



**City of Pittsburg
Finance Division
65 Civic Avenue
Pittsburg, California 94565**

August 19, 2019

Honorable Mayor and City Council:

I have reviewed the City of Pittsburg's Treasury Report for the quarter ending June 30, 2019 and find that it complies with the Investment Policy established by my office.

Sincerely,

A handwritten signature in blue ink that reads "Nancy Parent". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Nancy Parent
City Treasurer



Office of the City Manager / Executive Director
65 Civic Avenue
Pittsburg, California 94565

DATE: August 19, 2019
TO: Mayor and Council Members
FROM: Garrett D. Evans, City Manager
SUBJECT: Receive and File the Treasurer's Report for the Quarter Ending June 30, 2019

EXECUTIVE SUMMARY

Attached is the Treasurer's Report for the fiscal quarter ending June 30, 2019. The report includes the combined detailed information of the City and the Successor Agency's (Agency) investments, which are compliant with the City's and Agency's Investment Policies.

FISCAL IMPACT

Investment income for the quarter ending June 30, 2019 was \$562,615 and investment earnings for FY 2018-19 was \$1,630,267. Market value adjustment as required by Governmental Accounting Standards Board Statement Number 31 for the quarter ending June 30, 2019 was \$548,096 and market value adjustment for FY 2018-19 was \$1,454,714.

The City's and Agency's expenditure requirements for the next six months are covered by anticipated revenues from operations and maturing investments.

RECOMMENDATION:

City Council accepts the Treasurer's Report for the quarter ending June 30, 2019 for information purposes only.

BACKGROUND

Each fiscal quarter, an Investment Summary Report is required to be provided, by policy, to the City Council for review.

SUBCOMMITTEE FINDINGS

This item not presented to a subcommittee.

STAFF ANALYSIS

The City's objectives in order of priority, are to provide safety, ensure the preservation of capital, provide sufficient liquidity for cash needs and earn a competitive rate of return (yield) within the confines of the California Government Code and the Investment Policy. Chandler Asset Management is responsible for managing investments in accordance with the City's investment policy. All portfolio holdings were held with investment grade securities.

The City and the Agency's investment portfolio market value increased by \$26.3 million during the fourth quarter of FY 2018-19. This change was due to 1.) receiving \$15.0 million Successor Agency debt service prefunding; and 2.) \$11.3 million in various taxes and fees, property, sales/use tax, franchise fees and loan payoff.

Total City and Successor Agency Investments

DESCRIPTION	Market Value 03/31/19	Market Value 06/30/19	Variance
<u>CASH & INVESTMENTS:</u>			
City Managed	\$ 44,392,287	\$ 83,892,422 ¹	\$ 39,500,135
Advisor Managed	81,173,942	68,001,564 ¹	(13,172,378)
TOTAL	\$ 125,566,229	\$ 151,893,986	\$ 26,327,757

¹ The Department of Finance didn't approve the contract between the Successor Agency and our investment advisor, Chandler Asset Management to invest Successor Agency Bond Reserves. Therefore, the Successor Agency Bond Reserve funds of \$14,018,571 are now included in the City Managed funds.

The advisor-managed funds comprise of operating funds managed in two separate accounts (Liquidity Portfolio and Core Portfolio), as well as a number of Non-Successor Agency bond-related funds. The City's advisor works to achieve the City's objectives by investing in high quality fixed income securities consistent with the City's investment policy and California Government Code.

The Liquidity Portfolio is designed to provide funds for the City to meet day-to-day cash needs. Its return objective is to enhance interest income as measured by yield to maturity. Yield to maturity reflects the interest income the portfolio is expected to receive for the next twelve months assuming the portfolio experiences no changes in its current asset holdings. As of quarter-end, the average yield to maturity of the Liquidity Portfolio was 2.44%.

The Core Portfolio represents the City's cash reserves. Its return objective is to enhance both interest income and principal value as measured by total return. Total return reflects the value added to the portfolio for a period of time from interest income, realized gains and losses, as well as unrealized gains and losses. The portfolio's total return for the quarter was 1.40%, comparing to the City performance benchmark of 1.43%, the Intercontinental Exchange Bank of America/Merrill Lynch (ICE BAML) 1-3 Year U.S. Treasury/Agency Index. Since inception (7/31/2018), the portfolio's total return through quarter end is 4.14%, outperforming the benchmark return of 3.96% for the same period.

Governmental Accounting Standards Board Statement 31 requires the City to recognize the fair market value of its investments at the end of each fiscal year. The market values of investments included in this report were obtained from the State Controller's office for Local Agency Investment Funds (LAIF), and from the City's registered investment advisor and bond trustees for longer-term investments. Market values change on a daily basis. The change in market value is considered temporary in nature, as the City mostly holds its investments until maturity, when they can be redeemed at par value.

Attached is the Chandler Asset Management (CAM) Investment Report detailing an economic update, account profile and investment activity for the quarter ending June 30, 2019.

Report Prepared By: Priscilla Wong-O'Rourke - Accountant

Report Reviewed By: Laura Mendez, Finance Manager - Reporting

Brad Farmer, Director of Finance

Attachments:

Letter from City Treasurer

Investment Report by Chandler Asset Management

City of Pittsburgh

Period Ending June 30, 2019

CHANDLER ASSET MANAGEMENT, INC. | 800.317.4747 | www.chandlerasset.com



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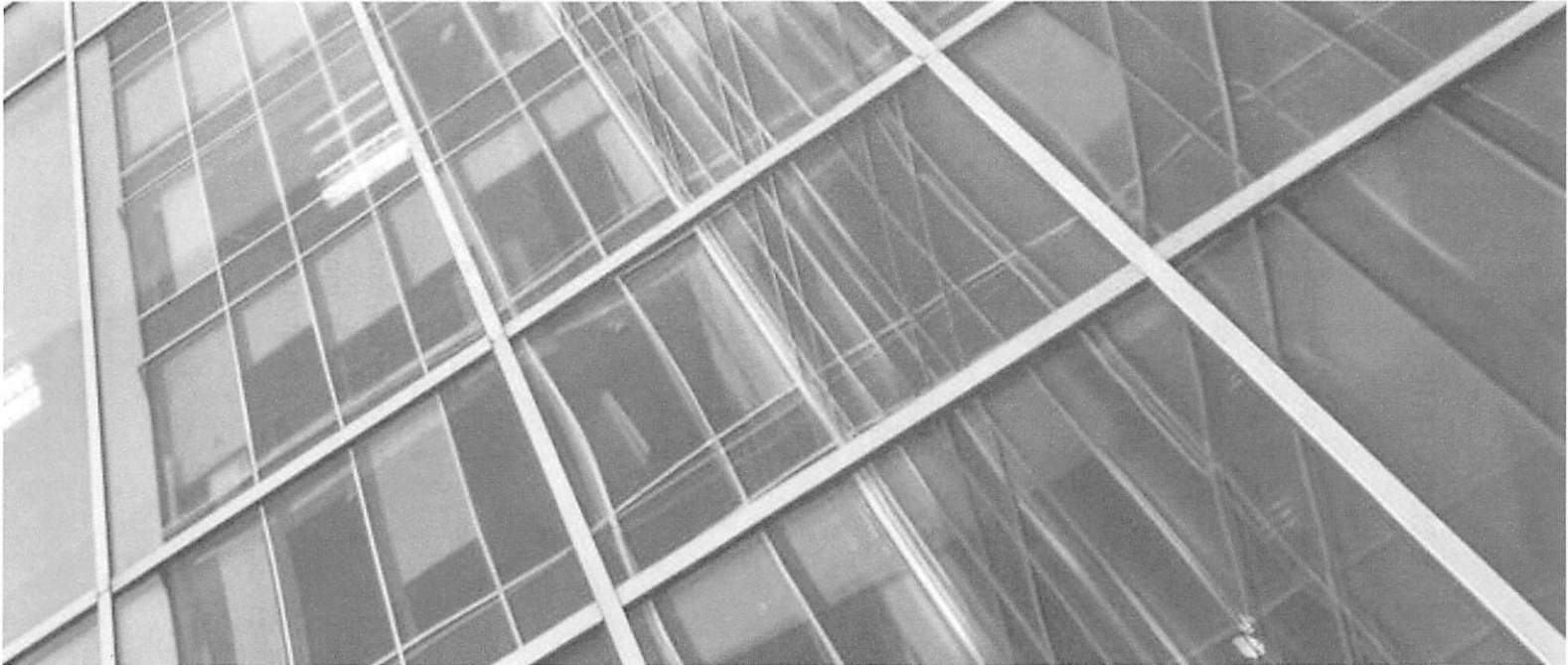
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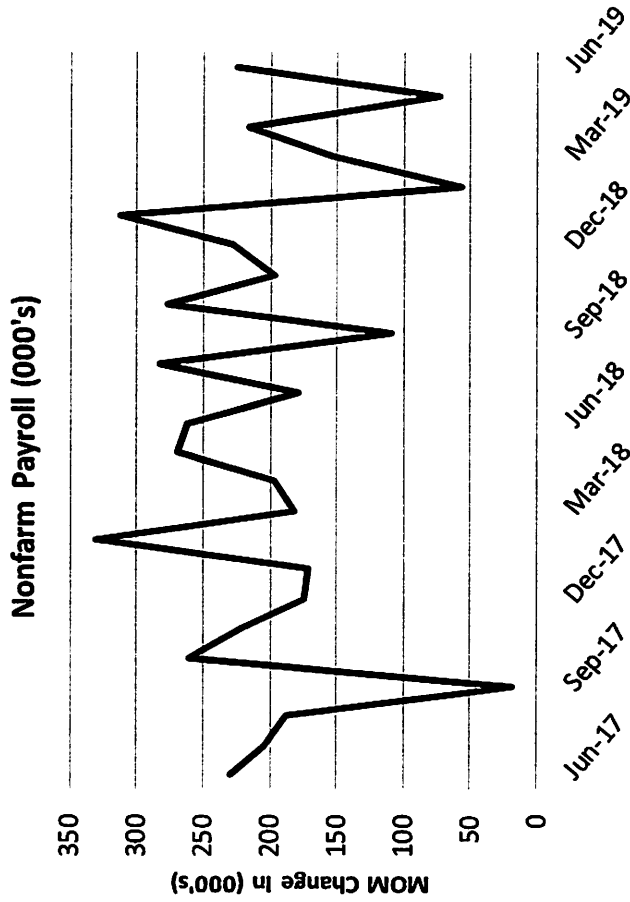
Section 1 | Economic Update

Economic Update

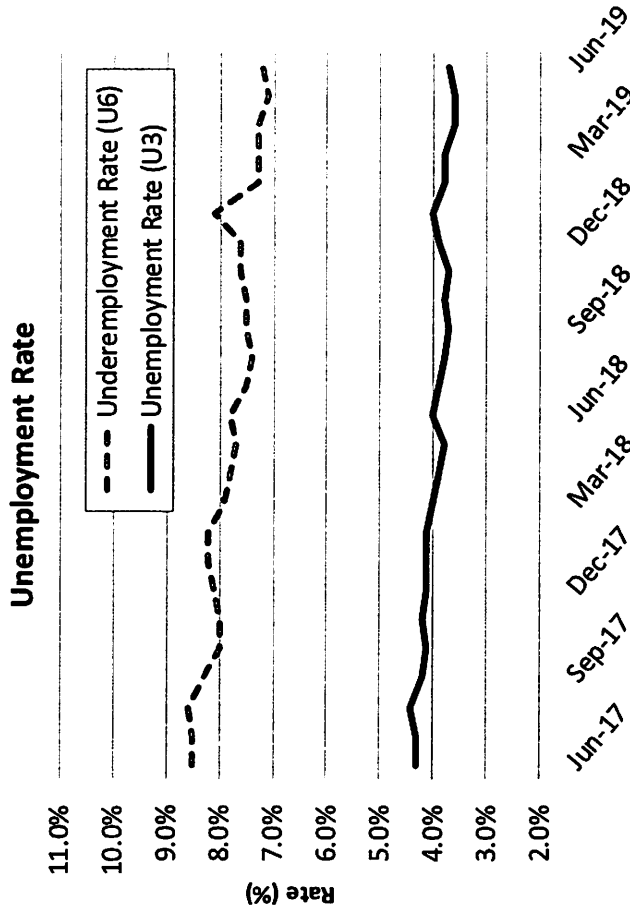
- In our view, US domestic economic data remains consistent with a slow growth environment; the US labor market is strong, wages are growing modestly, and inflation remains contained. However, headwinds to the economy have increased. Ongoing global trade disputes, slowing global economic growth, an uncertain outlook for Brexit, and geopolitical tensions have made the outlook uncertain. The trajectory of economic growth is likely to hinge on the outcome of ongoing trade negotiations as well as policy action by the major global central banks. We believe there is a high level of political pressure to make progress toward a trade agreement with China before the election cycle heats up this fall. We also believe a dovish collective stance by major global central banks should help to combat the headwinds to global economic growth.
- The Federal Open Market Committee (FOMC) kept the target fed funds rate unchanged in June at a range of 2.25%-2.50%. In the policy statement, the Fed noted that market-based measures of inflation have declined and uncertainties about the economic outlook have increased. With regard to future policy adjustments, the Fed removed the word “patient” from the policy statement, and indicated they are prepared to act as appropriate to incoming data in order to sustain the economic expansion. The Fed did not make any changes to their balance sheet normalization program, and the runoff remains on track to end in September. There was one dissenting vote amongst the FOMC members, James Bullard, who was in favor of lowering the fed funds rate by 25 basis points.
- Treasury yields declined further in June. At month-end, the 3-month T-bill yield was down 25 basis points to 2.09%, the 2-year Treasury yield was down 17 basis point to 1.76%, and the 10-year Treasury yield was down 12 basis points to 2.01%. An inversion of the yield curve in which the 10-year Treasury yield is lower than the 3-month T-bill yield is generally viewed as a powerful predictive signal of an upcoming recession. Although our 6-month forecast does not call for a recession, we believe downside risks to the economy are building. Notably, sovereign 10-year bond yields around the world were under pressure in June and the yields on both the 10-year German Bund and 10-year Japanese Government Bond remained negative at month-end.

