



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

May 2, 2017

Honorable Mayor and City Council:

I have reviewed the City of Pittsburg's Treasury Report for the quarter ending March 31, 2017, 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 written in a cursive, flowing style.

Nancy Parent  
City Treasurer

**CITY OF PITTSBURG**  
 Cash & Investment Portfolio  
 FY 2016/17- 3rd Quarter

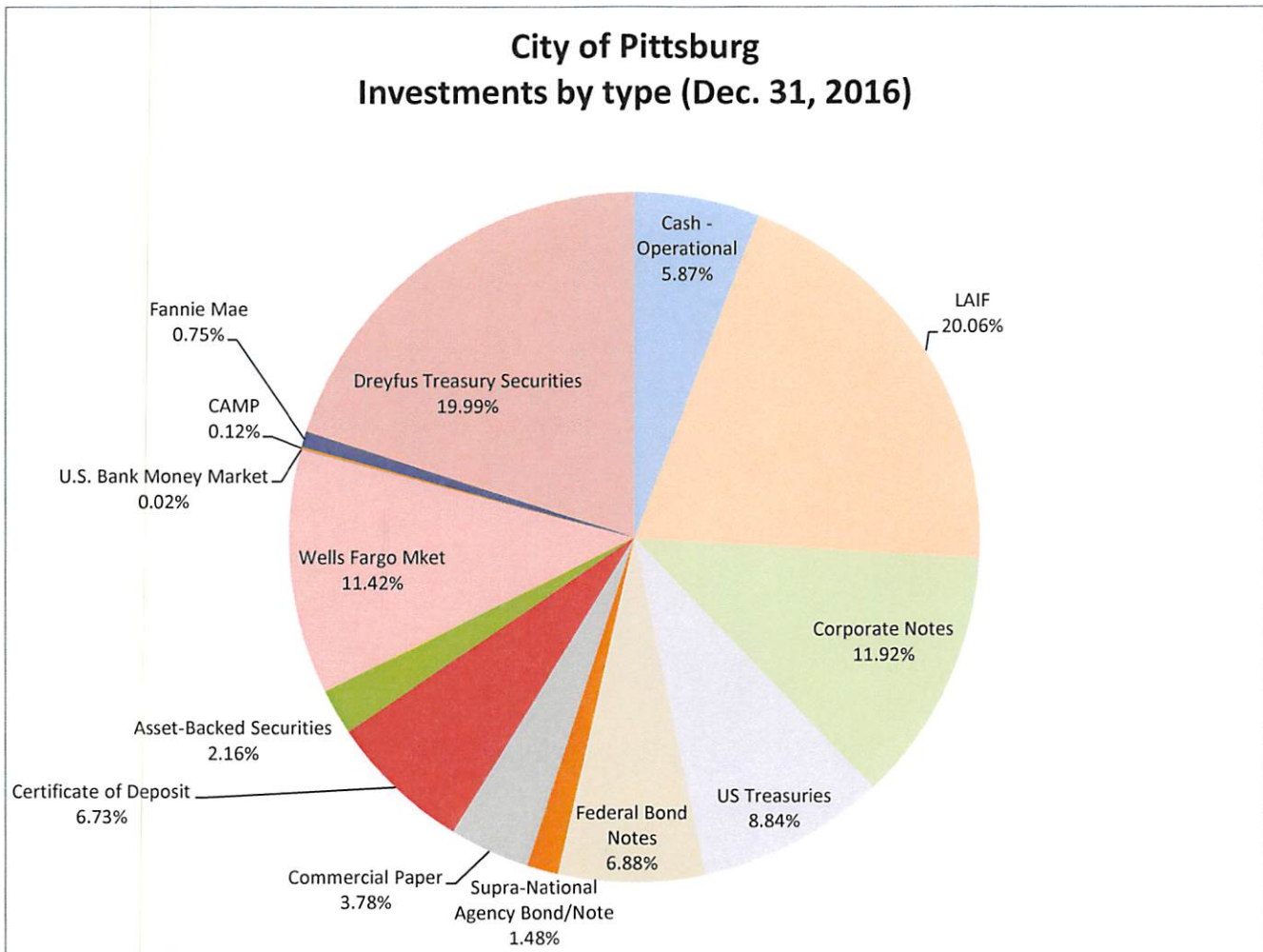
**Table I**

DESCRIPTION	BALANCE 12/31/16	BALANCE 03/31/17	FAIR MKT VALUE (3/2017 Factor)
<b><u>CASH &amp; INVESTMENTS:</u></b>			
LAIF City Operating	\$ 23,963,813	\$ 23,000,000	\$ 22,981,047
Operating Cash & Investment Accounts	56,852,507	54,637,356	54,353,938
<b>TOTAL CITY INVESTMENTS:</b>	<b>\$ 80,816,320</b>	<b>\$ 77,637,356</b>	<b>\$ 77,334,985</b>
<b><u>FISCAL AGENT INVESTMENTS:</u></b>			
Miscellaneous Debt Service Operating Accounts	\$ 86,068	\$ 86,082	\$ 86,082
Pension Obligation Bond-Reserve Funds	3,542,140	2,816,367	2,816,367
Assessment District Bonds-Reserve Funds	2,751,739	2,767,403	2,767,403
Tax Allocation (TAB) Bonds Restricted Reserves Funds	37,296,932	31,329,729	31,329,730
Project Funds (Assmnt, Revenue, TAB)	73,869	25,886	25,886
<b>TOTAL FISCAL AGENT INVESTMENTS:</b>	<b>\$ 43,750,748</b>	<b>\$ 37,025,466</b>	<b>\$ 37,025,466</b>
<b>TOTAL CASH &amp; INVESTMENTS :</b>	<b>\$ 124,567,067</b>	<b>\$ 114,662,822</b>	<b>\$ 114,360,451</b>

**City of Pittsburgh  
Investment by Type as of March 31, 2017**

**Table II**

Description	Amount	Avg Yield	Average Duration or Maturity Date
Cash - Operational	\$ 6,729,982	5.87%	N/A
LAIF	23,000,000	20.06%	180 days
Corporate Notes	13,663,735	11.92%	864 days
US Treasuries	10,133,078	8.84%	1,413 days
Federal Bond Notes	7,884,551	6.88%	791 days
Supra-National Agency Bond/Note	1,691,556	1.48%	739 days
Commercial Paper	4,331,985	3.78%	120 days
Certificate of Deposit	7,719,267	6.73%	427 days
Asset-Backed Securities	2,474,794	2.16%	1,441 days
Wells Fargo Mket	13,094,189	11.42%	47 days
U.S. Bank Money Market	25,886	0.02%	N/A
CAMP	135,708	0.12%	N/A
Fannie Mae	858,771	0.75%	N/A
Dreyfus Treasury Securities	22,919,321	19.99%	39 days
<b>GRAND TOTAL:</b>	<b>\$ 114,662,822</b>	<b>100.00%</b>	





**JOHN CHIANG  
TREASURER  
STATE OF CALIFORNIA**



Table III

**PMIA Performance Report**

Date	Daily Yield*	Quarter to Date Yield	Average Maturity (in days)
03/20/17	0.83	0.78	188
03/21/17	0.83	0.78	185
03/22/17	0.83	0.78	184
03/23/17	0.83	0.78	184
03/24/17	0.83	0.78	186
03/25/17	0.83	0.78	186
03/26/17	0.83	0.78	186
03/27/17	0.83	0.78	181
03/28/17	0.83	0.78	180
03/29/17	0.84	0.78	180
03/30/17	0.85	0.78	181
03/31/17	0.85	0.78	180
04/01/17	0.86	0.86	181
04/02/17	0.86	0.86	181
04/03/17	0.86	0.86	183
04/04/17	0.86	0.86	184
04/05/17	0.86	0.86	184
04/06/17	0.87	0.86	181
04/07/17	0.87	0.86	181
04/08/17	0.87	0.86	181
04/09/17	0.87	0.86	181
04/10/17	0.87	0.86	181
04/11/17	0.87	0.87	181
04/12/17	0.87	0.87	183
04/13/17	0.88	0.87	182
04/14/17	0.88	0.87	182
04/15/17	0.88	0.87	182
04/16/17	0.88	0.87	182
04/17/17	0.88	0.87	181
04/18/17	0.89	0.87	183
04/19/17	0.89	0.87	183

\*Daily yield does not reflect capital gains or losses

[View Prior Month Daily Rates](#)

**LAIF Performance Report**

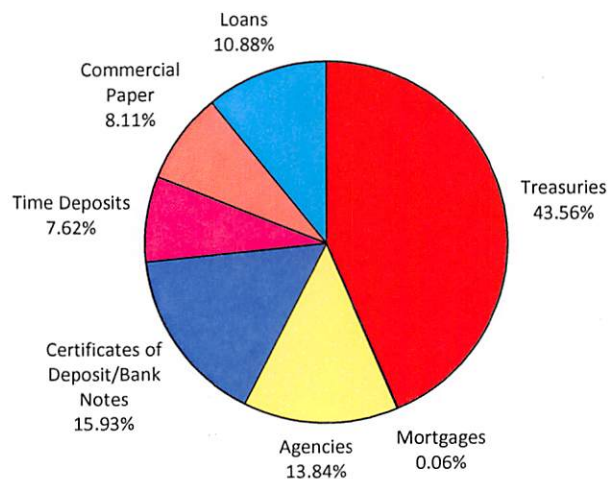
Quarter Ending 03/31/17

Apportionment Rate: 0.78%  
 Earnings Ratio: 0.00002126194403179  
 Fair Value Factor: 0.999175951  
 Daily: 0.85%  
 Quarter to Date: 0.78%  
 Average Life: 180

**PMIA Average Monthly Effective Yields**

**Mar 2017 0.821%**  
 Feb 2017 0.777%  
 Jan 2017 0.751%

**Pooled Money Investment Account  
Portfolio Composition  
03/31/17  
\$71.9 billion**





# CITY OF PITTSBURG

## Investment Performance Review For the Quarter Ended March 31, 2017

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### Client Management Team

Monique Spyke, Managing Director  
Izac Chyou, Senior Managing Consultant

### PFM Asset Management LLC

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

One Keystone Plaza, Suite 300  
Harrisburg, PA 17101-2044  
717-232-2723

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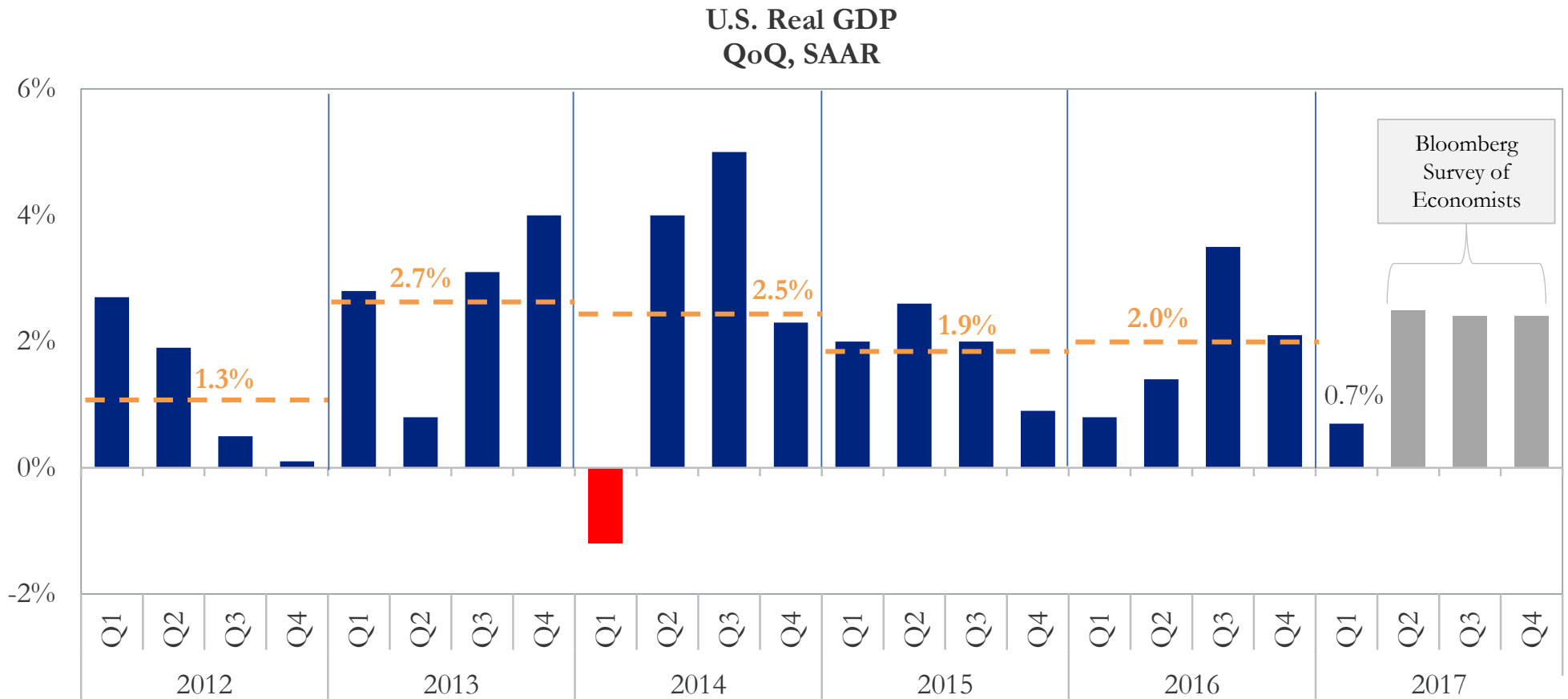
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# Market Update

