUST	119,069	4.0%	0.1%
NISSAN AUTO RECEIVABLES	311,312	10.6%	0.3%
TOYOTA MOTOR CORP	143,974	4.9%	0.1%
Sector Total	2,943,656	100.0%	2.4%
Certificate of Deposit			
BANK OF MONTREAL	599,230	9.1%	0.5%
BANK OF NOVA SCOTIA	602,897	9.1%	0.5%
CANADIAN IMPERIAL BANK OF COMMERCE	601,516	9.1%	0.5%
CREDIT AGRICOLE SA	601,152	9.1%	0.5%
CREDIT SUISSE GROUP	599,733	9.1%	0.5%
MITSUBISHI UFJ FINANCIAL GROUP INC	619,868	9.4%	0.5%

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
NORDEA BANK AB	597,521	9.0%	0.5%
ROYAL BANK OF CANADA	603,230	9.1%	0.5%
SKANDINAVISKA ENSKILDA BANKEN AB	1,192,224	18.0%	1.0%
UBS AG	601,436	9.1%	0.5%
Sector Total	6,618,809	100.0%	5.5%
Corporate			
3M COMPANY	144,754	1.9%	0.1%
AMERICAN EXPRESS CO	592,560	8.0%	0.5%
AMERICAN HONDA FINANCE	276,296	3.7%	0.2%
APPLE INC	395,284	5.3%	0.3%
BANK OF AMERICA CO	577,228	7.8%	0.5%
CATERPILLAR INC	324,617	4.4%	0.3%
CHARLES SCHWAB	235,029	3.2%	0.2%
CITIGROUP INC	462,709	6.2%	0.4%
DEERE & COMPANY	544,545	7.3%	0.4%
GOLDMAN SACHS GROUP INC	594,735	8.0%	0.5%
IBM CORP	592,720	8.0%	0.5%
JP MORGAN CHASE & CO	899,525	12.1%	0.7%
MORGAN STANLEY	293,117	3.9%	0.2%
NATIONAL RURAL UTILITIES CO FINANCE CORP	248,260	3.3%	0.2%
PACCAR FINANCIAL CORP	293,795	4.0%	0.2%
THE BANK OF NEW YORK MELLON CORPORATION	593,317	8.0%	0.5%
TOYOTA MOTOR CORP	363,327	4.9%	0.3%

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
Sector Total	7,431,819	100.0%	6.1%
Federal Agency/CMO			
FANNIE MAE	1,765,024	29.6%	1.5%
FREDDIE MAC	4,193,638	70.4%	3.5%
Sector Total	5,958,662	100.0%	4.9%
Federal Agency/GSE			
FANNIE MAE	14,895,135	59.3%	12.3%
FEDERAL HOME LOAN BANKS	6,611,220	26.3%	5.5%
FREDDIE MAC	3,612,767	14.4%	3.0%
Sector Total	25,119,121	100.0%	20.7%
Municipal			
CALIFORNIA ST	1,420,269	32.1%	1.2%
STATE OF CONNECTICUT	1,316,269	29.7%	1.1%
UNIVERSITY OF CALIFORNIA	1,691,661	38.2%	1.4%
Sector Total	4,428,199	100.0%	3.7%
Supra-Sov / Supra-Natl Agency			
INTER-AMERICAN DEVELOPMENT BANK	2,582,385	30.0%	2.1%
INTERNATIONAL FINANCE CORPORATION	1,833,276	21.3%	1.5%
INTL BANK OF RECONSTRUCTION AND DEV	4,178,371	48.6%	3.5%

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
Sector Total	8,594,033	100.0%	7.1%
U.S. Treasury			
UNITED STATES TREASURY	59,970,973	100.0%	49.5%
Sector Total	59,970,973	100.0%	49.5%
Portfolio Total	121,065,272	100.0%	100.0%

Current Outlook & Strategy

- While the Fed's policy actions will depend on future economic data, we believe the current strength of the U.S. economy, coupled with a strong labor market and rising inflation, will cause the Fed to continue raising rates at a pace of about one ¼ percent hike per quarter well into 2019. Therefore, we plan to maintain a defensive duration posture to mitigate a portion of interest rate risk relative to benchmarks.
- Our outlook for each of the major investment-grade fixed-income sectors are as follows:
 - Federal agency securities remain expensive, as most maturities offer less than five basis points of incremental yield relative to U.S. Treasuries. We will continue to reduce agency exposure where spreads are tight, seeking better relative value in other sectors. As an alternative, we may selectively add callable agency issues because we view them as providing better value in today's market in addition to favorable diversification and income benefits.
 - Issuance in the supranational sector is very light, and spreads have narrowed sharply. We will likely wait until the first quarter of next year, when seasonal issuance typical surges (as these multinational corporations begin preparing for new fiscal year funding initiatives), to aggressively increase allocations at what we expect will be much wider spreads.
 - Corporate sector earnings remain solid, fundamentals are stable, and the domestic backdrop is strong, all of which support credit spreads. However, increased balance sheet leverage, headwinds from tariffs, merger and acquisition uncertainty, and higher short-term yields may be headwinds for future performance. In conjunction with tight spreads, we plan to be more selective and defensive with corporate positioning.
 - In conjunction with our slightly defensive credit posture, asset-backed securities (ABS) offer attractive incremental income compared to government security alternatives. Further, where allocations to the corporate sector are trimmed, we may seek to reinvest a portion of those assets in AAA-rated ABS.
 - As the Fed continues to reduce its holdings of mortgage-backed securities (MBS), the sector is exposed to potential spread pressures through Q4. As a result, we will maintain allocations to the sector, with new additions focused only on specific structures that limit interest rate sensitivity and provide more stable cash flows.

Yield Environment as of September 30, 2018

Maturity	Treasury	Federal Agency	Supranational	Commercial Paper	A Corporate
3-Month	2.20%	2.18%	2.21%	2.33%	-
6-Month	2.32%	2.30%	2.27%	2.54%	-
1-Year	2.59%	2.62%	2.61%	-	2.95%
2-Year	2.82%	2.85%	2.88%	-	3.28%
3-Year	2.88%	2.93%	2.99%	-	3.43%
5-Year	2.95%	3.05%	3.07%	-	3.65%

Source: Bloomberg, PFM Trading Desk. TradeWeb for Federal Agency and Supranational yields. Yields are for indicative purposes only; actual yields may vary by issue.

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									
7/3/18	7/6/18	1,500,000	912828WR7	US TREASURY NOTES	2.12%	6/30/21	1,477,550.95	2.66%	
7/12/18	7/17/18	493,771	3137AWQG3	FHMS K023 A1	1.58%	4/25/22	481,639.15	2.87%	
7/18/18	7/25/18	1,795,000	459058GH0	INTL BANK OF RECONSTRUCTION AND DEV NOTE	2.75%	7/23/21	1,790,799.70	2.83%	
7/18/18	7/25/18	285,000	14313FAD1	CARMAX AUTO OWNER TRUST	3.13%	6/15/23	284,961.15	3.36%	
8/1/18	8/3/18	600,000	06370REU9	BANK OF MONTREAL CHICAGO CERT DEPOS	3.19%	8/3/20	600,000.00	3.23%	
8/6/18	8/9/18	295,000	69371RP42	PACCAR FINANCIAL CORP BONDS	3.15%	8/9/21	294,908.55	3.16%	
8/22/18	8/27/18	2,450,000	3134GSWC5	FREDDIE MAC NOTES (CALLABLE)	2.90%	8/27/21	2,450,000.00	2.90%	
9/4/18	9/7/18	325,000	14913Q2N8	CATERPILLAR FINANCIAL SERVICES CORP CORP	3.15%	9/7/21	324,749.75	3.18%	
9/5/18	9/7/18	1,575,000	9128284W7	US TREASURY NOTES	2.75%	8/15/21	1,578,999.02	2.72%	
9/11/18	9/14/18	145,000	88579YBA8	3M COMPANY	3.00%	9/14/21	144,702.75	3.07%	
9/13/18	9/20/18	1,825,000	3130AEXV7	FEDERAL HOME LOAN BANKS NOTES (CALLABLE)	3.00%	9/20/21	1,825,000.00	3.00%	
9/18/18	9/21/18	230,000	34531LAD2	FORDL 2018-B A3	3.19%	12/15/21	229,980.57	3.41%	
9/18/18	9/26/18	170,000	36256GAD1	GMALT 2018-3 A3	3.18%	6/20/21	169,986.57	3.19%	
9/26/18	9/28/18	1,725,000	9128284W7	US TREASURY NOTES	2.75%	8/15/21	1,723,327.15	2.91%	
Total BUY		13,413,771					13,376,605.31		

