



# CITY OF STOCKTON

## **Investment Performance Review For the Quarter Ended September 30, 2018**

Client Management Team

PFM Asset Management LLC

Monique Spyke, Managing Director  
Allison Kaune, Senior Managing Consultant  
Joseph Creason, Portfolio Manager  
Rachael Miller, Client Consultant

50 California Street, Suite 2300  
San Francisco, CA 94111  
415-982-5544

213 Market Street  
Harrisburg, PA 17101-2141  
717-232-2723

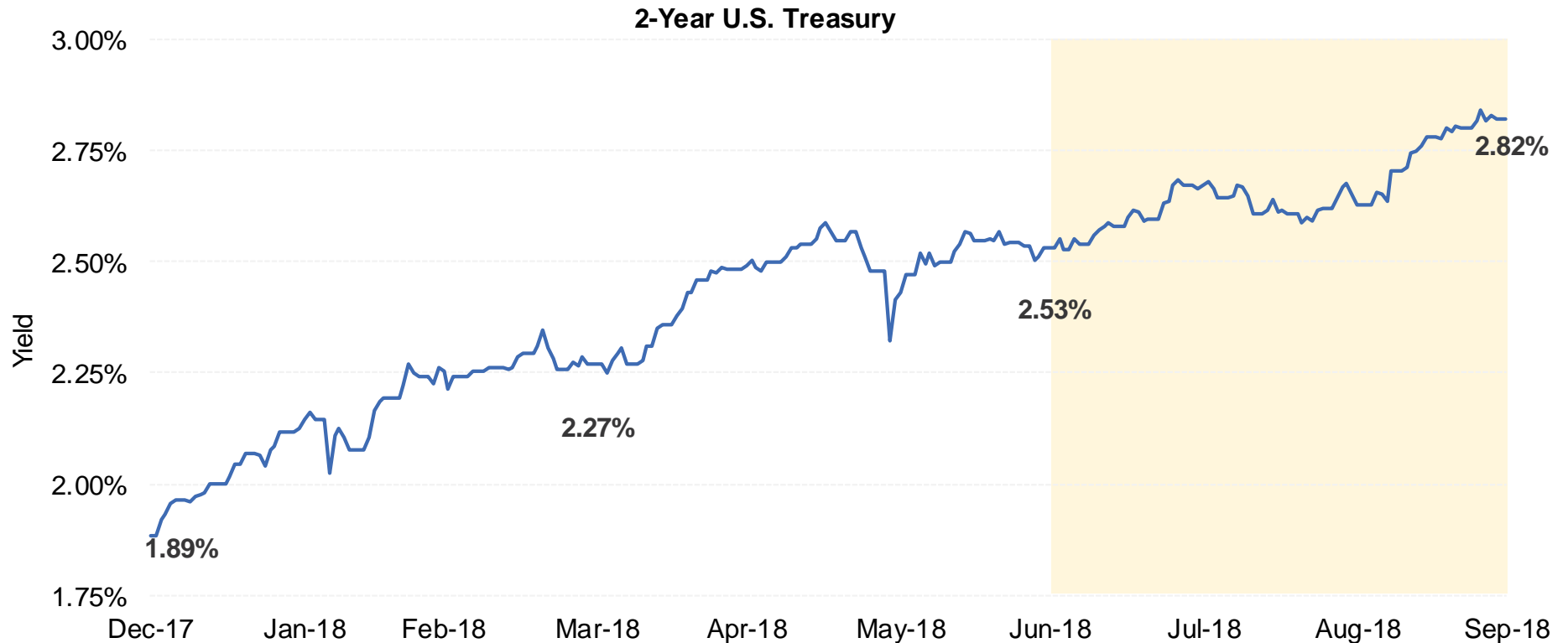
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# Market Update

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### 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 tightening monetary policy, raising the federal funds target rate by 25 basis points (0.25%) 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.

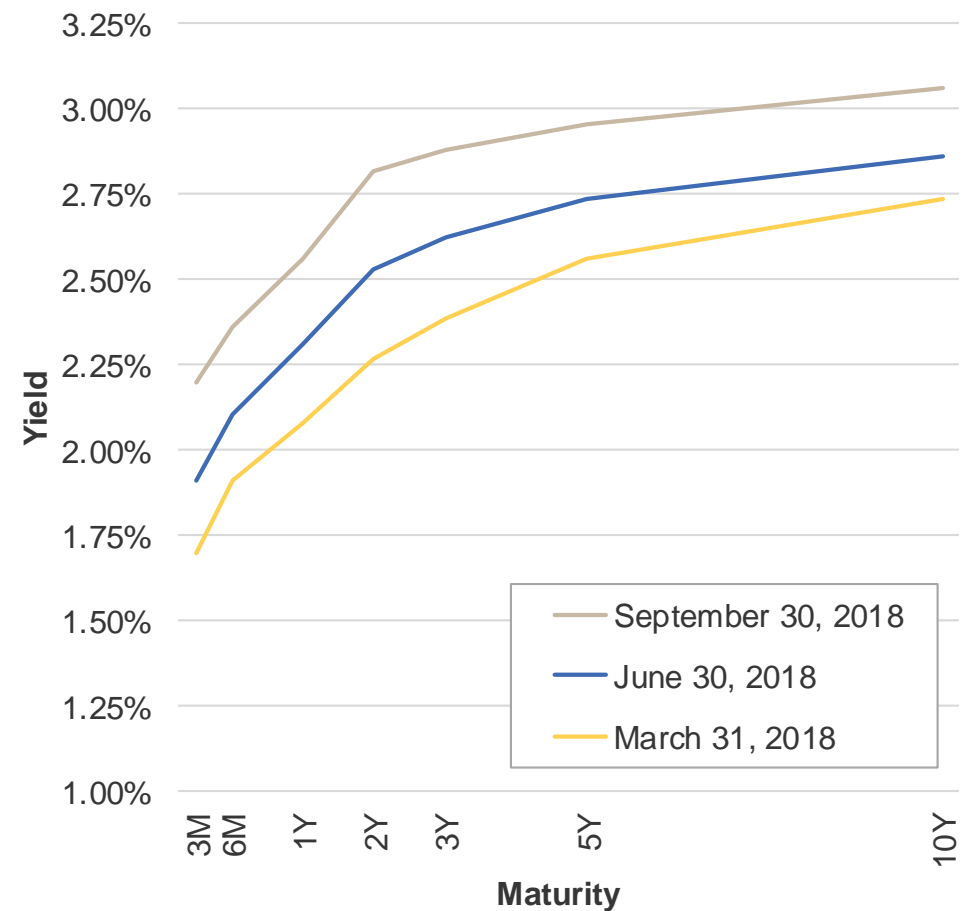


Source: Bloomberg, as of 9/30/2018.

### U.S. Treasury Curve

- U.S. Treasury yields rose 20-30 basis points (0.20%-0.30%) over the quarter as the yield curve flattened further. Short-term rates reflected Fed rate hike expectations, while longer-term yields were the result of moderate inflation expectations and persistently low global interest rates.

	3Q2018 9/30/18	2Q2018 6/30/18	QoQ Change
3 month	<b>2.20%</b>	1.91%	+0.29%
6 month	<b>2.36%</b>	2.10%	+0.26%
1 year	<b>2.56%</b>	2.31%	+0.25%
2 year	<b>2.82%</b>	2.53%	+0.29%
3 year	<b>2.88%</b>	2.62%	+0.26%
5 year	<b>2.95%</b>	2.74%	+0.21%
10 year	<b>3.06%</b>	2.86%	+0.20%



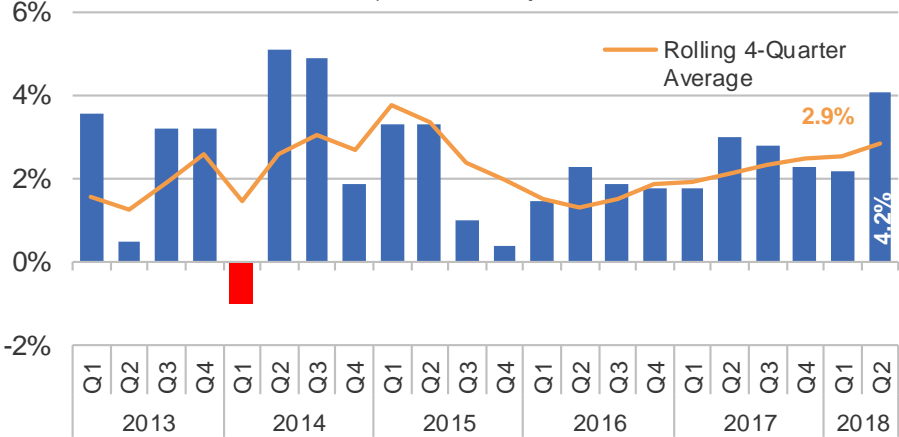
Source: Bloomberg, as of 9/30/2018.

### Economic Summary

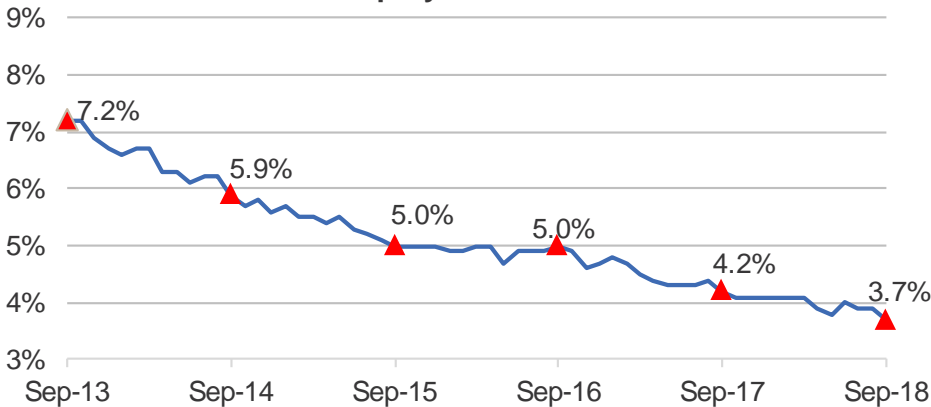
◆ Economic conditions were characterized by:

- Stronger growth in the U.S., propelled by tax cuts and fiscal stimulus.
- A robust labor market, with the U.S. unemployment rate near a 48 year low.
- Core inflation near the Fed’s 2% target, while oil prices have surged and wages have begun to trend higher.
- Consumer confidence at a near two-decade high, while measures of manufacturing activity are also very strong.
- The Federal Reserve increasing short-term rates ¼ percent per quarter, and signaling the expectation they will continue to do so through 2019.
- An escalating trade war with China, weakness in emerging market economies and currencies, and political uncertainty.

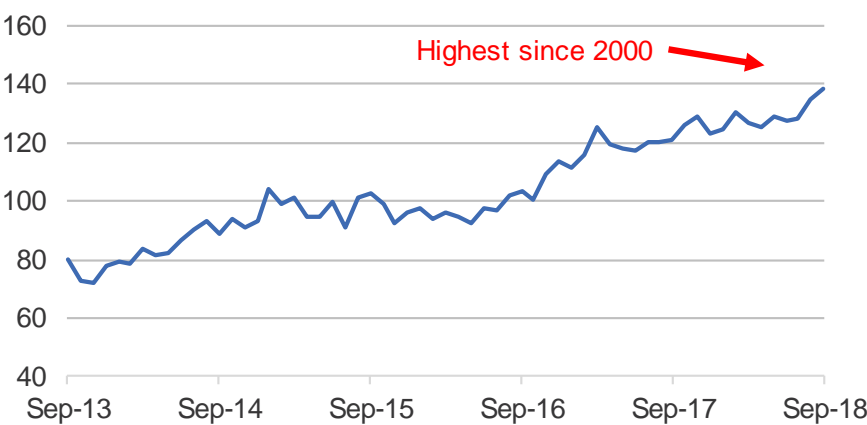
**U.S. Real GDP**  
(QoQ, SAAR)