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### Moderate but Stable Growth

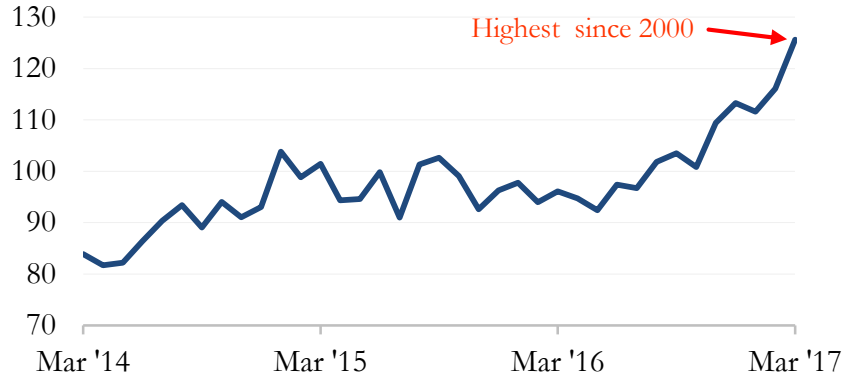
- Gross domestic product increased at an annualized rate of 0.7% in the first quarter, down from the 2.1% pace of the prior quarter, and below expectations of 1.0%.
- A Bloomberg survey of economists project that GDP will increase at a rate of 2.3% for 2017.



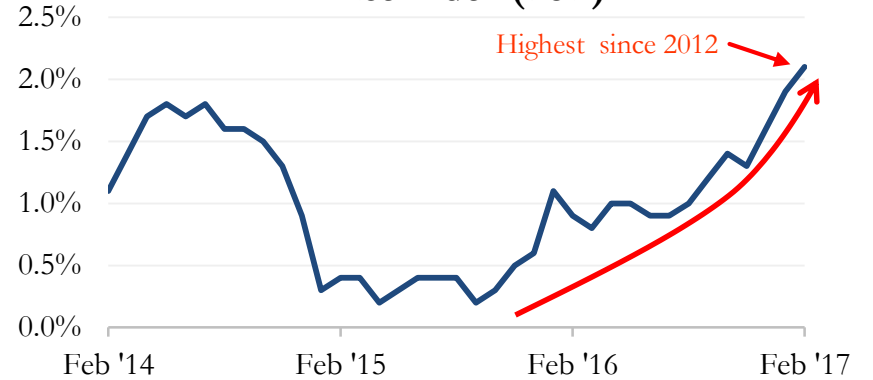
Source: Bloomberg, as of April 2017. SAAR is seasonally adjusted annualized rate.

## The Sweet Spots of the U.S. Economy

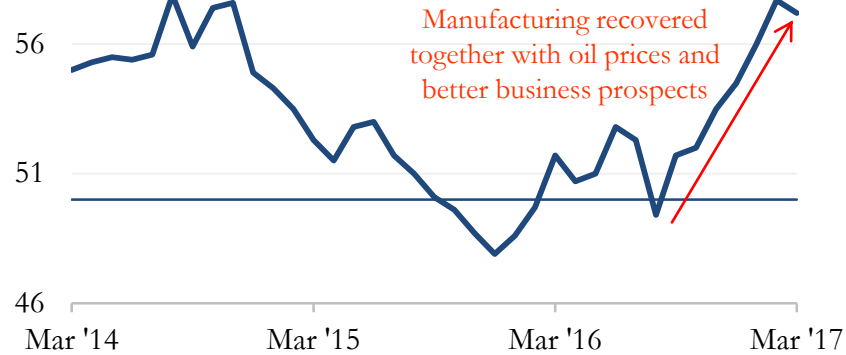
### Consumer Confidence



### Personal Consumption Expenditure Price Index (YoY)



### ISM Manufacturing Purchasing Manager Index



### U.S. Auto Sales (SAAR, millions)



Source: Bloomberg, as of 03/31/17. SAAR is seasonally adjusted annualized rate.



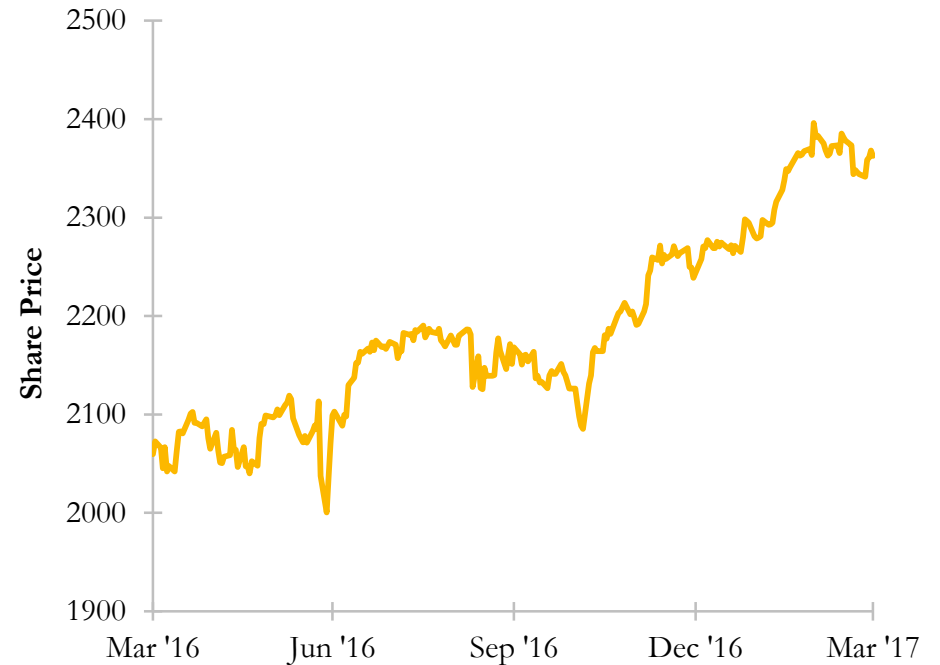
### Corporate Sector Optimism

- Corporate markets reflected improving credit fundamentals and optimism related to anticipated pro-business policies such as corporate tax reform and deregulation.
- After tightening to their narrowest levels since 2014, corporate yield spreads began to drift wider toward the end of the quarter.

**Yield Spread Between the 1-5 U.S. Treasury Index and the Average of the 1-3 and 3-5 A-AAA Corporate Indices\***



**S&P 500 Index**

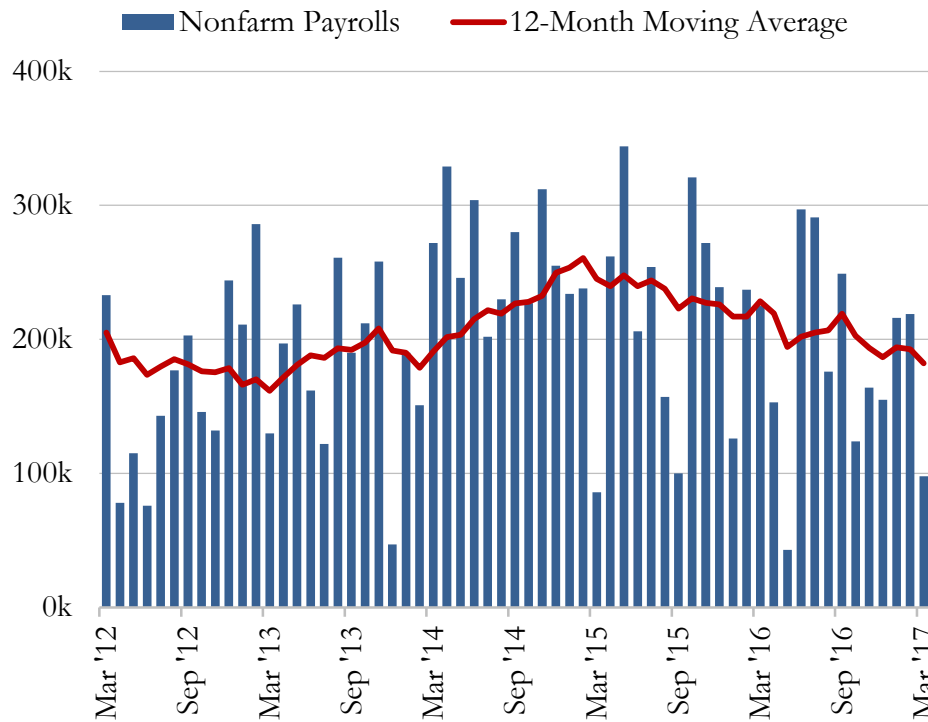


\*Bank of America Merrill Lynch Indexes  
 Source: Bloomberg, as of 03/31/17.

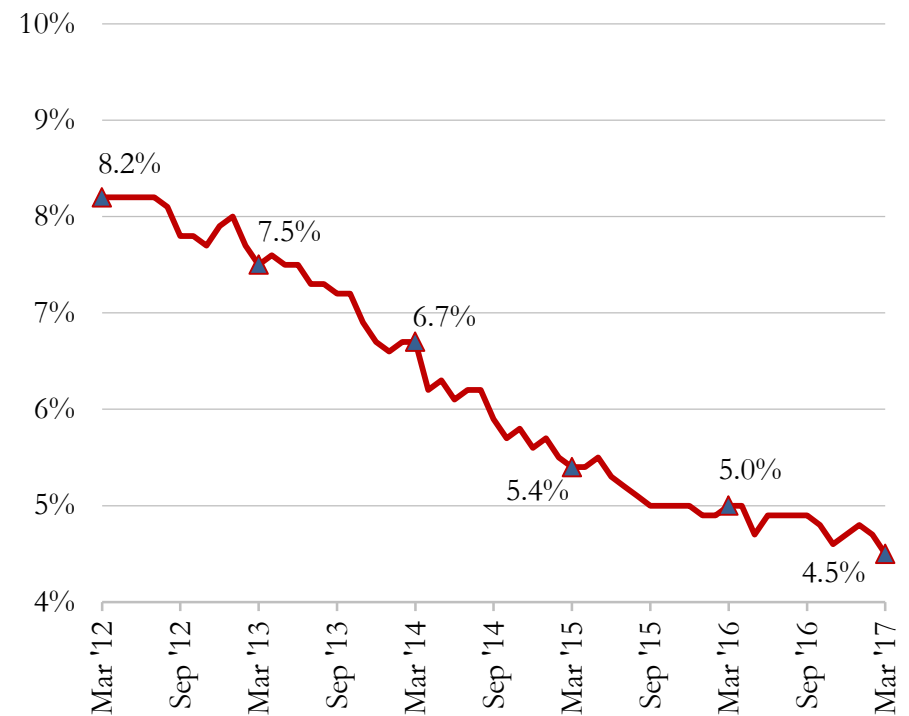
### Labor Market

- The U.S. labor market created 98,000 jobs in March, below expectations of 180,000. Total jobs added during the first quarter were 533,000.
- During the quarter, the headline unemployment rate fell to 4.5%, while the U-6 rate, which includes underemployed and discouraged workers, dropped to 8.9%, the lowest since 2007.
- The growth rate of average hourly earnings – an important gauge of wage growth – averaged 2.7% over the past 12 months.