INTEREST

7/1/18	7/15/18	29,825	3137BHU39	FREDDIE MAC SERIES 4459 NB	4.50%	1/1/20	111.84		
7/1/18	7/25/18	23,722	3136AMTM1	FNMA SERIES M4 FA	2.36%	9/1/18	42.65		
7/1/18	7/25/18	615,681	3137AA4V2	FHLMC SERIES K013 A1	2.90%	8/25/20	1,488.92		
7/1/18	7/25/18	1,225,000	31398VJ98	FHMS K006 A2	4.25%	1/25/20	4,339.56		
7/1/18	7/25/18	205,608	3136ANA98	FNMA SERIES 2015-M10 FA	2.40%	3/1/19	376.56		
7/1/18	7/25/18	661,090	3136AP3Z3	FNMA SERIES 2015-M12 FA	2.50%	4/1/20	1,260.34		
7/1/18	7/25/18	202,556	3136ASPX8	FNMA SERIES 2016-M9 ASQ2	1.78%	6/1/19	301.30		

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
7/1/18	7/25/18	374,772	3136AQDQ0	FANNIE MAE SERIES 2015-M13 ASQ2	1.64%	9/1/19	548.24		
7/1/18	7/25/18	1,036,441	3137AWQG3	FHMS K023 A1	1.58%	4/25/22	1,367.24		
7/1/18	7/25/18	880,000	3137B6ZM6	FHMS K714 A2	3.03%	10/25/20	2,224.93		
7/1/18	7/25/18	104,088	3136AQSW1	FNMA SERIES 2015-M15 ASQ2	1.89%	1/1/19	164.64		
7/1/18	7/25/18	850,000	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	2,521.67		
7/1/18	7/25/18	114,849	3137AWQG3	FHMS K023 A1	1.58%	4/25/22	151.50		
7/10/18	7/10/18	1,200,000	86958JHB8	SVENSKA HANDELSBANKEN NY CD	1.89%	1/10/19	11,403.00		
7/10/18	7/10/18	600,000	22532XHT8	CREDIT AGRICOLE CIB NY FLT CERT DEPOS	2.80%	4/10/20	4,257.98		
7/10/18	7/10/18	600,000	13606BVF0	CANADIAN IMP BK COMM NY FLT CERT DEPOS	2.73%	4/10/20	4,151.81		
7/15/18	7/15/18	145,000	89238MAD0	TOYOTA ABS 2017-A A3	1.73%	2/15/21	209.04		
7/15/18	7/15/18	135,000	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	191.25		
7/15/18	7/15/18	260,000	44931PAD8	HYUNDAI ABS 2017-A A3	1.76%	8/15/21	381.33		
7/15/18	7/15/18	315,000	654747AD6	NISSAN ABS 2017-A A3	1.74%	8/15/21	456.75		
7/15/18	7/15/18	120,000	47787XAC1	JOHN DEERE ABS 2017-A A3	1.78%	4/15/21	178.00		
7/15/18	7/15/18	152,023	14314JAB6	CARMAX ABS 2017-1 A2	1.54%	2/15/20	195.10		
7/15/18	7/15/18	142,216	34530YAD5	FORD ABS 2015-C A3	1.41%	2/15/20	167.10		
7/15/18	7/15/18	480,000	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	712.00		
7/17/18	7/17/18	450,000	17305EGA7	CITIBANK ABS 2017-A2 A2	1.74%	1/19/21	3,915.00		
7/21/18	7/21/18	275,000	43814TAC6	HONDA ABS 2017-1 A3	1.72%	7/21/21	394.17		
7/27/18	7/27/18	600,000	459200JN2	IBM CORP NOTES	1.90%	1/27/20	5,700.00		
7/30/18	7/30/18	3,600,000	3135G0T60	FNMA NOTES	1.50%	7/30/20	27,000.00		
7/31/18	7/31/18	4,070,000	912828H52	US TREASURY NOTES	1.25%	1/31/20	25,437.50		
7/31/18	7/31/18	3,500,000	912828N89	US TREASURY NOTES	1.37%	1/31/21	24,062.50		
7/31/18	7/31/18	2,750,000	912828XM7	US TREASURY NOTES	1.62%	7/31/20	22,343.75		
7/31/18	7/31/18	450,000	912828N89	US TREASURY NOTES	1.37%	1/31/21	3,093.75		
7/31/18	7/31/18	400,000	912828N89	US TREASURY NOTES	1.37%	1/31/21	2,750.00		
8/1/18	8/15/18	19,245	3137BHU39	FREDDIE MAC SERIES 4459 NB	4.50%	1/1/20	72.17		
8/1/18	8/25/18	112,470	3137AWQG3	FHMS K023 A1	1.58%	4/25/22	148.37		
8/1/18	8/25/18	880,000	3137B6ZM6	FHMS K714 A2	3.03%	10/25/20	2,224.93		
8/1/18	8/25/18	189,246	3136ASPX8	FNMA SERIES 2016-M9 ASQ2	1.78%	6/1/19	341.21		

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
8/1/18	8/25/18	178,038	3136ANA98	FNMA SERIES 2015-M10 FA	2.40%	3/1/19	357.97		
8/1/18	8/25/18	369,715	3136AQDQ0	FANNIE MAE SERIES 2015-M13 ASQ2	1.64%	9/1/19	507.13		
8/1/18	8/25/18	592,359	3137AA4V2	FHLMC SERIES K013 A1	2.90%	8/25/20	1,432.52		
8/1/18	8/25/18	1,225,000	31398VJ98	FHMS K006 A2	4.25%	1/25/20	4,339.56		
8/1/18	8/25/18	7,031	3136AMTM1	FNMA SERIES M4 FA	2.36%	9/1/18	13.89		
8/1/18	8/25/18	632,063	3136AP3Z3	FNMA SERIES 2015-M12 FA	2.50%	4/1/20	1,319.84		
8/1/18	8/25/18	1,014,974	3137AWQG3	FHMS K023 A1	1.58%	4/25/22	1,338.92		
8/1/18	8/25/18	493,771	3137AWQG3	FHMS K023 A1	1.58%	4/25/22	651.37		
8/1/18	8/25/18	42,228	3136AQSW1	FNMA SERIES 2015-M15 ASQ2	1.89%	1/1/19	66.79		
8/1/18	8/25/18	850,000	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	2,607.66		
8/2/18	8/2/18	3,050,000	3135G0N33	FNMA BENCHMARK NOTE	0.87%	8/2/19	13,343.75		
8/2/18	8/2/18	1,200,000	83050FXT3	SKANDINAV ENSKILDA BANKEN NY CD	1.84%	8/2/19	11,101.33		
8/7/18	8/7/18	600,000	06427KRC3	BANK OF MONTREAL CHICAGO CERT DEPOS	1.88%	2/7/19	5,640.00		
8/7/18	8/7/18	400,000	037833CK4	APPLE INC BONDS	1.90%	2/7/20	3,800.00		
8/14/18	8/14/18	280,000	02665WBM2	AMERICAN HONDA FINANCE	2.00%	2/14/20	2,800.00		
8/15/18	8/15/18	135,000	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	191.25		
8/15/18	8/15/18	120,000	47787XAC1	JOHN DEERE ABS 2017-A A3	1.78%	4/15/21	178.00		
8/15/18	8/15/18	1,340,000	20772J3D2	CT ST TXBL GO BONDS	1.30%	8/15/19	8,710.00		
8/15/18	8/15/18	113,496	34530YAD5	FORD ABS 2015-C A3	1.41%	2/15/20	133.36		
8/15/18	8/15/18	480,000	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	712.00		
8/15/18	8/15/18	260,000	44931PAD8	HYUNDAI ABS 2017-A A3	1.76%	8/15/21	381.33		
8/15/18	8/15/18	315,000	654747AD6	NISSAN ABS 2017-A A3	1.74%	8/15/21	456.75		
8/15/18	8/15/18	145,000	89238MAD0	TOYOTA ABS 2017-A A3	1.73%	2/15/21	209.04		
8/15/18	8/15/18	116,978	14314JAB6	CARMAX ABS 2017-1 A2	1.54%	2/15/20	150.12		
8/15/18	8/15/18	285,000	14313FAD1	CARMAX AUTO OWNER TRUST	3.13%	6/15/23	495.58		
8/20/18	8/20/18	600,000	65590ASN7	NORDEA BANK AB NY CD	2.72%	2/20/20	8,069.33		
8/21/18	8/21/18	275,000	43814TAC6	HONDA ABS 2017-1 A3	1.72%	7/21/21	394.17		
8/24/18	8/24/18	600,000	06406HCZ0	BNY MELLON (CALLABLE) CORP NOTE	2.15%	2/24/20	6,450.00		
8/28/18	8/28/18	5,425,000	3135G0P49	FNMA NOTES	1.00%	8/28/19	27,125.00		
8/28/18	8/28/18	1,300,000	3135G0P49	FNMA NOTES	1.00%	8/28/19	6,500.00		