Source: Bloomberg

Employment



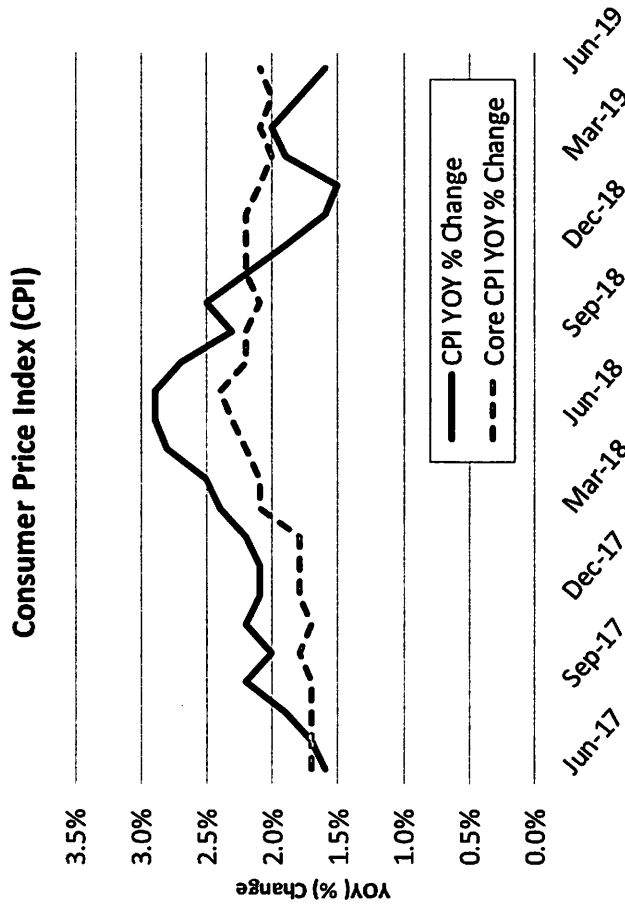
Source: US Department of Labor



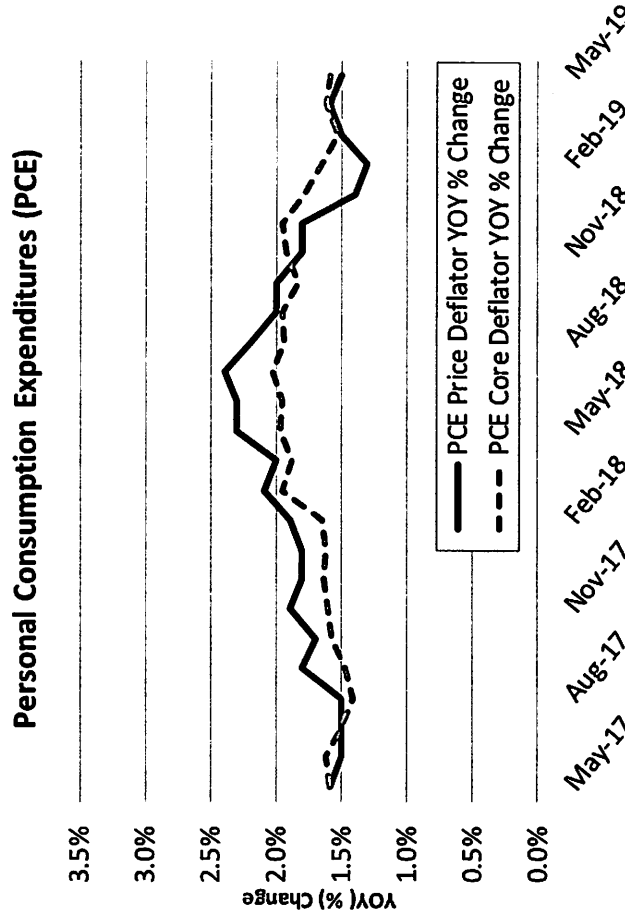
Source: US Department of Labor

U.S. nonfarm payrolls rose by 224,000 in June, well above the consensus forecast of 165,000. April and May payrolls were revised down by a total of just 11,000. On a trailing 3-month basis payrolls increased an average of 171,000, more than enough to absorb new entrants into the labor market. The unemployment rate ticked up to 3.7% in June from 3.6% in May as the participation rate also increased to 62.9% from 62.8%. A broader measure of unemployment called the U-6, which includes those who are marginally attached to the labor force and employed part time for economic reasons, also edged up to 7.2% in June from 7.1% in May. Wages rose 0.2% in June (slightly below expectations), following and upwardly revised 0.3% increase in May. On a year-over-year basis, wages were up 3.1% in June, versus up 3.2% in May.

Inflation



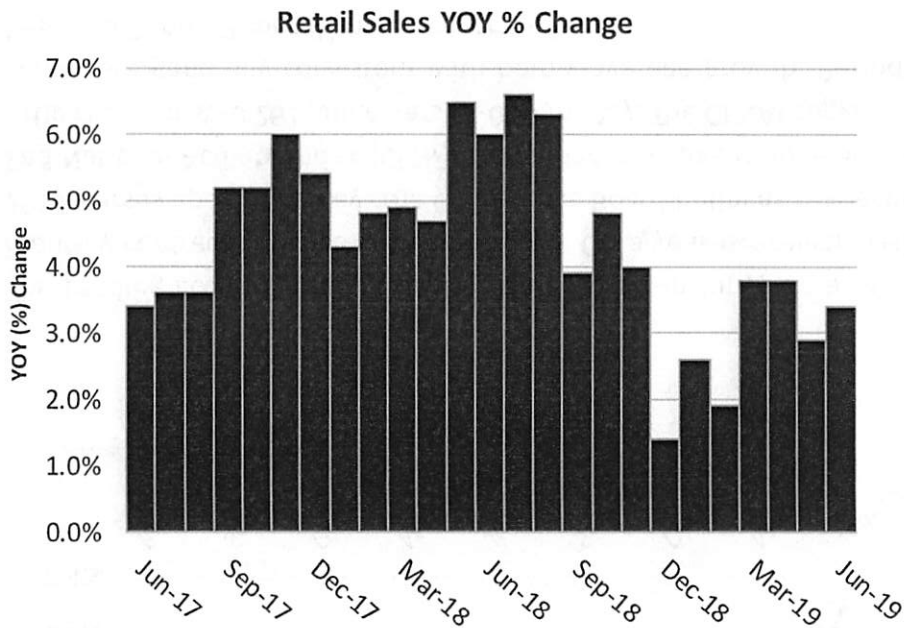
Source: US Department of Labor



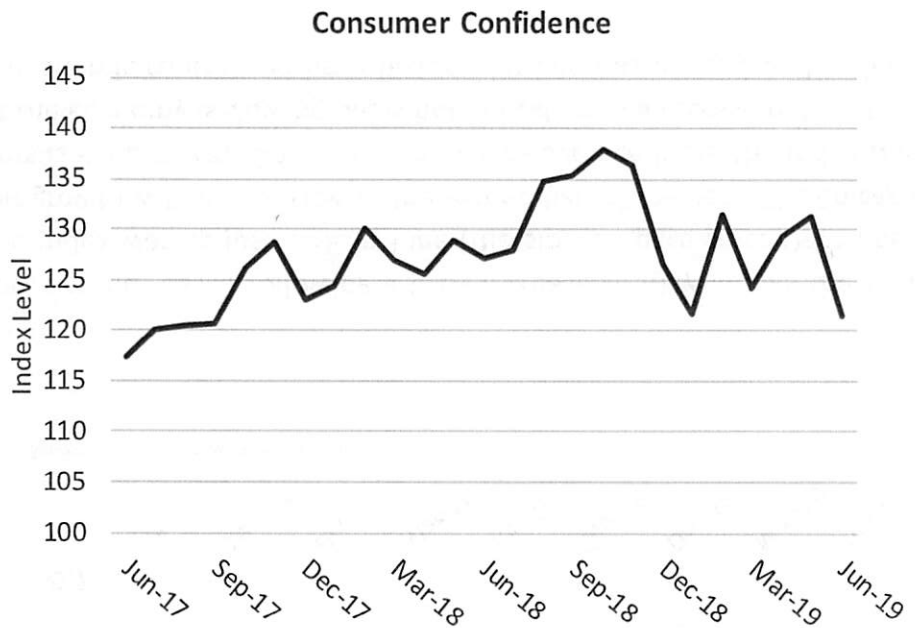
Source: US Department of Commerce

The Consumer Price Index (CPI) was up just 1.6% year-over-year in June, versus up 1.8% year-over-year in May. Core CPI (CPI less food and energy) was up 2.1% year-over-year in June, versus up 2.0% year-over-year in May. The Personal Consumption Expenditures (PCE) index was up 1.5% year-over-year in May, versus up 1.6% year-over-year in April. Core PCE, which is the Fed's primary inflation gauge, was up 1.6% year-over-year in May, unchanged from April, remaining below the Fed's 2.0% inflation target.

Consumer



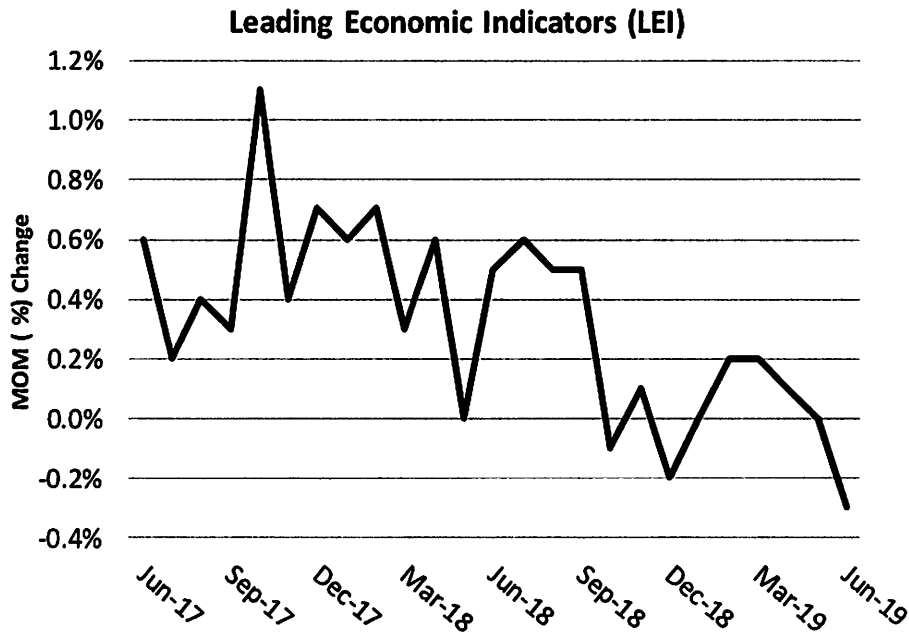
Source: US Department of Commerce



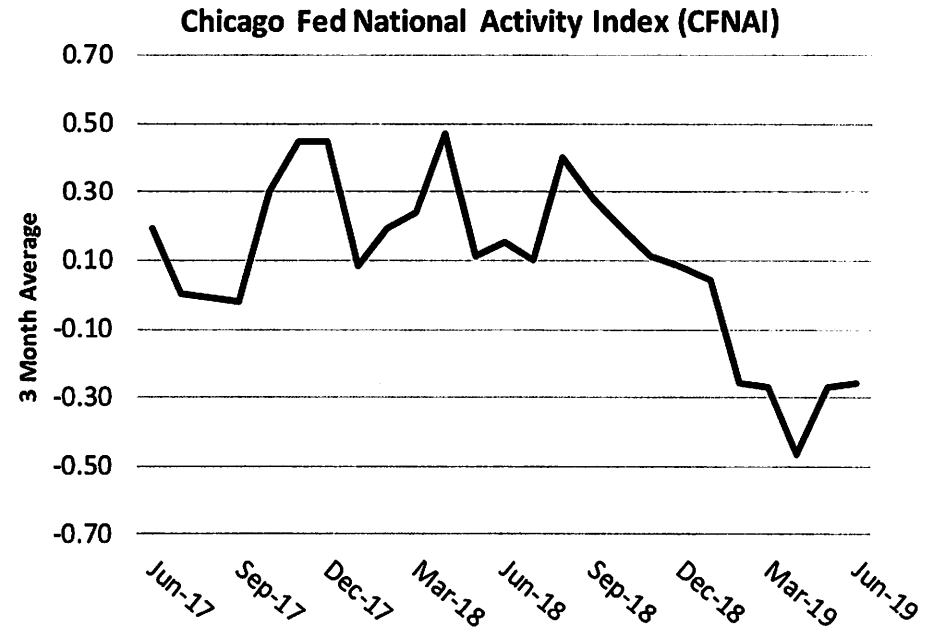
Source: The Conference Board

Retail sales in June were stronger than expected, up 0.4% in the month versus expectations of 0.1%, following an increase of 0.4% in May. Excluding autos and gas, retail sales were even stronger in June, up 0.7% (outpacing expectations of 0.4%). On a year-over-year basis, total retail sales were up 3.4% year-over-year in June, versus 2.9% year-over-year in May. The Consumer Confidence Index declined to 121.5 in June from 131.3 in May, falling below expectations, largely driven by concerns regarding the escalation in trade and tariff tensions. Despite the sharp decline in confidence in June, the index remains strong relative to longer-term historical levels.

Economic Activity



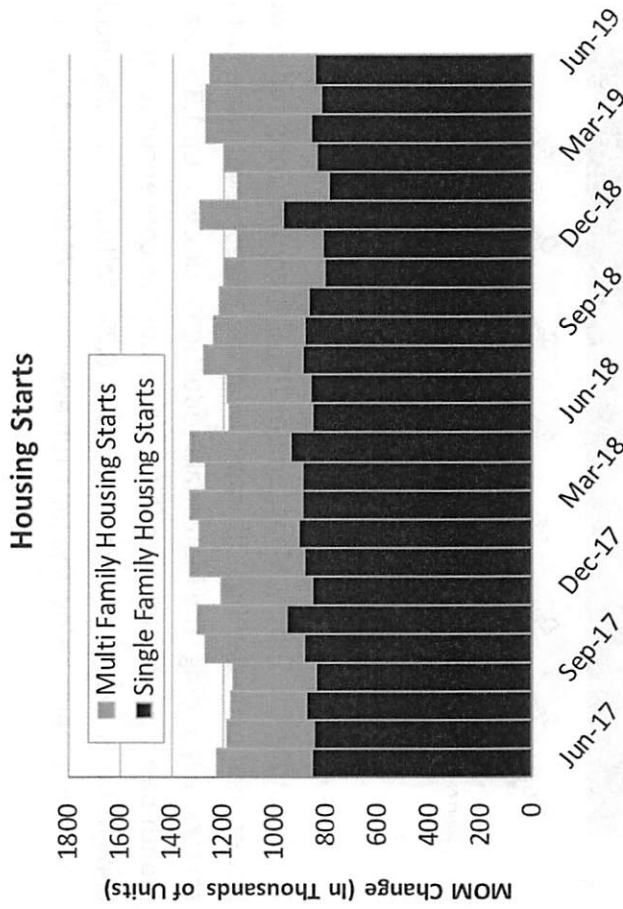
Source: The Conference Board



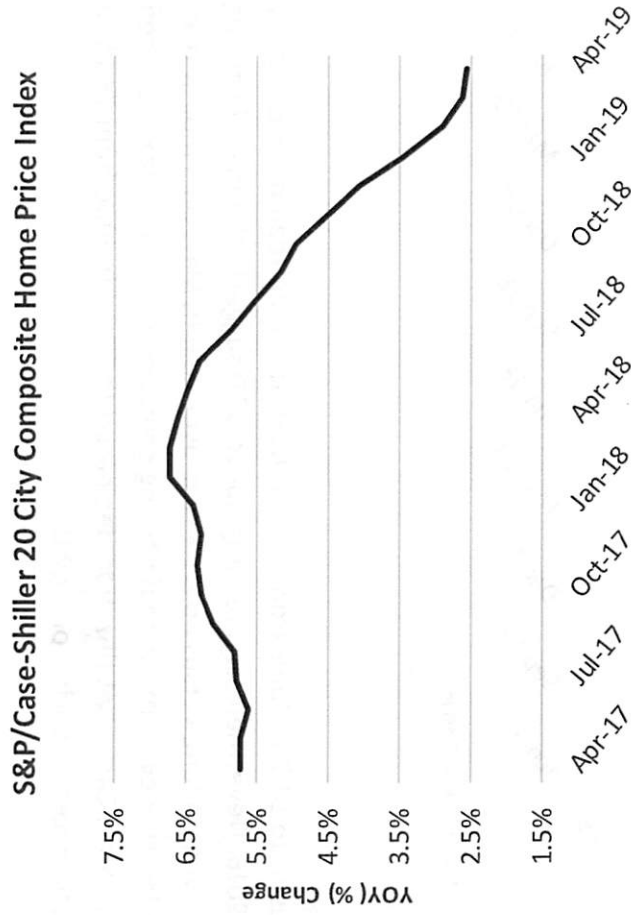
Source: Federal Reserve Bank of Chicago

The Leading Economic Index (LEI) declined 0.3% in June, on a month-over-month basis, following a 0.1% increase in May. It was the first monthly contraction since December 2018. On a year-over-year basis, the index was up just 1.6% in June (the slowest pace since December 2016) versus up 2.5% in May. The Conference Board believes that economic growth will remain slow in the second half of the year. The Chicago Fed National Activity Index (CFNAI) remained negative in June at -0.02 versus -0.03 in May. On a 3-month moving average basis, the index was little changed at -0.26 in June versus -0.27 in May. The CFNAI suggests that the economy is slowing but is not indicative of a recession. Negative values are generally consistent with below-average growth. Periods of economic contraction have historically been associated with values below -0.70 on a 3-month moving average basis.

