




THE CITY OF SAN DIEGO

M E M O R A N D U M

DATE: December 15, 2025
TO: Distribution
FROM: Elizabeth Correia, City Treasurer 
SUBJECT: Monthly Investment Report – November 30, 2025

Attached is the City Treasurer's Monthly Investment Report, which includes three schedules. These investments are in conformance with the City Treasurer's [Investment Policy](#) and are sufficiently liquid to meet the City's expenditure requirements for the next six months as required by California Government Code section 53646(b)(3).

If you have questions, please contact Emmanuel Labrinos, Chief Investment Officer, at (619) 236-6112.

EC/el

Attachments:

- I. Schedule I:
 - a. City's pooled investment holdings
 - b. City's pooled investment maturity distribution schedule
 - c. City's pooled investment historical earned income yields and weighted average days to maturity
- II. Schedule II: Pooled Portfolio Position Detail Report
- III. Appendix: Glossary of Investment Terms

Distribution:

Honorable Mayor Todd Gloria
Honorable Heather Ferbert, City Attorney
Honorable Council President Joe LaCava and Members of the City Council
Paola Avila, Chief of Staff, Office of the Mayor
Charles Modica, Independent Budget Analyst
Rolando Charvel, Chief Financial Officer and Investment Advisory Committee

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Jyothi Pantulu, Assistant Director, Department of Finance and Investment Advisory Committee

Deborah Higgins, Investment Advisory Committee

Stefan Meierhofer, Investment Advisory Committee

Jayson Schmitt, Investment Advisory Committee

cc: Matt Yagyagan, Director of Policy, Office of the Mayor
Benjamin Battaglia, Director, Department of Finance and City Comptroller
Emmanuel Labrinos, Chief Investment Officer, Office of the City Treasurer
Nicole LeClair-Miller, Deputy Director, Office of the City Treasurer
Aisha Givens, Principal Accountant, Office of the City Treasurer



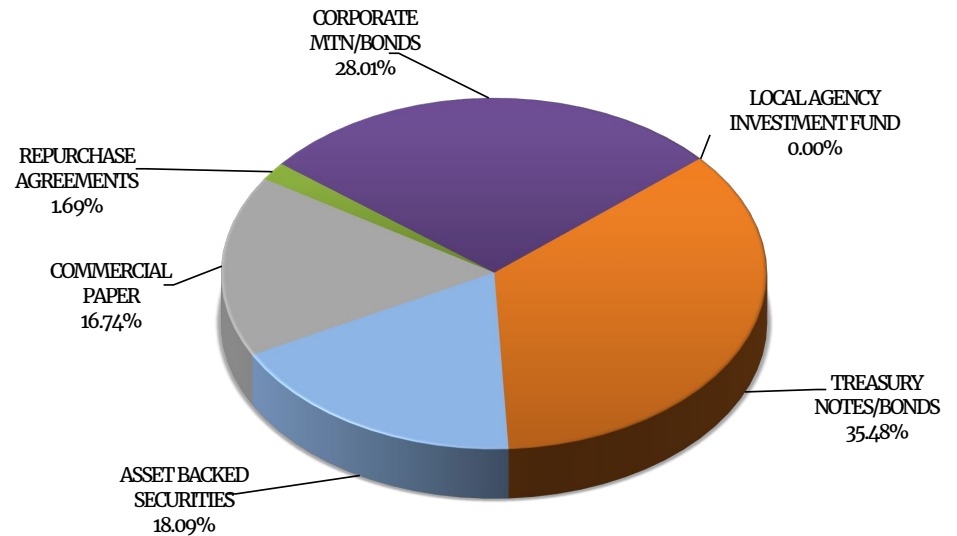
ASSET ALLOCATION

Assets (000's)	Current Par Value	Current Book Value	Market Value	Mkt/Book	Yield to Maturity 365
ASSET BACKED SECURITIES	365,750	365,710	369,234	100.96%	4.44%
COMMERCIAL PAPER	341,892	338,426	339,093	100.20%	4.09%
REPURCHASE AGREEMENTS	34,100	34,100	34,100	100.00%	4.13%
CORPORATE MTN/BONDS	567,350	566,429	572,300	101.04%	4.36%
LOCAL AGENCY INVESTMENT FUND	73	73	73	100.00%	4.34%
TREASURY NOTES/BONDS	719,200	717,333	720,263	100.41%	3.83%
Totals (000's):	2,028,365	2,022,071	2,035,063	100.64%	4.14%