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
8/28/18	8/28/18	1,510,000	3135G0T29	FNMA NOTES	1.50%	2/28/20	11,325.00		
8/31/18	8/31/18	625,000	912828P87	US TREASURY N/B	1.12%	2/28/21	3,515.63		
8/31/18	8/31/18	3,100,000	912828P87	US TREASURY N/B	1.12%	2/28/21	17,437.50		
8/31/18	8/31/18	1,000,000	912828J50	US TREASURY NOTES	1.37%	2/29/20	6,875.00		
8/31/18	8/31/18	1,275,000	912828L32	US TREASURY NOTES	1.37%	8/31/20	8,765.63		
8/31/18	8/31/18	3,500,000	912828J50	US TREASURY NOTES	1.37%	2/29/20	24,062.50		
9/1/18	9/15/18	12,886	3137BHU39	FREDDIE MAC SERIES 4459 NB	4.50%	1/1/20	48.32		
9/1/18	9/25/18	583,969	3136AP3Z3	FNMA SERIES 2015-M12 FA	2.50%	4/1/20	1,217.80		
9/1/18	9/25/18	825,713	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	2,493.65		
9/1/18	9/25/18	251,627	3136AQDQ0	FANNIE MAE SERIES 2015-M13 ASQ2	1.64%	9/1/19	345.15		
9/1/18	9/25/18	119,314	3136ASPX8	FNMA SERIES 2016-M9 ASQ2	1.78%	6/1/19	177.48		
9/1/18	9/25/18	483,906	3137AWQG3	FHMS K023 A1	1.58%	4/25/22	638.35		
9/1/18	9/25/18	1,225,000	31398VJ98	FHMS K006 A2	4.25%	1/25/20	4,339.56		
9/1/18	9/25/18	3,719	3136AMTM1	FNMA SERIES M4 FA	2.36%	9/1/18	7.34		
9/1/18	9/25/18	570,588	3137AA4V2	FHLMC SERIES K013 A1	2.90%	8/25/20	1,379.87		
9/1/18	9/25/18	110,223	3137AWQG3	FHMS K023 A1	1.58%	4/25/22	145.40		
9/1/18	9/25/18	42,133	3136AQSW1	FNMA SERIES 2015-M15 ASQ2	1.89%	1/1/19	66.64		
9/1/18	9/25/18	880,000	3137B6ZM6	FHMS K714 A2	3.03%	10/25/20	2,224.93		
9/1/18	9/25/18	137,861	3136ANA98	FNMA SERIES 2015-M10 FA	2.40%	3/1/19	276.81		
9/1/18	9/25/18	994,695	3137AWQG3	FHMS K023 A1	1.58%	4/25/22	1,312.17		
9/4/18	9/4/18	600,000	90275DHG8	UBS AG STAMFORD CT LT CD	2.90%	3/2/20	8,796.67		
9/9/18	9/9/18	1,850,000	45950VLQ7	INTERNATIONAL FINANCE CORPORATION NOTE	2.63%	3/9/21	23,421.00		
9/12/18	9/12/18	300,000	24422EUD9	JOHN DEERE CAPITAL CORP NOTES	2.87%	3/12/21	4,288.54		
9/12/18	9/12/18	1,225,000	45905UP32	INTL BANK OF RECONSTRUCTION AND DEV NOTE	1.56%	9/12/20	9,567.25		
9/13/18	9/13/18	250,000	24422ETQ2	JOHN DEERE CAPITAL CORP NOTES	2.20%	3/13/20	2,750.00		
9/15/18	9/15/18	120,000	47787XAC1	JOHN DEERE ABS 2017-A A3	1.78%	4/15/21	178.00		
9/15/18	9/15/18	260,000	44931PAD8	HYUNDAI ABS 2017-A A3	1.76%	8/15/21	381.33		
9/15/18	9/15/18	135,000	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	191.25		
9/15/18	9/15/18	285,000	14313FAD1	CARMAX AUTO OWNER TRUST	3.13%	6/15/23	743.38		
9/15/18	9/15/18	315,000	654747AD6	NISSAN ABS 2017-A A3	1.74%	8/15/21	456.75		

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
9/15/18	9/15/18	82,961	34530YAD5	FORD ABS 2015-C A3	1.41%	2/15/20	97.48		
9/15/18	9/15/18	250,000	63743HER9	NATIONAL RURAL UTIL COOP	2.90%	3/15/21	4,007.64		
9/15/18	9/15/18	145,000	89238MAD0	TOYOTA ABS 2017-A A3	1.73%	2/15/21	209.04		
9/15/18	9/15/18	480,000	02007HAC5	ALLY ABS 2017-2 A3	1.78%	8/15/21	712.00		
9/15/18	9/15/18	82,522	14314JAB6	CARMAX ABS 2017-1 A2	1.54%	2/15/20	105.90		
9/21/18	9/21/18	275,000	43814TAC6	HONDA ABS 2017-1 A3	1.72%	7/21/21	394.17		
9/22/18	9/22/18	300,000	46625HQU7	JP MORGAN CHASE & CORP NOTES (CALLABLE)	1.85%	3/22/19	2,775.00		
9/25/18	9/25/18	625,000	06539RGM3	MUFG BANK LTD/NY CERT DEPOS	2.07%	9/25/19	13,045.31		
9/26/18	9/26/18	1,575,000	3130A9EP2	FHLB GLOBAL NOTES	1.00%	9/26/19	7,875.00		
9/30/18	9/30/18	2,915,000	912828UV0	US TREASURY NOTES	1.12%	3/31/20	16,396.88		

Total INTEREST	79,536,604						447,210.08		
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MATURITY