Housing



Source: US Department of Commerce



Source: S&P

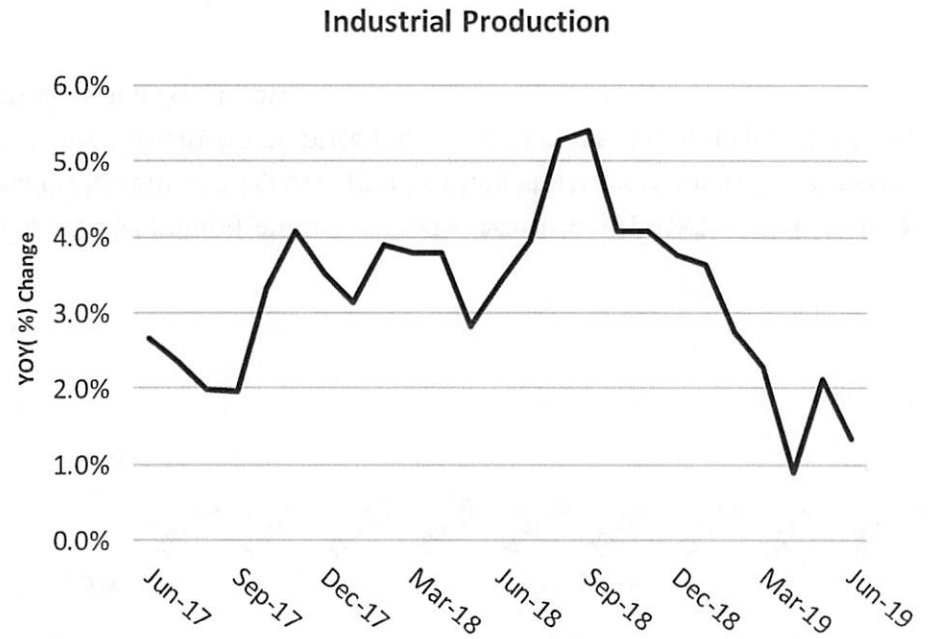
Housing starts were nearly in line with expectations in June, down 0.9% to a 1.253 million annualized rate. Multi-family starts fell 9.2% to an annualized rate of 406,000, while single-family starts rose 3.5% to an annualized rate of 847,000. Total housing starts were up 6.2% year-over-year in June, driven by growth in multi-family starts. According to the Case-Shiller 20-City home price index, home prices were up just 2.5% year-over-year in April, versus up 2.6% in March. The year-over-year pace of growth is at a 7-year low.



Manufacturing



Source: Institute for Supply Management



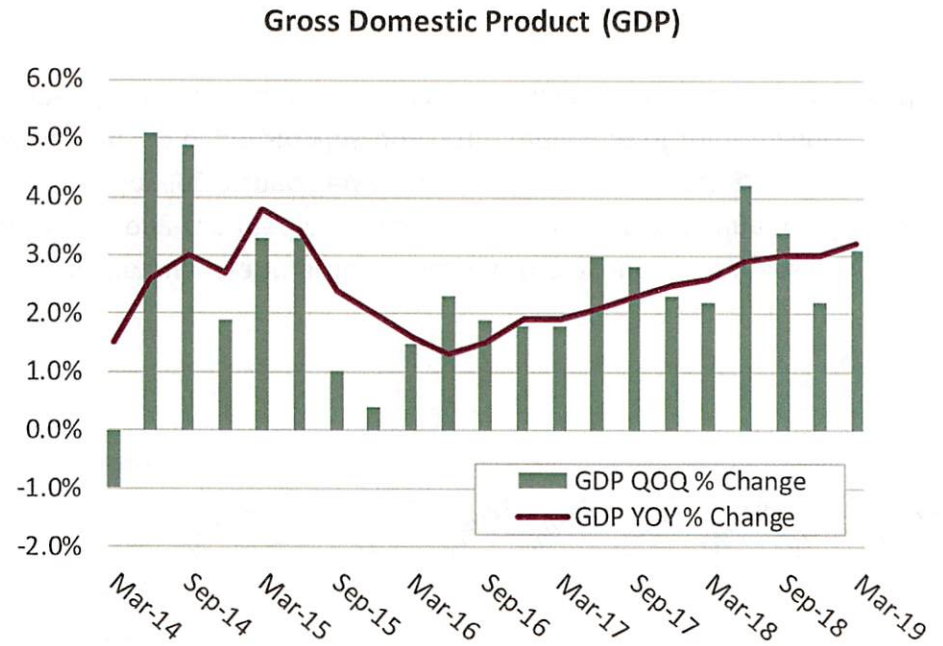
Source: Federal Reserve

The Institute for Supply Management (ISM) manufacturing index decreased to 51.7 in June from 52.1 in May. The June reading was slightly better than expected but still came in at the lowest level since October 2016. Nevertheless, a reading above 50.0 suggests the manufacturing sector is expanding. The Industrial Production index was up 1.3% year-over-year in June versus up 2.1% year-over-year in May. On a month-over-month basis, production was flat, just below the consensus forecast of 0.1%. However, the manufacturing component of the index increased 0.4% in June, exceeding expectations of 0.2%, following a 0.2% increase in May. Capacity Utilization decreased to 77.9% in June from 78.1% in May, and remains below the long-run average of 79.8% indicating there is still excess capacity for growth.

Gross Domestic Product (GDP)

Components of GDP	6/18	9/18	12/18	3/19
Personal Consumption Expenditures	2.6%	2.4%	1.7%	0.6%
Gross Private Domestic Investment	-0.1%	2.5%	0.7%	1.1%
Net Exports and Imports	1.2%	-2.0%	-0.1%	0.9%
Federal Government Expenditures	0.2%	0.2%	0.1%	0.0%
State and Local (Consumption and Gross Investment)	0.2%	0.2%	-0.1%	0.5%
Total	4.2%	3.4%	2.2%	3.1%

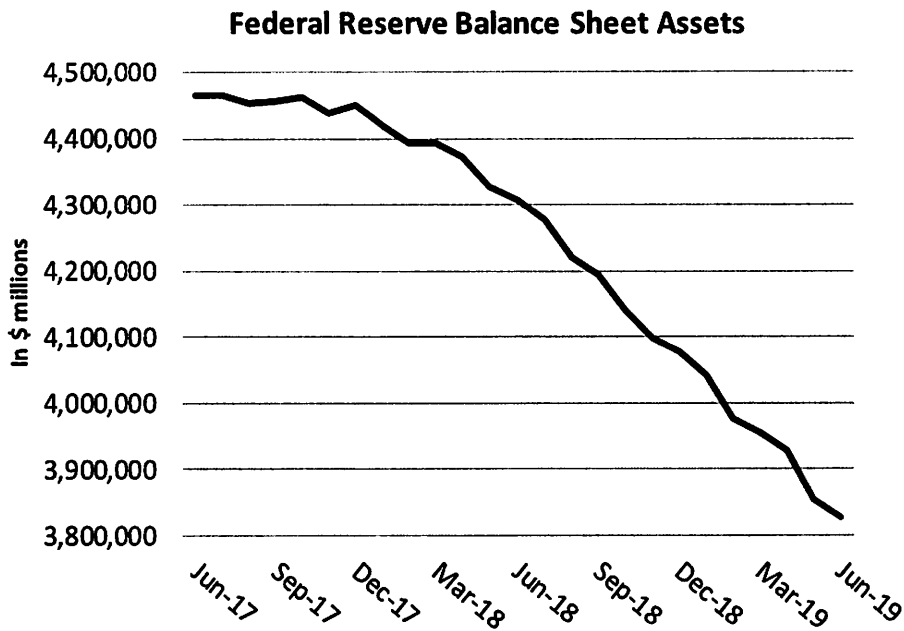
Source: US Department of Commerce



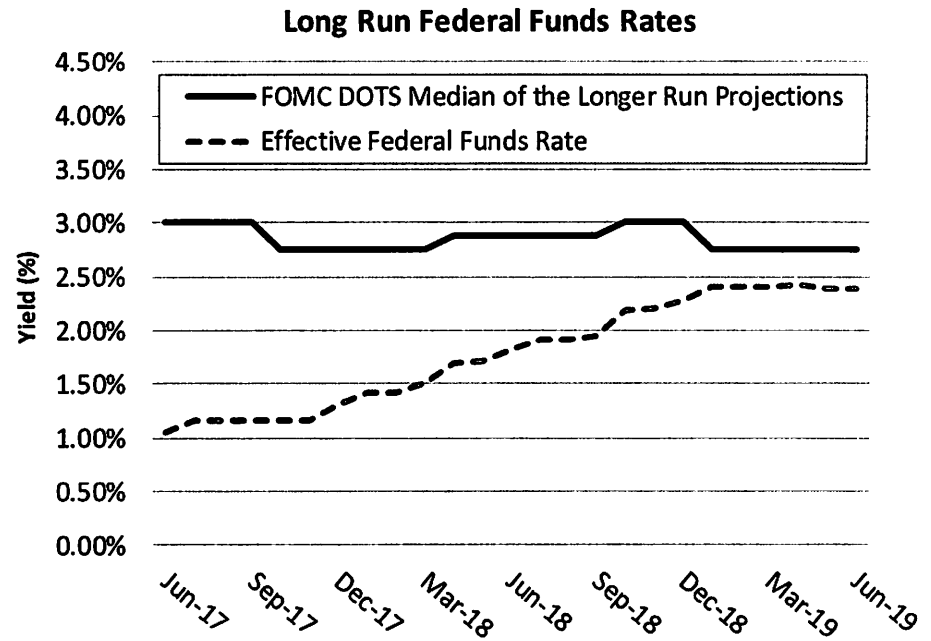
Source: US Department of Commerce

According to the third estimate, first quarter GDP grew at an annualized pace of 3.1%, unchanged from the second estimate and in line with the consensus. Despite the government shutdown and ongoing global trade disputes, GDP growth accelerated in the first quarter from 2.2% in the fourth quarter. Net exports and state and local government spending advanced in the first quarter, while consumer spending and business investment moderated. Residential investment contracted in the quarter. The consensus estimate for second quarter GDP growth is 1.8%. Overall, the consensus view calls for GDP growth of 2.5% this year versus 2.9% last year, which is consistent with moderate economic growth.

Federal Reserve



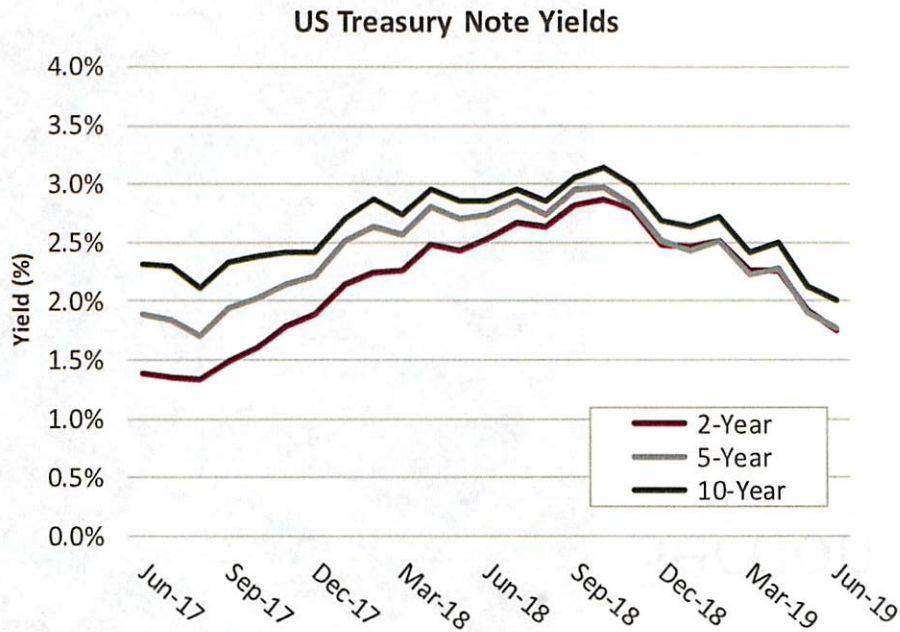
Source: Federal Reserve



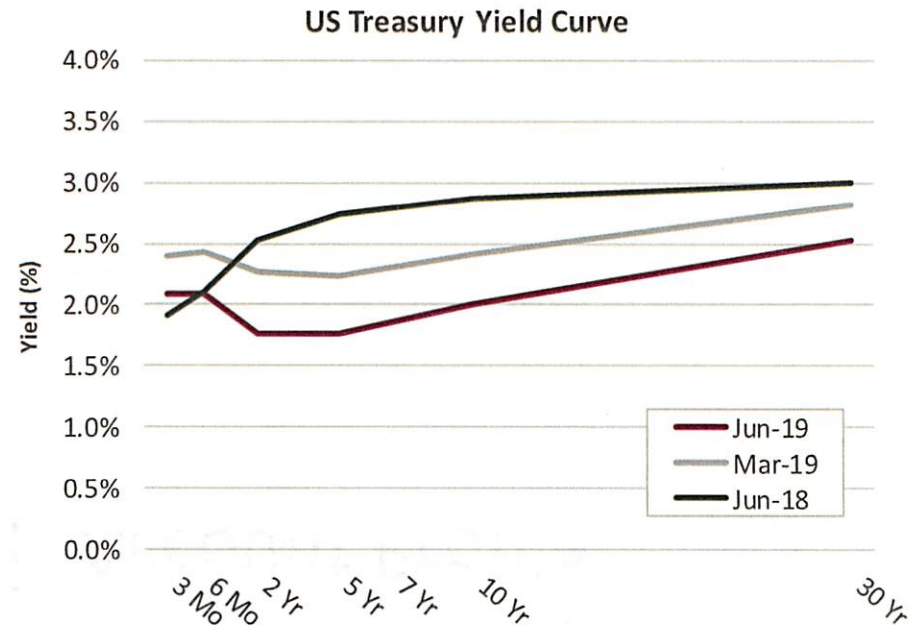
Source: Bloomberg

Fed policymakers have signaled they are prepared to act as appropriate to incoming data in order to sustain the economic expansion. Many policymakers are now anticipating a rate cut by year-end. The FOMC lowered its long-run median federal funds rate target in June to 2.5%. The Fed has been normalizing the size of its balance sheet since October 2017, by allowing a specified amount of Treasury, mortgage-backed, and agency securities to roll off each month. In March 2019, the Fed announced plans to begin slowing down the reduction of their balance sheet and conclude their balance sheet reduction program at the end of September 2019. This will leave the Fed with a larger balance sheet (slightly higher than \$3.5 trillion) than they originally expected.