**Unemployment Rate**



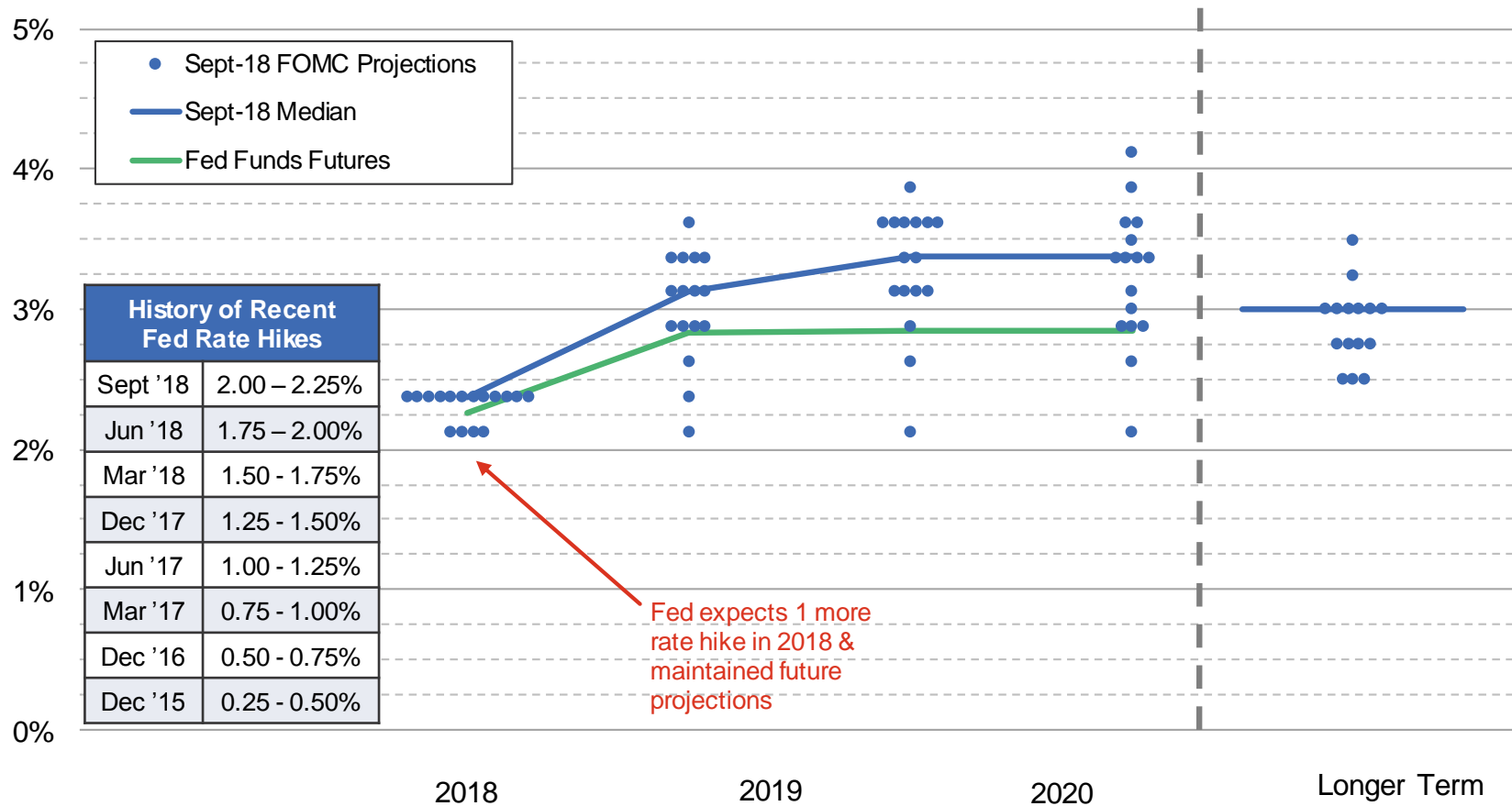
**Consumer Confidence**



Source: Bloomberg, data available as of 9/30/18. SAAR is seasonally adjusted annualized rate.

### 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' judgement of the midpoint of the appropriate target range for the federal funds rate at each year-end. Fed funds futures as of 9/26/18.

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# Investment Strategy & Portfolio Review

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## Portfolio Recap

- We positioned the portfolio 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 the portfolio's returns as yields across the curve approached new highs for this cycle.
- 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.
  - We purchased a supranational security at an attractive yield spread, despite a sharp decline in issuance causing yield spreads to generally narrow. Spread tightening resulted in strong performance for the sector.
  - 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. Throughout the quarter, we were a bit more cautious, generally maintaining corporate allocations. Corporate returns dominated their government counterparts, adding significant value to the portfolio in the third quarter.
  - We increased the allocation 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 the third quarter, the sector provided attractive excess returns.
  - We continued to find value in short-term credit instruments, including commercial paper and negotiable bank certificates of deposit.
  - Our view of mortgage-backed securities (MBS) remained cautious. As such, the portfolio's allocation to MBS is generally small and focused on structures with limited extension risk and those that carry less downside risk in a rising rate environment.



## Investment Outlook and Strategy

- ◆ 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 the benchmark. While diversification away from U.S. Treasury securities has added significant value over the last several quarters, very narrow spreads across most investment-grade sectors give us reason to turn a bit more cautious.
- ◆ 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 typically surges (as these multinational corporations begin preparing for new fiscal year funding initiatives), to 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, 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. Our preference continues to favor financials and select industrial issuers.
  - 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 the fourth quarter. 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.
  - Short-term money market investors continue to reap the rewards of current monetary policy tightening. In addition, increased projections for U.S. Treasury debt issuance over the next several quarters may continue to pressure short-term yields higher in both the government and short-term credit spaces.

### Sector Allocation and Compliance

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

<b>Security Type</b>	<b>Market Value as of September 30, 2018</b>	<b>% of Portfolio</b>	<b>Permitted by Policy</b>	<b>In Compliance</b>
U.S. Treasury	\$113,305,943	23.6%	100%	✓
Federal Agency	\$71,680,008	15.0%	100%	✓
Federal Agency CMOs	\$4,656,641	1.0%	20%	✓
Supranationals	\$18,799,978	3.9%	30%	✓
Negotiable CDs	\$67,477,090	14.1%	30%	✓
Corporate Notes	\$95,103,679	19.8%	30%	✓
Commercial Paper	\$25,926,792	5.4%	25%	✓
Asset-Backed Securities	\$26,137,556	5.5%	20%	✓
<b>Securities Sub-Total</b>	<b>\$423,087,688</b>	<b>88.3%</b>		
Accrued Interest	\$1,688,767			
<b>Securities Total</b>	<b>\$424,776,455</b>			
Money Market Fund	\$1,807,136	0.4%	20%	✓
Main City Sweep Account	\$0	0.0%	20%	✓
Main City Account	\$24,390,772	5.1%	20%	✓
LAIF	\$30,000,000	6.3%	\$65 million	✓
<b>Total Investments</b>	<b>\$480,974,363</b>	<b>100.0%</b>		

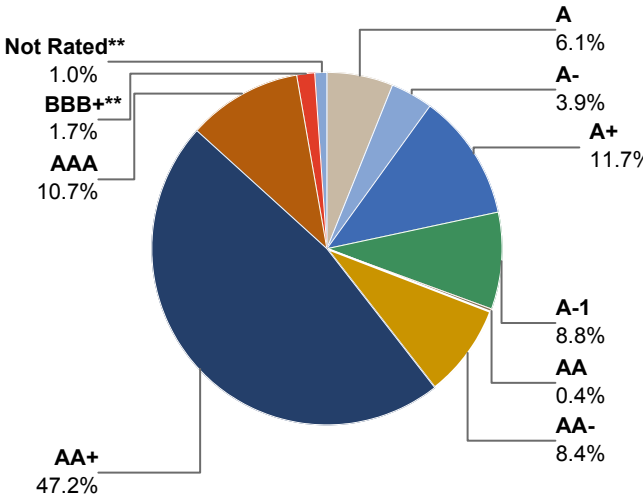
Detail may not add to total due to rounding.

**Portfolio Statistics**

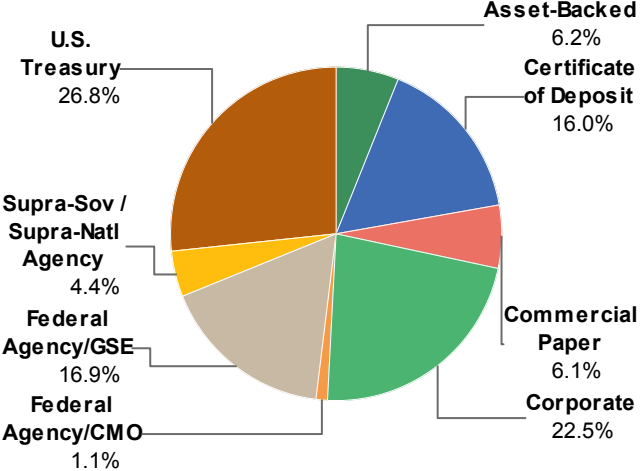
As of September 30, 2018

<b>Par Value:</b>	\$432,061,460
<b>Total Market Value:</b>	\$426,583,591
<b>Security Market Value:</b>	\$423,087,688
<b>Accrued Interest:</b>	\$1,688,767
<b>Cash:</b>	\$1,807,136
<b>Amortized Cost:</b>	\$430,037,179
<b>Yield at Market:</b>	2.96%
<b>Yield at Cost:</b>	2.30%
<b>Effective Duration:</b>	2.37 Years
<b>Duration to Worst:</b>	2.40 Years
<b>Average Maturity:</b>	2.64 Years
<b>Average Credit: *</b>	AA

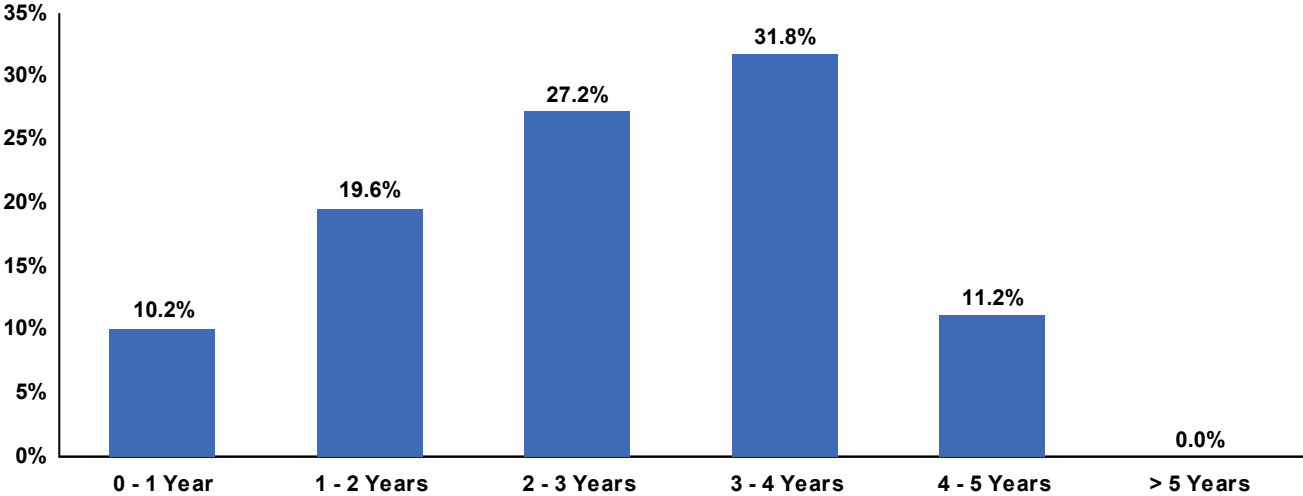
**Credit Quality (S&P Ratings)**



**Sector Allocation**



**Maturity Distribution**

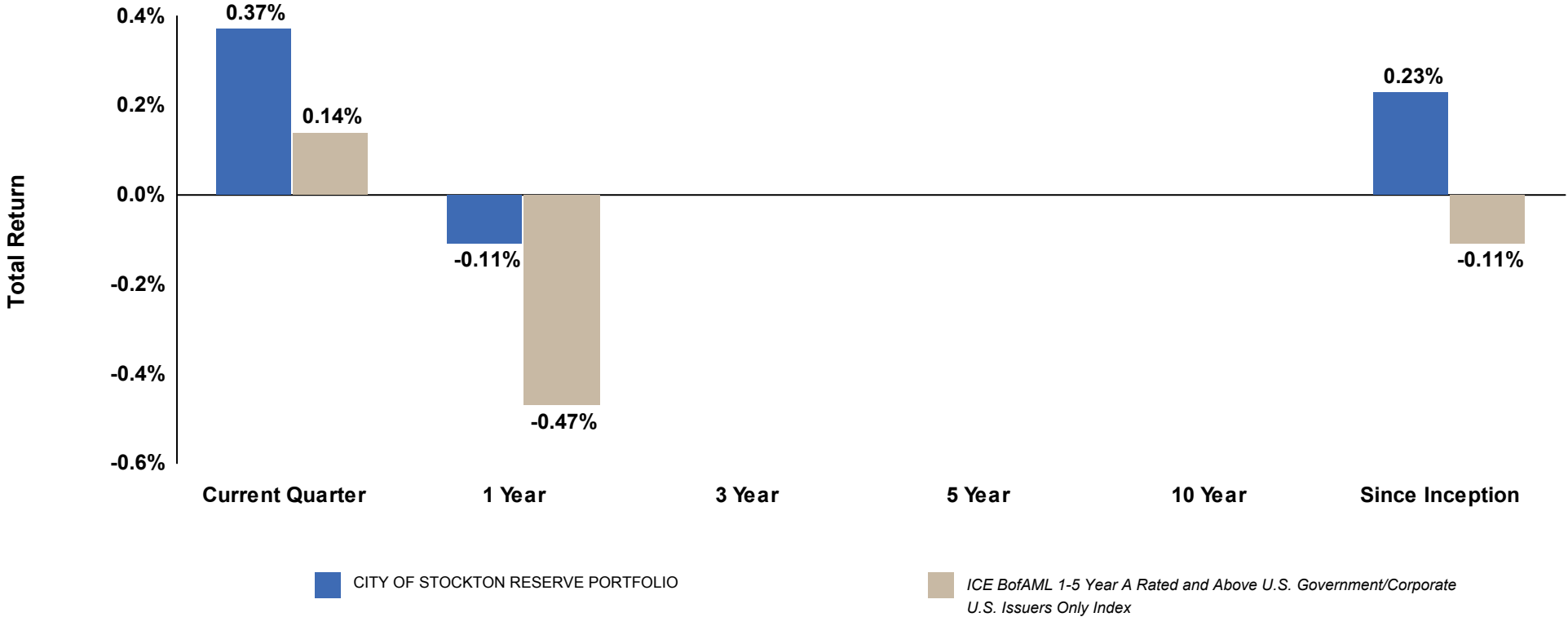


\*An average of each security's credit rating assigned a numeric value and adjusted for its relative weighting in the portfolio.