9/1/18	9/1/18	3,719	3136AMTM1	FNMA SERIES M4 FA	2.36%	9/1/18	3,719.26		0.00
Total MATURITY		3,719					3,719.26		0.00

PAYDOWNS

7/1/18	7/15/18	10,580	3137BHU39	FREDDIE MAC SERIES 4459 NB	4.50%	1/1/20	10,579.65		0.00
7/1/18	7/25/18	23,322	3137AA4V2	FHLMC SERIES K013 A1	2.90%	8/25/20	23,322.39		0.00
7/1/18	7/25/18	5,057	3136AQDQ0	FANNIE MAE SERIES 2015-M13 ASQ2	1.64%	9/1/19	5,056.85		0.00
7/1/18	7/25/18	29,027	3136AP3Z3	FNMA SERIES 2015-M12 FA	2.50%	4/1/20	29,026.82		0.00
7/1/18	7/25/18	13,310	3136ASPX8	FNMA SERIES 2016-M9 ASQ2	1.78%	6/1/19	13,309.75		0.00
7/1/18	7/25/18	21,467	3137AWQG3	FHMS K023 A1	1.58%	4/25/22	21,467.44		0.00
7/1/18	7/25/18	27,570	3136ANA98	FNMA SERIES 2015-M10 FA	2.40%	3/1/19	27,570.24		0.00
7/1/18	7/25/18	16,690	3136AMTM1	FNMA SERIES M4 FA	2.36%	9/1/18	16,690.42		0.00
7/1/18	7/25/18	2,379	3137AWQG3	FHMS K023 A1	1.58%	4/25/22	2,378.82		0.00

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
7/1/18	7/25/18	61,860	3136AQSW1	FNMA SERIES 2015-M15 ASQ2	1.89%	1/1/19	61,859.91		0.00
7/15/18	7/15/18	35,045	14314JAB6	CARMAX ABS 2017-1 A2	1.54%	2/15/20	35,044.81		0.00
7/15/18	7/15/18	28,721	34530YAD5	FORD ABS 2015-C A3	1.41%	2/15/20	28,720.68		0.00
8/1/18	8/15/18	6,359	3137BHU39	FREDDIE MAC SERIES 4459 NB	4.50%	1/1/20	6,359.05		0.00
8/1/18	8/25/18	21,771	3137AA4V2	FHLMC SERIES K013 A1	2.90%	8/25/20	21,770.51		0.00
8/1/18	8/25/18	118,088	3136AQDQ0	FANNIE MAE SERIES 2015-M13 ASQ2	1.64%	9/1/19	118,087.81		0.00
8/1/18	8/25/18	69,931	3136ASPX8	FNMA SERIES 2016-M9 ASQ2	1.78%	6/1/19	69,931.40		0.00
8/1/18	8/25/18	24,287	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	24,286.71		0.00
8/1/18	8/25/18	9,865	3137AWQG3	FHMS K023 A1	1.58%	4/25/22	9,865.21		0.00
8/1/18	8/25/18	95	3136AQSW1	FNMA SERIES 2015-M15 ASQ2	1.89%	1/1/19	95.07		0.00
8/1/18	8/25/18	2,247	3137AWQG3	FHMS K023 A1	1.58%	4/25/22	2,247.08		0.00
8/1/18	8/25/18	40,177	3136ANA98	FNMA SERIES 2015-M10 FA	2.40%	3/1/19	40,176.58		0.00
8/1/18	8/25/18	3,312	3136AMTM1	FNMA SERIES M4 FA	2.36%	9/1/18	3,311.89		0.00
8/1/18	8/25/18	20,278	3137AWQG3	FHMS K023 A1	1.58%	4/25/22	20,278.48		0.00
8/1/18	8/25/18	48,094	3136AP3Z3	FNMA SERIES 2015-M12 FA	2.50%	4/1/20	48,094.44		0.00
8/15/18	8/15/18	34,457	14314JAB6	CARMAX ABS 2017-1 A2	1.54%	2/15/20	34,456.70		0.00
8/15/18	8/15/18	30,535	34530YAD5	FORD ABS 2015-C A3	1.41%	2/15/20	30,534.98		0.00
9/1/18	9/15/18	2,316	3137BHU39	FREDDIE MAC SERIES 4459 NB	4.50%	1/1/20	2,315.94		0.00
9/1/18	9/25/18	21,861	3137AA4V2	FHLMC SERIES K013 A1	2.90%	8/25/20	21,861.49		0.00
9/1/18	9/25/18	1,018	3137B6ZM6	FHMS K714 A2	3.03%	10/25/20	1,017.99		0.00
9/1/18	9/25/18	39,069	3136AP3Z3	FNMA SERIES 2015-M12 FA	2.50%	4/1/20	39,069.46		0.00
9/1/18	9/25/18	23,227	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	23,227.32		0.00
9/1/18	9/25/18	84,529	3136ASPX8	FNMA SERIES 2016-M9 ASQ2	1.78%	6/1/19	84,528.96		0.00
9/1/18	9/25/18	9,898	3137AWQG3	FHMS K023 A1	1.58%	4/25/22	9,898.05		0.00
9/1/18	9/25/18	20,346	3137AWQG3	FHMS K023 A1	1.58%	4/25/22	20,345.99		0.00
9/1/18	9/25/18	6,452	3136ANA98	FNMA SERIES 2015-M10 FA	2.40%	3/1/19	6,451.52		0.00
9/1/18	9/25/18	13,094	3136AQSW1	FNMA SERIES 2015-M15 ASQ2	1.89%	1/1/19	13,093.76		0.00
9/1/18	9/25/18	2,255	3137AWQG3	FHMS K023 A1	1.58%	4/25/22	2,254.55		0.00
9/1/18	9/25/18	35,117	3136AQDQ0	FANNIE MAE SERIES 2015-M13 ASQ2	1.64%	9/1/19	35,117.24		0.00
9/15/18	9/15/18	35,033	14314JAB6	CARMAX ABS 2017-1 A2	1.54%	2/15/20	35,033.04		0.00

CITY OF HAYWARD

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
9/15/18	9/15/18	6,027	02007PAC7	ALLY ABS 2017-1 A3	1.70%	6/15/21	6,027.27		0.00
9/15/18	9/15/18	28,949	34530YAD5	FORD ABS 2015-C A3	1.41%	2/15/20	28,948.68		0.00
9/21/18	9/21/18	378	43814TAC6	HONDA ABS 2017-1 A3	1.72%	7/21/21	377.56		0.00
Total PAYDOWNS		1,034,093					1,034,092.51		0.00

SELL

7/3/18	7/6/18	1,295,000	3130A8DB6	FHLB GLOBAL NOTE	1.12%	6/21/19	1,280,105.88	2.40%	(15,327.65)
7/13/18	7/17/18	295,000	3130A8DB6	FHLB GLOBAL NOTE	1.12%	6/21/19	291,820.64	2.40%	(4,258.99)
7/13/18	7/17/18	105,000	3130A8DB6	FHLB GLOBAL NOTE	1.12%	6/21/19	103,868.36	2.40%	(1,203.33)
7/18/18	7/25/18	630,000	459058FK4	INTL BANK OF RECON AND DEV SN NOTE	0.87%	8/15/19	621,371.10	2.57%	(11,035.79)
7/18/18	7/25/18	1,175,000	3130A8DB6	FHLB GLOBAL NOTE	1.12%	6/21/19	1,162,653.69	2.42%	(16,860.33)
8/1/18	8/3/18	600,000	06427KRC3	BANK OF MONTREAL CHICAGO CERT DEPOS	1.88%	2/7/19	603,627.55	2.43%	(1,887.12)
8/6/18	8/9/18	300,000	166764BS8	CHEVRON CORP NOTES	1.68%	2/28/19	301,038.05	2.43%	(1,224.00)
8/22/18	8/27/18	1,950,000	3130A8DB6	FHLB GLOBAL NOTE	1.12%	6/21/19	1,934,287.88	2.38%	(24,622.69)
9/5/18	9/6/18	225,000	86958JHB8	SVENSKA HANDELSBANKEN NY CD	1.89%	1/10/19	225,320.25	2.00%	(364.88)
9/5/18	9/7/18	975,000	86958JHB8	SVENSKA HANDELSBANKEN NY CD	1.89%	1/10/19	976,417.30	2.00%	(1,602.76)
9/5/18	9/7/18	600,000	06427KRC3	BANK OF MONTREAL CHICAGO CERT DEPOS	1.88%	2/7/19	599,519.90	2.05%	(1,420.10)
9/12/18	9/14/18	100,000	3130A8DB6	FHLB GLOBAL NOTE	1.12%	6/21/19	99,230.38	2.48%	(1,265.24)
9/13/18	9/20/18	1,350,000	3135G0N33	FNMA BENCHMARK NOTE	0.87%	8/2/19	1,332,310.50	2.55%	(18,602.96)
9/13/18	9/20/18	475,000	3130A8DB6	FHLB GLOBAL NOTE	1.12%	6/21/19	471,514.09	2.49%	(5,904.91)
9/18/18	9/21/18	150,000	3135G0N33	FNMA BENCHMARK NOTE	0.87%	8/2/19	147,987.15	2.60%	(2,118.23)
9/26/18	9/28/18	1,715,000	458182DX7	INTER-AMERICAN DEVELOPMENT BANK	1.00%	5/13/19	1,704,504.20	2.60%	(15,870.73)
Total SELL		11,940,000					11,855,576.92		-123,569.71