Bond Yields



Source: Bloomberg



Source: Bloomberg

The shape of the Treasury yield curve has changed significantly on a year-over-year basis. As of month-end in June, the 3-month T-bill yield was up nearly 18 basis points, the 2-Year Treasury yield was down 77 basis points, and the 10-Year Treasury yield was down nearly 86 basis points, year-over-year. The current shape of the yield curve implies that market participants are pricing-in multiple rate cuts. We believe the decline in long-term Treasury yields reflects a high level of market participants' nervousness about the outlook for global economic growth and a decline in global inflation expectations.



Section 2 | Account Profile

Investment Objectives

The investment objectives for the City of Pittsburg, in order of priority, are to provide safety to ensure the preservation of capital in the overall portfolio, provide sufficient liquidity for cash needs and a market rate of return consistent with the investment program.

Chandler Asset Management Performance Objective

The performance objective for the portfolio is to earn a total rate of return through a market cycle that is equal to or above the return on the benchmark index.

Strategy

In order to achieve these objectives, the portfolio invests in high quality fixed income securities consistent with the City's investment policy and California Government Code.

Compliance

As of June 30, 2019

City of Pittsburg Managed Consolidated

This portfolio is a consolidation of assets managed by Chandler Asset Management. Assets managed by Chandler Asset Management are in full compliance with state law and Client's investment policy. Chandler relies on City to provide accurate information for reporting assets and producing this compliance statement.

Category	Standard	Comment
Treasury Issues	No limit	Complies
Agency Issues	No limit	Complies
Supranationals	"AA" rated or one of the two highest rating categories by a NRSRO; 30% maximum; 5% max per issuer; USD denominated senior unsecured unsubordinated obligations issued or unconditionally guaranteed by IBRD, IFC, IADB	Complies
Municipal Obligations	"A" rated or one of the top three rating categories by a NRSRO; 30% maximum; 5% max per issuer	Complies
Banker's Acceptances	"A-1" rated or highest short-term rating category by a NRSRO; 40% maximum; 5% max per issuer; 180 days max maturity	Complies
Commercial Paper	"A-1" rated or higher by a NRSRO; "A" long-term rated issuer or higher by a NRSRO, if any; 25% maximum; 5% max per issuer; 270 days max maturity; Issuer is a corporation organized and operating in the U.S. with assets >\$500 million; 10% max of the outstanding commercial paper of any single issuer.	Complies
Negotiable Certificates of Deposit (NCD)	AA- rated or one of the two highest rating categories by a NRSRO; 30% maximum; 5% max per issuer; Issued by nationally or state-chartered bank, a savings association or federal association, a state or federal credit union, or by a federally licensed or state-licensed branch of a foreign bank.	Complies
Time Deposits/Certificates of Deposit (CD)	"A" rated or one of the three highest rating categories by a NRSRO; 30% maximum; 5% max per issuer; 1 year max maturity; FDIC insured or fully collateralized in financial institutions located in California, including US branches of foreign banks licensed to do business in California	Complies
Corporate Medium Term Notes	"A" rated or one of the three highest categories by a NRSRO; 30% maximum; 5% max per issuer; Issued by corporations organized and operating within the U.S. or by depository institutions licensed by the U.S. or any state and operating within the U.S.	Complies
Asset-Backed (ABS), Mortgage-Backed Securities; Pass-Throughs, CMOs	"AA" rated or one of the two highest rating categories by a NRSRO; "A" rated issuer or one of two highest rating categories by a NRSRO; 20% maximum; 5% max per issuer	Complies
Money Market Mutual Funds	Highest rating or "AAA" rated by two NRSROs; or SEC registered adviser with AUM >\$500 million and experience greater than 5 years; 20% maximum; 10% max per fund	Complies
Local Agency Investment Fund (LAIF)	\$50 million maximum; Not used by IA	Complies
California Asset Management Program (CAMP)	pursuant to CGC 53601; Not used by IA	Complies
Repurchase Agreements	"A" rated or one of the three highest categories by two NRSROs; 15% maximum; 5% max per issuer; 90 days max maturity; 102% collateralized; Not used by IA	Complies
Prohibited	Common stocks, Futures contracts, Options, Inverse floaters, Range notes, Mortgage derived Interest-only strips, Zero interest accrual securities, Any purchase of any security not listed in Section 8-Eligible Investments of the Investment Policy, unless approved by the City Council	Complies
Max Per Fund	10% per fund, with the exception of US Treasuries, Federal Agencies, and authorized pools	Complies
Max Per Issuer	5% of portfolio per issuer, with the exception of US Treasuries, Federal Agencies, and authorized pools	Complies
Diversification	With the exception of US Treasury securities, Federal Agency securities, and authorized pools, no more than 30% of the total portfolio, and less where stated, will be invested in a single security type with no more than 5% invested with a single issuer.	Complies
Maximum maturity	5 years	Complies

Account Structure

As of June 30, 2019

	Original Cost	Market Value	% of Portfolio
Funds Managed Internally			
Cash Equivalents	9,433,937.38	9,433,937.38	6.2%
Investment Pools	30,734,665.97	30,787,277.26	20.3%
Additional Bonded Debt Funds	43,528,673.39	43,671,207.59	28.8%
Total	83,697,276.74	83,892,422.23	55.2%
Funds Managed by City's Investment Advisor			
Operating Funds	61,735,442.51	62,167,999.86	40.9%
Bond Managed Reserve	5,810,302.53	5,833,563.88	3.8%
Total	67,545,745.04	68,001,563.74	44.8%
Total City Funds	151,243,021.78	151,893,985.97	100.0%

Sector Allocation

As of June 30, 2019

Security Type	Original Cost	Market Value	% of Portfolio	Average Maturity	Average Yield
Operating Funds					
Cash Equivalents ¹	9,433,937.38	9,433,937.38	9.2%	1	N/A
Money Market Funds	1,835,071.84	1,835,071.84	1.8%	1	2.02%
Investment Pools ²	30,734,665.97	30,787,277.26	30.1%	1	N/A
Total Liquidity	42,003,675.19	42,056,286.48	41.1%	1	2.26%
U.S. Treasury Notes	11,165,130.65	11,319,756.20	11.1%	931	2.15%
Federal Agency Securities	11,037,838.70	11,204,765.28	10.9%	807	2.53%
Negotiable Certificates of Deposit	7,389,937.02	7,392,657.14	7.2%	212	2.46%
Medium-Term Corporate Notes	16,712,779.60	16,729,428.01	16.3%	500	2.36%
Asset-Backed Securities	7,473,403.68	7,507,384.19	7.3%	858	2.24%
Commercial Paper	1,090,606.00	1,094,071.00	1.1%	77	2.58%
Supranationals	3,878,615.26	3,918,069.36	3.8%	548	2.07%
Collateralized Mortgage Obligations	627,038.76	633,601.59	0.6%	1,022	2.64%
Municipal Bonds	525,021.00	533,195.25	0.5%	642	2.80%
Total Securities	59,900,370.67	60,332,928.02	58.9%	649	2.34%
Total Operating Funds	101,904,045.86	102,389,214.50	100.0%	383	2.31%
Bonded Debt Funds					
Pittsburg Pension Bond	3,016,042.67	3,016,042.67	6.1%	1	2.22%
Pittsburg AD Auto Mall	319,361.95	321,978.85	0.7%	51	2.49%
Pittsburg AD Vista DM	736,094.46	742,242.11	1.5%	51	2.49%
Pittsburg 2011A PIFA AD Ser	1,511,122.78	1,523,750.37	3.1%	51	2.49%
Pittsburg 2011B PIFA AD Ser	227,680.67	229,549.88	0.5%	51	2.49%
Additional Bonded Debt Funds ³	43,528,673.39	43,671,207.59	88.2%	N/A	N/A
Total Bonded Debt Funds	49,338,975.92	49,504,771.47	100.0%	25	2.35%
Total City Funds	151,243,021.78	151,893,985.97			

^{1,2}Funds not managed by City's investment adviser

³Bonded Debt Funds not managed, nor tracked by City's investment adviser

Portfolio Characteristics

As of June 30, 2019

City of Pittsburg Managed Consolidated

	6/30/2019 Portfolio	3/31/2019 Portfolio
Average Maturity (yrs)	1.73	1.71
Modified Duration	1.44	1.37
Average Purchase Yield	2.33%	2.33%
Average Market Yield	2.11%	2.52%
Average Quality*	AA/Aa2	AA/Aa2
Market Value**	62,168,000	61,446,661

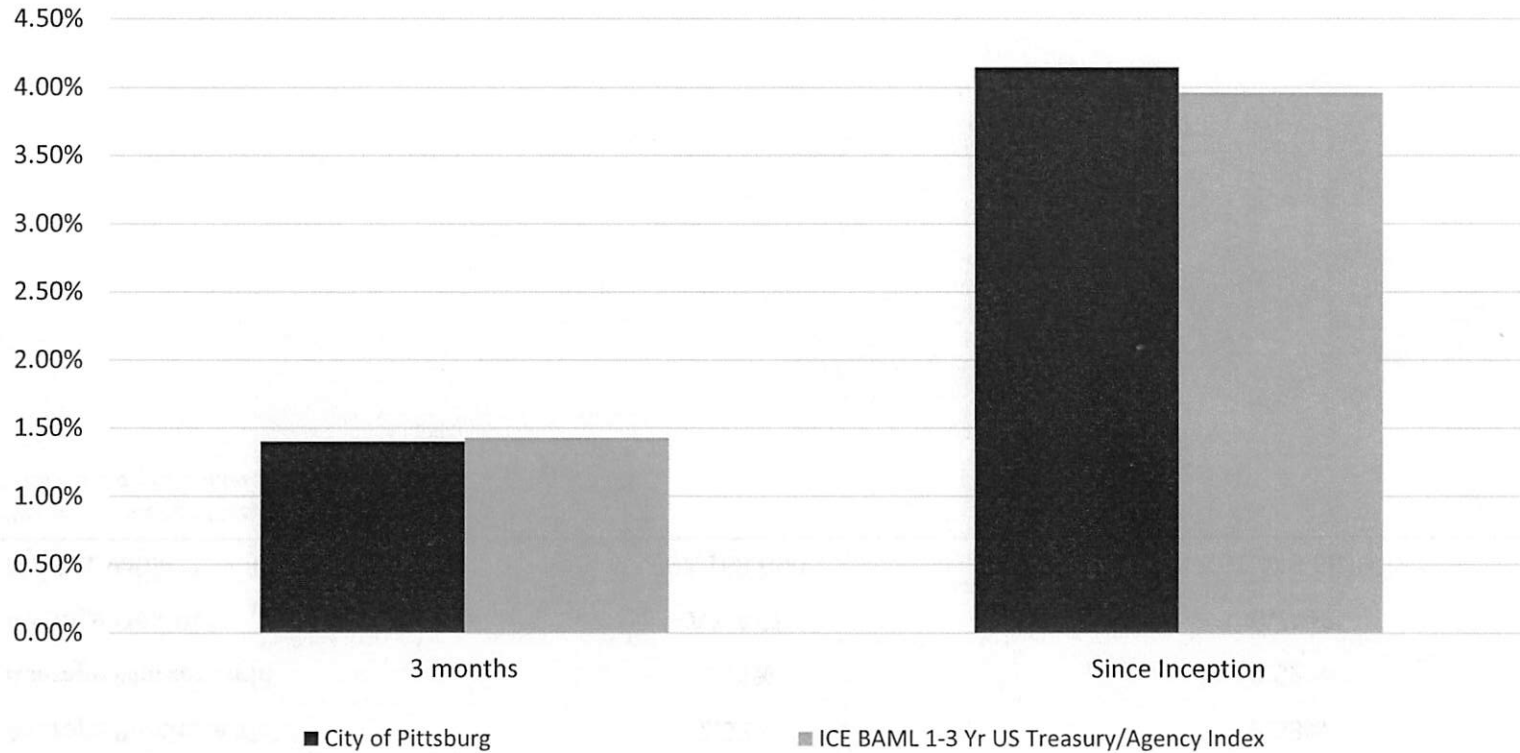
*Portfolio is S&P and Moody's, respectively.

**Excludes accrued interest.

Investment Performance

As of June 30, 2019

City of Pittsburgh Total Rate of Return Since Inception 07/31/2018



TOTAL RATE OF RETURN	Latest 3 months	Since Inception
City of Pittsburgh	1.40%	4.14%
ICE BAML 1-3 Yr US Treasury/Agency Index	1.43%	3.96%

Total rate of return: A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains and losses in the portfolio.

Portfolio Characteristics

As of June 30, 2019

City of Pittsburg Bond Reserve Consolidated

	6/30/2019 Portfolio	3/31/2019 Portfolio
Average Maturity (yrs)	0.07	0.31
Modified Duration	0.07	0.31
Average Purchase Yield	2.56%	2.59%
Average Market Yield	2.56%	2.59%
Average Quality*	AAA/Aaa	AAA/Aaa
Market Value**	19,852,135	19,727,281

*Portfolio is S&P and Moody's, respectively.