Portfolio Breakdown & Statistics

	Liquidity	Core
Portfolio Size	\$493,706,405	\$1,528,364,693
% of total pool	24.42%	75.58%
Portfolio Duration*	0.33	1.98**
Index Duration*	0.27	1.90
% of index	119.14%	104.22%
Weighted Average Days to Maturity	127	741
Earned Income Yield	4.106%	4.409%

* Macaulay's Duration for Liquidity and Effective Duration for Core.
** Includes effects from trades settling over month-end.



Pooled Portfolio Composition by Book Value

POOLED INVESTMENTS AT NOVEMBER 30, 2025 - MATURITY DISTRIBUTION

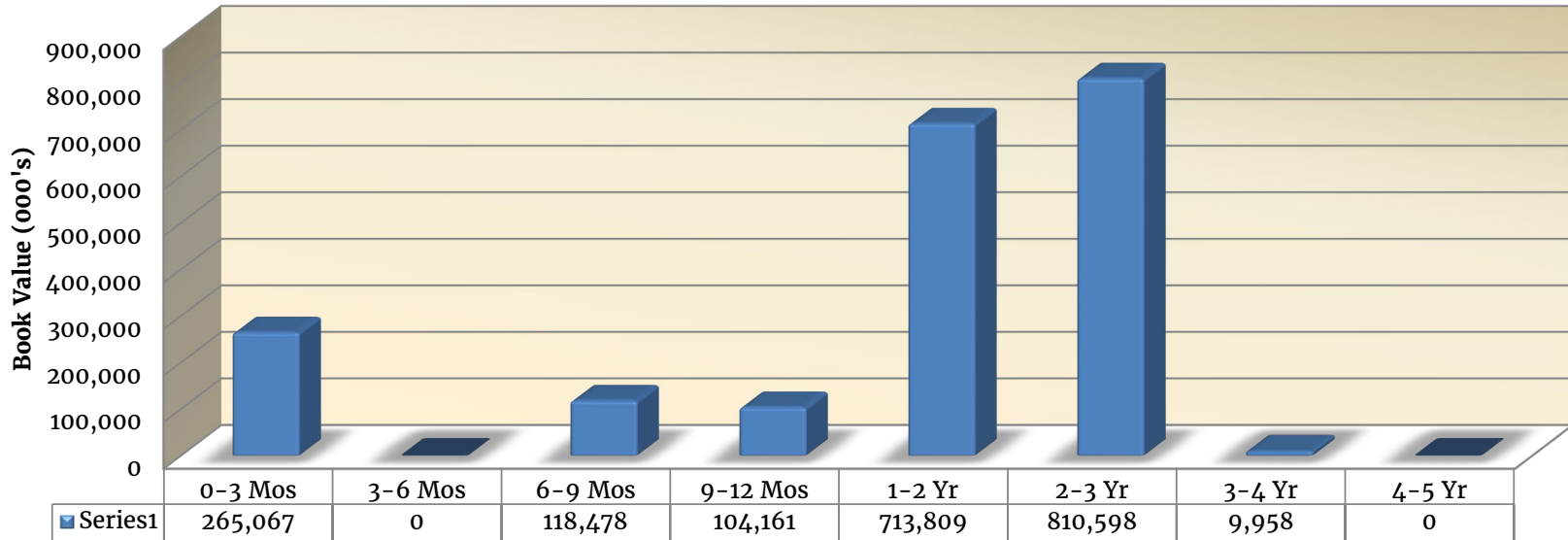
City of San Diego
Office of the City Treasurer