\*\*Securities Not Rated or rated BBB+ by S&P are rated in a rating category of A or the equivalent or higher by at least one other Nationally Recognized Statistical Rating Organization.

Portfolio Performance (Total Return)

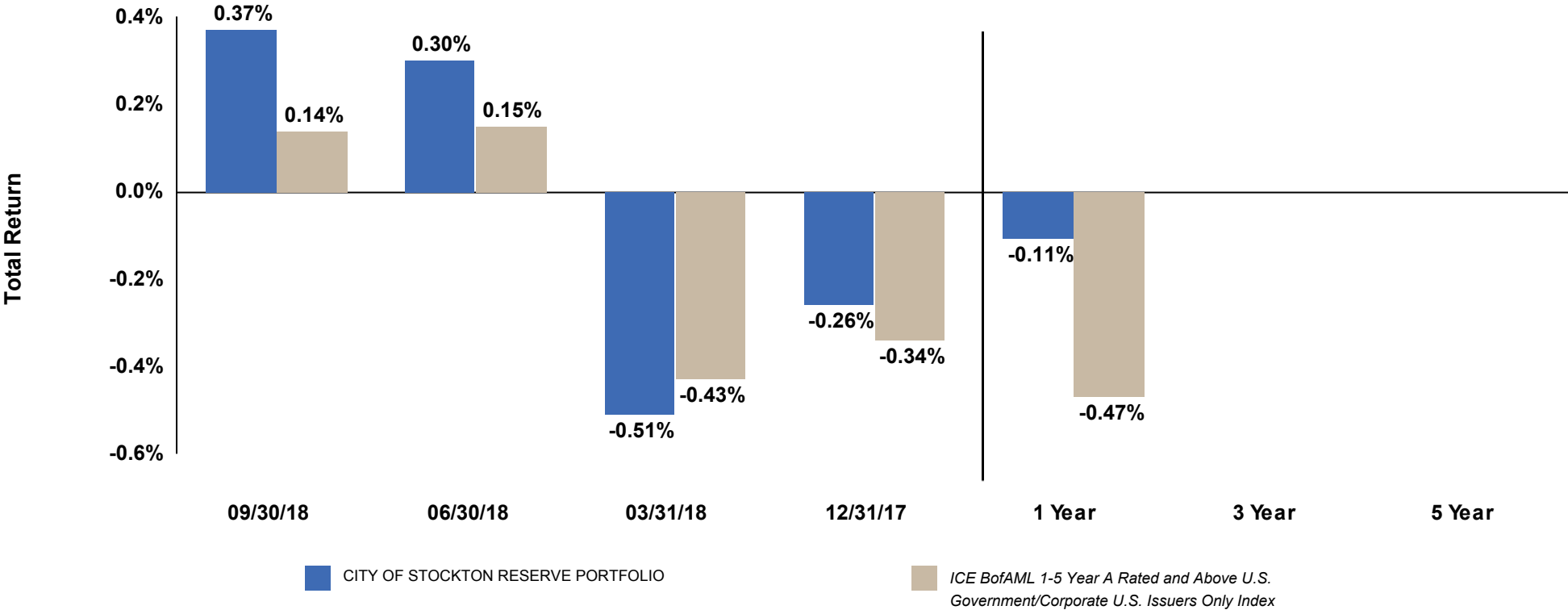
Portfolio/Benchmark	Effective Duration	Current Quarter	1 Year	Annualized Return				Since Inception (06/30/17)
				3 Year	5 Year	10 Year		
CITY OF STOCKTON RESERVE PORTFOLIO	2.37	0.37%	-0.11%	-	-	-	0.23%	
ICE BofAML 1-5 Year A Rated and Above U.S. Government/Corporate U.S. Issuers Only Index	2.56	0.14%	-0.47%	-	-	-	-0.11%	
Difference		0.23%	0.36%	-	-	-	0.34%	



Portfolio performance is gross of fees unless otherwise indicated.

Portfolio Performance (Total Return)

Portfolio/Benchmark	Effective Duration	Quarter Ended				1 Year	Annualized Return	
		09/30/18	06/30/18	03/31/18	12/31/17		3 Year	5 Year
CITY OF STOCKTON RESERVE PORTFOLIO	2.37	0.37%	0.30%	-0.51%	-0.26%	-0.11%	-	-
ICE BofAML 1-5 Year A Rated and Above U.S. Government/Corporate U.S. Issuers Only Index	2.56	0.14%	0.15%	-0.43%	-0.34%	-0.47%	-	-
Difference		0.23%	0.15%	-0.08%	0.08%	0.36%	-	-



Portfolio performance is gross of fees unless otherwise indicated.

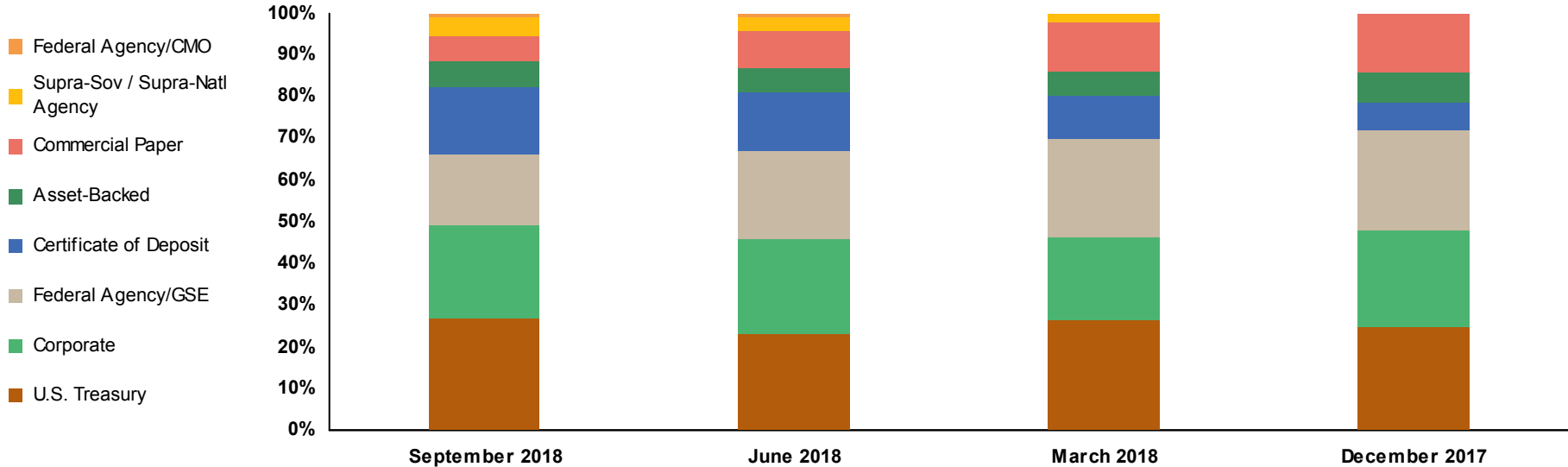
**Portfolio Earnings**

**Quarter-Ended September 30, 2018**

	<u>Market Value Basis</u>	<u>Accrual (Amortized Cost) Basis</u>
<b>Beginning Value (06/30/2018)</b>	\$422,948,093.43	\$429,536,530.98
<b>Net Purchases/Sales</b>	\$718,348.40	\$718,348.40
<b>Change in Value</b>	(\$578,754.08)	(\$217,700.00)
<b>Ending Value (09/30/2018)</b>	\$423,087,687.75	\$430,037,179.38
<b>Interest Earned</b>	\$2,144,450.46	\$2,144,450.46
<b>Portfolio Earnings</b>	\$1,565,696.38	\$1,926,750.46

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	113.3	26.8%	98.6	23.2%	104.5	26.3%	93.0	25.0%
Corporate	95.1	22.5%	95.0	22.5%	79.5	20.1%	84.9	22.8%
Federal Agency/GSE	71.7	16.9%	88.8	21.0%	92.0	23.2%	89.3	24.0%
Certificate of Deposit	67.5	16.0%	60.4	14.3%	41.2	10.4%	25.4	6.8%
Asset-Backed	26.1	6.2%	23.5	5.6%	22.6	5.7%	26.9	7.2%
Commercial Paper	25.9	6.1%	38.8	9.2%	48.5	12.2%	52.9	14.2%
Supra-Sov / Supra-Natl Agency	18.8	4.4%	13.0	3.1%	8.2	2.1%	0.0	0.0%
Federal Agency/CMO	4.7	1.1%	4.8	1.1%	0.0	0.0%	0.0	0.0%
<b>Total</b>	<b>\$423.1</b>	<b>100.0%</b>	<b>\$422.9</b>	<b>100.0%</b>	<b>\$396.6</b>	<b>100.0%</b>	<b>\$372.3</b>	<b>100.0%</b>

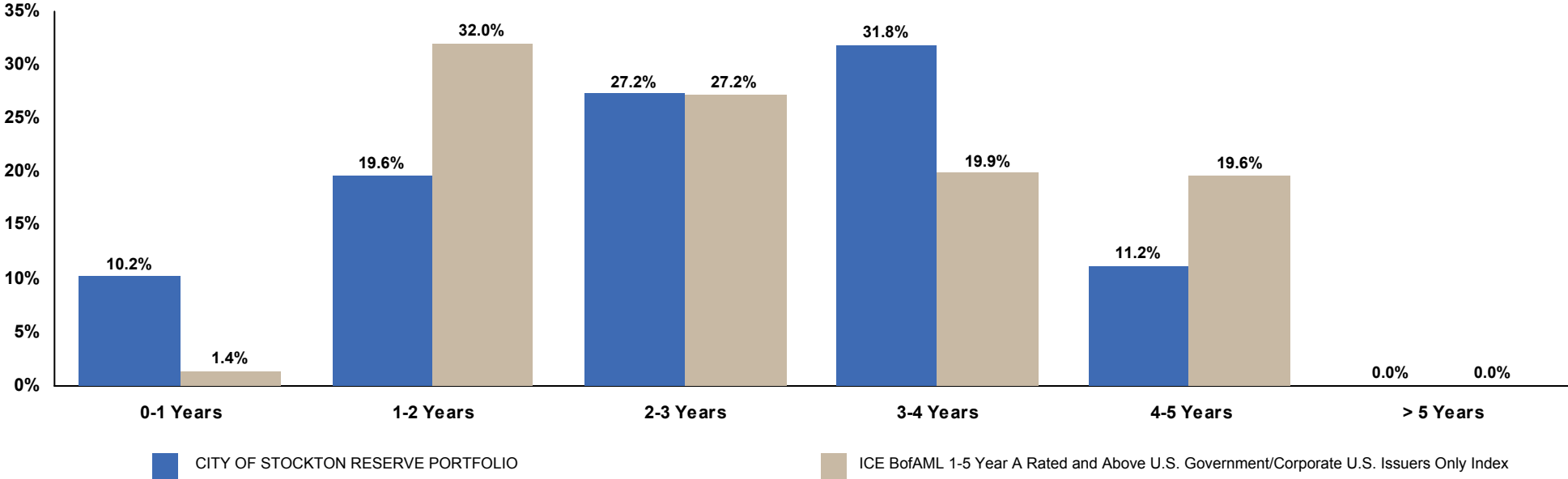


Detail may not add to total due to rounding.