Monthly Change in Nonfarm Payrolls



Unemployment Rate



Source: Bloomberg, as of 03/31/17.

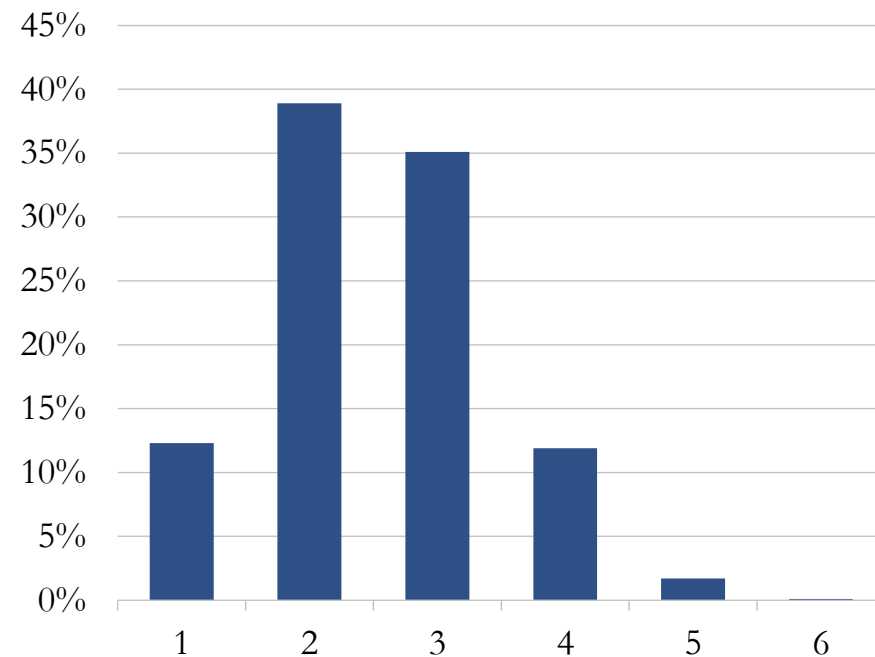
### On the Horizon: Higher Rates

- The Federal Open Market Committee (the “FOMC”) indicated on March 15th that it expects economic conditions to evolve in a manner that will warrant gradual increases in the federal funds rate.
- According to the “dot plot”, Fed officials are expecting to see three rate hikes in 2017, which is aligned with current market expectations.

**When Will the Next Rate Hike Occur?**

Meeting	4/24/17
5/3/17	11%
6/14/17	69%
7/26/17	72%
9/20/17	84%
11/1/17	84%
12/31/17	88%
1/31/18	88%

**Market Implied Total Number of Rate Hikes Expected in 2017**

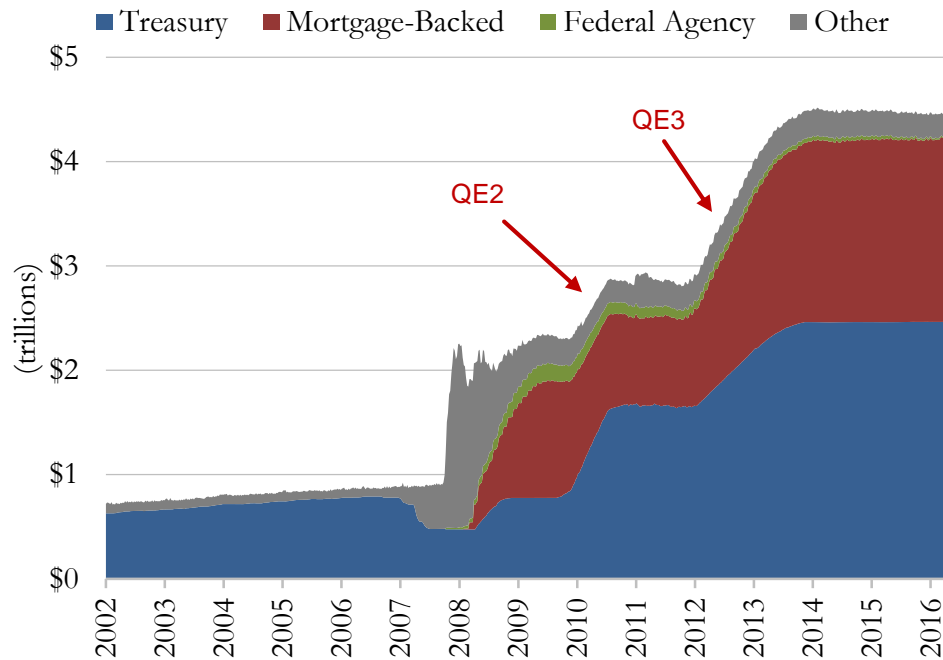


Source: Bloomberg and Federal Reserve.

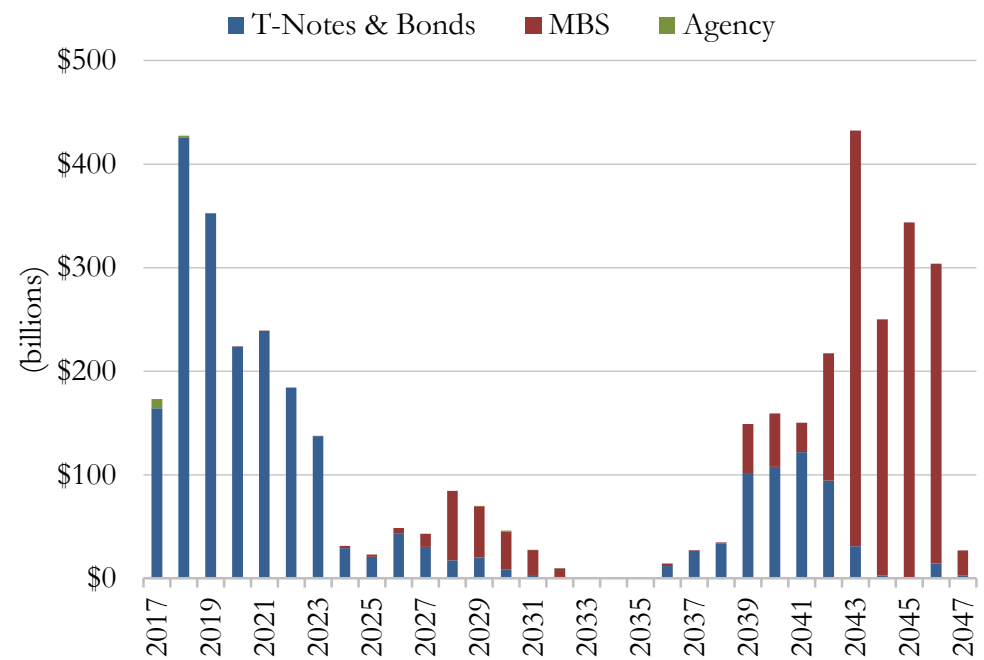
## FOMC Meeting Focus: Federal Reserve's Balance Sheet

- After multiple rounds of quantitative easing, the Federal Reserve's balance sheet has swelled from under \$1 trillion to approximately \$4.5 trillion.
- March meeting highlights: "participants agreed that reductions in the Federal Reserve's securities holdings should be gradual and predictable, and accomplished primarily by phasing out reinvestments... Most participants anticipated that gradual increases in the federal funds rate would continue and judged that a change to the Committee's reinvestment policy would likely be appropriate later this year."

**Total Balance Sheet Assets of the Federal Reserve**



**Maturity Distribution of Balance Sheet Assets**

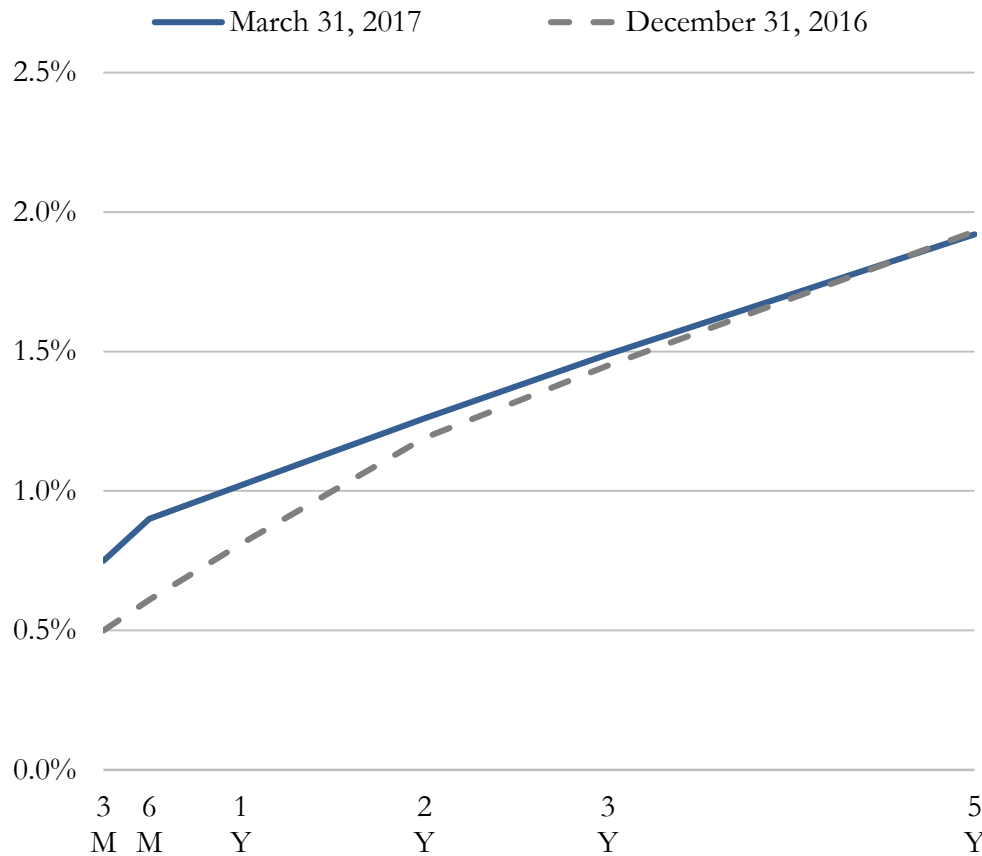


Source: Bloomberg, as of March 2017. SAAR is seasonally adjusted annualized rate.

### Flattening Yield Curve

- Yields remained range-bound at the beginning of the quarter before rising strongly in anticipation of the March FOMC rate hike. Yields on the short-end of the curve ended the quarter higher, reflecting the rate hike, while long-term yields generally held steady.

U.S. Treasury Yield Curve



Yield Curve History

Maturity	12/31/16	3/31/17	Change
1-Mo.	0.42%	0.73%	+0.31%
3-Mo.	0.50%	0.75%	+0.25%
6-Mo.	0.61%	0.90%	+0.29%
1-Yr.	0.81%	1.02%	+0.21%
2-Yr.	1.19%	1.26%	+0.07%
3-Yr.	1.45%	1.49%	+0.04%
5-Yr.	1.93%	1.92%	-0.01%

Source: Bloomberg, as of 03/31/17.

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# Portfolio Review

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Security Type	Original Cost	Market Value	% of Portfolio	In Compliance	Average Maturity	Average Yield
Cash Equivalents	\$6,729,982	\$6,729,982	9%	✓	1	0.00%
Money Market Funds	\$8,409	\$8,409	<1%	✓	1	0.27%
Investment Pools	\$23,000,000	\$22,981,047	30%	✓	1	0.78%
<b>Total Liquidity</b>	<b>\$29,738,391</b>	<b>\$29,719,438</b>	<b>38%</b>		<b>1</b>	<b>0.60%</b>
U.S. Treasury Notes	\$10,133,078	\$10,051,801	13%	✓	1,413	1.56%
Federal Agency Securities	\$7,884,551	\$7,860,067	10%	✓	791	1.42%
Supranational Securities	\$1,691,556	\$1,687,037	2%	✓	739	1.23%
Negotiable Certificates of Deposit	\$7,719,267	\$7,737,487	10%	✓	427	1.59%
Medium-Term Corporate Notes	\$13,663,735	\$13,461,997	17%	✓	864	2.01%
Asset-Backed Securities	\$2,474,794	\$2,473,876	3%	✓	1,441	1.69%
Commercial Paper	\$4,331,985	\$4,343,283	6%	✓	120	1.27%
<b>Total Securities</b>	<b>\$47,898,965</b>	<b>\$47,615,547</b>	<b>62%</b>		<b>856</b>	<b>1.64%</b>
<b>Total Portfolio</b>	<b>\$77,637,356</b>	<b>\$77,334,985</b>	<b>100%</b>		<b>528</b>	<b>1.24%</b>
<b>Bonded Debt Portfolio</b>	<b>\$37,025,466</b>	<b>\$37,025,466</b>				<b>0.34%</b>
<b>Total</b>	<b>\$114,662,822</b>	<b>\$114,360,451</b>				<b>0.95%</b>

Averages shown are weighted averages calculated based on original cost. Average maturity is shown as days.