MATURITY DISTRIBUTION

Current Book Value (000's)	0-3 Mos	3-6 Mos	6-9 Mos	9-12 Mos	1-2 Yr	2-3 Yr	3-4 Yr	4-5 Yr	Totals (000's)
ASSET BACKED SECURITIES					174,482	191,228			365,710
COMMERCIAL PAPER	230,894		107,532						338,426
REPURCHASE AGREEMENTS	34,100								34,100
CORPORATE MTN/BONDS					196,242	360,229	9,958		566,429
LOCAL AGENCY INVESTMENT FUND	73								73
TREASURY NOTES/BONDS			10,946	104,161	343,085	259,141			717,333
Totals (000's):	265,067	0	118,478	104,161	713,809	810,598	9,958	0	2,022,071
% of Portfolio	13.11%	0.00%	5.86%	5.15%	35.30%	40.09%	0.49%	0.00%	100.00%

Maturity Distribution
November 30, 2025

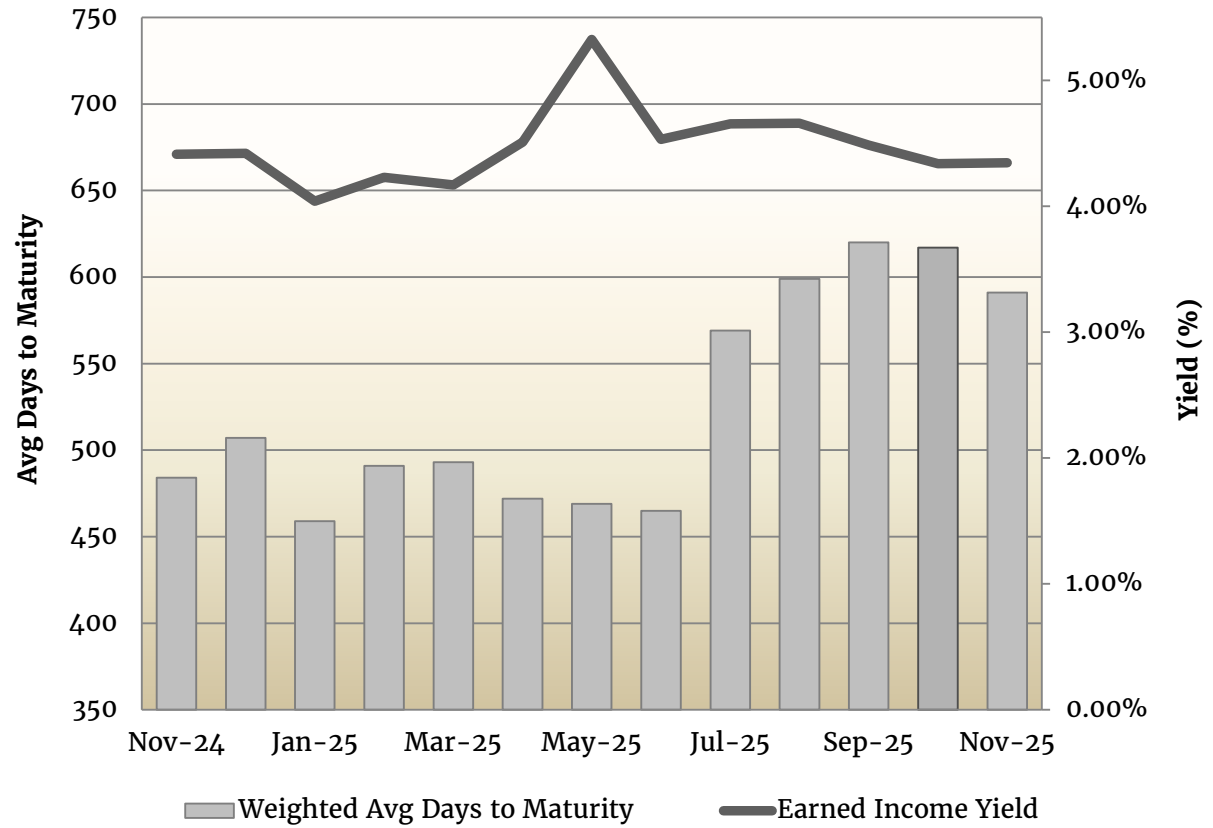




PORTFOLIO - EARNED INCOME YIELD

Month	Earned Income Yield	Weighted Avg Days to Maturity
Nov-24	4.41%	484
Dec-24	4.42%	507
Jan-25	4.04%	459
Feb-25	4.23%	491
Mar-25	4.17%	493
Apr-25	4.51%	472
May-25	5.33%	469
Jun-25	4.53%	465
Jul-25	4.65%	569
Aug-25	4.66%	599
Sep-25	4.49%	620
Oct-25	4.34%	617
Nov-25	4.35%	591

Yield and Weighted Average Days to Maturity Trends



POOLED INVESTMENTS AT NOVEMBER 30, 2025 - PORTFOLIO POSITION DETAIL

TREASURY NOTES/BONDS	Issuer	CUSIP	Coupon Rate	Yield to Maturity	Modified Duration	Purchase Date	Maturity Date	Current Par Value	Current Book Value	Market Value	Market Price	Price Source
Treasury Notes	UST Note	91282CLH2	3.750	4.279	0.723	9/2/2025	8/31/2026	11,000,000.00	10,946,148.09	11,002,530.00	100.023	ICED
Treasury Notes	UST Note	91282CLP4	3.500	3.633	0.806	9/2/2025	9/30/2026	51,000,000.00	50,928,029.15	50,927,478.00	99.858	ICED
Treasury Notes	UST Note	91282CLP4	3.500	3.973	0.806	9/2/2025	9/30/2026	21,500,000.00	21,393,300.29	21,469,427.00	99.858	ICED
Treasury Notes	UST Note	91282CLP4	3.500	3.978	0.806	9/2/2025	9/30/2026	32,000,000.00	31,839,611.65	31,954,496.00	99.858	ICED