**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 STOCKTON RESERVE PORTFOLIO	2.96%	2.64 yrs	10.2%	19.6%	27.2%	31.8%	11.2%	0.0%
ICE BofAML 1-5 Year A Rated and Above U.S. Government/Corporate U.S. Issuers Only Index	2.92%	2.77 yrs	1.4%	32.0%	27.2%	19.9%	19.6%	0.0%





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# Transactions & Account Holdings

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## Quarterly Portfolio Transactions

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
<b>BUY</b>									
7/9/18	7/9/18	10,000,000	22533UN74	CREDIT AGRICOLE CIB NY COMM PAPER	0.00%	1/7/19	9,878,666.67	2.43%	
7/17/18	7/25/18	2,710,000	58772RAD6	MBART 2018-1 A3	3.03%	1/15/23	2,709,895.94	3.03%	
7/17/18	7/25/18	2,540,000	65479GAD1	NAROT 2018-B A3	3.06%	3/15/23	2,539,917.70	3.06%	
7/18/18	7/25/18	5,850,000	459058GH0	INTL BANK OF RECONSTRUCTION AND DEV NOTE	2.75%	7/23/21	5,836,311.00	2.83%	
8/1/18	8/3/18	7,000,000	06370REU9	BANK OF MONTREAL CHICAGO CERT DEPOS	3.19%	8/3/20	7,000,000.00	3.23%	
8/1/18	8/3/18	7,600,000	912828W89	US TREASURY NOTES	1.87%	3/31/22	7,399,293.03	2.82%	
9/4/18	9/6/18	8,900,000	912828W89	US TREASURY NOTES	1.87%	3/31/22	8,710,014.41	2.75%	
<b>Total BUY</b>		<b>44,600,000</b>					<b>44,074,098.75</b>		
<b>INTEREST</b>									
7/1/18	7/25/18	2,100,000	3137BM6P6	FHLMC MULTIFAMILY STRUCTURED P POOL	3.09%	8/25/22	5,407.50		
7/1/18	7/25/18	2,690,000	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	7,980.33		
7/2/18	7/2/18	0	MONEY0002	MONEY MARKET FUND			6,639.49		
7/5/18	7/5/18	6,400,000	3135G0S38	FANNIE MAE NOTES	2.00%	1/5/22	64,000.00		
7/6/18	7/6/18	875,000	24422ETL3	JOHN DEERE CAPITAL CORP NOTES	2.65%	1/6/22	11,593.75		
7/6/18	7/6/18	3,000,000	24422ETL3	JOHN DEERE CAPITAL CORP NOTES	2.65%	1/6/22	39,750.00		
7/6/18	7/6/18	1,000,000	24422ETL3	JOHN DEERE CAPITAL CORP NOTES	2.65%	1/6/22	13,250.00		
7/10/18	7/10/18	4,055,000	22532XHT8	CREDIT AGRICOLE CIB NY FLT CERT DEPOS	2.80%	4/10/20	28,776.85		
7/10/18	7/10/18	4,055,000	13606BVF0	CANADIAN IMP BK COMM NY FLT CERT DEPOS	2.73%	4/10/20	28,059.35		
7/13/18	7/13/18	6,400,000	3137EADB2	FREDDIE MAC GLOBAL NOTES	2.37%	1/13/22	76,000.00		
7/15/18	7/15/18	715,753	89238MAB4	TOYOTA ABS 2017-A A2A	1.42%	9/15/19	846.97		
7/15/18	7/15/18	2,930,000	02007YAC8	ALLYA 2017-5 A3	1.99%	3/15/22	4,858.92		
7/15/18	7/15/18	690,544	654747AB0	NISSAN ABS 2017-A A2A	1.47%	1/15/20	845.92		
7/15/18	7/15/18	1,002,567	43814QAC2	HONDA ABS 2016-2 A3	1.39%	4/15/20	1,161.31		

## CITY OF STOCKTON RESERVE PORTFOLIO

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
7/15/18	7/15/18	1,950,000	89238BAD4	TAOT 2018-A A3	2.35%	5/16/22	3,818.75		
7/15/18	7/15/18	1,330,000	44891KAD7	HART 2018-A A3	2.79%	7/15/22	3,092.25		
7/15/18	7/15/18	4,185,000	44932GAD7	HYUNDAI ABS 2017-B A3	1.77%	1/15/22	6,172.88		
7/15/18	7/15/18	545,623	47787XAB3	JOHN DEERE ABS 2017-A A2	1.50%	10/15/19	682.03		
7/15/18	7/15/18	1,208,830	47788MAC4	JOHN DEERE ABS 2016-A A3	1.36%	4/15/20	1,370.01		
7/15/18	7/15/18	2,850,000	06406HBP3	BANK OF NY MELLON CORP NOTE	4.60%	1/15/20	65,550.00		
7/15/18	7/15/18	77,991	89231LAB3	TOYOTA ABS 2016-D A2A	1.06%	5/15/19	68.89		
7/15/18	7/15/18	2,340,000	89238KAD4	TAOT 2017-D A3	1.93%	1/15/22	3,763.50		
7/15/18	7/15/18	3,950,000	02007JAC1	ALLYA 2018-3 A3	3.00%	1/15/23	5,925.00		
7/18/18	7/18/18	211,829	43814RAB2	HONDA ABS 2016-4 A2	1.04%	4/18/19	183.58		
7/20/18	7/20/18	3,155,000	02665WBT7	AMERICAN HONDA FINANCE CORP NOTES	1.95%	7/20/20	30,761.25		
7/20/18	7/20/18	845,000	02665WBT7	AMERICAN HONDA FINANCE CORP NOTES	1.95%	7/20/20	8,238.75		
7/21/18	7/21/18	2,105,000	43813FAC7	HAROT 2017-4 A3	2.05%	11/21/21	3,596.04		
7/21/18	7/21/18	422,713	43814TAB8	HONDA AUTO RECEIVABLES OWNER 2017-1 A2	1.42%	7/21/19	500.21		
7/24/18	7/24/18	2,000,000	91159HHP8	US BANCORP (CALLABLE) NOTES	2.62%	1/24/22	26,250.00		
7/25/18	7/25/18	2,215,000	45950KCM0	INTERNATIONAL FINANCE CORPORATION NOTE	2.25%	1/25/21	24,918.75		
7/30/18	7/30/18	500,000	94974BGF1	WELLS FARGO & CO CORP BONDS	2.15%	1/30/20	5,375.00		
7/30/18	7/30/18	1,985,000	94974BGF1	WELLS FARGO & CO CORP BONDS	2.15%	1/30/20	21,338.75		
7/30/18	7/30/18	675,000	94974BGF1	WELLS FARGO & CO CORP BONDS	2.15%	1/30/20	7,256.25		
7/30/18	7/30/18	1,500,000	94974BGF1	WELLS FARGO & CO CORP BONDS	2.15%	1/30/20	16,125.00		
7/30/18	7/30/18	2,510,000	3135G0T60	FNMA NOTES	1.50%	7/30/20	18,825.00		
7/30/18	7/30/18	4,000,000	3135G0T60	FNMA NOTES	1.50%	7/30/20	30,000.00		
7/30/18	7/30/18	500,000	94974BGF1	WELLS FARGO & CO CORP BONDS	2.15%	1/30/20	5,375.00		
7/31/18	7/31/18	9,000,000	912828XQ8	US TREASURY NOTES	2.00%	7/31/22	90,000.00		
7/31/18	7/31/18	1,525,000	912828N89	US TREASURY NOTES	1.37%	1/31/21	10,484.38		
7/31/18	7/31/18	1,350,000	912828N89	US TREASURY NOTES	1.37%	1/31/21	9,281.25		
7/31/18	7/31/18	5,400,000	912828P4	US TREASURY NOTES	1.87%	7/31/22	50,625.00		
8/1/18	8/1/18	0	MONEY0002	MONEY MARKET FUND			2,229.06		
8/1/18	8/1/18	1,945,000	05531FAZ6	BRANCH BANKING & TRUST (CALLABLE) NOTES	2.15%	2/1/21	20,908.75		
8/1/18	8/25/18	2,690,000	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	8,252.47		

## CITY OF STOCKTON RESERVE PORTFOLIO

Portfolio Activity

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	2,100,000	3137BM6P6	FHLMC MULTIFAMILY STRUCTURED P POOL	3.09%	8/25/22	5,407.50		
8/2/18	8/2/18	7,500,000	83050FXT3	SKANDINAV ENSKILDA BANKEN NY CD	1.84%	8/2/19	69,383.33		
8/7/18	8/7/18	6,735,000	96121T4A3	WESTPAC BANKING CORP NY CD	2.05%	8/3/20	69,033.75		
8/8/18	8/8/18	2,125,000	594918BP8	MICROSOFT CORP (CALLABLE) NOTES	1.55%	8/8/21	16,468.75		
8/8/18	8/8/18	855,000	594918BP8	MICROSOFT CORP (CALLABLE) NOTES	1.55%	8/8/21	6,626.25		
8/11/18	8/11/18	1,730,000	69371RN44	PACCAR FINANCIAL CORP	1.65%	8/11/21	14,272.50		
8/12/18	8/12/18	445,000	3137EAEC9	FHLMC REFERNCE NOTE	1.12%	8/12/21	2,503.13		
8/15/18	8/15/18	2,540,000	65479GAD1	NAROT 2018-B A3	3.06%	3/15/23	4,318.00		
8/15/18	8/15/18	2,340,000	89238KAD4	TAOT 2017-D A3	1.93%	1/15/22	3,763.50		
8/15/18	8/15/18	440,660	47787XAB3	JOHN DEERE ABS 2017-A A2	1.50%	10/15/19	550.82		
8/15/18	8/15/18	2,930,000	02007YAC8	ALLYA 2017-5 A3	1.99%	3/15/22	4,858.92		
8/15/18	8/15/18	2,710,000	58772RAD6	MBART 2018-1 A3	3.03%	1/15/23	4,561.83		
8/15/18	8/15/18	1,905,000	084664CK5	BERKSHIRE HATHAWAY INC CORPORATE NOTES	1.30%	8/15/19	12,382.50		
8/15/18	8/15/18	896,695	43814QAC2	HONDA ABS 2016-2 A3	1.39%	4/15/20	1,038.67		
8/15/18	8/15/18	3,950,000	02007JAC1	ALLYA 2018-3 A3	3.00%	1/15/23	9,875.00		
8/15/18	8/15/18	1,094,041	47788MAC4	JOHN DEERE ABS 2016-A A3	1.36%	4/15/20	1,239.91		
8/15/18	8/15/18	584,912	654747AB0	NISSAN ABS 2017-A A2A	1.47%	1/15/20	716.52		
8/15/18	8/15/18	1,950,000	89238BAD4	TAOT 2018-A A3	2.35%	5/16/22	3,818.75		
8/15/18	8/15/18	555,743	89238MAB4	TOYOTA ABS 2017-A A2A	1.42%	9/15/19	657.63		
8/15/18	8/15/18	1,330,000	44891KAD7	HART 2018-A A3	2.79%	7/15/22	3,092.25		
8/15/18	8/15/18	4,185,000	44932GAD7	HYUNDAI ABS 2017-B A3	1.77%	1/15/22	6,172.88		
8/17/18	8/17/18	6,500,000	3135G0N82	FNMA NOTES	1.25%	8/17/21	40,625.00		
8/19/18	8/19/18	3,123,000	459200JF9	IBM CORP NOTES	2.25%	2/19/21	35,133.75		
8/20/18	8/20/18	6,060,000	65590ASN7	NORDEA BANK AB NY CD	2.72%	2/20/20	81,500.27		
8/21/18	8/21/18	2,105,000	43813FAC7	HAROT 2017-4 A3	2.05%	11/21/21	3,596.04		
8/21/18	8/21/18	274,574	43814TAB8	HONDA AUTO RECEIVABLES OWNER 2017-1 A2	1.42%	7/21/19	324.91		
8/26/18	8/26/18	6,400,000	3135G0J20	FNMA NOTES	1.37%	2/26/21	44,000.00		
8/31/18	8/31/18	275,000	912828L32	US TREASURY NOTES	1.37%	8/31/20	1,890.63		
8/31/18	8/31/18	6,475,000	912828P87	US TREASURY N/B	1.12%	2/28/21	36,421.88		
8/31/18	8/31/18	5,750,000	912828B90	US TREASURY NOTES	2.00%	2/28/21	57,500.00		