Percentages may not add up to 100% due to rounding.

Issuer	Original Cost	Market Value	% of Portfolio	% Permitted by Policy	In Compliance	Average Maturity	Average Yield
<b>Cash Equivalents</b>	<b>6,729,982</b>	<b>6,729,982</b>	<b>9%</b>			<b>1</b>	<b>0.00%</b>
Bank	6,729,982	6,729,982	9%	100%	✓	1	0.00%
<b>Money Market Funds</b>	<b>8,409</b>	<b>8,409</b>	<b>&lt;1%</b>			<b>1</b>	<b>0.27%</b>
Wells Fargo	8,409	8,409	<1%	10%	✓	1	0.27%
<b>Investment Pools</b>	<b>23,000,000</b>	<b>22,981,047</b>	<b>30%</b>			<b>1</b>	<b>0.78%</b>
Local Agency Investment Fund	23,000,000	22,981,047	30%	\$65 million	✓	1	0.78%
<b>U.S. Treasury Notes</b>	<b>10,133,078</b>	<b>10,051,801</b>	<b>13%</b>			<b>1413</b>	<b>1.56%</b>
U.S. Treasury	10,133,078	10,051,801	13%	100%	✓	1413	1.56%
<b>Federal Agency Securities</b>	<b>7,884,551</b>	<b>7,860,067</b>	<b>10%</b>			<b>791</b>	<b>1.42%</b>
FHLB	1,704,039	1,703,287	2%	100%	✓	641	1.25%
FNMA	6,180,512	6,156,780	8%	100%	✓	833	1.46%
<b>Commercial Paper</b>	<b>4,331,985</b>	<b>4,343,283</b>	<b>6%</b>			<b>120</b>	<b>1.27%</b>
Bank of Tokyo Mitsubishi CP	1,092,795	1,096,472	1%	5%	✓	101	1.32%
BNP Paribas	1,092,999	1,096,464	1%	5%	✓	101	1.29%
Credit Agricole SA	1,391,416	1,394,176	2%	5%	✓	129	1.25%
Rabobank	754,775	756,171	1%	5%	✓	158	1.20%
<b>Negotiable Certificates of Deposit</b>	<b>7,719,267</b>	<b>7,737,487</b>	<b>10%</b>			<b>427</b>	<b>1.59%</b>
Bank of Montreal Chicago	945,000	951,528	1%	5%	✓	678	1.90%
Bank of Nova Scotia (Houston)	1,150,000	1,150,086	1%	5%	✓	220	1.55%
Canadian Imperial Bank	939,267	945,202	1%	5%	✓	609	1.78%
HSBC USA	1,150,000	1,152,501	1%	5%	✓	231	0.97%
Nordea Bank	940,000	945,202	1%	5%	✓	609	1.74%
Royal Bank of Canada (New York)	695,000	695,845	1%	5%	✓	343	1.69%
Skandinaviska Enskilda NY	1,150,000	1,149,178	1%	5%	✓	230	1.48%
Svenska Handelsbanken	750,000	747,944	1%	5%	✓	650	1.91%

Averages shown are weighted averages calculated based on original cost. Average maturity is shown as days. Per issuer limit. Percentages may not add up to 100% due to rounding.



Issuer	Original Cost	Market Value	% of Portfolio	% Permitted by Policy	In Compliance	Average Maturity	Average Yield
<b>Medium-Term Corporate Notes</b>	<b>13,663,735</b>	<b>13,461,997</b>	<b>17%</b>			<b>864</b>	<b>2.01%</b>
American Express Company	429,553	430,651	<1%	5%	✓	1068	2.24%
American Honda Finance	299,574	300,737	<1%	5%	✓	1050	2.05%
Apple Inc.	1,566,302	1,576,934	2%	5%	✓	766	2.01%
Bank of New York	1,000,460	1,000,449	1%	5%	✓	1774	2.59%
Berkshire Hathaway	294,745	293,872	<1%	5%	✓	789	1.53%
General Electric	2,005,800	2,004,334	3%	5%	✓	367	1.52%
IBM	1,919,346	1,699,951	2%	5%	✓	563	1.88%
John Deere	979,224	983,182	1%	5%	✓	528	1.82%
JP Morgan Chase	1,986,282	2,001,869	3%	5%	✓	1028	2.36%
Toyota	1,560,577	1,572,382	2%	5%	✓	839	2.12%
Walt Disney Corporation	149,961	150,336	<1%	5%	✓	1069	1.96%
Wells Fargo	1,471,910	1,447,302	2%	5%	✓	1347	2.04%
<b>Asset-Backed Securities</b>	<b>2,474,794</b>	<b>2,473,876</b>	<b>3%</b>			<b>1441</b>	<b>1.69%</b>
Ally Auto	689,922	689,811	1%	5%	✓	1587	1.77%
CNH Equipment Trust	604,977	606,583	<1%	5%	✓	1202	1.80%
Ford Motor Credit	314,999	315,058	<1%	5%	✓	1537	1.67%
Hyundai Auto Receivables	684,916	682,988	1%	5%	✓	1489	1.56%
John Deere Owner Trust	179,980	179,437	<1%	5%	✓	1332	1.54%
<b>Supranational Securities</b>	<b>1,691,556</b>	<b>1,687,037</b>	<b>2%</b>			<b>739</b>	<b>1.23%</b>
Inter-American Development Bank	648,050	643,542	1%	100%	✓	773	1.10%
International Bank of Reconstruction and Development	1,043,506	1,043,494	1%	100%	✓	718	1.31%
<b>Total</b>	<b>77,637,356</b>	<b>77,334,985</b>				<b>528</b>	<b>1.24%</b>

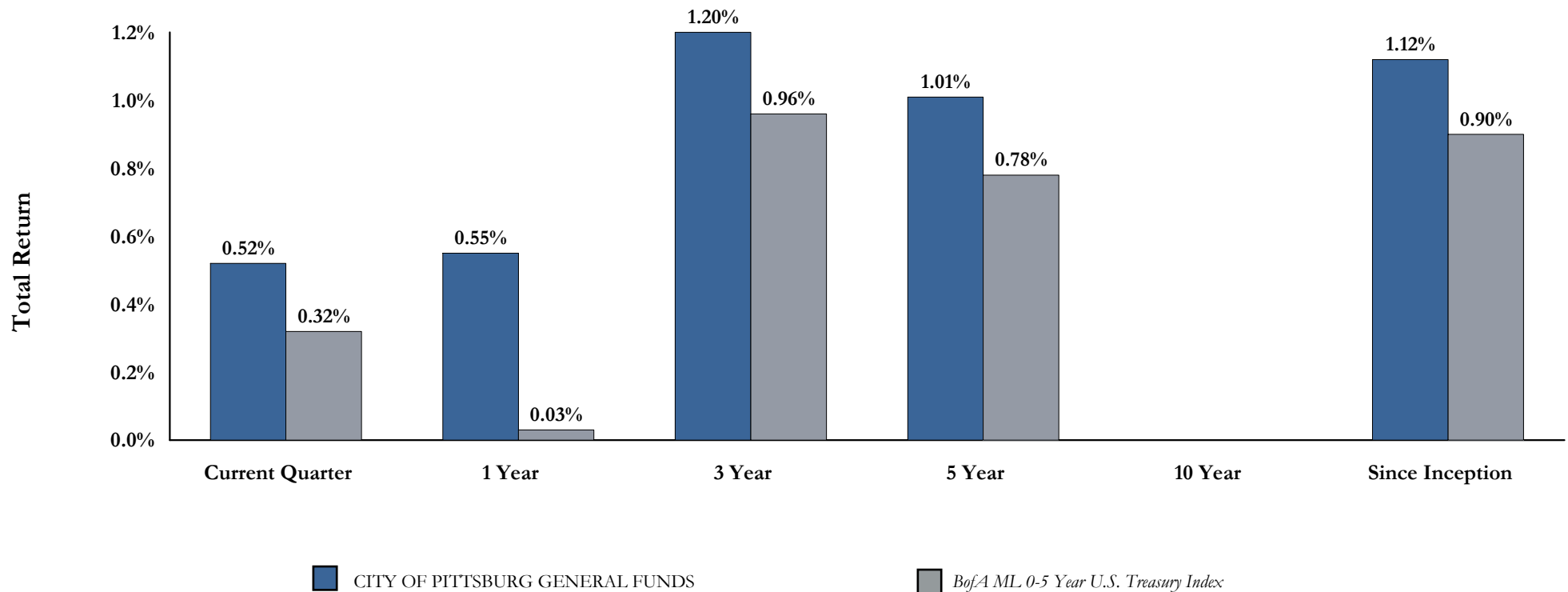
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## Portfolio Recap

- Key drivers of market conditions in the first quarter included
  - Federal Reserve policy;
  - the inauguration of President Trump and the early rollout of various policies;
  - continued improvement in consumer confidence; and
  - further stock market appreciation.
- Our strategy is to maintain the portfolio duration close to the benchmark duration, unless we have a strong conviction that being shorter or longer will benefit the portfolio. At quarter end, we aligned the portfolio duration with the benchmark duration since market conditions were consistent with an economic outlook for moderate growth.
- Federal agency yield spreads remained historically tight throughout the quarter as demand continued to outpace supply.
- We maintained corporate allocations as the sector continued to provide incremental income and benefit from “roll-down.”
- We participated in a number of new asset-backed security (ABS) issues as AAA-rated tranches of high quality structures continued to offer good value.
- Yields on commercial paper (CP) and bank certificates of deposit (CDs) rose sharply in the second half of 2016 due to significant money market fund reforms. Although spreads narrowed after the March Fed rate hike, CP and CDs continued to offer excellent investment opportunities in short-term credit instruments.

**Portfolio Performance (Total Return)**

Portfolio/Benchmark	Effective Duration	Current Quarter	1 Year	Annualized Return			Since Inception (09/30/10)*
				3 Year	5 Year	10 Year	
<b>CITY OF PITTSBURGH GENERAL FUNDS</b>	2.15	0.52%	0.55%	1.20%	1.01%	-	1.12%
<i>BofA ML 0-5 Year U.S. Treasury Index</i>	2.16	0.32%	0.03%	0.96%	0.78%	-	0.90%
<b>Difference</b>		0.20%	0.52%	0.24%	0.23%	-	0.22%



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

**Portfolio Earnings**  
*Quarter-Ended March 31, 2017*

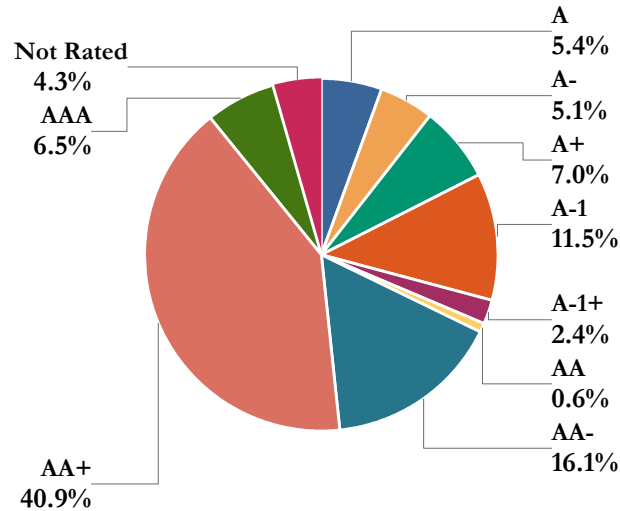
	<u>Market Value Basis</u>	<u>Accrual (Amortized Cost) Basis</u>
<b>Beginning Value (12/31/2016)</b>	\$47,349,867.24	\$47,471,408.95
<b>Net Purchases/Sales</b>	\$222,870.54	\$222,870.54
<b>Change in Value</b>	\$42,808.81	(\$47,169.15)
<b>Ending Value (03/31/2017)</b>	\$47,615,546.59	\$47,647,110.34
<b>Interest Earned</b>	\$205,053.53	\$205,053.53
<b>Portfolio Earnings</b>	\$247,862.34	\$157,884.38