Treasury Notes	UST Note	91282CJP7	4.375	4.040	0.980	12/29/2023	12/15/2026	32,000,000.00	32,296,250.00	32,243,776.00	100.762	ICED
Treasury Notes	UST Note	91282CMH1	4.125	4.172	1.115	2/6/2025	1/31/2027	47,800,000.00	47,757,054.69	48,074,467.60	100.574	ICED
Treasury Notes	UST Note	91282CKA8	4.125	4.175	1.155	12/2/2024	2/15/2027	140,800,000.00	140,646,000.00	141,674,508.80	100.621	ICED
Treasury Notes	UST Note	91282CMY4	3.750	3.740	1.362	8/5/2025	4/30/2027	26,000,000.00	26,003,046.88	26,062,972.00	100.242	ICED
Treasury Notes	UST Note	91282CNL1	3.750	3.750	1.500	6/30/2025	6/30/2027	20,000,000.00	20,000,000.00	20,060,940.00	100.305	ICED
Treasury Notes	UST Note	91282CEW7	3.250	3.518	1.506	10/3/2024	6/30/2027	75,000,000.00	74,475,585.94	74,668,950.00	99.559	ICED
Treasury Notes	UST Note	91282CNP2	3.875	3.712	1.581	8/7/2025	7/31/2027	1,900,000.00	1,907,263.76	1,910,168.80	100.535	ICED
Treasury Notes	UST Note	91282CMS7	3.875	3.855	2.156	4/1/2025	3/15/2028	25,200,000.00	25,213,781.25	25,413,620.40	100.848	ICED
Treasury Notes	UST Note	91282CHA2	3.500	3.636	2.289	5/1/2025	4/30/2028	100,000,000.00	99,617,187.50	100,015,600.00	100.016	ICED
Treasury Notes	UST Note	91282CHE4	3.625	3.693	2.368	7/1/2025	5/31/2028	45,000,000.00	44,901,562.50	45,145,890.00	100.324	ICED
Treasury Notes	UST Note	91282CPC9	3.500	3.614	2.697	11/3/2025	10/15/2028	55,000,000.00	54,926,457.34	55,000,000.00	100.000	ICED
Treasury Notes	UST Note	9128285M8	3.125	3.607	2.793	9/2/2025	11/15/2028	20,000,000.00	19,710,156.25	19,792,960.00	98.965	ICED
Treasury Notes	UST Note	9128285M8	3.125	3.645	2.793	10/1/2025	11/15/2028	15,000,000.00	14,771,484.38	14,844,720.00	98.965	ICED
Total	Count 17		3.701	3.834	1.607			719,200,000.00	717,332,919.67	720,262,504.60	100.148	