## CITY OF STOCKTON RESERVE PORTFOLIO

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
8/31/18	8/31/18	4,800,000	912828J43	US TREASURY NOTES	1.75%	2/28/22	42,000.00		
8/31/18	8/31/18	900,000	912828L32	US TREASURY NOTES	1.37%	8/31/20	6,187.50		
9/1/18	9/1/18	3,078,000	30231GAV4	EXXON MOBIL CORPORATE (CALLABLE) NOTES	2.22%	3/1/21	34,196.58		
9/1/18	9/1/18	2,000,000	46625HQJ2	JP MORGAN CHASE & CO CORP NT (CALLABLE)	2.55%	3/1/21	25,500.00		
9/1/18	9/1/18	1,415,000	30231GAV4	EXXON MOBIL CORPORATE (CALLABLE) NOTES	2.22%	3/1/21	15,720.65		
9/1/18	9/25/18	2,100,000	3137BM6P6	FHLMC MULTIFAMILY STRUCTURED P POOL	3.09%	8/25/22	5,407.50		
9/1/18	9/25/18	2,613,140	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	7,891.66		
9/3/18	9/3/18	2,000,000	0258M0EG0	AMERICAN EXPRESS CREDIT (CALLABLE) NOTES	2.70%	3/3/22	27,000.00		
9/4/18	9/4/18	0	MONEY0002	MONEY MARKET FUND			1,244.32		
9/4/18	9/4/18	6,000,000	90275DHG8	UBS AG STAMFORD CT LT CD	2.90%	3/2/20	87,966.66		
9/4/18	9/4/18	4,000,000	25468PDQ6	WALT DISNEY COMPANY CORP NOTES	2.45%	3/4/22	49,000.00		
9/9/18	9/9/18	6,075,000	45950VLQ7	INTERNATIONAL FINANCE CORPORATION NOTE	2.63%	3/9/21	76,909.50		
9/11/18	9/11/18	1,585,000	06406HCW7	BANK OF NEW YORK MELLON NT (CALLABLE)	2.30%	9/11/19	18,227.50		
9/11/18	9/11/18	350,000	06406HCW7	BANK OF NEW YORK MELLON NT (CALLABLE)	2.30%	9/11/19	4,025.00		
9/11/18	9/11/18	200,000	06406HCW7	BANK OF NEW YORK MELLON NT (CALLABLE)	2.30%	9/11/19	2,300.00		
9/11/18	9/11/18	790,000	06406HCW7	BANK OF NEW YORK MELLON NT (CALLABLE)	2.30%	9/11/19	9,085.00		
9/11/18	9/11/18	750,000	06406HCW7	BANK OF NEW YORK MELLON NT (CALLABLE)	2.30%	9/11/19	8,625.00		
9/11/18	9/11/18	300,000	06406HCW7	BANK OF NEW YORK MELLON NT (CALLABLE)	2.30%	9/11/19	3,450.00		
9/14/18	9/14/18	2,000,000	0258M0DX4	AMERICAN EXP (CALLABLE) CREDIT CORP NOTE	2.60%	9/14/20	26,000.00		
9/15/18	9/15/18	1,950,000	89238BAD4	TAOT 2018-A A3	2.35%	5/16/22	3,818.75		
9/15/18	9/15/18	394,442	89238MAB4	TOYOTA ABS 2017-A A2A	1.42%	9/15/19	466.76		
9/15/18	9/15/18	2,710,000	58772RAD6	MBART 2018-1 A3	3.03%	1/15/23	6,842.75		
9/15/18	9/15/18	3,950,000	02007JAC1	ALLYA 2018-3 A3	3.00%	1/15/23	9,875.00		
9/15/18	9/15/18	2,540,000	65479GAD1	NAROT 2018-B A3	3.06%	3/15/23	6,477.00		
9/15/18	9/15/18	796,307	43814QAC2	HONDA ABS 2016-2 A3	1.39%	4/15/20	922.39		
9/15/18	9/15/18	2,340,000	89238KAD4	TAOT 2017-D A3	1.93%	1/15/22	3,763.50		
9/15/18	9/15/18	2,000,000	92826CAG7	VISA INC (CALLABLE) NOTE	2.15%	9/15/22	21,500.00		
9/15/18	9/15/18	2,930,000	02007YAC8	ALLYA 2017-5 A3	1.99%	3/15/22	4,858.92		
9/15/18	9/15/18	481,147	654747AB0	NISSAN ABS 2017-A A2A	1.47%	1/15/20	589.40		
9/15/18	9/15/18	4,100,000	68389XBK0	ORACLE CORP (CALLABLE) NOTES	1.90%	9/15/21	38,950.00		

CITY OF STOCKTON RESERVE PORTFOLIO

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	305,451	47787XAB3	JOHN DEERE ABS 2017-A A2	1.50%	10/15/19	381.81		
9/15/18	9/15/18	953,850	47788MAC4	JOHN DEERE ABS 2016-A A3	1.36%	4/15/20	1,081.03		
9/15/18	9/15/18	4,185,000	44932GAD7	HYUNDAI ABS 2017-B A3	1.77%	1/15/22	6,172.88		
9/15/18	9/15/18	1,330,000	44891KAD7	HART 2018-A A3	2.79%	7/15/22	3,092.25		
9/20/18	9/20/18	4,000,000	17275RBJ0	CISCO SYSTEMS INC CORP (CALLABLE) NOTES	1.85%	9/20/21	37,000.00		
9/21/18	9/21/18	2,105,000	43813FAC7	HAROT 2017-4 A3	2.05%	11/21/21	3,596.04		
9/21/18	9/21/18	137,084	43814TAB8	HONDA AUTO RECEIVABLES OWNER 2017-1 A2	1.42%	7/21/19	162.22		
9/25/18	9/25/18	3,760,000	06539RGM3	MUFG BANK LTD/NY CERT DEPOS	2.07%	9/25/19	78,480.60		
9/28/18	9/28/18	4,600,000	3130ACE26	FHLB NOTES	1.37%	9/28/20	31,625.00		
9/28/18	9/28/18	3,490,000	3130ACE26	FHLB NOTES	1.37%	9/28/20	23,993.75		
9/28/18	9/28/18	10,000,000	3130ACE26	FHLB NOTES	1.37%	9/28/20	68,750.00		
9/30/18	9/30/18	5,000,000	912828L57	US TREASURY NOTES	1.75%	9/30/22	43,750.00		
9/30/18	9/30/18	6,470,000	912828W89	US TREASURY NOTES	1.87%	3/31/22	60,656.25		
9/30/18	9/30/18	7,600,000	912828W89	US TREASURY NOTES	1.87%	3/31/22	71,250.00		
9/30/18	9/30/18	10,000,000	912828W89	US TREASURY NOTES	1.87%	3/31/22	93,750.00		
9/30/18	9/30/18	8,900,000	912828W89	US TREASURY NOTES	1.87%	3/31/22	83,437.50		
9/30/18	9/30/18	4,765,000	912828L57	US TREASURY NOTES	1.75%	9/30/22	41,693.75		
9/30/18	9/30/18	4,850,000	912828T34	US TREASURY N/B	1.12%	9/30/21	27,281.25		
9/30/18	9/30/18	5,555,000	912828L57	US TREASURY NOTES	1.75%	9/30/22	48,606.25		
<b>Total INTEREST</b>		<b>337,904,895</b>					<b>2,585,434.98</b>		
<b>MATURITY</b>									
7/9/18	7/9/18	10,000,000	22533UG98	CREDIT AGRICOLE CIB NY COMM PAPER	0.00%	7/9/18	10,000,000.00		0.00
<b>Total MATURITY</b>		<b>10,000,000</b>					<b>10,000,000.00</b>		<b>0.00</b>
<b>PAYDOWNS</b>									

## CITY OF STOCKTON RESERVE PORTFOLIO

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
7/15/18	7/15/18	77,991	89231LAB3	TOYOTA ABS 2016-D A2A	1.06%	5/15/19	77,991.18		0.00
7/15/18	7/15/18	160,009	89238MAB4	TOYOTA ABS 2017-A A2A	1.42%	9/15/19	160,009.35		0.00
7/15/18	7/15/18	105,633	654747AB0	NISSAN ABS 2017-A A2A	1.47%	1/15/20	105,632.55		0.00
7/15/18	7/15/18	105,872	43814QAC2	HONDA ABS 2016-2 A3	1.39%	4/15/20	105,871.93		0.00
7/15/18	7/15/18	104,963	47787XAB3	JOHN DEERE ABS 2017-A A2	1.50%	10/15/19	104,962.87		0.00
7/15/18	7/15/18	114,789	47788MAC4	JOHN DEERE ABS 2016-A A3	1.36%	4/15/20	114,788.80		0.00
7/18/18	7/18/18	211,829	43814RAB2	HONDA ABS 2016-4 A2	1.04%	4/18/19	211,828.69		0.00
7/21/18	7/21/18	148,139	43814TAB8	HONDA AUTO RECEIVABLES OWNER 2017-1 A2	1.42%	7/21/19	148,138.87		0.00
8/1/18	8/25/18	76,860	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	76,860.29		0.00
8/15/18	8/15/18	161,301	89238MAB4	TOYOTA ABS 2017-A A2A	1.42%	9/15/19	161,301.25		0.00
8/15/18	8/15/18	103,765	654747AB0	NISSAN ABS 2017-A A2A	1.47%	1/15/20	103,764.97		0.00
8/15/18	8/15/18	100,388	43814QAC2	HONDA ABS 2016-2 A3	1.39%	4/15/20	100,388.47		0.00
8/15/18	8/15/18	135,209	47787XAB3	JOHN DEERE ABS 2017-A A2	1.50%	10/15/19	135,209.22		0.00
8/15/18	8/15/18	140,191	47788MAC4	JOHN DEERE ABS 2016-A A3	1.36%	4/15/20	140,191.08		0.00
8/21/18	8/21/18	137,490	43814TAB8	HONDA AUTO RECEIVABLES OWNER 2017-1 A2	1.42%	7/21/19	137,490.18		0.00
9/1/18	9/25/18	73,508	3136B1XP4	FNA 2018-M5 A2	3.56%	9/25/21	73,507.64		0.00
9/15/18	9/15/18	159,271	89238MAB4	TOYOTA ABS 2017-A A2A	1.42%	9/15/19	159,270.51		0.00
9/15/18	9/15/18	109,343	654747AB0	NISSAN ABS 2017-A A2A	1.47%	1/15/20	109,342.55		0.00
9/15/18	9/15/18	97,537	43814QAC2	HONDA ABS 2016-2 A3	1.39%	4/15/20	97,537.32		0.00
9/15/18	9/15/18	109,164	47787XAB3	JOHN DEERE ABS 2017-A A2	1.50%	10/15/19	109,164.09		0.00
9/15/18	9/15/18	135,054	47788MAC4	JOHN DEERE ABS 2016-A A3	1.36%	4/15/20	135,053.56		0.00
9/21/18	9/21/18	137,084	43814TAB8	HONDA AUTO RECEIVABLES OWNER 2017-1 A2	1.42%	7/21/19	137,084.25		0.00
<b>Total PAYDOWNS</b>		<b>2,705,390</b>					<b>2,705,389.62</b>		<b>0.00</b>
<b>SELL</b>									
7/18/18	7/23/18	4,225,000	3137EAEC9	FHLMC REFERNCE NOTE	1.12%	8/12/21	4,049,034.03	2.73%	(171,346.57)
7/18/18	7/23/18	1,885,000	3137EAEC9	FHLMC REFERNCE NOTE	1.12%	8/12/21	1,806,492.11	2.73%	(79,212.43)
7/18/18	7/23/18	4,825,000	3135G0T60	FNMA NOTES	1.50%	7/30/20	4,749,528.96	2.67%	(100,323.96)

CITY OF STOCKTON RESERVE PORTFOLIO

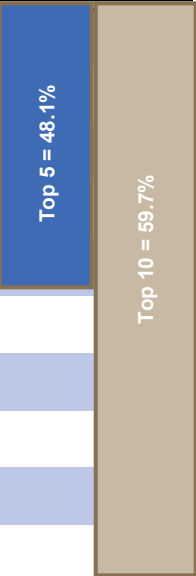
Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
8/1/18	8/3/18	675,000	912828L32	US TREASURY NOTES	1.37%	8/31/20	661,004.75	2.70%	(17,725.25)
8/1/18	8/3/18	2,510,000	3135G0T60	FNMA NOTES	1.50%	7/30/20	2,452,081.75	2.70%	(53,137.58)
8/1/18	8/3/18	4,000,000	3135G0T60	FNMA NOTES	1.50%	7/30/20	3,907,700.00	2.70%	(92,645.12)
8/2/18	8/3/18	6,000,000	06538CJK8	MUFG BANK LTD/NY COMM PAPER	0.00%	9/19/18	5,983,550.00	2.11%	2,585.00
9/5/18	9/6/18	2,000,000	06538CJK8	MUFG BANK LTD/NY COMM PAPER	0.00%	9/19/18	1,998,533.89	2.03%	288.89
9/5/18	9/6/18	5,000,000	06366HK55	BANK OF MONTREAL CHICAGO COMM PAPER	0.00%	10/5/18	4,991,541.67	2.10%	(805.53)
<b>Total SELL</b>		<b>31,120,000</b>					<b>30,599,467.16</b>		<b>-512,322.55</b>