**Portfolio Statistics**

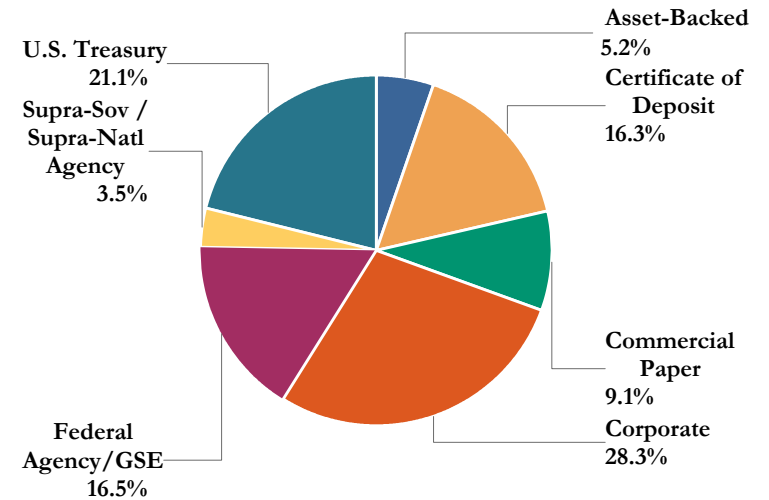
As of March 31, 2017

Par Value:	47,460,000
Total Market Value:	47,842,314
Security Market Value:	47,615,547
Accrued Interest:	218,360
Cash:	8,408
PFM	-
Amortized Cost:	47,647,110
Yield at Market:	1.60%
Yield at Cost:	1.64%
Effective Duration:	2.15 Years
Duration to Worst:	2.18 Years
Average Maturity:	2.34 Years
Average Credit: *	AA

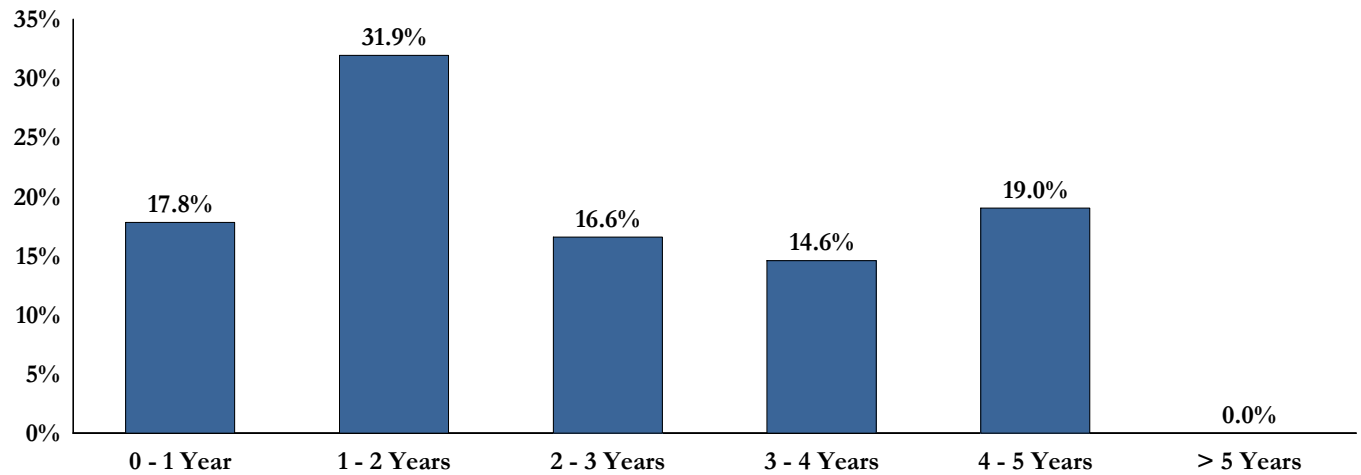
**Credit Quality (S&P Ratings)**



**Sector Allocation**



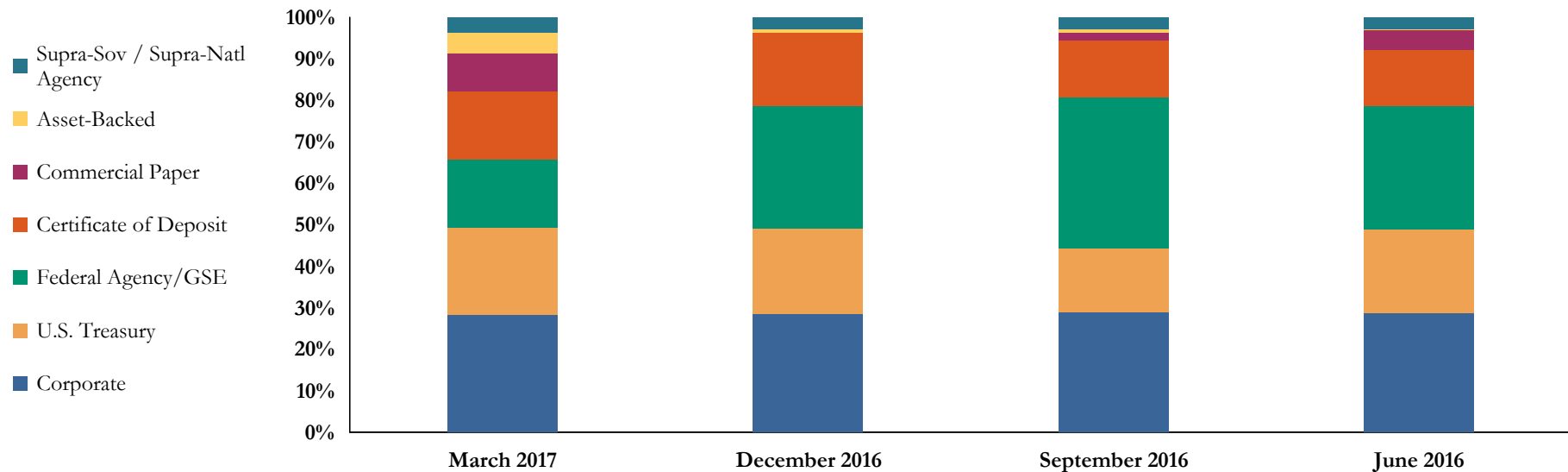
**Maturity Distribution**



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

### Sector Allocation

Sector	March 31, 2017		December 31, 2016		September 30, 2016		June 30, 2016	
	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total	MV (\$MM)	% of Total
Corporate	13.5	28.3%	13.5	28.6%	13.7	28.8%	13.6	28.7%
U.S. Treasury	10.1	21.1%	9.7	20.5%	7.4	15.5%	9.6	20.2%
Federal Agency/GSE	7.9	16.5%	14.0	29.6%	17.3	36.5%	14.1	29.6%
Certificate of Deposit	7.7	16.3%	8.3	17.6%	6.5	13.6%	6.5	13.6%
Commercial Paper	4.3	9.1%	0.0	0.0%	0.9	1.9%	2.3	4.8%
Asset-Backed	2.5	5.2%	0.5	1.0%	0.5	1.0%	0.1	0.3%
Supra-Sov / Supra-Natl Agency	1.7	3.5%	1.3	2.7%	1.3	2.7%	1.3	2.8%
<b>Total</b>	<b>\$47.6</b>	<b>100.0%</b>	<b>\$47.3</b>	<b>100.0%</b>	<b>\$47.5</b>	<b>100.0%</b>	<b>\$47.5</b>	<b>100.0%</b>

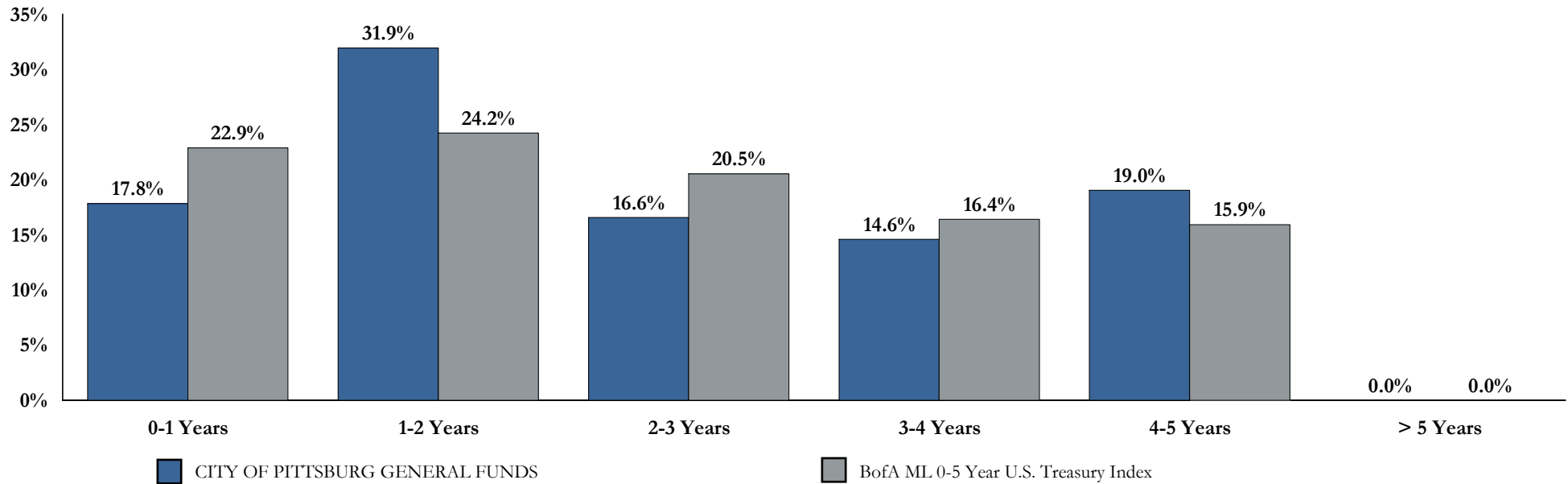


Detail may not add to total due to rounding.

### Maturity Distribution

As of March 31, 2017

Portfolio/Benchmark	Yield at Market	Average Maturity	0-1 Years	1-2 Years	2-3 Years	3-4 Years	4-5 Years	>5 Years
<b>CITY OF PITTSBURG GENERAL FUNDS</b>	1.60%	2.34 yrs	17.8%	31.9%	16.6%	14.6%	19.0%	0.0%
<b>BofA ML 0-5 Year U.S. Treasury Index</b>	1.37%	2.31 yrs	22.9%	24.2%	20.5%	16.4%	15.9%	0.0%



## Sector/Issuer Distribution

As of March 31, 2017

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
<b>Asset-Backed</b>			
ALLY AUTO RECEIVABLES TRUST	689,811	27.9%	1.4%
CNH EQUIPMENT TRUST	606,583	24.5%	1.3%
FORD CREDIT AUTO OWNER TRUST	315,058	12.7%	0.7%
HYUNDAI AUTO RECEIVABLES	682,988	27.6%	1.4%
JOHN DEERE OWNER TRUST	179,437	7.3%	0.4%
<b>Sector Total</b>	<b>2,473,876</b>	<b>100.0%</b>	<b>5.2%</b>
<b>Certificate of Deposit</b>			
BANK OF MONTREAL	951,528	12.3%	2.0%
BANK OF NOVA SCOTIA	1,150,086	14.9%	2.4%
CANADIAN IMPERIAL BANK OF COMMERCE	945,202	12.2%	2.0%
HSBC HOLDINGS PLC	1,152,501	14.9%	2.4%
NORDEA BANK AB	945,202	12.2%	2.0%
ROYAL BANK OF CANADA	695,845	9.0%	1.5%
SKANDINAVISKA ENSKIDA BANKEN AB	1,149,178	14.9%	2.4%
SVENSKA HANDELSBANKEN	747,944	9.7%	1.6%
<b>Sector Total</b>	<b>7,737,487</b>	<b>100.0%</b>	<b>16.2%</b>
<b>Commercial Paper</b>			
BNP PARIBAS	1,096,464	25.2%	2.3%