LOCAL AGENCY INVESTMENT FUND	Issuer	CUSIP	Coupon Rate	Yield to Maturity	Modified Duration	Purchase Date	Maturity Date	Current Par Value	Current Book Value	Market Value	Market Price	Price Source
LAIF		SYS49819	4.340	4.340	0.000	3/31/2003	12/1/2025	73,432.27	73,432.27	73,432.27	100.000	ICED
Total	Count 1		4.340	4.340	0.000			73,432.27	73,432.27	73,432.27	100.000	

ASSET BACKED SECURITIES	Issuer	CUSIP	Coupon Rate	Yield to Maturity	Modified Duration	Purchase Date	Maturity Date	Current Par Value	Current Book Value	Market Value	Market Price	Price Source
Asset Backed Secs	Dell Equipment Finance Trust	24703UAC7	4.680	4.594	0.550	9/2/2025	7/22/2027	6,000,000.00	5,999,728.80	6,017,460.00	100.291	ICED
Asset Backed Secs	Verizon Master Trust	92348KDY6	4.510	4.506	1.240	3/31/2025	3/22/2027	38,000,000.00	37,998,366.00	38,284,126.00	100.748	ICED
Asset Backed Secs	TMobile US Trust	872974AA8	4.740	4.791	1.260	2/27/2025	4/20/2028	28,000,000.00	27,997,135.60	28,383,740.00	101.371	ICED
Asset Backed Secs	Stellantis Financial Underwrit	858928AD6	4.470	4.474	1.320	5/7/2025	7/20/2028	11,000,000.00	10,998,209.20	11,047,850.00	100.435	MNL
Asset Backed Secs	Bank of America Credit Card	05522RDJ4	4.930	5.088	1.380	6/13/2024	5/15/2027	25,000,000.00	24,998,597.50	25,394,350.00	101.577	ICED
Asset Backed Secs	GM Financial Auto	379965AD8	4.170	4.221	1.460	8/13/2025	10/20/2027	8,500,000.00	8,498,708.00	8,534,892.50	100.411	ICED
Asset Backed Secs	American Express Credit	02589BAE0	4.650	4.652	1.530	7/23/2024	7/15/2027	16,000,000.00	15,999,273.60	16,214,128.00	101.338	ICED
Asset Backed Secs	Ford Credit Auto Lease	34533MAD8	4.230	4.278	1.550	7/29/2025	12/15/2027	14,000,000.00	13,998,275.20	14,072,842.00	100.520	ICED
Asset Backed Secs	Volkswagen Auto Lease Trust	92868WAD9	4.500	4.546	1.610	6/17/2025	10/20/2027	11,000,000.00	10,999,226.70	11,104,214.00	100.947	ICED
Asset Backed Secs	Honda Auto Receivables Owner	437921AD1	4.150	4.193	1.650	5/8/2025	8/15/2028	9,250,000.00	9,248,966.78	9,296,268.50	100.500	ICED
Asset Backed Secs	Capital One	14041NGE5	3.920	3.927	1.700	9/24/2024	9/15/2027	37,500,000.00	37,492,680.00	37,593,000.00	100.248	ICED
Asset Backed Secs	Wells Fargo Card Issuance	92970QAE5	4.290	4.334	1.770	10/24/2024	10/15/2027	20,000,000.00	19,997,028.00	20,178,460.00	100.892	ICED
Asset Backed Secs	Verizon Master Trust	92348KEV1	3.960	4.010	1.780	11/25/2025	10/20/2027	12,500,000.00	12,497,942.50	12,497,942.50	99.984	ICED
Asset Backed Secs	American Express Credit	02582JKM1	4.560	4.612	1.910	2/11/2025	12/15/2027	45,000,000.00	44,990,005.50	45,685,395.00	101.523	ICED
Asset Backed Secs	Nissan Auto Lease Trust	65481RAD3	4.320	4.364	1.920	7/29/2025	2/15/2028	13,000,000.00	12,998,715.60	13,103,922.00	100.799	ICED
Asset Backed Secs	TMobile US Trust	87268MAA3	4.340	4.381	2.070	8/6/2025	9/20/2028	14,000,000.00	13,999,752.20	14,112,322.00	100.802	ICED
Asset Backed Secs	American Express Credit	02582JKP4	4.280	4.319	2.210	5/13/2025	4/17/2028	22,000,000.00	21,999,601.80	22,244,178.00	101.110	ICED
Asset Backed Secs	Wells Fargo Card Issuance	92970QAJ4	4.340	4.341	2.290	6/10/2025	5/15/2028	20,000,000.00	19,999,668.00	20,266,220.00	101.331	ICED
Asset Backed Secs	American Express Credit	02582JKV1	4.300	4.305	2.430	7/22/2025	7/17/2028	15,000,000.00	14,997,838.50	15,202,350.00	101.349	ICED
Total	Count 19		4.406	4.441	1.691			365,750,000.00	365,709,719.48	369,233,660.50	100.952	