**Excludes accrued interest.

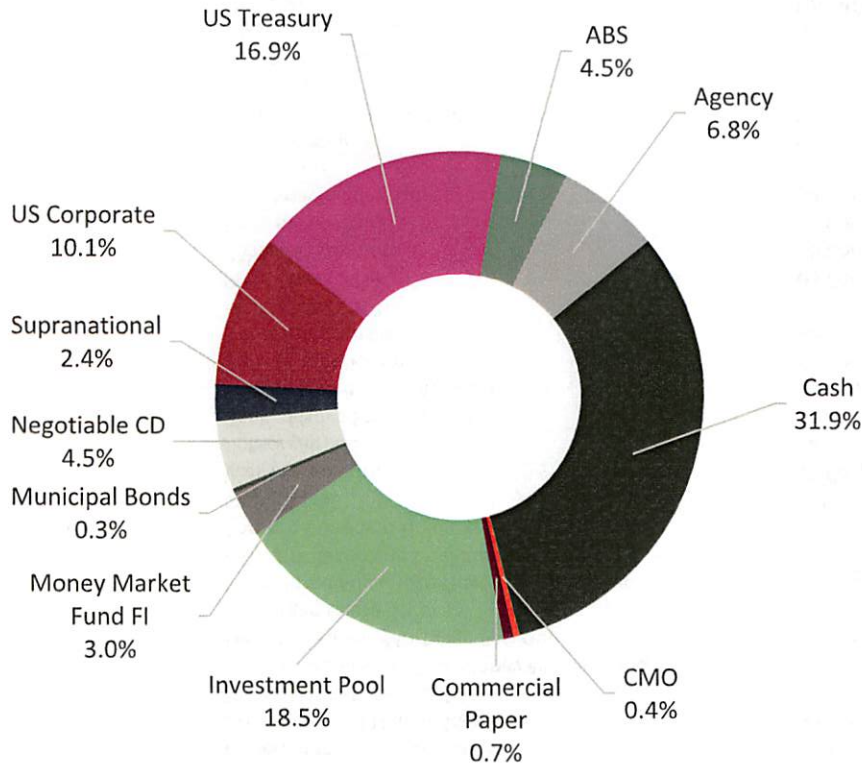
Section 3 | Consolidated Information

Sector Distribution

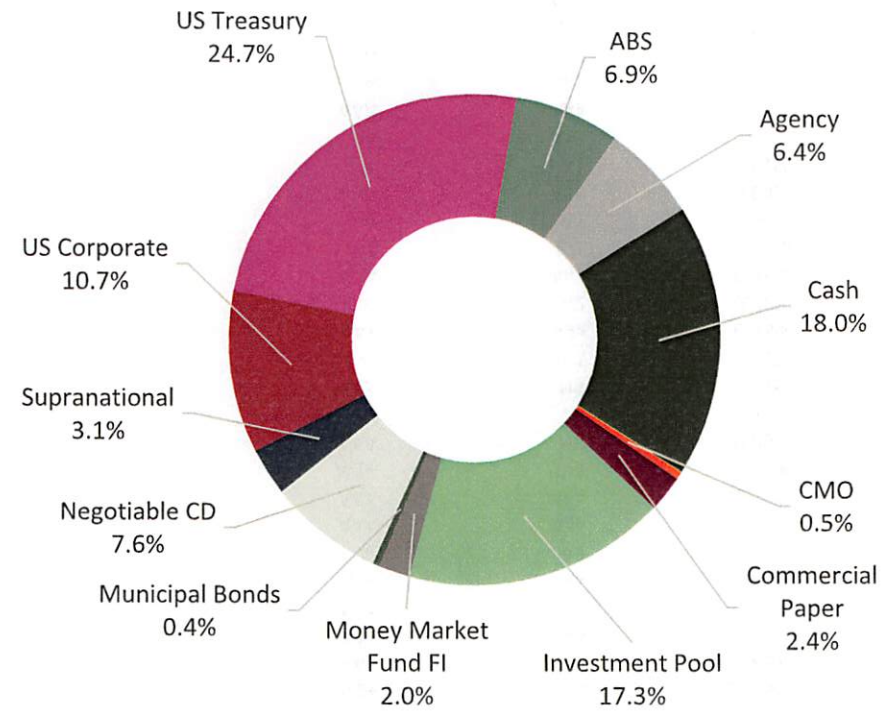
As of June 30, 2019

City of Pittsburgh Total Consolidated

June 30, 2019



March 31, 2019



City of Pittsburg Total Consolidated – Account #10638

Issue Name	Investment Type	S&P Rating	Moody Rating	% Portfolio
City of Pittsburg	Cash	NR	NR	31.88%
City of Pittsburg	Investment Pool	NR	NR	18.53%
Government of United States	US Treasury	A-1+	P-1	10.06%
Government of United States	US Treasury	AA+	Aaa	6.85%
Federal Home Loan Bank	Agency	AA+	Aaa	4.46%
Wells Fargo Adv Tsy Plus Money Market Fund	Money Market Fund FI	AAA	Aaa	1.89%
Federal National Mortgage Association	Agency	AA+	Aaa	1.54%
JP Morgan Chase & Co	US Corporate	A-	A2	1.21%
Wells Fargo Advantage Govt Money Market Fund	Money Market Fund FI	AAA	Aaa	1.10%
Intl Bank Recon and Development	Supranational	AAA	Aaa	1.10%
Toronto Dominion Holdings	Negotiable CD	A-1+	P-1	0.93%
Citibank ABS	ABS	AAA	NR	0.89%
Wells Fargo Corp	US Corporate	A-	A2	0.87%
JP Morgan ABS	ABS	AAA	NR	0.81%
Bank of Nova Scotia Houston	Negotiable CD	A-1	P-1	0.79%
Federal Home Loan Mortgage Corp	Agency	AA+	Aaa	0.78%
Bank of America Corp	US Corporate	A-	A2	0.76%
Inter-American Dev Bank	Supranational	AAA	Aaa	0.75%
MUFG Bank Ltd/NY	Commercial Paper	A-1	P-1	0.66%
State Street Bank	US Corporate	A	A1	0.64%
Toyota Motor Corp	US Corporate	AA-	Aa3	0.64%
Bank of New York	US Corporate	A	A1	0.61%
Skandinaviskaens Bank	Negotiable CD	A+	Aa3	0.61%
Toyota ABS	ABS	AAA	Aaa	0.60%
HSBC Holdings PLC	US Corporate	A	A2	0.58%
Nordea Bank AB New York	Negotiable CD	AA-	Aa3	0.57%
Swedbank Inc	Negotiable CD	AA-	Aa3	0.57%
Wal-Mart Stores	US Corporate	AA	Aa2	0.57%
WestPac Banking Corp	Negotiable CD	AA-	Aa3	0.53%
UBS Corp	Negotiable CD	A+	Aa3	0.52%
PNC Financial Services Group	US Corporate	A	A2	0.50%
Honda ABS	ABS	AAA	Aaa	0.46%
BB&T Corp	US Corporate	A-	A2	0.44%
John Deere ABS	ABS	NR	Aaa	0.36%
American Express ABS	ABS	NR	Aaa	0.35%
State of California	Municipal Bonds	AA-	Aa3	0.32%
Deere & Company	US Corporate	A	A2	0.30%
Hyundai Auot Receivables	ABS	AAA	Aaa	0.30%

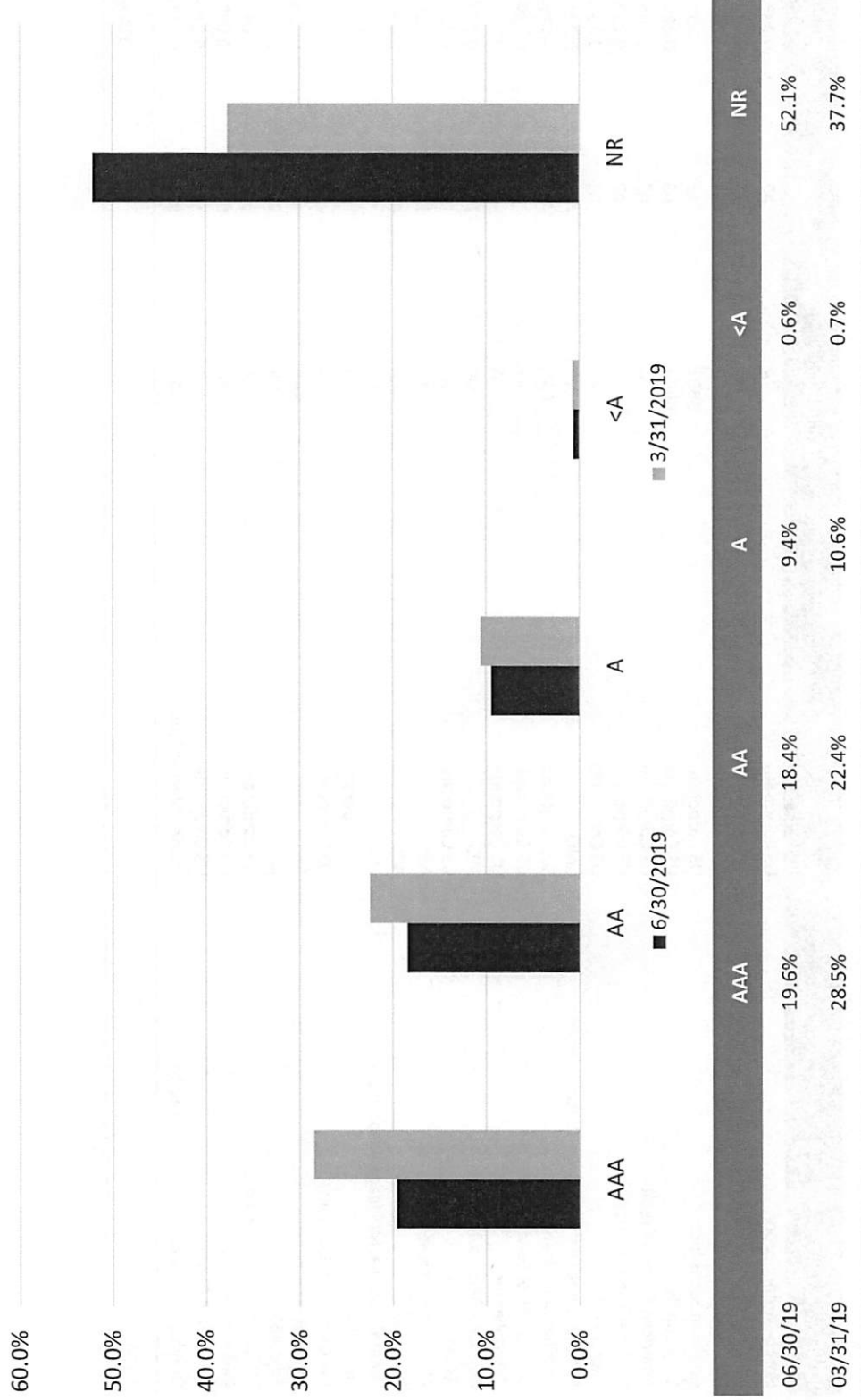
City of Pittsburg Total Consolidated – Account #10638

Issue Name	Investment Type	S&P Rating	Moody Rating	% Portfolio
Honda Motor Corporation	US Corporate	A	A2	0.29%
Inter-American Dev Bank	Supranational	NR	NR	0.29%
IBM Corp	US Corporate	A	A1	0.29%
Goldman Sachs Inc.	US Corporate	BBB+	A3	0.29%
Citigroup Inc	US Corporate	BBB+	A3	0.28%
American Express Credit	US Corporate	A-	A2	0.26%
National Rural Utilities	US Corporate	A	A2	0.25%
Paccar Financial	US Corporate	A+	A1	0.23%
Federal Home Loan Mortgage Corp	CMO	NR	Aaa	0.23%
International Finance Corp	Supranational	AAA	Aaa	0.23%
United Parcel Service	US Corporate	A+	A1	0.23%
Caterpillar Inc	US Corporate	A	A3	0.21%
Ally Auto Receivables	ABS	NR	Aaa	0.21%
General Dynamics Corp	US Corporate	A+	A2	0.17%
Ally Auto Receivables	ABS	AAA	NR	0.16%
Nissan ABS	ABS	AAA	Aaa	0.15%
Federal National Mortgage Association	CMO	NR	NR	0.15%
Home Depot	US Corporate	A	A2	0.14%
Hershey Foods Company	US Corporate	A	A1	0.12%
Hyundai Auot Receivables	ABS	AAA	NR	0.12%
Ford ABS	ABS	NR	Aaa	0.10%
TWDC Enterprises 18 Corp	US Corporate	A	A2	0.09%
Berkshire Hathaway	US Corporate	AA	Aa2	0.09%
Honeywell Corp	US Corporate	A	A2	0.08%
Dreyfus Prime Cash Management Fund	Money Market Fund FI	AAA	Aaa	0.01%
TOTAL				100%

Quality Distribution

As of June 30, 2019

City of Pittsburgh Total Consolidated June 30, 2019 vs. March 31, 2019

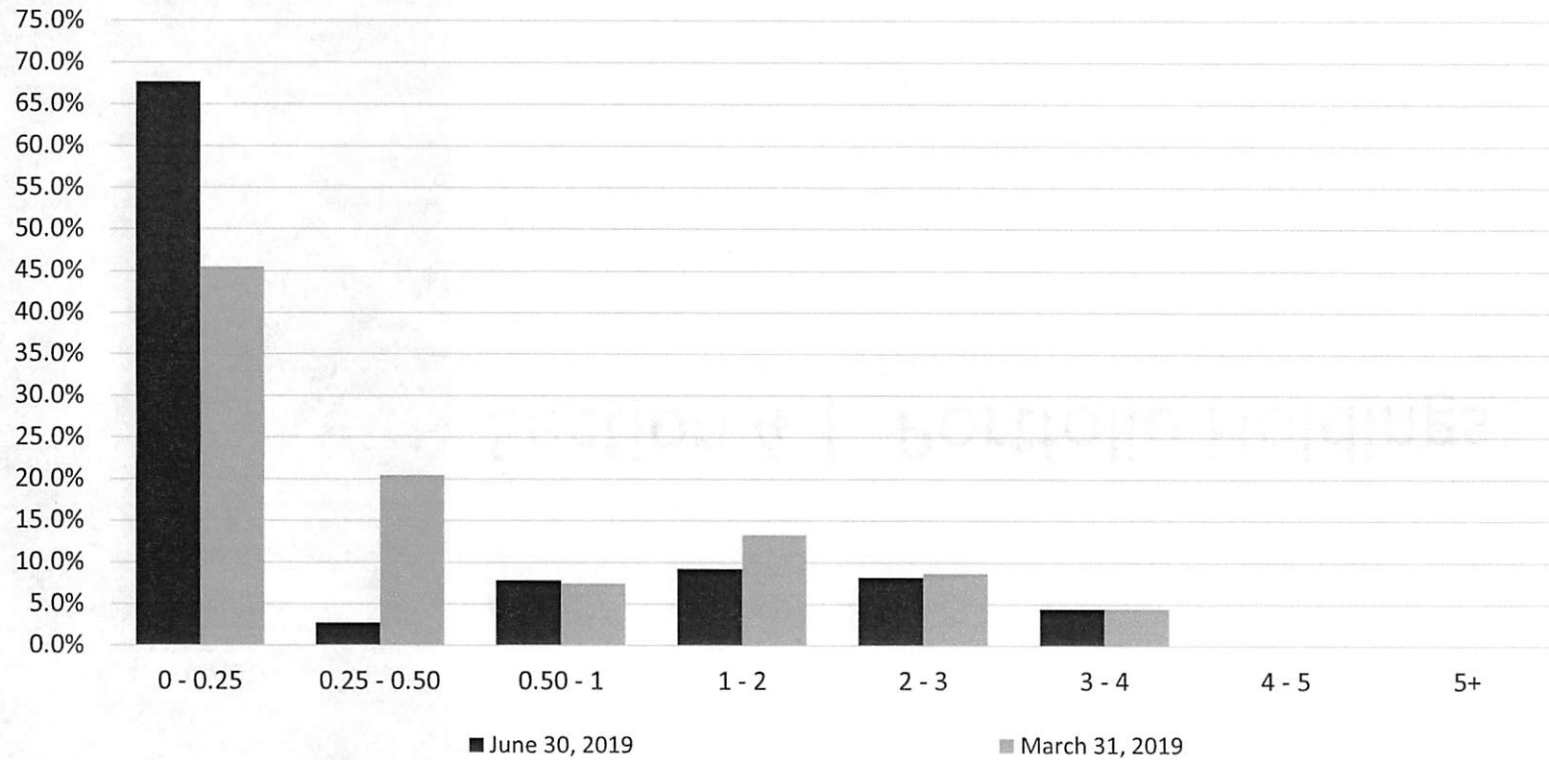


Source: S&P Ratings

Duration Distribution

As of June 30, 2019

City of Pittsburgh Total Consolidated
June 30, 2019 vs. March 31, 2019



	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
06/30/19	67.6%	2.7%	7.8%	9.2%	8.2%	4.4%	0.0%	0.0%
03/31/19	45.5%	20.5%	7.5%	13.3%	8.7%	4.5%	0.0%	0.0%