Managed Account Detail of Securities Held

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 12/01/2014 1.500% 11/30/2019	912828G61	5,850,000.00	AA+	Aaa	12/1/2016	12/5/2016	5,859,140.63	1.45	29,489.75	5,853,609.98	5,769,790.65
US TREASURY NOTES DTD 12/31/2014 1.625% 12/31/2019	912828G95	600,000.00	AA+	Aaa	2/21/2018	2/22/2018	593,320.31	2.24	2,463.99	595,481.24	591,984.60
US TREASURY NOTES DTD 02/02/2015 1.250% 01/31/2020	912828H52	4,070,000.00	AA+	Aaa	1/3/2017	1/5/2017	4,037,567.19	1.52	8,571.33	4,055,760.86	3,991,143.75
US TREASURY NOTES DTD 03/02/2015 1.375% 02/29/2020	912828J50	3,500,000.00	AA+	Aaa	8/31/2017	9/1/2017	3,499,863.28	1.38	4,121.20	3,499,922.27	3,433,283.00
US TREASURY NOTES DTD 03/02/2015 1.375% 02/29/2020	912828J50	1,000,000.00	AA+	Aaa	2/1/2017	2/3/2017	993,945.31	1.58	1,177.49	997,175.47	980,938.00
US TREASURY NOTES DTD 04/01/2013 1.125% 03/31/2020	912828UV0	2,915,000.00	AA+	Aaa	3/15/2017	3/17/2017	2,864,784.57	1.71	90.09	2,889,933.62	2,845,200.33
US TREASURY NOTES DTD 04/30/2015 1.375% 04/30/2020	912828K58	4,300,000.00	AA+	Aaa	4/3/2017	4/5/2017	4,280,683.59	1.53	24,742.53	4,289,942.17	4,206,776.00
US TREASURY NOTES DTD 06/01/2015 1.500% 05/31/2020	912828XE5	2,500,000.00	AA+	Aaa	10/3/2017	10/5/2017	2,494,238.28	1.59	12,602.46	2,496,368.98	2,447,655.00
US TREASURY NOTES DTD 06/30/2015 1.625% 06/30/2020	912828XH8	7,750,000.00	AA+	Aaa	6/26/2017	6/28/2017	7,777,851.56	1.50	31,826.60	7,766,341.19	7,594,395.50
US TREASURY NOTES DTD 07/31/2015 1.625% 07/31/2020	912828XM7	2,750,000.00	AA+	Aaa	7/5/2017	7/5/2017	2,750,537.11	1.62	7,528.87	2,750,330.03	2,691,777.00
US TREASURY NOTES DTD 08/31/2015 1.375% 08/31/2020	912828L32	1,275,000.00	AA+	Aaa	8/31/2017	9/1/2017	1,272,559.57	1.44	1,501.29	1,273,429.51	1,240,833.83
US TREASURY NOTES DTD 11/30/2015 1.625% 11/30/2020	912828M98	3,600,000.00	AA+	Aaa	11/1/2017	11/3/2017	3,584,390.63	1.77	19,659.84	3,588,937.16	3,508,171.20
US TREASURY NOTES DTD 11/30/2015 1.625% 11/30/2020	912828M98	500,000.00	AA+	Aaa	10/31/2017	10/31/2017	498,125.00	1.75	2,730.53	498,675.03	487,246.00
US TREASURY NOTES DTD 12/31/2015 1.750% 12/31/2020	912828N48	4,600,000.00	AA+	Aaa	12/1/2017	12/5/2017	4,578,078.13	1.91	20,343.75	4,583,852.62	4,490,750.00
US TREASURY NOTES DTD 01/31/2016 1.375% 01/31/2021	912828N89	3,500,000.00	AA+	Aaa	1/2/2018	1/4/2018	3,430,000.00	2.05	8,108.02	3,446,521.61	3,383,380.00

Managed Account Detail of Securities Held

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 01/31/2016 1.375% 01/31/2021	912828N89	400,000.00	AA+	Aaa	2/2/2018	2/2/2018	388,718.75	2.36	926.63	391,151.14	386,672.00
US TREASURY NOTES DTD 01/31/2016 1.375% 01/31/2021	912828N89	450,000.00	AA+	Aaa	12/27/2017	12/28/2017	441,052.73	2.04	1,042.46	443,205.74	435,006.00
US TREASURY N/B DTD 02/29/2016 1.125% 02/28/2021	912828P87	3,100,000.00	AA+	Aaa	2/15/2018	2/16/2018	2,983,628.91	2.42	2,986.53	3,006,707.45	2,975,153.70
US TREASURY N/B DTD 02/29/2016 1.125% 02/28/2021	912828P87	625,000.00	AA+	Aaa	2/7/2018	2/8/2018	602,319.34	2.36	602.12	606,947.63	599,829.38
US TREASURY NOTES DTD 06/02/2014 2.000% 05/31/2021	912828WN6	3,225,000.00	AA+	Aaa	6/4/2018	6/6/2018	3,167,680.66	2.62	21,676.23	3,173,627.43	3,152,940.60
US TREASURY NOTES DTD 06/30/2014 2.125% 06/30/2021	912828WR7	1,500,000.00	AA+	Aaa	7/3/2018	7/6/2018	1,477,031.25	2.66	8,055.37	1,478,792.93	1,470,292.50
US TREASURY NOTES DTD 08/15/2018 2.750% 08/15/2021	9128284W7	1,725,000.00	AA+	Aaa	9/26/2018	9/28/2018	1,717,655.27	2.91	6,058.59	1,717,675.44	1,718,598.53
US TREASURY NOTES DTD 08/15/2018 2.750% 08/15/2021	9128284W7	1,575,000.00	AA+	Aaa	9/5/2018	9/7/2018	1,576,291.99	2.72	5,531.76	1,576,263.61	1,569,155.18
Security Type Sub-Total		61,310,000.00					60,869,464.06	1.82	221,837.43	60,980,653.11	59,970,972.75
Supra-National Agency Bond / Note											
INTL BANK OF RECON AND DEV GLOBAL NOTES DTD 10/27/2016 1.125% 11/27/2019	459058FS7	1,225,000.00	AAA	Aaa	8/28/2017	8/30/2017	1,214,550.75	1.51	4,746.88	1,219,574.68	1,201,630.68
INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 09/19/2017 1.561% 09/12/2020	45905UP32	1,225,000.00	AAA	Aaa	9/12/2017	9/19/2017	1,222,060.00	1.64	1,009.23	1,223,062.30	1,192,822.93
INTER-AMERICAN DEVELOPMENT BANK DTD 11/08/2013 2.125% 11/09/2020	4581X0CD8	1,215,000.00	AAA	Aaa	10/2/2017	10/10/2017	1,226,261.96	1.81	10,184.06	1,222,769.15	1,195,104.38