REPURCHASE AGREEMENT	Issuer	CUSIP	Coupon Rate	Yield to Maturity	Modified Duration	Purchase Date	Maturity Date	Current Par Value	Current Book Value	Market Value	Market Price	Price Source
Repurchase Agreements	TD Securities America Repurcha	REPO80931	4.070	4.127	0.000	11/28/2025	12/1/2025	34,100,000.00	34,100,000.00	34,100,000.00	100.000	ICED
Total	Count 1		4.070	4.127	0.000			34,100,000.00	34,100,000.00	34,100,000.00	100.000	

COMMERCIAL PAPER	Issuer	CUSIP	Coupon Rate	Yield to Maturity	Modified Duration	Purchase Date	Maturity Date	Current Par Value	Current Book Value	Market Value	Market Price	Price Source
Commercial Paper	US Bank	SYS79354	3.500	3.500	0.000	7/1/2019	12/1/2025	1,042,000.00	1,042,000.00	1,042,000.00	100.000	ICED
Commercial Paper	Hannover Funding Co	41068KZ19	4.010	4.068	0.000	11/26/2025	12/1/2025	50,000,000.00	49,972,152.78	49,982,850.00	99.966	ICED
Commercial Paper	Hannover Funding Co	41068KZ19	4.040	4.097	0.000	11/28/2025	12/1/2025	19,000,000.00	18,993,603.33	18,993,483.00	99.966	ICED
Commercial Paper	DCATCP	24023GZ42	4.070	4.146	0.008	10/24/2025	12/4/2025	16,100,000.00	16,025,372.03	16,089,390.10	99.934	ICED