## CITY OF PITTSBURG GENERAL FUNDS

## Portfolio Composition

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
CREDIT AGRICOLE SA	1,394,176	32.1%	2.9%
MITSUBISHI UFJ FINANCIAL GROUP INC	1,096,472	25.2%	2.3%
RABOBANK NEDERLAND	756,171	17.4%	1.6%
<b>Sector Total</b>	<b>4,343,283</b>	<b>100.0%</b>	<b>9.1%</b>
<b>Corporate</b>			
AMERICAN EXPRESS CO	430,651	3.2%	0.9%
AMERICAN HONDA FINANCE	300,737	2.2%	0.6%
APPLE INC	1,576,934	11.7%	3.3%
BANK OF NEW YORK CO INC	1,000,449	7.4%	2.1%
BERKSHIRE HATHAWAY INC	293,872	2.2%	0.6%
DEERE & COMPANY	983,182	7.3%	2.1%
GENERAL ELECTRIC CO	2,004,334	14.9%	4.2%
IBM CORP	1,699,951	12.6%	3.6%
JP MORGAN CHASE & CO	2,001,869	14.9%	4.2%
THE WALT DISNEY CORPORATION	150,336	1.1%	0.3%
TOYOTA MOTOR CORP	1,572,382	11.7%	3.3%
WELLS FARGO & COMPANY	1,447,302	10.8%	3.0%
<b>Sector Total</b>	<b>13,461,997</b>	<b>100.0%</b>	<b>28.3%</b>
<b>Federal Agency/GSE</b>			
FANNIE MAE	6,156,780	78.3%	12.9%
FEDERAL HOME LOAN BANKS	1,703,287	21.7%	3.6%

## CITY OF PITTSBURG GENERAL FUNDS

## Portfolio Composition

Sector / Issuer	Market Value (\$)	% of Sector	% of Total Portfolio
<b>Sector Total</b>	<b>7,860,067</b>	<b>100.0%</b>	<b>16.5%</b>
<b>Supra-Sov / Supra-Natl Agency</b>			
INTER-AMERICAN DEVELOPMENT BANK	643,542	38.1%	1.4%
INTL BANK OF RECONSTRUCTION AND DEV	646,475	38.3%	1.4%
INTL BANK OR RECONSTRUCTION AND DEV	397,019	23.5%	0.8%
<b>Sector Total</b>	<b>1,687,037</b>	<b>100.0%</b>	<b>3.5%</b>
<b>U.S. Treasury</b>			
UNITED STATES TREASURY	10,051,801	100.0%	21.1%
<b>Sector Total</b>	<b>10,051,801</b>	<b>100.0%</b>	<b>21.1%</b>
<b>Portfolio Total</b>	<b>47,615,547</b>	<b>100.0%</b>	<b>100.0%</b>

## Investment Strategy Outlook

- We anticipate the Federal Open Market Committee (FOMC) to remain on track to make two additional rate hikes in 2017, matching the three hikes projected for 2017 by the FOMC's "dot plot." In addition, a potential reduction in the size of the Federal Reserve's balance sheet later in the year could have significant implications for the markets.
- As the market awaits clarity on policies proposed and enacted by the Trump administration, financial markets (both bonds and equities) may become more range-bound.
- Since yields are currently stable and we expect no action at the next FOMC meeting in May, we are targeting the portfolio duration to closely match that of the benchmark. We will continue to revisit this position regularly, especially in light of the potential for higher yields later in the year.
- Agency yield spreads over Treasuries continue to remain historically narrow. As a result, our strategy will generally favor U.S. Treasuries over agencies unless specific issues offer identifiable value.
- Our strategy favors broad allocation to various credit sectors, including corporate notes, commercial paper, negotiable bank CDs, and asset-backed securities.
- Although yield spreads on corporate securities drifted wider at the end of the first quarter, they remain near multi-year lows.
- We will continue to evaluate opportunities in the agency MBS and ABS sectors, purchasing those issues we believe are well structured, offer adequate yield spreads, and which have limited extension and headline risk from Fed balance sheet tapering.
- Yields on commercial paper and negotiable CDs continue to offer significant yield pickup relative to short-term government securities.
- We will continue to monitor incoming economic data, Fed policy, and sector relationships to identify market opportunities. This will include assessing the impact of additional policies put forth by the Trump administration.

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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>									
1/3/17	1/5/17	850,000	912828Q78	US TREASURY NOTES	1.37%	4/30/21	835,197.28	1.86%	
1/10/17	1/11/17	1,100,000	06538BUA9	BANK TOKYO-MIT UFJ NY COMM PAPER	0.00%	7/10/17	1,092,795.00	1.32%	
1/10/17	1/12/17	1,100,000	09659BUA6	BNP PARIBAS NY BRANCH COMM PAPER	0.00%	7/10/17	1,092,999.11	1.29%	
1/10/17	1/12/17	750,000	86958JHB8	SVENSKA HANDELSBANKEN NY LT CD	1.89%	1/10/19	750,000.00	1.91%	
1/18/17	1/25/17	315,000	34531EAD8	FORDO 2017-A A3	1.67%	6/15/21	314,998.83	1.67%	
1/24/17	1/31/17	120,000	02007PAC7	ALLYA 2017-1 A3	1.70%	6/15/21	119,989.51	1.70%	
2/1/17	2/3/17	835,000	912828Q78	US TREASURY NOTES	1.37%	4/30/21	821,508.74	1.86%	
2/7/17	2/10/17	1,400,000	22533TV78	CREDIT AGRICOLE CIB NY COMM PAPER	0.00%	8/7/17	1,391,416.44	1.25%	
2/7/17	2/10/17	1,000,000	06406RAA5	BANK OF NY MELLON CORP NOTES	2.60%	2/7/22	1,000,676.67	2.59%	
2/8/17	2/9/17	945,000	06427KRC3	BANK OF MONTREAL CHICAGO CERT DEPOS	1.88%	2/7/19	945,000.00	1.90%	
2/9/17	2/9/17	760,000	21687AW58	COOPERATIEVE RABOBANK UA COMM PAPER	0.00%	9/5/17	754,774.58	1.20%	
2/13/17	2/16/17	300,000	02665WBM2	AMERICAN HONDA FINANCE	2.00%	2/14/20	299,574.00	2.05%	
2/22/17	3/2/17	95,000	47787XAC1	JDOT 2017-A A3	1.78%	4/15/21	94,986.47	1.79%	
2/24/17	2/28/17	605,000	3135G0T29	FNMA NOTES	1.50%	2/28/20	604,612.80	1.52%	
2/28/17	3/3/17	430,000	0258M0EE5	AMERICAN EXPRESS CREDIT CORP NOTES	2.20%	3/3/20	429,552.80	2.24%	
3/1/17	3/6/17	150,000	25468PDP8	WALT DISNEY COMPANY CORP NOTES	1.95%	3/4/20	149,961.00	1.96%	
3/14/17	3/21/17	395,000	459058FZ1	INTL BK RECON & DEVELOP NOTES	1.87%	4/21/20	394,656.35	1.90%	
3/14/17	3/16/17	500,000	912828T67	US TREASURY NOTES	1.25%	10/31/21	483,754.32	2.10%	
3/15/17	3/22/17	605,000	12636WAB2	CNH EQUIPMENT TRUST POOL	1.64%	7/15/20	604,976.77	1.80%	
3/21/17	3/29/17	570,000	02007HAC5	ALLYA 2017-2 A3	1.78%	8/15/21	569,932.80	1.79%	
3/22/17	3/29/17	305,000	44931PAD8	HART 2017-A A3	1.76%	8/15/21	304,975.33	1.76%	
3/23/17	3/24/17	800,000	3130AAXX1	FEDERAL HOME LOAN BANK AGENCY	1.37%	3/18/19	800,379.78	1.38%	
<b>Total BUY</b>		<b>13,930,000</b>					<b>13,856,718.58</b>		

## CITY OF PITTSBURG GENERAL FUNDS

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
<b>INTEREST</b>									
1/4/17	1/4/17	0	MONEY0002	MONEY MARKET FUND			1.02		
1/4/17	1/4/17	0	47788NAC2	JOHN DEERE ABS 2016-B A3	1.25%	6/15/20	0.80		
1/8/17	1/8/17	200,000	24422ETE9	JOHN DEERE CAPITAL CORP NOTE	1.95%	1/8/19	1,950.00		
1/15/17	1/15/17	135,000	44930UAD8	HYUNDAI ABS 2016-A A3	1.56%	9/15/20	175.50		
1/15/17	1/15/17	85,000	47788NAC2	JOHN DEERE ABS 2016-B A3	1.25%	6/15/20	88.54		
1/15/17	1/15/17	245,000	44891EAC3	HYUNDAI AUTO RECEIVABLES TRUST	1.29%	4/15/21	263.38		
1/16/17	1/16/17	535,000	3130AAE46	FHLB NOTES	1.25%	1/16/19	705.90		
1/18/17	1/18/17	1,560,000	89236TBP9	TOYOTA MOTOR CREDIT CORP NOTES	2.12%	7/18/19	16,575.00		
1/19/17	1/19/17	650,000	459058FE8	INTL BANK OF RECON AND DEV SN NOTES	0.87%	7/19/18	2,847.00		
1/23/17	1/23/17	1,995,000	46625HKA7	JPMORGAN CHASE & CO (CALLABLE)	2.25%	1/23/20	22,443.75		
1/28/17	1/28/17	1,300,000	3137EADJ5	FREDDIE MAC GLOBAL NOTES	1.00%	7/28/17	6,500.00		
1/31/17	1/31/17	1,135,000	912828WY2	US TREASURY N/B	2.25%	7/31/21	12,768.75		
1/31/17	1/31/17	800,000	912828XM7	US TREASURY NOTES	1.62%	7/31/20	6,500.00		
2/1/17	2/1/17	0	MONEY0002	MONEY MARKET FUND			3.77		
2/2/17	2/2/17	1,175,000	3135G0N33	FNMA BENCHMARK NOTE	0.87%	8/2/19	5,140.63		
2/10/17	2/10/17	780,000	24422ETA7	JOHN DEERE CAPITAL CORP NOTE	1.75%	8/10/18	6,825.00		
2/15/17	2/15/17	145,000	084664CK5	BERKSHIRE HATHAWAY INC CORPORATE NOTES	1.30%	8/15/19	942.50		
2/15/17	2/15/17	315,000	34531EAD8	FORDO 2017-A A3	1.67%	6/15/21	292.24		
2/15/17	2/15/17	120,000	02007PAC7	ALLYA 2017-1 A3	1.70%	6/15/21	85.00		
2/15/17	2/15/17	245,000	44891EAC3	HYUNDAI AUTO RECEIVABLES TRUST	1.29%	4/15/21	263.38		
2/15/17	2/15/17	135,000	44930UAD8	HYUNDAI ABS 2016-A A3	1.56%	9/15/20	175.50		
2/15/17	2/15/17	85,000	47788NAC2	JOHN DEERE ABS 2016-B A3	1.25%	6/15/20	88.54		
2/17/17	2/17/17	425,000	3135G0N82	FNMA NOTES	1.25%	8/17/21	2,626.74		
2/17/17	2/17/17	400,000	3135G0N82	FNMA NOTES	1.25%	8/17/21	2,472.22		
2/17/17	2/17/17	1,150,000	40428AR41	HSBC BANK USA NA FLOATING CERT DEPOS	1.63%	11/17/17	4,397.22		
2/19/17	2/19/17	1,955,000	3135G0ZA4	FANNIE MAE BENCHMARK NOTE	1.87%	2/19/19	18,328.13		
2/26/17	2/26/17	675,000	3135G0J53	FNMA BENCHMARK NOTE	1.00%	2/26/19	3,375.00		
2/28/17	2/28/17	1,000,000	912828B90	US TREASURY NOTES	2.00%	2/28/21	10,000.00		