Managed Account Detail of Securities Held

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	3/9/2018	3/16/2018	1,848,612.50	2.66	2,979.01	1,848,851.85	1,833,276.00
INTER-AMERICAN DEVELOPMENT BANK NOTE DTD 04/19/2018 2.625% 04/19/2021	4581X0DB1	1,400,000.00	AAA	Aaa	4/12/2018	4/19/2018	1,396,920.00	2.70	16,537.50	1,397,366.64	1,387,281.00
INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 07/25/2018 2.750% 07/23/2021	459058GH0	1,795,000.00	AAA	Aaa	7/18/2018	7/25/2018	1,790,799.70	2.83	9,049.79	1,791,047.32	1,783,917.67
Security Type Sub-Total		8,710,000.00					8,699,204.91	2.28	44,506.47	8,702,671.94	8,594,032.66
Municipal Bond / Note											
UNIV OF CAL TXBL REV BOND DTD 05/18/2017 1.610% 05/15/2019	91412GS71	625,000.00	AA	Aa2	5/5/2017	5/18/2017	625,000.00	1.61	3,801.39	625,000.00	621,193.75
CT ST TXBL GO BONDS DTD 08/17/2016 1.300% 08/15/2019	20772J3D2	1,340,000.00	A	A1	8/3/2016	8/17/2016	1,342,894.40	1.23	2,225.89	1,340,853.67	1,316,268.60
UNIV OF CAL TXBL REV BOND DTD 05/18/2017 1.900% 05/15/2020	91412GS89	625,000.00	AA	Aa2	5/5/2017	5/18/2017	625,000.00	1.90	4,486.11	625,000.00	615,531.25
CA ST TXBL GO BONDS DTD 04/25/2018 2.800% 04/01/2021	13063DGA0	1,425,000.00	AA-	Aa3	4/18/2018	4/25/2018	1,425,057.00	2.80	17,290.00	1,425,035.28	1,420,269.00
UNIV OF CAL TXBL REV BONDS DTD 06/05/2018 3.029% 05/15/2021	91412HBH5	455,000.00	AA	Aa2	5/23/2018	6/5/2018	455,000.00	3.03	4,440.85	455,000.00	454,936.30
Security Type Sub-Total		4,470,000.00					4,472,951.40	2.06	32,244.24	4,470,888.95	4,428,198.90
Federal Agency Collateralized Mortgage Obligation											
FNMA SERIES 2015-M15 ASQ2 DTD 11/01/2015 1.898% 01/01/2019	3136AQSW1	29,039.46	AA+	Aaa	11/6/2015	11/30/2015	29,329.85	1.20	45.93	29,039.46	28,932.63
FNMA SERIES 2015-M10 FA DTD 06/01/2015 2.409% 03/01/2019	3136ANA98	131,409.57	AA+	Aaa	6/12/2015	6/30/2015	131,371.55	0.43	263.86	131,409.57	131,217.29

Managed Account Detail of Securities Held

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											
FNMA SERIES 2016-M9 ASQ2 DTD 06/01/2016 1.785% 06/01/2019	3136ASPX8	34,785.42	AA+	Aaa	6/9/2016	6/30/2016	35,133.26	1.05	51.74	34,825.16	34,565.14
FANNIE MAE SERIES 2015-M13 ASQ2 DTD 10/01/2015 1.646% 09/01/2019	3136AQDQ0	216,510.21	AA+	Aaa	10/7/2015	10/30/2015	218,678.32	1.08	296.98	216,797.81	215,686.61
FREDDIE MAC SERIES 4459 NB DTD 04/01/2015 4.500% 01/01/2020	3137BHU39	10,570.50	AA+	Aaa	6/8/2015	6/11/2015	11,082.50	0.77	39.64	10,697.87	10,598.78
FHMS K006 A2 DTD 04/01/2010 4.251% 01/25/2020	31398VJ98	1,225,000.00	AA+	Aaa	6/12/2018	6/15/2018	1,249,882.81	1.57	4,339.56	1,245,648.93	1,240,825.29
FNMA SERIES 2015-M12 FA DTD 09/01/2015 2.502% 04/01/2020	3136AP3Z3	544,899.25	AA+	Aaa	9/10/2015	9/30/2015	544,703.08	0.54	1,136.33	544,899.25	544,566.43
FHLMC SERIES K013 A1 DTD 05/01/2011 2.902% 08/25/2020	3137AA4V2	548,726.64	AA+	Aaa	6/23/2017	6/28/2017	559,165.29	1.60	1,327.00	554,057.30	548,241.62
FHMS K714 A2 DTD 01/01/2014 3.034% 10/25/2020	3137B6ZM6	878,982.01	AA+	Aaa	9/21/2017	9/26/2017	903,394.37	1.15	2,222.36	895,532.64	878,619.08
FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	802,485.97	AA+	Aaa	4/11/2018	4/30/2018	818,448.22	2.27	2,380.71	816,698.25	810,055.82
FHMS K023 A1 DTD 12/01/2012 1.583% 04/25/2022	3137AWQG3	107,968.44	AA+	Aaa	3/6/2018	3/9/2018	105,623.50	2.58	142.43	105,899.97	105,126.05
FHMS K023 A1 DTD 12/01/2012 1.583% 04/25/2022	3137AWQG3	474,007.78	AA+	Aaa	7/12/2018	7/17/2018	462,027.98	2.87	625.30	462,494.04	461,529.00
FHMS K023 A1 DTD 12/01/2012 1.583% 04/25/2022	3137AWQG3	974,349.32	AA+	Aaa	3/7/2018	3/9/2018	953,035.43	2.59	1,285.33	955,549.05	948,698.50
Security Type Sub-Total		5,978,734.57					6,021,876.16	1.74	14,157.17	6,003,549.30	5,958,662.24
Federal Agency Bond / Note											
FNMA BENCHMARK NOTE DTD 08/02/2016 0.875% 08/02/2019	3135G0N33	1,550,000.00	AA+	Aaa	7/29/2016	8/2/2016	1,547,396.00	0.93	2,222.74	1,549,267.16	1,528,248.85
FNMA NOTES DTD 09/02/2016 1.000% 08/28/2019	3135G0P49	1,300,000.00	AA+	Aaa	10/3/2016	10/5/2016	1,299,220.00	1.02	1,191.67	1,299,753.70	1,281,263.10

Managed Account Detail of Securities Held

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											
FNMA NOTES DTD 09/02/2016 1.000% 08/28/2019	3135G0P49	5,425,000.00	AA+	Aaa	8/31/2016	9/2/2016	5,416,537.00	1.05	4,972.92	5,422,400.01	5,346,809.48
FHLB GLOBAL NOTES DTD 09/09/2016 1.000% 09/26/2019	3130A9EP2	1,575,000.00	AA+	Aaa	10/3/2016	10/5/2016	1,574,448.75	1.01	218.75	1,574,815.76	1,549,485.00
FNMA NOTES DTD 02/28/2017 1.500% 02/28/2020	3135G0T29	1,510,000.00	AA+	Aaa	2/24/2017	2/28/2017	1,509,033.60	1.52	2,076.25	1,509,540.94	1,484,175.98
FHLMC AGENCY NOTES DTD 04/20/2017 1.375% 04/20/2020	3137EAEF2	1,200,000.00	AA+	Aaa	4/19/2017	4/20/2017	1,195,896.00	1.49	7,379.17	1,197,853.20	1,174,404.00
FEDERAL HOME LOAN BANKS NOTES DTD 05/21/2018 2.625% 05/28/2020	3130AECJ7	3,250,000.00	AA+	Aaa	6/4/2018	6/6/2018	3,254,745.00	2.55	30,807.29	3,254,009.10	3,240,828.50
FNMA NOTES DTD 08/01/2017 1.500% 07/30/2020	3135G0T60	3,600,000.00	AA+	Aaa	7/28/2017	8/1/2017	3,589,092.00	1.60	9,150.00	3,593,277.22	3,518,064.00
FANNIE MAE NOTES DTD 06/25/2018 2.750% 06/22/2021	3135G0U35	1,745,000.00	AA+	Aaa	6/22/2018	6/25/2018	1,744,598.65	2.76	12,796.67	1,744,632.00	1,736,573.40
FREDDIE MAC NOTES (CALLABLE) DTD 08/27/2018 2.900% 08/27/2021	3134GSWC5	2,450,000.00	AA+	Aaa	8/22/2018	8/27/2018	2,450,000.00	2.90	6,710.28	2,450,000.00	2,438,362.50
FEDERAL HOME LOAN BANKS NOTES (CALLABLE) DTD 09/20/2018 3.000% 09/20/2021	3130AEXV7	1,825,000.00	AA+	Aaa	9/13/2018	9/20/2018	1,825,000.00	3.00	1,672.92	1,825,000.00	1,820,906.53
Security Type Sub-Total		25,430,000.00					25,405,967.00	1.80	79,198.66	25,420,549.09	25,119,121.34
Corporate Note											
JP MORGAN CHASE & CORP NOTES (CALLABLE) DTD 03/23/2016 1.850% 03/22/2019	46625HQU7	300,000.00	A-	A3	5/17/2016	5/20/2016	301,317.00	1.69	138.75	300,191.15	298,902.30
CITIGROUP INC CORP NOTES DTD 06/09/2016 2.050% 06/07/2019	172967KS9	465,000.00	BBB+	Baa1	6/2/2016	6/9/2016	464,758.20	2.07	3,018.63	464,943.49	462,709.41
AMERICAN EXPRESS CREDIT (CALLABLE) CORP DTD 10/31/2016 1.700% 10/30/2019	0258M0EC9	600,000.00	A-	A2	1/31/2017	2/3/2017	595,440.00	1.99	4,278.33	598,176.32	592,560.00