**Issuer Distribution**  
**As of September 30, 2018**

Issuer	Market Value (\$)	% of Portfolio
UNITED STATES TREASURY	113,305,943	26.8%
FANNIE MAE	36,738,755	8.7%
FREDDIE MAC	22,017,219	5.2%
FEDERAL HOME LOAN BANKS	17,580,676	4.2%
CREDIT AGRICOLE SA	13,996,436	3.3%
JP MORGAN CHASE & CO	12,959,400	3.1%
BANK OF MONTREAL	11,988,869	2.8%
INTERNATIONAL FINANCE CORPORATION	8,199,976	1.9%
TOYOTA MOTOR CORP	8,146,723	1.9%
SKANDINAVISKA ENSKILDA BANKEN AB	7,451,400	1.8%
SWEDBANK AB	7,406,310	1.8%
BANK OF NOVA SCOTIA	7,033,803	1.7%
THE BANK OF NEW YORK MELLON CORPORATION	6,863,505	1.6%
ALLY AUTO RECEIVABLES TRUST	6,833,152	1.6%
WESTPAC BANKING CORP	6,638,326	1.6%
NORDEA BANK AB	6,034,966	1.4%
UBS AG	6,014,364	1.4%
APPLE INC	5,814,876	1.4%



## CITY OF STOCKTON RESERVE PORTFOLIO

## Portfolio Composition

Issuer	Market Value (\$)	% of Portfolio
INTL BANK OF RECONSTRUCTION AND DEV	5,813,882	1.4%
HYUNDAI AUTO RECEIVABLES	5,441,484	1.3%
WELLS FARGO & COMPANY	5,098,921	1.2%
INTER-AMERICAN DEVELOPMENT BANK	4,786,119	1.1%
DEERE & COMPANY	4,776,691	1.1%
EXXON MOBIL CORP	4,403,720	1.0%
MICROSOFT CORP	4,348,463	1.0%
CANADIAN IMPERIAL BANK OF COMMERCE	4,065,247	1.0%
CREDIT SUISSE GROUP	4,028,207	1.0%
ROYAL BANK OF CANADA	4,021,536	1.0%
ORACLE CORP	3,958,653	0.9%
AMERICAN EXPRESS CO	3,930,530	0.9%
AMERICAN HONDA FINANCE	3,919,992	0.9%
INTEL CORPORATION	3,890,832	0.9%
THE WALT DISNEY CORPORATION	3,882,308	0.9%
UNITED PARCEL SERVICE INC	3,865,092	0.9%
CISCO SYSTEMS INC	3,857,048	0.9%
HOME DEPOT INC	3,730,731	0.9%
MITSUBISHI UFJ FINANCIAL GROUP INC	3,729,127	0.9%
BANK OF AMERICA CO	3,684,882	0.9%
CITIGROUP INC	3,667,340	0.9%

CITY OF STOCKTON RESERVE PORTFOLIO

Portfolio Composition

Issuer	Market Value (\$)	% of Portfolio
GOLDMAN SACHS GROUP INC	3,663,076	0.9%
VISA INC	3,352,508	0.8%
IBM CORP	3,059,947	0.7%
NISSAN AUTO RECEIVABLES	2,903,635	0.7%
HONDA AUTO RECEIVABLES	2,776,555	0.7%
MERCEDES-BENZ AUTO RECEIVABLES	2,706,743	0.6%
STATE STREET CORPORATION	2,302,683	0.5%
US BANCORP	1,955,210	0.5%
BB&T CORPORATION	1,898,353	0.5%
BERKSHIRE HATHAWAY INC	1,882,028	0.4%
PACCAR FINANCIAL CORP	1,649,142	0.4%
JOHN DEERE OWNER TRUST	1,012,306	0.2%
<b>Grand Total:</b>	<b>423,087,688</b>	<b>100.0%</b>

## 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
<b>U.S. Treasury Bond / Note</b>											
US TREASURY NOTES DTD 08/31/2015 1.375% 08/31/2020	912828L32	275,000.00	AA+	Aaa	10/23/2015	10/23/2015	274,807.56	1.39	323.81	274,923.12	267,630.83
US TREASURY NOTES DTD 08/31/2015 1.375% 08/31/2020	912828L32	900,000.00	AA+	Aaa	3/1/2016	3/1/2016	904,256.92	1.27	1,059.74	901,841.46	875,882.70
US TREASURY NOTES DTD 10/31/2015 1.375% 10/31/2020	912828L99	400,000.00	AA+	Aaa	7/28/2016	7/28/2016	405,688.84	1.03	2,301.63	402,812.70	388,234.40
US TREASURY NOTES DTD 10/31/2015 1.375% 10/31/2020	912828L99	1,890,000.00	AA+	Aaa	11/23/2015	11/23/2015	1,860,401.25	1.71	10,875.20	1,877,221.11	1,834,407.54
US TREASURY NOTES DTD 01/31/2016 1.375% 01/31/2021	912828N89	1,350,000.00	AA+	Aaa	12/28/2016	12/28/2016	1,323,109.99	1.88	3,127.38	1,334,435.12	1,305,018.00
US TREASURY NOTES DTD 01/31/2016 1.375% 01/31/2021	912828N89	1,525,000.00	AA+	Aaa	3/9/2016	3/9/2016	1,523,515.85	1.40	3,532.78	1,524,283.60	1,474,187.00
US TREASURY NOTES DTD 02/28/2014 2.000% 02/28/2021	912828B90	5,750,000.00	AA+	Aaa	4/26/2016	4/26/2016	5,911,513.42	1.40	9,848.07	5,831,859.99	5,634,775.75
US TREASURY N/B DTD 02/29/2016 1.125% 02/28/2021	912828P87	6,475,000.00	AA+	Aaa	8/25/2017	8/28/2017	6,377,622.07	1.57	6,238.00	6,407,422.04	6,214,232.33
US TREASURY NOTES DTD 05/31/2016 1.375% 05/31/2021	912828R77	4,340,000.00	AA+	Aaa	8/2/2017	8/3/2017	4,293,039.84	1.67	20,054.71	4,307,006.89	4,173,860.46
US TREASURY N/B DTD 09/30/2016 1.125% 09/30/2021	912828T34	4,850,000.00	AA+	Aaa	11/9/2016	11/9/2016	4,767,983.06	1.48	149.90	4,799,039.21	4,605,986.80
US TREASURY NOTES DTD 10/31/2014 2.000% 10/31/2021	912828F96	10,000,000.00	AA+	Aaa	3/1/2018	3/5/2018	9,834,765.63	2.48	83,695.65	9,859,837.60	9,738,670.00
US TREASURY NOTES DTD 03/02/2015 1.750% 02/28/2022	912828J43	4,800,000.00	AA+	Aaa	3/13/2017	3/13/2017	4,713,203.58	2.14	7,193.37	4,739,347.73	4,620,374.40
US TREASURY NOTES DTD 03/31/2017 1.875% 03/31/2022	912828W89	8,900,000.00	AA+	Aaa	9/4/2018	9/6/2018	8,637,519.53	2.75	458.45	8,642,377.75	8,594,756.70
US TREASURY NOTES DTD 03/31/2017 1.875% 03/31/2022	912828W89	7,600,000.00	AA+	Aaa	8/1/2018	8/3/2018	7,350,625.00	2.82	391.48	7,361,188.54	7,339,342.80
US TREASURY NOTES DTD 03/31/2017 1.875% 03/31/2022	912828W89	10,000,000.00	AA+	Aaa	1/3/2018	1/4/2018	9,877,734.38	2.18	515.11	9,898,369.30	9,657,030.00

## 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
<b>U.S. Treasury Bond / Note</b>											
US TREASURY NOTES DTD 03/31/2017 1.875% 03/31/2022	912828W89	6,470,000.00	AA+	Aaa	12/1/2017	12/5/2017	6,409,596.48	2.10	333.28	6,420,729.33	6,248,098.41
US TREASURY NOTES DTD 07/31/2015 2.000% 07/31/2022	912828XQ8	9,000,000.00	AA+	Aaa	8/30/2017	8/31/2017	9,113,906.25	1.73	30,326.09	9,089,637.03	8,699,769.00
US TREASURY NOTES DTD 07/31/2017 1.875% 07/31/2022	9128282P4	5,400,000.00	AA+	Aaa	11/1/2017	11/3/2017	5,366,671.88	2.01	17,058.42	5,372,882.55	5,195,599.20
US TREASURY NOTES DTD 09/30/2015 1.750% 09/30/2022	912828L57	5,000,000.00	AA+	Aaa	6/20/2018	6/21/2018	4,795,507.81	2.77	240.38	4,808,186.70	4,777,930.00
US TREASURY NOTES DTD 09/30/2015 1.750% 09/30/2022	912828L57	4,765,000.00	AA+	Aaa	6/4/2018	6/6/2018	4,570,491.21	2.76	229.09	4,584,182.21	4,553,367.29
US TREASURY NOTES DTD 09/30/2015 1.750% 09/30/2022	912828L57	5,555,000.00	AA+	Aaa	10/3/2017	10/6/2017	5,507,695.70	1.93	267.07	5,516,707.72	5,308,280.23
US TREASURY N/B NOTES DTD 10/31/2017 2.000% 10/31/2022	9128283C2	7,475,000.00	AA+	Aaa	5/2/2018	5/4/2018	7,225,638.67	2.80	62,562.50	7,247,051.97	7,207,537.03
US TREASURY NOTES DTD 12/31/2015 2.125% 12/31/2022	912828N30	4,745,000.00	AA+	Aaa	6/4/2018	6/6/2018	4,614,141.80	2.77	25,481.81	4,622,819.86	4,590,972.56
<b>Security Type Sub-Total</b>		<b>117,465,000.00</b>					<b>115,659,436.72</b>	<b>2.19</b>	<b>286,263.92</b>	<b>115,824,163.53</b>	<b>113,305,943.43</b>
<b>Supra-National Agency Bond / Note</b>											
INTERNATIONAL FINANCE CORPORATION NOTE DTD 01/25/2018 2.250% 01/25/2021	45950KCM0	2,215,000.00	AAA	Aaa	1/18/2018	1/25/2018	2,208,487.90	2.35	9,136.88	2,209,932.74	2,179,894.47
INTERNATIONAL FINANCE CORPORATION NOTE DTD 03/16/2018 2.635% 03/09/2021	45950VLQ7	6,075,000.00	AAA	Aaa	3/9/2018	3/16/2018	6,070,443.75	2.66	9,782.44	6,071,229.73	6,020,082.00
INTER-AMERICAN DEVELOPMENT BANK NOTE DTD 04/19/2018 2.625% 04/19/2021	4581X0DB1	4,830,000.00	AAA	Aaa	4/12/2018	4/19/2018	4,819,374.00	2.70	57,054.38	4,820,914.91	4,786,119.45

## 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
<b>Supra-National Agency Bond / Note</b>											
INTL BANK OF RECONSTRUCTION AND DEV NOTE DTD 07/25/2018 2.750% 07/23/2021	459058GH0	5,850,000.00	AAA	Aaa	7/18/2018	7/25/2018	5,836,311.00	2.83	29,493.75	5,837,118.01	5,813,882.10
<b>Security Type Sub-Total</b>		<b>18,970,000.00</b>					<b>18,934,616.65</b>	<b>2.69</b>	<b>105,467.45</b>	<b>18,939,195.39</b>	<b>18,799,978.02</b>
<b>Federal Agency Collateralized Mortgage Obligation</b>											
FNA 2018-M5 A2 DTD 04/01/2018 3.560% 09/25/2021	3136B1XP4	2,539,632.07	AA+	Aaa	4/11/2018	4/30/2018	2,590,147.89	2.27	7,534.24	2,584,609.77	2,563,588.42
FHLMC MULTIFAMILY STRUCTURED P POOL DTD 12/01/2015 3.090% 08/25/2022	3137BM6P6	2,100,000.00	AA+	Aaa	4/4/2018	4/9/2018	2,117,882.81	2.61	5,407.50	2,115,670.16	2,093,052.99
<b>Security Type Sub-Total</b>		<b>4,639,632.07</b>					<b>4,708,030.70</b>	<b>2.42</b>	<b>12,941.74</b>	<b>4,700,279.93</b>	<b>4,656,641.41</b>
<b>Federal Agency Bond / Note</b>											
FHLMC AGENCY NOTES DTD 04/20/2017 1.375% 04/20/2020	3137EAEF2	1,565,000.00	AA+	Aaa	11/8/2017	11/9/2017	1,550,382.90	1.77	9,623.66	1,555,656.64	1,531,618.55
FHLB NOTES DTD 09/08/2017 1.375% 09/28/2020	3130ACE26	10,000,000.00	AA+	Aaa	1/3/2018	1/4/2018	9,820,500.00	2.05	1,145.83	9,868,286.10	9,718,450.00
FHLB NOTES DTD 09/08/2017 1.375% 09/28/2020	3130ACE26	4,600,000.00	AA+	Aaa	9/15/2017	9/15/2017	4,571,526.00	1.58	527.08	4,581,162.95	4,470,487.00
FHLB NOTES DTD 09/08/2017 1.375% 09/28/2020	3130ACE26	3,490,000.00	AA+	Aaa	9/7/2017	9/8/2017	3,478,797.10	1.48	399.90	3,482,634.84	3,391,739.05
FNMA BENCHMARK NOTE DTD 10/19/2015 1.500% 11/30/2020	3135G0F73	6,000,000.00	AA+	Aaa	12/16/2015	12/16/2015	5,886,600.00	1.90	30,250.00	5,949,192.18	5,831,394.00
FNMA BENCHMARK NOTE DTD 10/19/2015 1.500% 11/30/2020	3135G0F73	400,000.00	AA+	Aaa	2/23/2016	2/23/2016	402,044.00	1.39	2,016.67	400,945.12	388,759.60
FNMA NOTES DTD 02/05/2016 1.375% 02/26/2021	3135G0J20	6,400,000.00	AA+	Aaa	2/26/2016	2/26/2016	6,388,224.00	1.41	8,555.56	6,394,238.08	6,178,585.60