Section 4 | Portfolio Holdings

Holdings Report

As of June 30, 2019

City of Pittsburg Total Consolidated - Account #10638

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
ABS									
47788NAC2	John Deere Owner Trust 2016-B A3 1.250% Due 06/15/2020	4,935.42	07/19/2016 1.26%	4,935.02 4,935.32	99.91 2.80%	4,930.91 2.74	0.00% (4.41)	Aaa / NR AAA	0.96 0.06
44930UAD8	Hyundai Auto Receivables Trust 2016-A A3 1.560% Due 09/15/2020	7,748.81	03/22/2016 1.58%	7,747.31 7,748.40	99.96 2.55%	7,745.56 5.37	0.00% (2.84)	Aaa / AAA NR	1.21 0.04
44891EAC3	Hyundai Auto Receivables Trust 2016-B A3 1.290% Due 04/15/2021	102,052.36	09/14/2016 1.30%	102,038.62 102,046.97	99.66 2.35%	101,706.81 58.51	0.06% (340.16)	Aaa / AAA NR	1.79 0.32
47787XAC1	John Deere Owner Trust 2017-A A3 1.780% Due 04/15/2021	44,579.22	02/22/2017 1.79%	44,572.87 44,576.46	99.80 2.35%	44,489.52 35.27	0.03% (86.94)	Aaa / NR AAA	1.79 0.36
34531EAD8	Ford Credit Auto Owners Trust 2017-A A3 1.670% Due 06/15/2021	172,182.99	01/18/2017 1.68%	172,182.35 172,182.70	99.70 2.40%	171,664.37 127.80	0.10% (518.33)	Aaa / NR AAA	1.96 0.42
02007PAC7	Ally Auto Receivables Trust 17-1 A3 1.700% Due 06/15/2021	52,270.84	01/24/2017 1.71%	52,266.27 52,268.79	99.76 2.36%	52,147.74 39.49	0.03% (121.05)	Aaa / NR AAA	1.96 0.36
89190BAD0	Toyota Auto Receivables Owner 2017-B A3 1.760% Due 07/15/2021	703,707.37	Various 2.77%	695,527.32 697,742.72	99.72 2.30%	701,720.09 550.46	0.42% 3,977.37	Aaa / AAA NR	2.04 0.53
161571HF4	Chase CHAIT 2016-A5 1.270% Due 07/15/2021	1,350,000.00	Various 2.10%	1,334,427.74 1,338,637.28	99.96 2.54%	1,349,438.40 762.00	0.81% 10,801.12	NR / AAA AAA	2.04 0.03
02007HAC5	Ally Auto Receivables Trust 17-2 A3 1.780% Due 08/16/2021	296,275.57	03/21/2017 1.79%	296,240.63 296,258.61	99.80 2.29%	295,673.83 234.39	0.18% (584.78)	Aaa / NR AAA	2.13 0.40
44931PAD8	Hyundai Auto Receivables Trust 2017-A A3 1.760% Due 08/16/2021	204,120.33	03/22/2017 1.77%	204,103.82 204,112.32	99.76 2.25%	203,624.72 149.69	0.12% (487.60)	NR / AAA AAA	2.13 0.50
43811BAC8	Honda Auto Receivables 2017-2 A3 1.680% Due 08/16/2021	333,288.99	06/20/2017 1.69%	333,260.17 333,274.17	99.71 2.16%	332,333.76 248.86	0.20% (940.41)	Aaa / AAA NR	2.13 0.60
17305EGH2	Citibank Credit Card Issuance 2017-A9 A9 1.800% Due 09/20/2021	475,000.00	09/25/2017 1.80%	474,964.61 474,980.17	99.86 2.44%	474,348.78 2,398.75	0.29% (631.39)	NR / AAA AAA	2.23 0.21
17305EGH2	Citibank Credit Card Issuance 2017-A9 A9 1.800% Due 09/20/2021	1,000,000.00	09/26/2018 2.39%	990,117.19 992,624.23	99.86 2.44%	998,629.00 5,050.00	0.60% 6,004.77	NR / AAA AAA	2.23 0.21
47788BAD6	John Deere Owner Trust 2017-B A3 1.820% Due 10/15/2021	76,999.82	07/11/2017 1.83%	76,994.19 76,996.78	99.74 2.27%	76,801.84 62.28	0.05% (194.94)	Aaa / NR AAA	2.30 0.58
02007FAC9	Ally Auto Receivables Trust 2017-4 A3 1.750% Due 12/15/2021	273,874.77	08/15/2017 1.76%	273,871.23 273,872.75	99.70 2.33%	273,051.23 213.01	0.16% (821.52)	NR / AAA AAA	2.46 0.52
44932GAD7	Hyundai Auto Receivables Trust 2017-B A3 1.770% Due 01/18/2022	388,642.51	08/09/2017 1.79%	388,575.16 388,603.67	99.72 2.19%	387,566.36 305.73	0.23% (1,037.31)	Aaa / AAA NR	2.56 0.67
89238KAD4	Toyota Auto Receivables Owner 2017-D A3 1.930% Due 01/18/2022	290,000.00	11/07/2017 1.94%	289,973.26 289,983.66	99.78 2.20%	289,348.08 202.11	0.17% (635.58)	Aaa / AAA NR	2.56 0.85

Holdings Report

As of June 30, 2019

City of Pittsburg Total Consolidated - Account #10638

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
43814UAC3	Honda Auto Receivables 2018-1 A3 2.640% Due 02/15/2022	425,000.00	02/22/2018 2.66%	424,945.05 424,963.57	100.43 2.21%	426,820.70 498.67	0.26% 1,857.13	Aaa / AAA NR	2.63 0.97
47788CAC6	John Deere Owner Trust 2016-B A4 2.660% Due 04/18/2022	475,000.00	Various 3.07%	471,757.36 472,395.72	100.46 2.21%	477,175.50 561.56	0.29% 4,779.78	Aaa / NR AAA	2.80 0.97
65478DAD9	Nissan Auto Receivables Trust 2018-A A3 2.650% Due 05/16/2022	255,000.00	02/21/2018 2.67%	254,970.85 254,980.10	100.52 2.24%	256,331.87 300.33	0.15% 1,351.77	Aaa / AAA NR	2.88 1.11
02582JHQ6	American Express Credit 2018-1 A 2.670% Due 10/17/2022	580,000.00	03/14/2018 2.69%	579,932.66 579,951.48	100.32 2.22%	581,835.12 688.27	0.35% 1,883.64	Aaa / NR AAA	3.30 0.69
TOTAL ABS		7,510,679.00	2.24%	7,473,403.68 7,483,135.87	2.34%	7,507,384.19 12,495.29	4.53% 24,248.32	Aaa / AAA Aaa	2.35 0.47
Agency									
3137EADM8	FHLMC Note 1.250% Due 10/02/2019	1,300,000.00	08/07/2018 2.54%	1,281,059.00 1,295,805.92	99.76 2.20%	1,296,847.50 4,017.36	0.78% 1,041.58	Aaa / AA+ AAA	0.26 0.25
313378J77	FHLB Note 1.875% Due 03/13/2020	490,000.00	07/30/2018 2.70%	483,622.65 487,237.56	99.84 2.10%	489,238.05 2,756.25	0.30% 2,000.49	Aaa / AA+ NR	0.70 0.69
3135G0T60	FNMA Note 1.500% Due 07/30/2020	200,000.00	08/30/2017 1.51%	199,966.00 199,987.38	99.50 1.97%	199,001.60 1,258.33	0.12% (985.78)	Aaa / AA+ AAA	1.08 1.06
313370U55	FHLB Note 2.875% Due 09/11/2020	850,000.00	08/23/2018 2.67%	853,493.50 852,042.93	101.10 1.94%	859,380.60 7,467.01	0.52% 7,337.67	Aaa / AA+ AAA	1.20 1.16
3130AF2D8	FHLB Note 2.860% Due 10/15/2020	1,000,000.00	10/23/2018 2.94%	998,550.00 999,052.08	101.14 1.96%	1,011,358.00 6,037.78	0.61% 12,305.92	Aaa / AA+ AAA	1.30 1.26
3135G0U27	FNMA Note 2.500% Due 04/13/2021	305,000.00	04/12/2018 2.55%	304,545.55 304,729.65	101.17 1.83%	308,557.83 1,652.08	0.19% 3,828.18	Aaa / AA+ AAA	1.79 1.73
313383ZU8	FHLB Note 3.000% Due 09/10/2021	1,000,000.00	10/04/2018 3.03%	999,260.00 999,445.86	102.48 1.84%	1,024,753.00 9,250.00	0.62% 25,307.14	Aaa / AA+ NR	2.20 2.10
3135G0U92	FNMA Note 2.625% Due 01/11/2022	1,000,000.00	02/26/2019 2.52%	1,002,910.00 1,002,566.02	102.08 1.78%	1,020,767.00 12,395.83	0.62% 18,200.98	Aaa / AA+ AAA	2.54 2.41
313378WG2	FHLB Note 2.500% Due 03/11/2022	500,000.00	03/28/2019 2.25%	503,530.00 503,222.19	101.82 1.81%	509,082.50 3,819.44	0.31% 5,860.31	Aaa / AA+ NR	2.70 2.58
3135G0V59	FNMA Note 2.250% Due 04/12/2022	1,000,000.00	04/17/2019 2.42%	995,020.00 995,358.09	101.26 1.78%	1,012,563.00 4,937.50	0.61% 17,204.91	Aaa / AA+ AAA	2.79 2.68
313379Q69	FHLB Note 2.125% Due 06/10/2022	1,100,000.00	05/20/2019 2.24%	1,096,205.00 1,096,344.42	100.87 1.82%	1,109,571.10 1,363.54	0.67% 13,226.68	Aaa / AA+ AAA	2.95 2.84
3130AFE78	FHLB Note 3.000% Due 12/09/2022	1,300,000.00	01/18/2019 2.74%	1,312,207.00 1,310,828.65	103.97 1.80%	1,351,606.10 2,383.33	0.82% 40,777.45	Aaa / AA+ AAA	3.45 3.26

Holdings Report

As of June 30, 2019

City of Pittsburg Total Consolidated - Account #10638

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
3133834G3	FHLB Note 2.125% Due 06/09/2023	1,000,000.00	06/14/2019 1.93%	1,007,470.00 1,007,398.02	101.20 1.81%	1,012,039.00 1,298.61	0.61% 4,640.98	Aaa / AA+ NR	3.95 3.76
TOTAL Agency		11,045,000.00	2.53%	11,037,838.70 11,054,018.77	1.89%	11,204,765.28 58,637.06	6.78% 150,746.51	Aaa / AA+ Aaa	2.21 2.11
Cash									
90PITT\$00	City of Pittsburg Cash Equivalents	9,433,937.38	Various 0.00%	9,433,937.38 9,433,937.38	1.00 0.00%	9,433,937.38 0.00	5.68% 0.00	NR / NR NR	0.00 0.00
90PITT\$02	City of Pittsburg Additional Bonded Debt Funds	43,528,673.39	Various 0.00%	43,528,673.39 43,528,673.39	1.00 0.00%	43,528,673.39 0.00	26.20% 0.00	NR / NR NR	0.00 0.00
TOTAL Cash		52,962,610.77	0.00%	52,962,610.77	0.00%	52,962,610.77 0.00	31.88% 0.00	NR / NR NR	0.00 0.00
CMO									
3136B1XP4	FNMA 2018-M5 A2 3.560% Due 09/25/2021	243,992.14	04/11/2018 2.33%	248,845.40 247,179.53	101.96 2.25%	248,786.34 144.77	0.15% 1,606.81	NR / NR NR	2.24 1.64
3137BM6P6	FHLMC K721 A2 3.090% Due 08/25/2022	375,000.00	04/04/2018 2.84%	378,193.36 377,298.66	102.62 2.11%	384,815.25 965.63	0.23% 7,516.59	Aaa / NR NR	3.16 2.79
TOTAL CMO		618,992.14	2.64%	627,038.76 624,478.19	2.16%	633,601.59 1,110.40	0.38% 9,123.40	Aaa / NR NR	2.80 2.34
Commercial Paper									
62479MWG4	MUFG Bank Ltd/NY Discount CP 2.520% Due 09/16/2019	1,100,000.00	05/16/2019 2.58%	1,090,606.00 1,094,071.00	99.46 2.58%	1,094,071.00 0.00	0.66% 0.00	P-1 / A-1 NR	0.21 0.21
TOTAL Commercial Paper		1,100,000.00	2.58%	1,090,606.00 1,094,071.00	2.58%	1,094,071.00 0.00	0.66% 0.00	P-1 / A-1 NR	0.21 0.21
Investment Pool									
90PITT\$01	City of Pittsburg Investment Pools	30,734,665.97	Various 0.00%	30,734,665.97 30,734,665.97	1.00 0.00%	30,787,277.26 0.00	18.53% 52,611.29	NR / NR NR	0.00 0.00
TOTAL Investment Pool		30,734,665.97	0.00%	30,734,665.97	0.00%	30,787,277.26 0.00	18.53% 52,611.29	NR / NR NR	0.00 0.00
Money Market Fund FI									
94975H296	Wells Fargo Treasury Plus MMFD 453	8,085.18	Various 2.22%	8,085.18 8,085.18	1.00 2.22%	8,085.18 0.00	0.00% 0.00	Aaa / AAA NR	0.00 0.00