POOLED INVESTMENTS AT NOVEMBER 30, 2025 - PORTFOLIO POSITION DETAIL

Commercial Paper	Autobahn Funding Co	0527MoZ59	3.970	4.032	0.010	11/19/2025	12/5/2025	32,600,000.00	32,542,479.11	32,574,702.40	99.922	ICED
Commercial Paper	LMA Americas LLC	53944QZA1	4.080	4.159	0.024	10/24/2025	12/10/2025	12,850,000.00	12,781,552.33	12,832,909.50	99.867	ICED
Commercial Paper	Novant Health Inc	67001GZG0	4.150	4.234	0.041	10/23/2025	12/16/2025	25,000,000.00	24,844,375.00	24,949,900.00	99.800	ICED
Commercial Paper	Mont Blanc Capital Corp	6117P4ZG8	4.050	4.129	0.041	10/27/2025	12/16/2025	25,000,000.00	24,859,375.00	24,950,275.00	99.801	ICED
Commercial Paper	Barclays US CCP	06741FZK6	4.010	4.079	0.049	11/19/2025	12/19/2025	50,000,000.00	49,832,916.67	49,883,700.00	99.767	ICED
Commercial Paper	Barclays Capital	06743VFS4	3.960	4.114	0.556	11/19/2025	6/26/2026	25,000,000.00	24,397,750.00	24,438,000.00	97.752	ICED
Commercial Paper	Bayerische Landesbank NY Branc	07274MFW0	3.840	4.040	0.567	10/6/2025	6/30/2026	30,300,000.00	29,437,056.00	29,614,704.90	97.738	ICED
Commercial Paper	Societe Generale NY Branch	83369CFW9	3.850	3.995	0.567	11/28/2025	6/30/2026	25,000,000.00	24,427,847.22	24,430,000.00	97.720	ICED
Commercial Paper	Natixis NY Branch	63873KG19	3.930	4.084	0.569	11/20/2025	7/1/2026	30,000,000.00	29,269,675.00	29,311,170.00	97.704	ICED
Total	Count 13		3.988	4.087	0.195			341,892,000.00	338,426,154.47	339,093,084.90	99.181	