## CITY OF PITTSBURG GENERAL FUNDS

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
2/28/17	2/28/17	200,000	912828UQ1	US TREASURY NOTES	1.25%	2/29/20	1,250.00		
2/28/17	2/28/17	1,225,000	912828D72	US TREASURY NOTES	2.00%	8/31/21	12,250.00		
3/1/17	3/1/17	0	MONEY0002	MONEY MARKET FUND			4.61		
3/9/17	3/9/17	695,000	78009NZZ2	ROYAL BANK OF CANADA NY CD	1.70%	3/9/18	5,907.50		
3/15/17	3/15/17	135,000	44930UAD8	HYUNDAI ABS 2016-A A3	1.56%	9/15/20	175.50		
3/15/17	3/15/17	120,000	02007PAC7	ALLYA 2017-1 A3	1.70%	6/15/21	170.00		
3/15/17	3/15/17	245,000	44891EAC3	HYUNDAI AUTO RECEIVABLES TRUST	1.29%	4/15/21	263.38		
3/15/17	3/15/17	315,000	34531EAD8	FORDO 2017-A A3	1.67%	6/15/21	438.38		
3/15/17	3/15/17	85,000	47788NAC2	JOHN DEERE ABS 2016-B A3	1.25%	6/15/20	88.54		
3/15/17	3/15/17	150,000	084664CG4	BERKSHIRE HATHAWAY INC NOTES	1.70%	3/15/19	1,275.00		
<b>Total INTEREST</b>		<b>20,415,000</b>					<b>147,658.42</b>		

## SELL

1/3/17	1/5/17	850,000	3135G0WJ8	FANNIE MAE GLOBAL NOTES	0.87%	5/21/18	848,393.03	1.09%	3,379.85
1/10/17	1/12/17	1,150,000	86958DH54	SVENSKA HANDELSBANKEN NY FLT CERT DEPOS	1.50%	8/24/17	1,153,752.57	1.15%	1,644.50
1/10/17	1/11/17	100,000	3137EADJ5	FREDDIE MAC GLOBAL NOTES	1.00%	7/28/17	100,632.78	0.67%	183.52
1/10/17	1/12/17	700,000	3137EADJ5	FREDDIE MAC GLOBAL NOTES	1.00%	7/28/17	704,441.89	0.67%	1,277.51
1/10/17	1/11/17	445,000	912828SS0	US TREASURY NOTES	0.87%	4/30/17	446,226.40	0.54%	332.43
1/10/17	1/11/17	530,000	3135G0JA2	FNMA NOTES	1.12%	4/27/17	532,047.13	0.60%	520.14
1/18/17	1/25/17	255,000	3135G0N33	FNMA BENCHMARK NOTE	0.87%	8/2/19	252,662.89	1.42%	(3,048.78)
1/24/17	1/31/17	125,000	3135G0J53	FNMA BENCHMARK NOTE	1.00%	2/26/19	124,803.19	1.29%	(531.04)
2/1/17	2/3/17	800,000	3135G0ZA4	FANNIE MAE BENCHMARK NOTE	1.87%	2/19/19	815,449.33	1.34%	5,248.10
2/7/17	2/10/17	1,400,000	06406HCJ6	BANK OF NEW YORK MELLON (CALLABLE)	1.35%	3/6/18	1,407,273.00	1.40%	3,112.89
2/7/17	2/10/17	335,000	3135G0N82	FNMA NOTES	1.25%	8/17/21	327,679.41	1.89%	(8,269.35)
2/7/17	2/10/17	665,000	3135G0N82	FNMA NOTES	1.25%	8/17/21	650,468.09	1.89%	(16,035.52)
2/8/17	2/9/17	1,150,000	05574BFW5	BMO HARRIS BANK NA CD	1.00%	4/24/17	1,165,737.11	0.75%	563.50
2/9/17	2/9/17	510,000	3135G0WJ8	FANNIE MAE GLOBAL NOTES	0.87%	5/21/18	510,196.78	0.99%	2,526.73
2/13/17	2/16/17	300,000	912828UQ1	US TREASURY NOTES	1.25%	2/29/20	299,512.41	1.50%	426.74

## CITY OF PITTSBURG GENERAL FUNDS

Portfolio Activity

Trade Date	Settle Date	Par (\$)	CUSIP	Security Description	Coupon	Maturity Date	Transact Amt (\$)	Yield at Market	Realized G/L (BV)
2/24/17	2/28/17	605,000	912828K58	US TREASURY NOTES	1.37%	4/30/20	605,890.61	1.47%	(4,269.69)
2/28/17	3/3/17	555,000	0258M0DZ9	AMERICAN EXP CREDIT CORP NT (CALLABLE)	1.87%	11/5/18	559,359.99	1.77%	977.23
3/1/17	3/2/17	10,000	912828UQ1	US TREASURY NOTES	1.25%	2/29/20	9,903.02	1.59%	(9.93)
3/1/17	3/6/17	25,000	912828UQ1	US TREASURY NOTES	1.25%	2/29/20	24,762.91	1.58%	(23.64)
3/14/17	3/16/17	500,000	3137EADJ5	FREDDIE MAC GLOBAL NOTES	1.00%	7/28/17	500,801.67	0.92%	146.79
3/14/17	3/21/17	395,000	912828K58	US TREASURY NOTES	1.37%	4/30/20	392,810.61	1.74%	(5,845.45)
3/15/17	3/20/17	605,000	3130A8BD4	FEDERAL HOME LOAN BANKS AGCY	0.87%	6/29/18	603,039.04	1.29%	(2,258.14)
3/22/17	3/29/17	850,000	3135G0N33	FNMA BENCHMARK NOTE	0.87%	8/2/19	839,940.60	1.45%	(10,119.08)
3/23/17	3/24/17	800,000	3137EADJ5	FREDDIE MAC GLOBAL NOTES	1.00%	7/28/17	801,588.44	0.87%	361.73
3/24/17	3/29/17	10,000	912828UQ1	US TREASURY NOTES	1.25%	2/29/20	9,934.46	1.51%	10.23
<b>Total SELL</b>		<b>13,670,000</b>					<b>13,687,307.36</b>		<b>-29,698.73</b>





**Managed Account Detail of Securities Held**

For the Month Ending **March 31, 2017**

**CITY OF PITTSBURG GENERAL FUNDS**

<b>Security Type/Description Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>U.S. Treasury Bond / Note</b>											
US TREASURY NOTES DTD 02/28/2013 1.250% 02/29/2020	912828UQ1	155,000.00	AA+	Aaa	11/05/15	11/09/15	153,062.50	1.55	168.48	153,676.45	153,892.06
US TREASURY NOTES DTD 05/31/2013 1.375% 05/31/2020	912828VF4	1,165,000.00	AA+	Aaa	12/02/15	12/04/15	1,155,670.90	1.56	5,368.92	1,158,356.89	1,157,673.32
US TREASURY NOTES DTD 07/01/2013 1.875% 06/30/2020	912828VJ6	1,300,000.00	AA+	Aaa	09/01/15	09/03/15	1,322,597.66	1.50	6,127.42	1,315,403.13	1,311,883.30
US TREASURY NOTES DTD 07/31/2015 1.625% 07/31/2020	912828XM7	800,000.00	AA+	Aaa	03/30/16	03/31/16	813,281.25	1.23	2,154.70	810,279.64	800,093.60
US TREASURY NOTES DTD 02/28/2014 2.000% 02/28/2021	912828B90	1,000,000.00	AA+	Aaa	10/03/16	10/05/16	1,036,406.25	1.15	1,739.13	1,032,445.35	1,008,750.00
US TREASURY NOTES DTD 05/02/2016 1.375% 04/30/2021	912828Q78	835,000.00	AA+	Aaa	02/01/17	02/03/17	818,495.70	1.86	4,820.86	819,090.65	820,974.51
US TREASURY NOTES DTD 05/02/2016 1.375% 04/30/2021	912828O78	850,000.00	AA+	Aaa	01/03/17	01/05/17	833,066.41	1.86	4,907.46	833,968.42	835,722.55
US TREASURY NOTES DTD 05/02/2016 1.375% 04/30/2021	912828O78	1,110,000.00	AA+	Aaa	06/27/16	06/29/16	1,130,465.63	0.98	6,408.56	1,127,329.89	1,091,355.33
US TREASURY N/B DTD 07/31/2014 2.250% 07/31/2021	912828WY2	1,135,000.00	AA+	Aaa	11/22/16	11/23/16	1,159,118.75	1.78	4,232.73	1,157,379.82	1,153,665.08
US TREASURY NOTES DTD 09/02/2014 2.000% 08/31/2021	912828D72	1,225,000.00	AA+	Aaa	12/01/16	12/05/16	1,229,306.64	1.92	2,130.43	1,229,039.50	1,231,795.08
US TREASURY NOTES DTD 10/31/2016 1.250% 10/31/2021	912828T67	500,000.00	AA+	Aaa	03/14/17	03/16/17	481,406.25	2.10	2,624.31	481,576.81	485,996.00
<b>Security Type Sub-Total</b>		<b>10,075,000.00</b>					<b>10,132,877.94</b>	<b>1.57</b>	<b>40,683.00</b>	<b>10,118,546.55</b>	<b>10,051,800.83</b>
<b>Supra-National Agency Bond / Note</b>											
INTL BANK OF RECON AND DEV SN NOTES DTD 04/19/2016 0.875% 07/19/2018	459058FE8	650,000.00	AAA	Aaa	04/12/16	04/19/16	648,849.50	0.95	1,137.50	649,331.43	646,475.05
INTER-AMERICAN DEVELOPMENT BANK DTD 04/12/2016 1.000% 05/13/2019	458182DX7	650,000.00	AAA	Aaa	04/05/16	04/12/16	648,050.00	1.10	2,491.67	648,654.75	643,542.25



**Managed Account Detail of Securities Held**

For the Month Ending **March 31, 2017**

**CITY OF PITTSBURG GENERAL FUNDS**

<b>Security Type/Description</b> <b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>Supra-National Agency Bond / Note</b>											
INTL BK RECON & DEVELOP NOTES DTD 03/21/2017 1.875% 04/21/2020	459058FZ1	395,000.00	AAA	Aaa	03/14/17	03/21/17	394,656.35	1.90	205.73	394,659.51	397,019.24
<b>Security Type Sub-Total</b>		<b>1,695,000.00</b>					<b>1,691,555.85</b>	<b>1.23</b>	<b>3,834.90</b>	<b>1,692,645.69</b>	<b>1,687,036.54</b>
<b>Federal Agency Bond / Note</b>											
FEDERAL HOME LOAN BANKS AGCY DTD 05/27/2016 0.875% 06/29/2018	3130A8BD4	370,000.00	AA+	Aaa	05/26/16	05/27/16	369,108.30	0.99	827.36	369,466.34	368,569.95
FANNIE MAE GLOBAL NOTES DTD 10/01/2013 1.625% 11/27/2018	3135G0YT4	1,775,000.00	AA+	Aaa	11/03/14	11/04/14	1,783,750.75	1.50	9,935.07	1,778,630.76	1,785,859.45
FHLB NOTES DTD 12/08/2016 1.250% 01/16/2019	3130AAE46	535,000.00	AA+	Aaa	12/07/16	12/08/16	534,978.60	1.25	1,393.23	534,980.28	534,488.54
FANNIE MAE BENCHMARK NOTE DTD 01/13/2014 1.875% 02/19/2019	3135G0ZA4	1,955,000.00	AA+	Aaa	08/01/14	08/04/14	1,972,907.80	1.66	4,276.56	1,962,590.93	1,974,684.90
FNMA BENCHMARK NOTE DTD 02/23/2016 1.000% 02/26/2019	3135G0J53	675,000.00	AA+	Aaa	02/19/16	02/23/16	673,407.00	1.08	656.25	673,986.45	670,588.20
FEDERAL HOME LOAN BANK AGENCY DTD 03/10/2017 1.375% 03/18/2019	3130AAXX1	800,000.00	AA+	Aaa	03/23/17	03/24/17	799,952.00	1.38	397.22	799,952.49	800,228.80
FNMA BENCHMARK NOTE DTD 08/02/2016 0.875% 08/02/2019	3135G0N33	325,000.00	AA+	Aaa	07/29/16	08/02/16	324,454.00	0.93	466.06	324,573.56	320,781.50
FNMA NOTES DTD 02/28/2017 1.500% 02/28/2020	3135G0T29	605,000.00	AA+	Aaa	02/24/17	02/28/17	604,612.80	1.52	781.46	604,623.83	603,543.77
FNMA NOTES DTD 08/19/2016 1.250% 08/17/2021	3135G0N82	400,000.00	AA+	Aaa	09/01/16	09/02/16	397,552.00	1.38	611.11	397,830.67	388,519.60
FNMA NOTES DTD 08/19/2016 1.250% 08/17/2021	3135G0N82	425,000.00	AA+	Aaa	08/17/16	08/19/16	423,278.75	1.33	649.31	423,485.16	412,802.08
<b>Security Type Sub-Total</b>		<b>7,865,000.00</b>					<b>7,884,002.00</b>	<b>1.42</b>	<b>19,993.63</b>	<b>7,870,120.47</b>	<b>7,860,066.79</b>
<b>Corporate Note</b>											