Managed Account Detail of Securities Held

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											
GOLDMAN SACHS GROUP (CALLABLE) INC BONDS DTD 12/13/2016 2.300% 12/13/2019	38145GAJ9	600,000.00	BBB+	A3	12/8/2016	12/13/2016	599,550.00	2.33	4,140.00	599,816.35	594,735.00
IBM CORP NOTES DTD 01/27/2017 1.900% 01/27/2020	459200JN2	600,000.00	A+	A1	1/24/2017	1/27/2017	599,424.00	1.93	2,026.67	599,742.14	592,719.60
APPLE INC BONDS DTD 02/09/2017 1.900% 02/07/2020	037833CK4	400,000.00	AA+	Aa1	2/2/2017	2/9/2017	399,804.00	1.92	1,140.00	399,910.19	395,284.40
AMERICAN HONDA FINANCE DTD 02/16/2017 2.000% 02/14/2020	02665WBM2	280,000.00	A+	A2	2/13/2017	2/16/2017	279,602.40	2.05	731.11	279,815.14	276,295.60
BNY MELLON (CALLABLE) CORP NOTE DTD 02/24/2015 2.150% 02/24/2020	06406HCZ0	600,000.00	A	A1	4/10/2017	4/13/2017	603,102.00	1.96	1,325.83	601,491.55	593,317.20
JOHN DEERE CAPITAL CORP NOTES DTD 03/15/2017 2.200% 03/13/2020	24422ETQ2	250,000.00	A	A2	3/10/2017	3/15/2017	249,805.00	2.23	275.00	249,903.90	246,898.75
JOHN DEERE CAPITAL CORP NOTES DTD 03/13/2018 2.875% 03/12/2021	24422EUD9	300,000.00	A	A2	3/8/2018	3/13/2018	299,796.00	2.90	455.21	299,832.01	297,646.20
NATIONAL RURAL UTIL COOP DTD 02/26/2018 2.900% 03/15/2021	63743HER9	250,000.00	A	A2	2/21/2018	2/26/2018	249,722.50	2.94	322.22	249,777.36	248,260.00
TOYOTA MOTOR CREDIT CORP NOTES DTD 04/13/2018 2.950% 04/13/2021	89236TEU5	365,000.00	AA-	Aa3	4/10/2018	4/13/2018	364,854.00	2.96	5,024.83	364,875.89	363,327.21
MORGAN STANLEY CORP NOTES DTD 04/21/2016 2.500% 04/21/2021	61746BEA0	300,000.00	BBB+	A3	2/13/2018	2/15/2018	294,960.00	3.06	3,333.33	295,921.70	293,116.80
CHARLES SCHWAB CORP NOTES DTD 05/22/2018 3.250% 05/21/2021	808513AW5	235,000.00	A	A2	5/17/2018	5/22/2018	234,992.95	3.25	2,736.77	234,993.66	235,029.14
PACCAR FINANCIAL CORP BONDS DTD 08/09/2018 3.150% 08/09/2021	69371RP42	295,000.00	A+	A1	8/6/2018	8/9/2018	294,908.55	3.16	1,342.25	294,912.74	293,795.22
CATERPILLAR FINANCIAL SERVICES CORP CORP DTD 09/07/2018 3.150% 09/07/2021	14913Q2N8	325,000.00	A	A3	9/4/2018	9/7/2018	324,749.75	3.18	682.50	324,755.09	324,617.48

Managed Account Detail of Securities Held

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											
3M COMPANY DTD 09/14/2018 3.000% 09/14/2021	88579YBA8	145,000.00	AA-	A1	9/11/2018	9/14/2018	144,702.75	3.07	205.42	144,707.25	144,753.65
BANK OF AMERICA CORP (CALLABLE) DTD 09/18/2017 2.328% 10/01/2021	06051GGS2	390,000.00	A-	A3	9/13/2017	9/18/2017	390,000.00	2.33	4,539.60	390,000.00	381,557.67
BANK OF AMERICA CORP (CALLABLE) DTD 09/18/2017 2.328% 10/01/2021	06051GGS2	200,000.00	A-	A3	11/27/2017	11/29/2017	199,026.00	2.46	2,328.00	199,233.55	195,670.60
JPMORGAN CHASE & CO CORP NOTES DTD 06/18/2018 3.514% 06/18/2022	46647PAS5	600,000.00	A-	A3	6/11/2018	6/18/2018	600,000.00	3.51	6,032.37	600,000.00	600,622.80
Security Type Sub-Total		7,500,000.00					7,490,515.10	2.48	44,076.82	7,492,999.48	7,431,819.03
Certificate of Deposit											
SKANDINAV ENSKILDA BANKEN NY CD DTD 08/04/2017 1.840% 08/02/2019	83050FXT3	1,200,000.00	A-1	P-1	8/3/2017	8/4/2017	1,199,532.00	1.85	3,680.00	1,199,803.93	1,192,224.00
MUFG BANK LTD/NY CERT DEPOS DTD 09/27/2017 2.070% 09/25/2019	06539RGM3	625,000.00	A-1	P-1	9/25/2017	9/27/2017	625,000.00	2.07	215.63	625,000.00	619,868.13
CREDIT SUISSE NEW YORK CERT DEPOS DTD 02/08/2018 2.670% 02/07/2020	22549LFR1	600,000.00	A	A1	2/7/2018	2/8/2018	600,000.00	2.67	10,368.50	600,000.00	599,733.00
NORDEA BANK AB NY CD DTD 02/22/2018 2.720% 02/20/2020	65590ASN7	600,000.00	AA-	Aa3	2/20/2018	2/22/2018	600,000.00	2.72	1,858.67	600,000.00	597,521.40
UBS AG STAMFORD CT LT CD DTD 03/06/2018 2.900% 03/02/2020	90275DHG8	600,000.00	A+	Aa2	3/2/2018	3/6/2018	600,000.00	2.93	1,305.00	600,000.00	601,436.40
CANADIAN IMP BK COMM NY FLT CERT DEPOS DTD 04/10/2018 2.731% 04/10/2020	13606BVF0	600,000.00	A+	Aa2	4/6/2018	4/10/2018	600,000.00	2.78	3,778.49	600,000.00	601,516.20
CREDIT AGRICOLE CIB NY FLT CERT DEPOS DTD 04/10/2018 2.801% 04/10/2020	22532XHT8	600,000.00	A	A1	4/6/2018	4/10/2018	600,000.00	2.85	3,875.33	600,000.00	601,152.00