Holdings Report

As of June 30, 2019

City of Pittsburg Total Consolidated - Account #10638

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
94975H296	Wells Fargo Treasury Plus MMFD 453	5,340.12	Various 2.22%	5,340.12 5,340.12	1.00 2.22%	5,340.12 0.00	0.00% 0.00	Aaa / AAA NR	0.00 0.00
94975H296	Wells Fargo Treasury Plus MMFD 453	89,688.84	Various 2.22%	89,688.84 89,688.84	1.00 2.22%	89,688.84 0.00	0.05% 0.00	Aaa / AAA NR	0.00 0.00
94975H296	Wells Fargo Treasury Plus MMFD 453	4,841.11	Various 2.22%	4,841.11 4,841.11	1.00 2.22%	4,841.11 0.00	0.00% 0.00	Aaa / AAA NR	0.00 0.00
94975H296	Wells Fargo Treasury Plus MMFD 453	9,088.86	Various 2.22%	9,088.86 9,088.86	1.00 2.22%	9,088.86 0.00	0.01% 0.00	Aaa / AAA NR	0.00 0.00
94975H296	Wells Fargo Treasury Plus MMFD 453	5,410.85	Various 2.22%	5,410.85 5,410.85	1.00 2.22%	5,410.85 0.00	0.00% 0.00	Aaa / AAA NR	0.00 0.00
261941108	Dreyfus Treas PR Cash Mgt Inst Money Market Fund	9,370.20	Various 2.10%	9,370.20 9,370.20	1.00 2.10%	9,370.20 0.00	0.01% 0.00	Aaa / AAA NR	0.00 0.00
94975H296	Wells Fargo Treasury Plus MMFD 453	3,016,042.67	Various 2.22%	3,016,042.67 3,016,042.67	1.00 2.22%	3,016,042.67 0.00	1.82% 0.00	Aaa / AAA NR	0.00 0.00
94975H254	Wells Fargo Money Market Fund #743	1,615,722.31	Various 1.97%	1,615,722.31 1,615,722.31	1.00 1.97%	1,615,722.31 0.00	0.97% 0.00	Aaa / AAA NR	0.00 0.00
94975H254	Wells Fargo Money Market Fund #743	219,349.53	Various 1.97%	219,349.53 219,349.53	1.00 1.97%	219,349.53 0.00	0.13% 0.00	Aaa / AAA NR	0.00 0.00
TOTAL Money Market Fund FI		4,982,939.67	2.13%	4,982,939.67	2.13%	4,982,939.67 0.00	3.00% 0.00	Aaa / AAA NR	0.00 0.00
Municipal Bonds									
13063DGA0	California St GE-GO 2.800% Due 04/01/2021	525,000.00	04/18/2018 2.80%	525,021.00 525,012.54	101.56 1.89%	533,195.25 3,675.00	0.32% 8,182.71	Aa3 / AA- AA-	1.76 1.70
TOTAL Municipal Bonds		525,000.00	2.80%	525,021.00 525,012.54	1.89%	533,195.25 3,675.00	0.32% 8,182.71	Aa3 / AA- AA-	1.76 1.70
Negotiable CD									
83050FXT3	Skandinav Enskilda BK NY Yankee CD 1.840% Due 08/02/2019	1,000,000.00	08/03/2017 1.86%	999,610.00 999,982.86	99.94 2.53%	999,353.00 7,615.56	0.61% (629.86)	Aa3 / A+ AA-	0.09 0.09
89113XP32	Toronto Dominion NY Yankee CD 2.770% Due 08/09/2019	1,490,000.00	02/26/2019 2.70%	1,490,064.61 1,490,015.55	100.00 2.70%	1,490,015.55 47,349.30	0.93% 0.00	P-1 / A-1+ F-1+	0.11 0.11
06417G5Q7	Bank of Nova Scotia Yankee CD 2.610% Due 12/23/2019	1,300,000.00	04/01/2019 2.58%	1,300,262.41 1,300,173.29	100.01 2.58%	1,300,173.29 9,519.25	0.79% 0.00	P-1 / A-1 F-1+	0.48 0.48

Holdings Report

As of June 30, 2019

City of Pittsburg Total Consolidated - Account #10638

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
65590ASN7	Nordea Bank Finland NY Yankee CD 2.720% Due 02/20/2020	940,000.00	02/20/2018 2.72%	940,000.00 940,000.00	100.36 2.15%	943,377.42 9,303.91	0.57% 3,377.42	Aa3 / AA- NR	0.64 0.63
90275DHG8	UBS Finance Yankee CD 2.900% Due 03/02/2020	845,000.00	03/02/2018 2.90%	845,000.00 845,000.00	100.44 2.24%	848,739.13 8,236.40	0.52% 3,739.13	Aa3 / A+ NR	0.67 0.67
96121T4A3	Westpac Banking Corp Yankee CD 2.050% Due 08/03/2020	870,000.00	08/03/2017 2.05%	870,000.00 870,000.00	99.86 2.18%	868,784.61 7,134.00	0.53% (1,215.39)	Aa3 / AA- AA-	1.10 1.07
87019U6D6	Swedbank Inc Negotiable CD 2.270% Due 11/16/2020	945,000.00	11/16/2017 2.27%	945,000.00 945,000.00	99.71 2.48%	942,214.14 2,741.03	0.57% (2,785.86)	Aa3 / AA- AA-	1.38 1.37
TOTAL Negotiable CD		7,390,000.00	2.46%	7,389,937.02 7,390,171.70	2.44%	7,392,657.14 91,899.45	4.51% 2,485.44	Aa2 / AA AA+	0.58 0.57
Supranational									
459058FS7	Intl. Bank Recon & Development Note 1.125% Due 11/27/2019	955,000.00	08/18/2017 1.49%	947,167.73 953,587.16	99.55 2.23%	950,702.50 1,014.69	0.57% (2,884.66)	Aaa / AAA AAA	0.41 0.40
459058FZ1	Intl. Bank Recon & Development Note 1.875% Due 04/21/2020	395,000.00	03/14/2017 1.90%	394,656.35 394,910.05	99.81 2.12%	394,234.89 1,440.10	0.24% (675.16)	Aaa / AAA AAA	0.81 0.80
459058GA5	Intl. Bank Recon & Development Note 1.625% Due 09/04/2020	475,000.00	08/22/2017 1.63%	474,900.25 474,960.99	99.62 1.95%	473,194.53 2,508.59	0.29% (1,766.46)	Aaa / AAA AAA	1.18 1.15
4581X0CD8	Inter-American Dev Bank Note 2.125% Due 11/09/2020	470,000.00	10/02/2017 1.81%	474,356.48 471,922.89	100.25 1.94%	471,165.60 1,442.64	0.28% (757.29)	Aaa / AAA AAA	1.36 1.33
45950KCM0	International Finance Corp Note 2.250% Due 01/25/2021	380,000.00	01/18/2018 2.35%	378,882.80 379,414.90	100.53 1.91%	382,010.20 3,705.00	0.23% 2,595.30	Aaa / AAA NR	1.58 1.52
4581X0DB1	Inter-American Dev Bank Note 2.625% Due 04/19/2021	510,000.00	04/12/2018 2.70%	508,878.00 509,326.39	101.30 1.89%	516,637.14 2,677.50	0.31% 7,310.75	Aaa / AAA AAA	1.81 1.75
4581X0CZ9	Inter-American Dev Bank Note 1.750% Due 09/14/2022	480,000.00	02/21/2018 2.78%	459,004.80 465,225.13	99.85 1.80%	479,290.56 2,496.67	0.29% 14,065.43	NR / NR AAA	3.21 3.09
4581X0DA3	Inter-American Dev Bank Note 2.500% Due 01/18/2023	245,000.00	06/04/2018 2.90%	240,768.85 241,747.01	102.38 1.80%	250,833.94 2,773.26	0.15% 9,086.93	Aaa / AAA NR	3.56 3.35
TOTAL Supranational		3,910,000.00	2.08%	3,878,615.26 3,891,094.52	1.99%	3,918,069.36 18,058.45	2.37% 26,974.84	Aaa / AAA Aaa	1.50 1.45
US Corporate									
89236TBP9	Toyota Motor Credit Corp Note 2.125% Due 07/18/2019	285,000.00	08/01/2014 2.12%	285,105.45 285,000.99	99.99 2.31%	284,970.65 2,742.14	0.17% (30.34)	Aa3 / AA- A+	0.05 0.05
084664CK5	Berkshire Hathaway Note 1.300% Due 08/15/2019	145,000.00	08/08/2016 1.33%	144,859.35 144,994.22	99.88 2.23%	144,829.19 712.11	0.09% (165.03)	Aa2 / AA A+	0.13 0.12

Holdings Report

As of June 30, 2019

City of Pittsburg Total Consolidated - Account #10638

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
438516BQ8	Honeywell Intl Note 1.800% Due 10/30/2019	130,000.00	10/23/2017 1.84%	129,898.60 129,983.19	99.82 2.32%	129,771.46 396.50	0.08% (211.73)	A2 / A A	0.33 0.33
46625HKA7	JP Morgan Chase Callable Note Cont 12/23/2019 2.250% Due 01/23/2020	1,995,000.00	10/15/2015 2.36%	1,986,281.85 1,993,845.80	99.97 2.30%	1,994,389.53 19,700.63	1.21% 543.73	A2 / A- AA-	0.57 0.55
02665WBM2	American Honda Finance Note 2.000% Due 02/14/2020	300,000.00	02/13/2017 2.05%	299,574.00 299,911.14	99.83 2.28%	299,487.30 2,283.33	0.18% (423.84)	A2 / A NR	0.63 0.61
0258M0EE5	American Express Credit Callable Note Cont 2/1/2020 2.200% Due 03/03/2020	430,000.00	02/28/2017 2.24%	429,552.80 429,899.62	99.90 2.36%	429,549.36 3,100.78	0.26% (350.26)	A2 / A- A	0.68 0.66
25468PDP8	TWDC Enterprises 18 Corp Note 1.950% Due 03/04/2020	150,000.00	03/01/2017 1.96%	149,961.00 149,991.19	99.74 2.34%	149,605.05 950.63	0.09% (386.14)	A2 / A A	0.68 0.67
06051GFN4	Bank of America Corp Note 2.250% Due 04/21/2020	1,250,000.00	Various 2.59%	1,246,002.50 1,246,609.17	99.98 2.27%	1,249,791.25 5,468.75	0.76% 3,182.08	A2 / A- A+	0.81 0.79
369550BA5	General Dynamics Corp Note 2.875% Due 05/11/2020	275,000.00	05/08/2018 3.06%	274,026.50 274,580.50	100.50 2.29%	276,363.72 1,098.09	0.17% 1,783.22	A2 / A+ NR	0.87 0.85
69353RFC7	PNC Bank Callable Note Cont 4/19/2020 2.000% Due 05/19/2020	825,000.00	04/01/2019 2.69%	818,697.00 820,058.57	99.73 2.30%	822,805.50 1,925.00	0.50% 2,746.93	A2 / A A+	0.89 0.87
437076BQ4	Home Depot Note 1.800% Due 06/05/2020	235,000.00	05/24/2017 1.82%	234,863.70 234,957.72	99.65 2.18%	234,184.08 305.50	0.14% (773.64)	A2 / A A	0.93 0.92
40428HPV8	HSBC USA Inc Note 2.750% Due 08/07/2020	947,000.00	Various 2.43%	950,396.40 950,248.56	100.50 2.28%	951,775.73 10,417.00	0.58% 1,527.17	A2 / A AA-	1.11 1.07
857477AS2	State Street Bank Note 2.550% Due 08/18/2020	455,000.00	06/08/2017 1.94%	463,499.40 458,028.19	100.44 2.15%	457,022.02 4,286.48	0.28% (1,006.17)	A1 / A AA-	1.14 1.10
857477AS2	State Street Bank Note 2.550% Due 08/18/2020	600,000.00	06/17/2019 2.24%	602,136.00 602,075.83	100.44 2.15%	602,666.40 5,652.50	0.37% 590.57	A1 / A AA-	1.14 1.10
14913Q2A6	Caterpillar Finl Service Note 1.850% Due 09/04/2020	355,000.00	09/05/2017 1.88%	354,701.80 354,882.41	99.65 2.15%	353,749.69 2,134.44	0.21% (1,132.72)	A3 / A A	1.18 1.15
69371RN85	Paccar Financial Corp Note 2.050% Due 11/13/2020	135,000.00	11/06/2017 2.05%	134,987.85 134,994.45	99.92 2.11%	134,897.00 369.00	0.08% (97.45)	A1 / A+ NR	1.38 1.34
94974BGR5	Wells Fargo Corp Note 2.550% Due 12/07/2020	1,440,000.00	05/06/2016 2.04%	1,471,910.40 1,450,019.71	100.28 2.35%	1,444,036.32 2,448.00	0.87% (5,983.39)	A2 / A- A+	1.44 1.40
931142EA7	Wal-Mart Stores Note 1.900% Due 12/15/2020	945,000.00	10/11/2017 1.95%	943,629.75 944,366.02	99.82 2.03%	943,302.78 798.00	0.57% (1,063.24)	Aa2 / AA AA	1.46 1.43
24422ETZ2	John Deere Capital Corp Note 2.350% Due 01/08/2021	245,000.00	01/03/2018 2.37%	244,872.60 244,935.25	100.30 2.15%	245,731.33 2,766.80	0.15% 796.08	A2 / A A	1.53 1.47

Holdings Report

As of June 30, 2019

City of Pittsburg Total Consolidated - Account #10638

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
44932HAB9	IBM Credit Corp Note 1.800% Due 01/20/2021	475,000.00	09/05/2017 1.86%	474,016.75 474,545.15	99.38 2.21%	472,031.73 3,823.75	0.29% (2,513.42)	A1 / A A	1.56 1.51
02665WCD1	American Honda Finance Note 2.650% Due 02/12/2021	180,000.00	02/12/2018 2.70%	179,748.00 179,863.51	100.61 2.26%	181,100.52 1,841.75	0.11% 1,237.01	A2 / A NR	1.62 1.56
69371RN93	Paccar Financial Corp Note 2.800% Due 03/01/2021	250,000.00	02/22/2018 2.82%	249,877.50 249,932.06	100.92 2.24%	252,295.00 2,333.33	0.15% 2,362.94	A1 / A+ NR	1.67 1.61
24422EUD9	John Deere Capital Corp Note 2.875% Due 03/12/2021	245,000.00	03/08/2018 2.90%	244,833.40 244,905.67	101.18 2.17%	247,881.45 2,132.69	0.15% 2,975.78	A2 / A A	1.70 1.64
63743HER9	National Rural Utilities Note 2.900% Due 03/15/2021	400,000.00	Various 2.99%	398,932.00 399,378.98	101.18 2.19%	404,736.00 3,415.56	0.25% 5,357.02	A2 / A A	1.71 1.65
911312BP0	UPS Note 2.050% Due 04/01/2021	380,000.00	11/09/2017 2.10%	379,399.60 379,688.61	99.83 2.15%	379,370.72 1,947.50	0.23% (317.89)	A1 / A+ NR	1.76 1.70
89236TEU5	Toyota Motor Credit Corp Note 2.950% Due 04/13/2021	295,000.00	04/10/2018 2.96%	294,882.00 294,929.80	101.38 2.16%	299,060.09 1,885.54	0.18% 4,130.29	Aa3 / AA- A+	1.79 1.72
38141GVU5	Goldman Sachs Group Inc Callable Note Cont 3/25/21 2.625% Due 04/25/2021	470,000.00	10/27/2017 2.50%	471,908.20 470,973.32	100.34 2.42%	471,598.00 2,261.88	0.29% 624.68	A3 / BBB+ A	1.82 1.68
427866BA5	Hershey Foods Corp Note 3.100% Due 05/15/2021	200,000.00	05/03/2018 3.12%	199,862.00 199,914.27	101.71 2.16%	203,425.20 792.22	0.12% 3,510.93	A1 / A NR	1.88 1.81
172967LC3	Citigroup Inc Callable Note Cont 11/8/2021 2.900% Due 12/08/2021	460,000.00	11/15/2017 2.66%	464,103.20 462,433.10	101.04 2.44%	464,770.66 852.28	0.28% 2,337.56	A3 / BBB+ A	2.44 2.26
06406RAA5	Bank of NY Mellon Corp Callable Note Cont 1/7/2022 2.600% Due 02/07/2022	1,000,000.00	02/07/2017 2.59%	1,000,460.00 1,000,240.22	101.01 2.19%	1,010,089.00 10,400.00	0.61% 9,848.78	A1 / A AA-	2.61 2.40
05531FAX1	BB & T Corp. Callable Note Cont 3/1/2022 2.750% Due 04/01/2022	710,000.00	04/03/2017 2.59%	715,360.50 712,916.83	101.21 2.28%	718,594.55 4,881.25	0.44% 5,677.72	A2 / A- A+	2.76 2.55
89236TEC5	Toyota Motor Credit Corp Note 2.150% Due 09/08/2022	475,000.00	09/08/2017 2.18%	474,439.50 474,641.61	100.12 2.11%	475,546.73 3,205.59	0.29% 905.12	Aa3 / AA- A+	3.19 3.05
TOTAL US Corporate		16,682,000.00	2.36%	16,712,779.60 16,693,745.66	2.25%	16,729,428.01 107,329.02	10.14% 35,682.35	A1 / A A+	1.37 1.31
US Treasury									
912796SA8	US Treasury Bill 2.401% Due 07/25/2019	470,000.00	02/05/2019 2.46%	464,702.46 469,247.69	99.84 2.46%	469,247.69 0.00	0.28% 0.00	P-1 / A-1+ F-1+	0.07 0.07
912796SA8	US Treasury Bill 2.401% Due 07/25/2019	12,590,000.00	02/05/2019 2.46%	12,448,093.56 12,569,847.61	99.84 2.46%	12,569,847.61 0.00	7.57% 0.00	P-1 / A-1+ F-1+	0.07 0.07