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
<b>Federal Agency Bond / Note</b>											
FANNIE MAE NOTES DTD 04/13/2018 2.500% 04/13/2021	3135G0U27	2,480,000.00	AA+	Aaa	4/12/2018	4/13/2018	2,476,304.80	2.55	28,933.33	2,476,861.54	2,454,778.40
FHLMC REFERNCE NOTE DTD 08/12/2016 1.125% 08/12/2021	3137EAEC9	445,000.00	AA+	Aaa	9/26/2016	9/26/2016	441,724.80	1.28	681.41	443,053.44	423,484.25
FNMA NOTES DTD 08/19/2016 1.250% 08/17/2021	3135G0N82	6,500,000.00	AA+	Aaa	10/4/2016	10/4/2016	6,464,854.50	1.37	9,930.56	6,478,965.55	6,209,027.50
FANNIE MAE NOTES DTD 01/09/2017 2.000% 01/05/2022	3135G0S38	6,400,000.00	AA+	Aaa	1/11/2017	1/11/2017	6,395,040.00	2.02	30,577.78	6,396,696.70	6,215,244.80
FREDDIE MAC GLOBAL NOTES DTD 01/13/2012 2.375% 01/13/2022	3137EADB2	6,400,000.00	AA+	Aaa	1/27/2017	1/27/2017	6,502,188.80	2.03	32,933.33	6,468,778.18	6,289,440.00
FANNIE MAE NOTES DTD 04/10/2017 1.875% 04/05/2022	3135G0T45	7,150,000.00	AA+	Aaa	6/19/2017	6/20/2017	7,148,920.35	1.88	65,541.67	7,149,248.46	6,897,376.20
FREDDIE MAC NOTES DTD 06/11/2018 2.750% 06/19/2023	3137EAEN5	6,825,000.00	AA+	Aaa	6/27/2018	6/28/2018	6,802,341.00	2.82	53,178.13	6,803,460.23	6,741,093.45
FREDDIE MAC NOTES DTD 06/11/2018 2.750% 06/19/2023	3137EAEN5	5,000,000.00	AA+	Aaa	6/20/2018	6/21/2018	4,968,400.00	2.89	38,958.33	4,970,049.10	4,938,530.00
<b>Security Type Sub-Total</b>		<b>73,655,000.00</b>					<b>73,297,848.25</b>	<b>1.98</b>	<b>313,253.24</b>	<b>73,419,229.11</b>	<b>71,680,008.40</b>
<b>Corporate Note</b>											
BERKSHIRE HATHAWAY INC CORPORATE NOTES DTD 08/15/2016 1.300% 08/15/2019	084664CK5	1,905,000.00	AA	Aa2	8/8/2016	8/15/2016	1,903,152.15	1.33	3,164.42	1,904,455.34	1,882,027.61
BANK OF NEW YORK MELLON NT (CALLABLE) DTD 09/11/2014 2.300% 09/11/2019	06406HCW7	750,000.00	A	A1	3/10/2015	3/10/2015	757,845.00	2.06	958.33	751,588.45	746,370.00
BANK OF NEW YORK MELLON NT (CALLABLE) DTD 09/11/2014 2.300% 09/11/2019	06406HCW7	350,000.00	A	A1	3/21/2017	3/21/2017	352,520.00	2.00	447.22	350,923.76	348,306.00

## 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
<b>Corporate Note</b>											
BANK OF NEW YORK MELLON NT (CALLABLE) DTD 09/11/2014 2.300% 09/11/2019	06406HCW7	1,585,000.00	A	A1	9/4/2014	9/11/2014	1,584,698.85	2.30	2,025.28	1,584,940.47	1,577,328.60
BANK OF NEW YORK MELLON NT (CALLABLE) DTD 09/11/2014 2.300% 09/11/2019	06406HCW7	200,000.00	A	A1	6/19/2015	6/19/2015	201,186.00	2.15	255.56	200,256.89	199,032.00
BANK OF NEW YORK MELLON NT (CALLABLE) DTD 09/11/2014 2.300% 09/11/2019	06406HCW7	790,000.00	A	A1	9/8/2014	9/11/2014	791,216.60	2.27	1,009.44	790,227.91	786,176.40
BANK OF NEW YORK MELLON NT (CALLABLE) DTD 09/11/2014 2.300% 09/11/2019	06406HCW7	300,000.00	A	A1	7/17/2015	7/17/2015	299,985.00	2.30	383.33	299,997.44	298,548.00
BANK OF NY MELLON CORP NOTE DTD 11/16/2009 4.600% 01/15/2020	06406HBP3	2,850,000.00	A	A1	4/3/2018	4/5/2018	2,939,148.00	2.78	27,676.67	2,915,106.91	2,907,743.85
WELLS FARGO & CO CORP BONDS DTD 02/02/2015 2.150% 01/30/2020	94974BGF1	500,000.00	A-	A2	7/17/2015	7/17/2015	494,355.00	2.41	1,821.53	498,281.53	494,081.50
WELLS FARGO & CO CORP BONDS DTD 02/02/2015 2.150% 01/30/2020	94974BGF1	1,500,000.00	A-	A2	3/23/2017	3/23/2017	1,501,920.00	2.10	5,464.58	1,500,917.67	1,482,244.50
WELLS FARGO & CO CORP BONDS DTD 02/02/2015 2.150% 01/30/2020	94974BGF1	500,000.00	A-	A2	1/26/2015	2/2/2015	500,000.00	2.15	1,821.53	500,000.00	494,081.50
WELLS FARGO & CO CORP BONDS DTD 02/02/2015 2.150% 01/30/2020	94974BGF1	1,985,000.00	A-	A2	1/26/2015	2/2/2015	1,982,300.40	2.18	7,231.47	1,984,252.01	1,961,503.56
WELLS FARGO & CO CORP BONDS DTD 02/02/2015 2.150% 01/30/2020	94974BGF1	675,000.00	A-	A2	6/25/2015	6/25/2015	666,900.00	2.43	2,459.06	672,565.79	667,010.03
HOME DEPOT INC CORP NOTES DTD 06/05/2017 1.800% 06/05/2020	437076BQ4	1,800,000.00	A	A2	5/24/2017	6/5/2017	1,798,956.00	1.82	10,440.00	1,799,409.33	1,771,227.00
AMERICAN HONDA FINANCE CORP NOTES DTD 07/20/2017 1.950% 07/20/2020	02665WBT7	3,155,000.00	A+	A2	7/19/2017	7/24/2017	3,156,829.90	1.93	12,133.60	3,156,117.88	3,091,893.69
AMERICAN HONDA FINANCE CORP NOTES DTD 07/20/2017 1.950% 07/20/2020	02665WBT7	845,000.00	A+	A2	7/17/2017	7/20/2017	844,146.55	1.98	3,249.73	844,481.25	828,098.31



## 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
<b>Corporate Note</b>											
AMERICAN EXP (CALLABLE) CREDIT CORP NOTE DTD 09/14/2015 2.600% 09/14/2020	0258M0DX4	2,000,000.00	A-	A2	4/3/2018	4/5/2018	1,978,360.00	3.06	2,455.56	1,982,584.50	1,981,870.00
MICROSOFT CORP (CALLABLE) NOTES DTD 11/03/2015 2.000% 11/03/2020	594918BG8	1,515,000.00	AAA	Aaa	10/29/2015	11/3/2015	1,513,788.00	2.02	12,456.67	1,514,478.92	1,488,181.47
VISA INC (CALLABLE) CORP NOTES DTD 12/14/2015 2.200% 12/14/2020	92826CAB8	1,460,000.00	A+	A1	4/3/2018	4/5/2018	1,439,049.00	2.76	9,546.78	1,442,768.20	1,434,736.16
BRANCH BANKING & TRUST (CALLABLE) NOTES DTD 10/26/2017 2.150% 02/01/2021	05531FAZ6	1,945,000.00	A-	A2	10/23/2017	10/26/2017	1,944,105.30	2.17	6,969.58	1,944,334.03	1,898,353.07
IBM CORP NOTES DTD 02/19/2016 2.250% 02/19/2021	459200JF9	3,123,000.00	A+	A1	7/13/2017	7/18/2017	3,139,895.43	2.09	8,197.88	3,134,384.08	3,059,946.63
EXXON MOBIL CORPORATE (CALLABLE) NOTES DTD 03/03/2016 2.222% 03/01/2021	30231GAV4	3,078,000.00	AA+	Aaa	5/16/2016	5/16/2016	3,131,957.34	1.84	5,699.43	3,105,344.06	3,016,837.06
JP MORGAN CHASE & CO CORP NT (CALLABLE) DTD 03/01/2016 2.550% 03/01/2021	46625HQJ2	2,000,000.00	A-	A3	7/6/2017	7/11/2017	2,010,300.00	2.40	4,250.00	2,006,883.58	1,964,108.00
EXXON MOBIL CORPORATE (CALLABLE) NOTES DTD 03/03/2016 2.222% 03/01/2021	30231GAV4	1,415,000.00	AA+	Aaa	2/29/2016	3/3/2016	1,415,000.00	2.22	2,620.11	1,415,000.00	1,386,882.54
TOYOTA MOTOR CREDIT CORP NOTES DTD 04/13/2018 2.950% 04/13/2021	89236TEU5	3,700,000.00	AA-	Aa3	4/10/2018	4/13/2018	3,698,520.00	2.96	50,936.67	3,698,741.85	3,683,042.90
BANK OF AMERICA CORP NOTE DTD 04/19/2016 2.625% 04/19/2021	06051GFW4	3,745,000.00	A-	A3	11/1/2017	11/3/2017	3,773,050.05	2.40	44,237.81	3,765,902.53	3,684,881.52
GOLDMAN SACHS GRP INC CORP NT (CALLABLE) DTD 04/25/2016 2.625% 04/25/2021	38141GVU5	3,740,000.00	BBB+	A3	11/3/2017	11/7/2017	3,758,722.44	2.47	42,542.50	3,753,915.68	3,663,075.68
STATE STREET CORP NOTES DTD 05/19/2016 1.950% 05/19/2021	857477AV5	150,000.00	A	A1	11/1/2016	11/1/2016	150,142.50	1.93	1,072.50	150,084.34	145,127.10

## 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
<b>Corporate Note</b>											
STATE STREET CORP NOTES DTD 05/19/2016 1.950% 05/19/2021	857477AV5	2,230,000.00	A	A1	5/16/2016	5/19/2016	2,228,840.40	1.96	15,944.50	2,229,375.31	2,157,556.22
MICROSOFT CORP (CALLABLE) NOTES DTD 08/08/2016 1.550% 08/08/2021	594918BP8	2,125,000.00	AAA	Aaa	8/1/2016	8/8/2016	2,122,768.75	1.57	4,849.13	2,123,705.77	2,039,630.25
MICROSOFT CORP (CALLABLE) NOTES DTD 08/08/2016 1.550% 08/08/2021	594918BP8	855,000.00	AAA	Aaa	8/2/2016	8/8/2016	853,691.85	1.58	1,951.06	854,241.14	820,651.23
PACCAR FINANCIAL CORP DTD 08/11/2016 1.650% 08/11/2021	69371RN44	1,730,000.00	A+	A1	1/25/2017	1/25/2017	1,661,976.40	2.57	3,964.58	1,686,271.22	1,649,141.53
ORACLE CORP (CALLABLE) NOTES DTD 07/07/2016 1.900% 09/15/2021	68389XBK0	4,100,000.00	AA-	A1	11/29/2016	11/29/2016	4,008,201.00	2.40	3,462.22	4,042,216.20	3,958,652.50
CISCO SYSTEMS INC CORP (CALLABLE) NOTES DTD 09/20/2016 1.850% 09/20/2021	17275RBJ0	4,000,000.00	AA-	A1	6/20/2018	6/22/2018	3,851,880.00	3.06	2,261.11	3,863,950.92	3,857,048.00
CITIGROUP INC CORP (CALLABLE) NOTE DTD 12/08/2016 2.900% 12/08/2021	172967LC3	3,745,000.00	BBB+	Baa1	11/20/2017	11/22/2017	3,770,578.35	2.72	34,089.90	3,765,294.68	3,667,339.94
JOHN DEERE CAPITAL CORP NOTES DTD 01/06/2017 2.650% 01/06/2022	24422ETL3	875,000.00	A	A2	3/21/2017	3/21/2017	877,056.25	2.60	5,474.83	876,440.31	857,354.75
JOHN DEERE CAPITAL CORP NOTES DTD 01/06/2017 2.650% 01/06/2022	24422ETL3	1,000,000.00	A	A2	3/21/2017	3/21/2017	1,003,240.00	2.58	6,256.94	1,002,263.58	979,834.00
JOHN DEERE CAPITAL CORP NOTES DTD 01/06/2017 2.650% 01/06/2022	24422ETL3	3,000,000.00	A	A2	3/22/2017	3/22/2017	3,010,920.00	2.57	18,770.83	3,007,627.47	2,939,502.00
US BANCORP (CALLABLE) NOTES DTD 01/24/2017 2.625% 01/24/2022	91159HHP8	2,000,000.00	A+	A1	1/19/2017	1/24/2017	1,996,560.00	2.66	9,770.83	1,997,670.12	1,955,210.00
AMERICAN EXPRESS CREDIT (CALLABLE) NOTES DTD 03/03/2017 2.700% 03/03/2022	0258M0EGO	2,000,000.00	A-	A2	7/10/2017	7/13/2017	2,019,320.00	2.48	4,200.00	2,014,393.02	1,948,660.00