Managed Account Detail of Securities Held

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											
BANK OF NOVA SCOTIA HOUSTON CD DTD 06/07/2018 3.080% 06/05/2020	06417GU22	600,000.00	A+	Aa2	6/5/2018	6/7/2018	599,772.00	3.10	5,852.00	599,807.00	602,897.40
BANK OF MONTREAL CHICAGO CERT DEPOS DTD 08/03/2018 3.190% 08/03/2020	06370REU9	600,000.00	A+	Aa2	8/1/2018	8/3/2018	600,000.00	3.23	3,136.83	600,000.00	599,230.20
ROYAL BANK OF CANADA NY CD DTD 06/08/2018 3.240% 06/07/2021	78012UEE1	600,000.00	AA-	Aa2	6/7/2018	6/8/2018	600,000.00	3.24	6,102.00	600,000.00	603,230.40
Security Type Sub-Total		6,625,000.00					6,624,304.00	2.66	40,172.45	6,624,610.93	6,618,809.13
Asset-Backed Security / Collateralized Mortgage Obligation											
CARMAX ABS 2017-1 A2 DTD 01/31/2017 1.540% 02/15/2020	14314JAB6	47,488.68	NR	Aaa	1/25/2017	1/31/2017	47,488.66	1.60	32.50	47,488.68	47,458.74
FORD ABS 2015-C A3 DTD 09/22/2015 1.410% 02/15/2020	34530YAD5	54,012.13	AAA	Aaa	9/15/2015	9/22/2015	54,001.62	1.42	33.85	54,010.10	53,958.24
CITIBANK ABS 2017-A2 A2 DTD 01/26/2017 1.740% 01/19/2021	17305EGA7	450,000.00	AAA	Aaa	1/19/2017	1/26/2017	449,913.83	1.75	1,609.50	450,000.00	449,009.96
TOYOTA ABS 2017-A A3 DTD 03/15/2017 1.730% 02/15/2021	89238MAD0	145,000.00	AAA	Aaa	3/7/2017	3/15/2017	144,982.93	1.74	111.49	144,989.48	143,973.73
JOHN DEERE ABS 2017-A A3 DTD 03/02/2017 1.780% 04/15/2021	47787XAC1	120,000.00	NR	Aaa	2/22/2017	3/2/2017	119,982.91	1.79	94.93	119,986.96	119,068.50
ALLY ABS 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021	02007PAC7	128,972.73	NR	Aaa	1/24/2017	1/31/2017	128,961.46	1.70	97.45	128,965.99	128,067.24
GMALT 2018-3 A3 DTD 09/26/2018 3.180% 06/20/2021	36256GAD1	170,000.00	AAA	Aaa	9/18/2018	9/26/2018	169,986.57	3.19	75.08	169,986.64	170,024.79
HONDA ABS 2017-1 A3 DTD 03/28/2017 1.720% 07/21/2021	43814TAC6	274,622.44	NR	Aaa	3/21/2017	3/28/2017	274,606.10	1.72	131.21	274,608.87	272,209.09
HYUNDAI ABS 2017-A A3 DTD 03/29/2017 1.760% 08/15/2021	44931PAD8	260,000.00	AAA	NR	3/22/2017	3/29/2017	259,978.97	1.76	203.38	259,978.97	257,186.90
NISSAN ABS 2017-A A3 DTD 03/28/2017 1.740% 08/15/2021	654747AD6	315,000.00	NR	Aaa	3/21/2017	3/28/2017	314,966.64	1.74	243.60	314,974.75	311,312.48

Managed Account Detail of Securities Held

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											
ALLY ABS 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021	02007HAC5	480,000.00	NR	Aaa	3/21/2017	3/29/2017	479,943.41	1.79	379.73	479,963.86	476,403.60
FORDL 2018-B A3 DTD 09/21/2018 3.190% 12/15/2021	34531LAD2	230,000.00	NR	Aaa	9/18/2018	9/21/2018	229,980.57	3.41	203.81	229,980.74	229,986.75
CARMAX AUTO OWNER TRUST DTD 07/25/2018 3.130% 06/15/2023	14313FAD1	285,000.00	AAA	NR	7/18/2018	7/25/2018	284,961.15	3.36	396.47	284,962.57	284,996.41
Security Type Sub-Total		2,960,095.98					2,959,754.82	2.11	3,613.00	2,959,897.61	2,943,656.43
Managed Account Sub Total		122,983,830.55					122,544,037.45	1.95	479,806.24	122,655,820.41	121,065,272.48
Securities Sub-Total		\$122,983,830.55					\$122,544,037.45	1.95%	\$479,806.24	\$122,655,820.41	\$121,065,272.48
Accrued Interest											\$479,806.24
Total Investments											\$121,545,078.72

Bolded items are forward settling trades.

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)
09/17/18	2.07	1.99	187
09/18/18	2.07	1.99	188
09/19/18	2.08	1.99	188
09/20/18	2.08	1.99	188
09/21/18	2.08	1.99	187
09/22/18	2.08	1.99	187
09/23/18	2.08	1.99	187
09/24/18	2.08	2.00	189
09/25/18	2.08	2.00	188
09/26/18	2.09	2.00	190
09/27/18	2.09	2.00	192
09/28/18	2.09	2.00	193
09/29/18	2.09	2.00	193
09/30/18	2.09	2.00	193
10/01/18	2.11	2.11	205
10/02/18	2.11	2.11	205
10/03/18	2.12	2.11	206
10/04/18	2.12	2.12	206
10/05/18	2.12	2.12	205
10/06/18	2.12	2.12	205
10/07/18	2.12	2.12	205
10/08/18	2.12	2.12	202
10/09/18	2.12	2.12	202
10/10/18	2.13	2.12	202
10/11/18	2.14	2.12	203
10/12/18	2.14	2.12	202
10/13/18	2.14	2.12	202
10/14/18	2.14	2.13	202
10/15/18	2.14	2.13	200
10/16/18	2.15	2.13	198
10/17/18	2.15	2.13	198

*Daily yield does not reflect capital gains or losses

[View Prior Month Daily Rates](#)

LAIF Performance Report

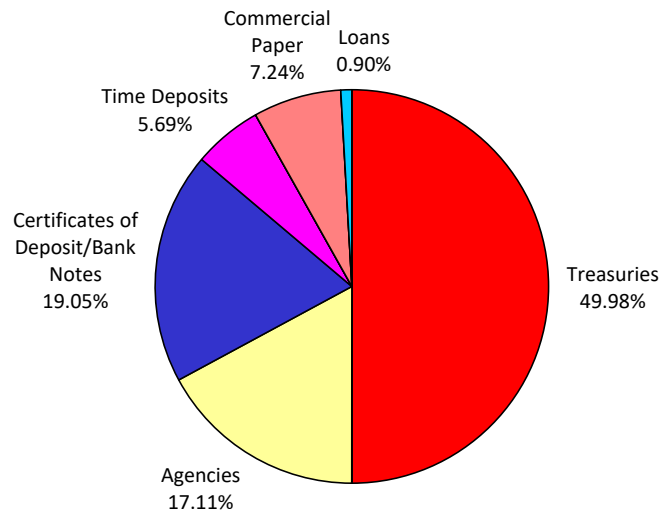
Quarter Ending 09/30/18

Apportionment Rate: 2.16%
 Earnings Ratio: 0.00005909460836489
 Fair Value Factor: 0.997832404
 Daily: 2.09%
 Quarter to Date: 2.00%
 Average Life: 193

PMIA Average Monthly Effective Yields

Sept 2018 2.063
 Aug 2018 1.998
 July 2018 1.944

**Pooled Money Investment Account
Portfolio Composition
09/30/18
\$88.3 billion**



Percentages may not total 100%, due to rounding.

Based on data available as of 10/17/2018