Holdings Report

As of June 30, 2019

City of Pittsburg Total Consolidated - Account #10638

CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
912796SB6	US Treasury Bill 5.277% Due 08/01/2019	879,000.00	02/01/2019 5.48%	858,770.77 875,005.69	99.55 5.48%	875,005.69 0.00	0.53% 0.00	P-1 / A-1+ F-1+	0.09 0.09
912796SE0	US Treasury Bill 2.432% Due 08/22/2019	225,000.00	02/26/2019 2.49%	222,340.55 224,209.76	99.65 2.49%	224,209.76 0.00	0.13% 0.00	P-1 / A-1+ F-1+	0.15 0.14
912796SE0	US Treasury Bill 2.432% Due 08/22/2019	1,520,000.00	02/26/2019 2.49%	1,502,033.92 1,514,661.51	99.65 2.49%	1,514,661.51 0.00	0.91% 0.00	P-1 / A-1+ F-1+	0.15 0.14
912796SE0	US Treasury Bill 2.432% Due 08/22/2019	740,000.00	02/26/2019 2.49%	731,253.35 737,401.00	99.65 2.49%	737,401.00 0.00	0.44% 0.00	P-1 / A-1+ F-1+	0.15 0.14
912796SE0	US Treasury Bill 2.432% Due 08/22/2019	315,000.00	02/26/2019 2.49%	311,276.77 313,893.67	99.65 2.49%	313,893.67 0.00	0.19% 0.00	P-1 / A-1+ F-1+	0.15 0.14
912828VF4	US Treasury Note 1.375% Due 05/31/2020	190,000.00	12/02/2015 1.56%	188,478.52 189,689.21	99.42 2.01%	188,901.61 221.28	0.11% (787.60)	Aaa / AA+ AAA	0.92 0.91
912828XU9	US Treasury Note 1.500% Due 06/15/2020	1,000,000.00	10/12/2018 2.82%	978,632.81 987,720.01	99.56 1.97%	995,586.00 655.74	0.60% 7,865.99	Aaa / AA+ AAA	0.96 0.95
912828B90	US Treasury Note 2.000% Due 02/28/2021	25,000.00	10/03/2016 1.15%	25,910.16 25,344.35	100.30 1.82%	25,075.20 167.12	0.02% (269.15)	Aaa / AA+ AAA	1.67 1.62
912828WY2	US Treasury Note 2.250% Due 07/31/2021	775,000.00	11/22/2016 1.78%	791,468.75 782,324.79	100.99 1.76%	782,689.55 7,273.65	0.48% 364.76	Aaa / AA+ AAA	2.09 2.01
912828D72	US Treasury Note 2.000% Due 08/31/2021	2,085,000.00	Various 1.82%	2,100,526.95 2,092,798.79	100.53 1.75%	2,096,075.52 13,937.77	1.27% 3,276.73	Aaa / AA+ AAA	2.17 2.10
912828T67	US Treasury Note 1.250% Due 10/31/2021	1,075,000.00	Various 1.85%	1,047,376.95 1,060,554.67	98.89 1.74%	1,063,032.03 2,263.93	0.64% 2,477.36	Aaa / AA+ AAA	2.34 2.28
912828U81	US Treasury Note 2.000% Due 12/31/2021	535,000.00	06/26/2017 1.72%	541,499.41 538,606.84	100.67 1.72%	538,594.67 29.08	0.32% (12.17)	Aaa / AA+ AAA	2.51 2.43
912828V72	US Treasury Note 1.875% Due 01/31/2022	1,095,000.00	05/08/2017 1.90%	1,093,802.34 1,094,344.65	100.35 1.74%	1,098,850.02 8,564.14	0.67% 4,505.37	Aaa / AA+ AAA	2.59 2.50
912828H86	US Treasury Note 1.500% Due 01/31/2022	540,000.00	07/05/2017 1.88%	531,119.53 534,971.81	99.44 1.72%	536,962.50 3,378.73	0.33% 1,990.69	Aaa / AA+ AAA	2.59 2.51
912828P4	US Treasury Note 1.875% Due 07/31/2022	230,000.00	01/02/2018 2.22%	226,585.94 227,696.69	100.45 1.72%	231,033.16 1,798.86	0.14% 3,336.47	Aaa / AA+ AAA	3.09 2.96
912828W9	US Treasury Note 1.875% Due 09/30/2022	1,200,000.00	04/02/2018 2.54%	1,166,109.37 1,175,470.62	100.49 1.72%	1,205,906.40 5,655.74	0.73% 30,435.78	Aaa / AA+ AAA	3.25 3.13
912828L57	US Treasury Note 1.750% Due 09/30/2022	730,000.00	06/04/2018 2.74%	700,857.03 708,064.23	100.07 1.73%	730,513.19 3,211.20	0.44% 22,448.96	Aaa / AA+ AAA	3.25 3.13
912828M80	US Treasury Note 2.000% Due 11/30/2022	1,250,000.00	04/08/2019 2.30%	1,236,962.89 1,237,775.87	100.90 1.73%	1,261,278.75 2,117.49	0.76% 23,502.88	Aaa / AA+ AAA	3.42 3.29

Holdings Report

As of June 30, 2019

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CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
912828Q29	US Treasury Note 1.500% Due 03/31/2023	570,000.00	05/01/2018 2.82%	535,800.00 543,902.01	99.17 1.73%	565,257.60 2,149.18	0.34% 21,355.59	Aaa / AA+ AAA	3.75 3.62
TOTAL US Treasury		28,039,000.00	2.43%	27,703,602.03 27,903,531.47	2.28%	28,024,023.13 51,423.91	16.90% 120,491.66	Aaa / AAA Aaa	1.08 1.05
TOTAL PORTFOLIO		165,500,887.55	1.18%	165,119,058.46 165,339,476.13	1.10%	165,770,022.65 344,628.58	100.00% 430,546.52	Aa1 / AA+ Aaa	0.66 0.55
TOTAL MARKET VALUE PLUS ACCRUALS						166,114,651.23			

Section 5 | Transactions



Transaction Ledger

As of June 30, 2019

City of Pittsburg Total Consolidated - Account #10638

March 31, 2019 through June 30, 2019

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
ACQUISITIONS										
Purchase	04/02/2019	06417G5Q7	1,300,000.00	Bank of Nova Scotia Yankee CD 2.61% Due: 12/23/2019	100.020	2.58%	1,300,262.41	1,036.75	1,301,299.16	0.00
Purchase	04/03/2019	69353RFC7	825,000.00	PNC Bank Callable Note Cont 4/19/2020 2% Due: 05/19/2020	99.236	2.69%	818,697.00	6,141.67	824,838.67	0.00
Purchase	04/09/2019	912828M80	1,250,000.00	US Treasury Note 2% Due: 11/30/2022	98.957	2.30%	1,236,962.89	8,928.57	1,245,891.46	0.00
Purchase	04/18/2019	3135G0V59	1,000,000.00	FNMA Note 2.25% Due: 04/12/2022	99.502	2.42%	995,020.00	375.00	995,395.00	0.00
Purchase	04/30/2019	06051GFN4	750,000.00	Bank of America Corp Note 2.25% Due: 04/21/2020	99.593	2.68%	746,947.50	421.88	747,369.38	0.00
Purchase	05/17/2019	62479MWG4	1,100,000.00	MUFG Bank Ltd/NY Discount CP 2.52% Due: 09/16/2019	99.146	2.58%	1,090,606.00	0.00	1,090,606.00	0.00
Purchase	05/21/2019	313379Q69	1,100,000.00	FHLB Note 2.125% Due: 06/10/2022	99.655	2.24%	1,096,205.00	10,453.82	1,106,658.82	0.00
Purchase	06/05/2019	06051GFN4	500,000.00	Bank of America Corp Note 2.25% Due: 04/21/2020	99.811	2.47%	499,055.00	1,375.00	500,430.00	0.00
Purchase	06/12/2019	40428HPV8	295,000.00	HSBC USA Inc Note 2.75% Due: 08/07/2020	100.392	2.40%	296,156.40	2,816.84	298,973.24	0.00
Purchase	06/13/2019	40428HPV8	552,000.00	HSBC USA Inc Note 2.75% Due: 08/07/2020	100.350	2.44%	553,932.00	5,313.00	559,245.00	0.00
Purchase	06/13/2019	40428HPV8	100,000.00	HSBC USA Inc Note 2.75% Due: 08/07/2020	100.308	2.48%	100,308.00	962.50	101,270.50	0.00
Purchase	06/17/2019	3133834G3	1,000,000.00	FHLB Note 2.125% Due: 06/09/2023	100.747	1.93%	1,007,470.00	472.22	1,007,942.22	0.00
Purchase	06/19/2019	857477AS2	600,000.00	State Street Bank Note 2.55% Due: 08/18/2020	100.356	2.24%	602,136.00	5,142.50	607,278.50	0.00
Subtotal			10,372,000.00				10,343,758.20	43,439.75	10,387,197.95	0.00
Security Contribution	04/30/2019	90PITT\$01	6,434,764.26	City of Pittsburg Investment Pools	1.000		6,434,764.26	0.00	6,434,764.26	0.00

Transaction Ledger

As of June 30, 2019

City of Pittsburg Total Consolidated - Account #10638

March 31, 2019 through June 30, 2019

Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
Security Contribution	06/30/2019	90PITT\$01	2,500,000.00	City of Pittsburg Investment Pools	1.000		2,500,000.00	0.00	2,500,000.00	0.00
Subtotal			8,934,764.26				8,934,764.26	0.00	8,934,764.26	0.00
TOTAL ACQUISITIONS			19,306,764.26				19,278,522.46	43,439.75	19,321,962.21	0.00
DISPOSITIONS										
Sale	04/18/2019	912828TR1	600,000.00	US Treasury Note 1% Due: 09/30/2019	99.355	2.44%	596,132.81	295.08	596,427.89	610.61
Sale	06/17/2019	912828TR1	900,000.00	US Treasury Note 1% Due: 09/30/2019	99.652	2.21%	896,871.09	1,918.03	898,789.12	1,145.35
Subtotal			1,500,000.00				1,493,003.90	2,213.11	1,495,217.01	1,755.96
Maturity	04/05/2019	06417GUE6	1,150,000.00	Bank of Nova Scotia Yankee CD 1.91% Due: 04/05/2019	100.000		1,150,000.00	0.00	1,150,000.00	0.00
Maturity	04/29/2019	06370RTS8	750,000.00	Bank of Montreal Chicago Yankee CD 2.8% Due: 04/29/2019	100.000		750,000.00	6,708.33	756,708.33	0.00
Maturity	05/02/2019	713448DR6	355,000.00	Pepsico Inc. Note 1.55% Due: 05/02/2019	100.000		355,000.00	0.00	355,000.00	0.00
Maturity	05/17/2019	62479MSH7	1,000,000.00	MUFG Bank Ltd/NY Discount CP 2.71% Due: 05/17/2019	99.097		1,000,000.00	0.00	1,000,000.00	0.00
Maturity	06/04/2019	21687BT43	1,500,000.00	Rabobank Nederland NV NY Discount CP 2.55% Due: 06/04/2019	98.173		1,500,000.00	0.00	1,500,000.00	0.00
Maturity	06/14/2019	89233HTE4	500,000.00	Toyota Motor Credit Discount CP 2.6% Due: 06/14/2019	98.050		500,000.00	0.00	500,000.00	0.00
Maturity	06/20/2019	912796QM4	3,010,000.00	US Treasury Bill 2.392% Due: 06/20/2019	100.000		3,010,000.00	0.00	3,010,000.00	0.00
Maturity	06/21/2019	78012UHW8	1,500,000.00	Royal Bank of Canada Yankee CD 2.68% Due: 06/21/2019	100.000		1,500,000.00	30,485.00	1,530,485.00	0.00
Subtotal			9,765,000.00				9,765,000.00	37,193.33	9,802,193.33	0.00
TOTAL DISPOSITIONS			11,265,000.00				11,258,003.90	39,406.44	11,297,410.34	1,755.96

Important Disclosures

As of June 30, 2019

2019 Chandler Asset Management, Inc, An Independent Registered Investment Adviser.

Information contained herein is confidential. Prices are provided by IDC, an independent pricing source. In the event IDC does not provide a price or if the price provided is not reflective of fair market value, Chandler will obtain pricing from an alternative approved third party pricing source in accordance with our written valuation policy and procedures. Our valuation procedures are also disclosed in Item 5 of our Form ADV Part 2A.

Performance results are presented gross-of-advisory fees and represent the client's Total Return. The deduction of advisory fees lowers performance results. These results include the reinvestment of dividends and other earnings. Past performance may not be indicative of future results. Therefore, clients should not assume that future performance of any specific investment or investment strategy will be profitable or equal to past performance levels. All investment strategies have the potential for profit or loss. Economic factors, market conditions or changes in investment strategies, contributions or withdrawals may materially alter the performance and results of your portfolio.

Index returns assume reinvestment of all distributions. Historical performance results for investment indexes generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment management fee, the incurrence of which would have the effect of decreasing historical performance results. It is not possible to invest directly in an index.

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Fixed income investments are subject to interest, credit and market risk. Interest rate risk: the value of fixed income investments will decline as interest rates rise. Credit risk: the possibility that the borrower may not be able to repay interest and principal. Low rated bonds generally have to pay higher interest rates to attract investors willing to take on greater risk. Market risk: the bond market in general could decline due to economic conditions, especially during periods of rising interest rates.

Ratings information have been provided by Moody's, S&P and Fitch through data feeds we believe to be reliable as of the date of this statement, however we cannot guarantee its accuracy.

Security level ratings for U.S. Agency issued mortgage-backed securities ("MBS") reflect the issuer rating because the securities themselves are not rated. The issuing U.S. Agency guarantees the full and timely payment of both principal and interest and carries a AA+/Aaa/AAA by S&P, Moody's and Fitch respectively.

Benchmark Disclosures

As of June 30, 2019

ICE BAML 1-3 Yr US Treasury/Agency Index

The ICE BAML 1-3 Year US Treasury & Agency Index tracks the performance of US dollar denominated US Treasury and nonsubordinated US agency debt issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch). Qualifying securities must have at least one year remaining term to final maturity and less than three years remaining term to final maturity, at least 18 months to maturity at time of issuance, a fixed coupon schedule and a minimum amount outstanding of \$1 billion for sovereigns and \$250 million for agencies. (Index: G1A0. Please visit www.mindex.ml.com for more information)