## 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
<b>Corporate Note</b>											
WALT DISNEY COMPANY CORP NOTES DTD 03/06/2017 2.450% 03/04/2022	25468PDQ6	4,000,000.00	A+	A2	7/14/2017	7/19/2017	4,047,920.00	2.18	7,350.00	4,035,976.48	3,882,308.00
APPLE INC CORP (CALLABLE) NOTE DTD 05/11/2017 2.300% 05/11/2022	037833CQ1	6,000,000.00	AA+	Aa1	7/10/2017	7/13/2017	5,992,020.00	2.33	53,666.67	5,994,016.92	5,814,876.00
INTEL CORP (CALLABLE) NOTES DTD 05/11/2017 2.350% 05/11/2022	458140BB5	4,000,000.00	A+	A1	7/10/2017	7/13/2017	4,002,480.00	2.34	36,555.56	4,001,925.36	3,890,832.00
UNITED PARCEL SERVICE (CALLABLE) NOTES DTD 05/16/2017 2.350% 05/16/2022	911312BC9	4,000,000.00	A+	A1	7/10/2017	7/13/2017	4,012,880.00	2.28	35,250.00	4,009,768.72	3,865,092.00
HOME DEPOT INC CORP (CALLABLE) NOTES DTD 06/02/2015 2.625% 06/01/2022	437076BG6	2,000,000.00	A	A2	7/10/2017	7/13/2017	2,029,380.00	2.30	17,500.00	2,022,256.90	1,959,504.00
VISA INC (CALLABLE) NOTE DTD 09/11/2017 2.150% 09/15/2022	92826CAG7	2,000,000.00	A+	A1	6/20/2018	6/22/2018	1,917,180.00	3.20	1,911.11	1,922,277.60	1,917,772.00
<b>Security Type Sub-Total</b>		<b>97,221,000.00</b>					<b>97,134,942.51</b>	<b>2.36</b>	<b>534,756.51</b>	<b>97,117,616.12</b>	<b>95,103,679.10</b>
<b>Commercial Paper</b>											
BANK OF MONTREAL CHICAGO COMM PAPER DTD 01/08/2018 0.000% 10/05/2018	06366HK55	5,000,000.00	A-1	P-1	1/8/2018	1/8/2018	4,928,750.00	1.93	0.00	4,998,944.45	4,997,850.00
JP MORGAN SECURITIES LLC COMM PAPER DTD 01/08/2018 0.000% 10/05/2018	46640QK59	11,000,000.00	A-1	P-1	1/9/2018	1/9/2018	10,835,611.11	2.03	0.00	10,997,555.58	10,995,292.00
CREDIT AGRICOLE CIB NY COMM PAPER DTD 07/09/2018 0.000% 01/07/2019	22533UN74	10,000,000.00	A-1	P-1	7/9/2018	7/9/2018	9,878,666.67	2.43	0.00	9,934,666.60	9,933,650.00
<b>Security Type Sub-Total</b>		<b>26,000,000.00</b>					<b>25,643,027.78</b>	<b>2.16</b>	<b>0.00</b>	<b>25,931,166.63</b>	<b>25,926,792.00</b>
<b>Certificate of Deposit</b>											

## 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
<b>Certificate of Deposit</b>											
SKANDINAV ENSKILDA BANKEN NY CD DTD 08/04/2017 1.840% 08/02/2019	83050FXT3	7,500,000.00	A-1	P-1	8/3/2017	8/4/2017	7,497,075.00	1.85	23,000.00	7,498,774.58	7,451,400.00
MUFG BANK LTD/NY CERT DEPOS DTD 09/27/2017 2.070% 09/25/2019	06539RGM3	3,760,000.00	A-1	P-1	9/25/2017	9/27/2017	3,760,000.00	2.07	1,297.20	3,760,000.00	3,729,126.64
CREDIT SUISSE NEW YORK CERT DEPOS DTD 02/08/2018 2.670% 02/07/2020	22549LFR1	4,030,000.00	A	A1	2/7/2018	2/8/2018	4,030,000.00	2.67	69,641.76	4,030,000.00	4,028,206.65
NORDEA BANK AB NY CD DTD 02/22/2018 2.720% 02/20/2020	65590ASN7	6,060,000.00	AA-	Aa3	2/20/2018	2/22/2018	6,060,000.00	2.72	18,772.53	6,060,000.00	6,034,966.14
UBS AG STAMFORD CT LT CD DTD 03/06/2018 2.900% 03/02/2020	90275DHG8	6,000,000.00	A+	Aa2	3/2/2018	3/6/2018	6,000,000.00	2.93	13,050.00	6,000,000.00	6,014,364.00
CANADIAN IMP BK COMM NY FLT CERT DEPOS DTD 04/10/2018 2.731% 04/10/2020	13606BVF0	4,055,000.00	A+	Aa2	4/6/2018	4/10/2018	4,055,000.00	2.78	25,536.31	4,055,000.00	4,065,246.99
CREDIT AGRICOLE CIB NY FLT CERT DEPOS DTD 04/10/2018 2.801% 04/10/2020	22532XHT8	4,055,000.00	A	A1	4/6/2018	4/10/2018	4,055,000.00	2.85	26,190.74	4,055,000.00	4,062,785.60
BANK OF NOVA SCOTIA HOUSTON CD DTD 06/07/2018 3.080% 06/05/2020	06417GU22	7,000,000.00	A+	Aa2	6/5/2018	6/7/2018	6,997,340.00	3.10	68,273.33	6,997,748.31	7,033,803.00
WESTPAC BANKING CORP NY CD DTD 08/07/2017 2.050% 08/03/2020	96121T4A3	6,735,000.00	AA-	Aa3	8/3/2017	8/7/2017	6,735,000.00	2.05	20,710.13	6,735,000.00	6,638,325.81
BANK OF MONTREAL CHICAGO CERT DEPOS DTD 08/03/2018 3.190% 08/03/2020	06370REU9	7,000,000.00	A+	Aa2	8/1/2018	8/3/2018	7,000,000.00	3.23	36,596.39	7,000,000.00	6,991,019.00
SWEDBANK (NEW YORK) CERT DEPOS DTD 11/17/2017 2.270% 11/16/2020	87019U6D6	7,555,000.00	AA-	Aa2	11/16/2017	11/17/2017	7,555,000.00	2.30	65,741.09	7,555,000.00	7,406,310.05
ROYAL BANK OF CANADA NY CD DTD 06/08/2018 3.240% 06/07/2021	78012UEE1	4,000,000.00	AA-	Aa2	6/7/2018	6/8/2018	4,000,000.00	3.24	40,680.00	4,000,000.00	4,021,536.00

## 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
<b>Security Type Sub-Total</b>		<b>67,750,000.00</b>					<b>67,744,415.00</b>	<b>2.63</b>	<b>409,489.48</b>	<b>67,746,522.89</b>	<b>67,477,089.88</b>
<b>Asset-Backed Security / Collateralized Mortgage Obligation</b>											
TOYOTA ABS 2017-A A2A DTD 03/15/2017 1.420% 09/15/2019	89238MAB4	235,171.49	AAA	Aaa	3/7/2017	3/15/2017	235,148.80	1.43	148.42	235,162.33	235,015.74
JOHN DEERE ABS 2017-A A2 DTD 03/02/2017 1.500% 10/15/2019	47787XAB3	196,286.59	NR	Aaa	2/22/2017	3/2/2017	196,285.81	1.50	130.86	196,286.28	196,147.70
NISSAN ABS 2017-A A2A DTD 03/28/2017 1.470% 01/15/2020	654747AB0	371,804.24	NR	Aaa	3/21/2017	3/28/2017	371,802.35	1.47	242.91	371,803.36	371,321.56
JOHN DEERE ABS 2016-A A3 DTD 03/02/2016 1.360% 04/15/2020	47788MAC4	818,796.27	NR	Aaa	2/23/2016	3/2/2016	818,667.40	1.37	494.92	818,755.65	816,158.27
HONDA ABS 2016-2 A3 DTD 05/31/2016 1.390% 04/15/2020	43814QAC2	698,769.40	NR	Aaa	5/24/2016	5/31/2016	698,755.84	1.39	431.68	698,764.77	696,041.68
HAROT 2017-4 A3 DTD 11/29/2017 2.050% 11/21/2021	43813FAC7	2,105,000.00	NR	Aaa	11/22/2017	11/29/2017	2,104,703.41	2.06	1,198.68	2,104,763.23	2,080,513.38
TAOT 2017-D A3 DTD 11/15/2017 1.930% 01/15/2022	89238KAD4	2,340,000.00	AAA	Aaa	11/7/2017	11/15/2017	2,339,784.25	2.26	2,007.20	2,339,828.34	2,300,442.77
HYUNDAI ABS 2017-B A3 DTD 08/16/2017 1.770% 01/15/2022	44932GAD7	4,185,000.00	AAA	Aaa	8/9/2017	8/16/2017	4,184,274.74	1.78	3,292.20	4,184,454.11	4,118,859.42
ALLYA 2017-5 A3 DTD 11/22/2017 1.990% 03/15/2022	02007YAC8	2,930,000.00	AAA	Aaa	11/14/2017	11/22/2017	2,929,772.63	1.99	2,591.42	2,929,816.29	2,890,405.74
TAOT 2018-A A3 DTD 01/31/2018 2.350% 05/16/2022	89238BAD4	1,950,000.00	AAA	Aaa	1/23/2018	1/31/2018	1,949,977.58	2.35	2,036.67	1,949,981.88	1,928,221.82
HART 2018-A A3 DTD 04/18/2018 2.790% 07/15/2022	44891KAD7	1,330,000.00	AAA	Aaa	4/10/2018	4/18/2018	1,329,799.70	2.80	1,649.20	1,329,820.25	1,322,624.75
ALLYA 2018-3 A3 DTD 06/27/2018 3.000% 01/15/2023	02007JAC1	3,950,000.00	AAA	Aaa	6/19/2018	6/27/2018	3,949,729.82	3.09	5,266.67	3,949,745.82	3,942,746.62
MBART 2018-1 A3 DTD 07/25/2018 3.030% 01/15/2023	58772RAD6	2,710,000.00	AAA	Aaa	7/17/2018	7/25/2018	2,709,895.94	3.03	3,649.47	2,709,901.30	2,706,743.12
NAROT 2018-B A3 DTD 07/25/2018 3.060% 03/15/2023	65479GAD1	2,540,000.00	AAA	Aaa	7/17/2018	7/25/2018	2,539,917.70	3.06	3,454.40	2,539,922.17	2,532,312.94

**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
<b>Security Type Sub-Total</b>		<b>26,360,827.99</b>					<b>26,358,515.97</b>	<b>2.38</b>	<b>26,594.70</b>	<b>26,359,005.78</b>	<b>26,137,555.51</b>
<b>Managed Account Sub Total</b>		<b>432,061,460.06</b>					<b>429,480,833.58</b>	<b>2.30</b>	<b>1,688,767.04</b>	<b>430,037,179.38</b>	<b>423,087,687.75</b>
<b>Securities Sub-Total</b>		<b>\$432,061,460.06</b>					<b>\$429,480,833.58</b>	<b>2.30%</b>	<b>\$1,688,767.04</b>	<b>\$430,037,179.38</b>	<b>\$423,087,687.75</b>
<b>Accrued Interest</b>											<b>\$1,688,767.04</b>
<b>Total Investments</b>											<b>\$424,776,454.79</b>

Bolded items are forward settling trades.

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**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 of 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.



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**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.