**Managed Account Detail of Securities Held**

For the Month Ending **March 31, 2017**

**CITY OF PITTSBURG GENERAL FUNDS**

<b>Security Type/Description</b>	<b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>Corporate Note</b>												
GENERAL ELEC CAP CORP GLOBAL NOTES DTD 04/02/2013 1.625% 04/02/2018		36962G6W9	2,000,000.00	AA-	A1	07/01/15	07/07/15	2,005,800.00	1.52	16,159.72	2,002,159.22	2,004,334.00
JOHN DEERE CAPITAL CORP NOTE DTD 09/11/2015 1.750% 08/10/2018		24422ETA7	780,000.00	A	A2	09/08/15	09/11/15	779,235.60	1.78	1,933.75	779,636.83	782,077.92
IBM CORP CALLABLE BONDS DTD 10/15/2008 7.625% 10/15/2018		459200GM7	1,560,000.00	AA-	Aa3	08/01/14	08/06/14	1,919,346.00	1.88	54,849.17	1,695,227.73	1,699,950.72
JOHN DEERE CAPITAL CORP NOTE DTD 01/08/2016 1.950% 01/08/2019		24422ETE9	200,000.00	A	A2	01/05/16	01/08/16	199,988.00	1.95	899.17	199,992.84	201,103.60
BERKSHIRE HATHAWAY INC NOTES DTD 03/15/2016 1.700% 03/15/2019		084664CG4	150,000.00	AA	Aa2	03/08/16	03/15/16	149,886.00	1.73	113.33	149,925.03	150,259.50
APPLE INC GLOBAL NOTES DTD 05/06/2014 2.100% 05/06/2019		037833AO3	1,560,000.00	AA+	Aa1	08/01/14	08/06/14	1,566,302.40	2.01	13,195.00	1,562,865.35	1,576,933.80
TOYOTA MOTOR CREDIT CORP NOTES DTD 07/18/2014 2.125% 07/18/2019		89236TBP9	1,560,000.00	AA-	Aa3	08/01/14	08/06/14	1,560,577.20	2.12	6,722.08	1,560,279.02	1,572,381.72
BERKSHIRE HATHAWAY INC CORPORATE NOTES DTD 08/15/2016 1.300% 08/15/2019		084664CK5	145,000.00	AA	Aa2	08/08/16	08/15/16	144,859.35	1.33	240.86	144,888.34	143,612.06
JPMORGAN CHASE & CO (CALLABLE) DTD 01/23/2015 2.250% 01/23/2020		46625HKA7	1,995,000.00	A-	A3	10/15/15	10/20/15	1,986,281.85	2.36	8,478.75	1,989,171.11	2,001,868.79
AMERICAN HONDA FINANCE DTD 02/16/2017 2.000% 02/14/2020		02665WBM2	300,000.00	A+	A1	02/13/17	02/16/17	299,574.00	2.05	750.00	299,589.65	300,736.80
AMERICAN EXPRESS CREDIT CORP NOTES DTD 03/03/2017 2.200% 03/03/2020		0258M0EE5	430,000.00	A-	A2	02/28/17	03/03/17	429,552.80	2.24	735.78	429,564.07	430,651.02
WALT DISNEY COMPANY CORP NOTES DTD 03/06/2017 1.950% 03/04/2020		25468PDP8	150,000.00	A	A2	03/01/17	03/06/17	149,961.00	1.96	203.13	149,961.87	150,335.70
WELLS FARGO & COMPANY NOTES DTD 12/07/2015 2.550% 12/07/2020		94974BGR5	1,440,000.00	A	A2	05/06/16	05/10/16	1,471,910.40	2.04	11,628.00	1,465,927.00	1,447,302.24
BANK OF NY MELLON CORP NOTES DTD 02/07/2017 2.600% 02/07/2022		06406RAA5	1,000,000.00	NR	A1e	02/07/17	02/10/17	1,000,460.00	2.59	3,900.00	1,000,448.05	1,000,449.00



## Managed Account Detail of Securities Held

For the Month Ending **March 31, 2017**

### CITY OF PITTSBURG GENERAL FUNDS

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>13,270,000.00</b>					<b>13,663,734.60</b>	<b>2.01</b>	<b>119,808.74</b>	<b>13,429,636.11</b>	<b>13,461,996.87</b>
<b>Commercial Paper</b>											
BANK TOKYO-MIT UFJ NY COMM PAPER DTD 01/04/2017 0.000% 07/10/2017	06538BUA9	1,100,000.00	A-1	P-1	01/10/17	01/11/17	1,092,795.00	1.32	0.00	1,095,997.22	1,096,472.30
BNP PARIBAS NY BRANCH COMM PAPER -- 0.000% 07/10/2017	09659BUA6	1,100,000.00	A-1	P-1	01/10/17	01/12/17	1,092,999.11	1.29	0.00	1,096,088.88	1,096,463.50
CREDIT AGRICOLE CIB NY COMM PAPER DTD 02/06/2017 0.000% 08/07/2017	22533TV78	1,400,000.00	A-1	P-1	02/07/17	02/10/17	1,391,416.44	1.25	0.00	1,393,827.54	1,394,176.00
COOPERATIEVE RABOBANK UA COMM PAPER DTD 01/06/2017 0.000% 09/05/2017	21687AW58	760,000.00	A-1	P-1	02/09/17	02/09/17	754,774.58	1.20	0.00	756,055.81	756,171.12
<b>Security Type Sub-Total</b>		<b>4,360,000.00</b>					<b>4,331,985.13</b>	<b>1.27</b>	<b>0.00</b>	<b>4,341,969.45</b>	<b>4,343,282.92</b>
<b>Certificate of Deposit</b>											
BANK OF NOVA SCOTIA HOUSTON YCD DTD 11/09/2015 1.560% 11/06/2017	06417GAS7	1,150,000.00	A+	Aa3	11/06/15	11/09/15	1,150,000.00	1.55	7,225.83	1,150,000.00	1,150,086.25
SKANDINAVISKA ENSKILDA BANKEN NY CD DTD 11/17/2015 1.480% 11/16/2017	83050FBG5	1,150,000.00	A-1	P-1	11/16/15	11/17/15	1,150,000.00	1.48	6,429.78	1,150,000.00	1,149,177.75
HSBC BANK USA NA FLOATING CERT DEPOS DTD 11/18/2015 1.632% 11/17/2017	40428AR41	1,150,000.00	A-1+	P-1	11/17/15	11/18/15	1,150,000.00	0.97	2,241.43	1,150,000.00	1,152,501.25
ROYAL BANK OF CANADA NY CD DTD 03/15/2016 1.700% 03/09/2018	78009NZZ2	695,000.00	AA-	Aa3	03/11/16	03/15/16	695,000.00	1.69	722.03	695,000.00	695,845.12
CANADIAN IMPERIAL BANK NY CD DTD 12/05/2016 1.760% 11/30/2018	13606A5Z7	940,000.00	A+	Aa3	12/01/16	12/05/16	939,266.80	1.78	5,376.80	939,385.13	945,201.96
NORDEA BANK FINLAND NY CD DTD 12/05/2016 1.760% 11/30/2018	65558LWA6	940,000.00	AA-	Aa3	12/01/16	12/05/16	940,000.00	1.74	5,376.80	940,000.00	945,201.96
SVENSKA HANDELSBANKEN NY LT CD DTD 01/12/2017 1.890% 01/10/2019	86958JHB8	750,000.00	AA-	Aa2	01/10/17	01/12/17	750,000.00	1.91	3,110.63	750,000.00	747,944.25



**Managed Account Detail of Securities Held**

For the Month Ending **March 31, 2017**

**CITY OF PITTSBURG GENERAL FUNDS**

<b>Security Type/Description</b>	<b>Dated Date/Coupon/Maturity</b>	<b>CUSIP</b>	<b>Par</b>	<b>S&amp;P Rating</b>	<b>Moody's Rating</b>	<b>Trade Date</b>	<b>Settle Date</b>	<b>Original Cost</b>	<b>YTM at Cost</b>	<b>Accrued Interest</b>	<b>Amortized Cost</b>	<b>Market Value</b>
<b>Certificate of Deposit</b>												
BANK OF MONTREAL CHICAGO CERT DEPOS DTD 02/09/2017 1.880% 02/07/2019		06427KRC3	945,000.00	A+	Aa3	02/08/17	02/09/17	945,000.00	1.90	2,516.85	945,000.00	951,528.06
<b>Security Type Sub-Total</b>			<b>7,720,000.00</b>					<b>7,719,266.80</b>	<b>1.59</b>	<b>33,000.15</b>	<b>7,719,385.13</b>	<b>7,737,486.60</b>
<b>Asset-Backed Security / Collateralized Mortgage Obligation</b>												
JOHN DEERE ABS 2016-B A3 DTD 07/27/2016 1.250% 06/15/2020		47788NAC2	85,000.00	NR	Aaa	07/19/16	07/27/16	84,993.23	1.25	47.22	84,994.63	84,472.20
CNH EQUIPMENT TRUST POOL DTD 03/22/2017 1.800% 07/15/2020		12636WAB2	605,000.00	AAA	Aaa	03/15/17	03/22/17	604,976.77	1.80	272.25	604,976.86	606,582.62
HYUNDAI ABS 2016-A A3 DTD 03/30/2016 1.560% 09/15/2020		44930UAD8	135,000.00	AAA	Aaa	03/22/16	03/30/16	134,973.81	1.57	93.60	134,980.28	134,851.37
JDOT 2017-A A3 DTD 03/02/2017 1.780% 04/15/2021		47787XAC1	95,000.00	NR	Aaa	02/22/17	03/02/17	94,986.47	1.79	75.16	94,986.86	94,964.34
HYUNDAI AUTO RECEIVABLES TRUST DTD 09/21/2016 1.290% 04/15/2021		44891EAC3	245,000.00	AAA	Aaa	09/14/16	09/21/16	244,967.02	1.30	140.47	244,971.23	243,161.74
ALLYA 2017-1 A3 DTD 01/31/2017 1.700% 06/15/2021		02007PAC7	120,000.00	AAA	Aaa	01/24/17	01/31/17	119,989.51	1.70	90.67	119,989.96	119,878.12
FORDO 2017-A A3 DTD 01/25/2017 1.670% 06/15/2021		34531EAD8	315,000.00	NR	Aaa	01/18/17	01/25/17	314,998.83	1.67	233.80	314,998.95	315,057.52
HART 2017-A A3 DTD 03/29/2017 1.760% 08/15/2021		44931PAD8	305,000.00	AAA	NR	03/22/17	03/29/17	304,975.33	1.76	29.82	304,975.34	304,975.33
ALLYA 2017-2 A3 DTD 03/29/2017 1.780% 08/15/2021		02007HAC5	570,000.00	AAA	NR	03/21/17	03/29/17	569,932.80	1.79	56.37	569,932.83	569,932.80
<b>Security Type Sub-Total</b>			<b>2,475,000.00</b>					<b>2,474,793.77</b>	<b>1.69</b>	<b>1,039.36</b>	<b>2,474,806.94</b>	<b>2,473,876.04</b>
<b>Managed Account Sub-Total</b>			<b>47,460,000.00</b>					<b>47,898,216.09</b>	<b>1.64</b>	<b>218,359.78</b>	<b>47,647,110.34</b>	<b>47,615,546.59</b>



**Managed Account Detail of Securities Held**

For the Month Ending **March 31, 2017**

**CITY OF PITTSBURG GENERAL FUNDS**

<b>Securities Sub-Total</b>	<b>\$47,460,000.00</b>	<b>\$47,898,216.09</b>	<b>1.64%</b>	<b>\$218,359.78</b>	<b>\$47,647,110.34</b>	<b>\$47,615,546.59</b>
<b>Accrued Interest</b>						<b>\$218,359.78</b>
<b>Total Investments</b>						<b>\$47,833,906.37</b>

## 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 which 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 portfolio are included in the maturity distribution analysis to their stated maturity date, although they may be called prior to maturity.
- MBS maturities are represented by expected average life.

## Glossary

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



## Glossary

- **PASS THROUGH SECURITY:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.
- **REPURCHASE AGREEMENTS:** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- **SETTLE DATE:** The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction occurs on a non-business day (i.e. coupon payments and maturity proceeds), 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.