CORPORATE MTN/BONDS	Issuer	CUSIP	Coupon Rate	Yield to Maturity	Modified Duration	Purchase Date	Maturity Date	Current Par Value	Current Book Value	Market Value	Market Price	Price Source
Medium Term Notes	Morgan Stanley	61746BEF9	3.625	4.496	1.088	6/16/2025	1/20/2027	9,315,000.00	9,191,203.65	9,285,042.96	99.678	ICED
Medium Term Notes	Merck & Co	58933YBP9	3.850	3.899	1.153	9/9/2025	9/15/2027	25,000,000.00	24,976,250.00	25,070,200.00	100.281	ICED
Medium Term Notes	Johnson & Johnson	478160DG6	4.500	4.499	1.195	2/20/2025	3/1/2027	20,000,000.00	20,000,000.00	20,202,100.00	101.011	ICED
Medium Term Notes	DTE Electric Co	23338VAW6	4.250	4.293	1.395	5/14/2025	5/14/2027	5,000,000.00	4,995,900.00	5,034,700.00	100.694	ICED
Medium Term Notes	National Securities Clearing	637639AN5	4.350	4.397	1.410	5/20/2025	5/20/2027	20,000,000.00	19,982,200.00	20,155,400.00	100.777	ICED
Medium Term Notes	Citigroup Inc	17325FBN7	4.576	4.576	1.433	5/29/2025	5/29/2027	30,000,000.00	30,000,000.00	30,286,920.00	100.956	ICED
Medium Term Notes	USAA CAP Corp	90327QD97	5.250	5.356	1.435	6/3/2024	6/1/2027	12,500,000.00	12,463,875.00	12,756,212.50	102.050	ICED
Medium Term Notes	Simon Property Group LP	828807DC8	3.375	5.816	1.461	4/17/2025	6/15/2027	10,035,000.00	9,785,128.50	9,959,637.15	99.249	ICED
Medium Term Notes	Paccar Inc	69371RT89	4.250	4.271	1.472	6/23/2025	6/23/2027	12,000,000.00	11,995,200.00	12,092,880.00	100.774	ICED
Medium Term Notes	Daimler Truck Finan	233853BG4	4.300	4.318	1.602	8/12/2025	8/12/2027	10,000,000.00	9,996,600.00	10,037,710.00	100.377	ICED
Medium Term Notes	Unilever Capital Corp	904764BU0	4.250	4.346	1.605	8/12/2024	8/12/2027	10,000,000.00	9,973,300.00	10,073,940.00	100.739	ICED
Medium Term Notes	Hyundai Capital America	44891ADF1	4.300	4.831	1.715	5/1/2025	9/24/2027	10,000,000.00	9,880,700.00	10,017,440.00	100.174	ICED
Medium Term Notes	Hyundai Capital America	44891ADK0	4.875	4.831	1.808	5/1/2025	11/1/2027	13,000,000.00	13,013,260.00	13,161,785.00	101.245	ICED
Medium Term Notes	Marsh & McLennan Cos Inc	571748BY7	4.550	4.591	1.834	11/8/2024	11/8/2027	10,000,000.00	9,988,600.00	10,112,350.00	101.124	ICED
Medium Term Notes	International Business Machine	459200LF6	4.650	4.655	2.041	2/10/2025	2/10/2028	28,000,000.00	27,996,080.00	28,425,880.00	101.521	ICED
Medium Term Notes	Paccar Inc	69371RT63	4.550	4.572	2.107	3/3/2025	3/3/2028	20,000,000.00	19,987,800.00	20,336,000.00	101.680	ICED
Medium Term Notes	Caterpillar Fncl Service	14913UAY6	4.400	4.413	2.111	3/3/2025	3/3/2028	15,000,000.00	14,994,600.00	15,181,740.00	101.212	ICED
Medium Term Notes	Abbvie Inc	00287YDY2	4.650	4.696	2.137	2/26/2025	3/15/2028	15,000,000.00	14,980,050.00	15,250,710.00	101.671	ICED
Medium Term Notes	Mastercard Inc	57636QBF0	4.550	4.576	2.141	2/27/2025	3/15/2028	10,000,000.00	9,992,400.00	10,176,790.00	101.768	ICED
Medium Term Notes	Cummins Inc	231021AY2	4.250	4.275	2.292	5/9/2025	5/9/2028	10,000,000.00	9,993,000.00	10,084,240.00	100.842	ICED
Medium Term Notes	Intercontinental Exchange	45865VAA8	3.950	4.099	2.308	11/17/2025	12/1/2028	10,000,000.00	9,957,700.00	9,986,500.00	99.865	ICED
Medium Term Notes	Apple Corp	037833EY2	4.000	4.070	2.309	5/12/2025	5/12/2028	40,000,000.00	39,921,600.00	40,322,240.00	100.806	ICED
Medium Term Notes	Deere & Co.	24422EYD5	4.250	4.282	2.316	6/5/2025	6/5/2028	20,000,000.00	19,982,200.00	20,214,720.00	101.074	ICED
Medium Term Notes	Air Products and Chemicals Inc	009158BN5	4.300	4.324	2.330	6/11/2025	6/11/2028	15,000,000.00	14,989,950.00	15,154,785.00	101.032	ICED
Medium Term Notes	National Australia Bank	632525CJ8	4.308	4.308	2.336	6/13/2025	6/13/2028	20,000,000.00	20,000,000.00	20,241,320.00	101.207	ICED
Medium Term Notes	Ecolab Inc	278865BQ2	4.300	4.358	2.338	6/5/2025	6/15/2028	5,000,000.00	4,991,800.00	5,050,180.00	101.004	ICED
Medium Term Notes	Target Corp	87612EBU9	4.350	4.329	2.338	6/10/2025	6/15/2028	10,000,000.00	9,999,900.00	10,112,570.00	101.126	ICED
Medium Term Notes	Analog Devices Inc	032654BD6	4.250	4.289	2.342	6/16/2025	6/15/2028	20,000,000.00	19,978,400.00	20,159,960.00	100.800	ICED
Medium Term Notes	USAA CAP Corp	90327QDA4	4.375	4.443	2.350	6/2/2025	6/1/2028	15,000,000.00	14,971,650.00	15,180,870.00	101.206	ICED
Medium Term Notes	Paccar Inc	69371RT97	4.000	4.021	2.496	8/8/2025	8/8/2028	7,500,000.00	7,495,575.00	7,542,607.50	100.568	ICED
Medium Term Notes	Lockheed Martin Corp	539830CK3	4.150	4.195	2.503	7/28/2025	8/15/2028	10,000,000.00	9,987,300.00	10,068,830.00	100.688	ICED
Medium Term Notes	Caterpillar Fncl Service	14913UBB5	4.100	4.105	2.511	8/15/2025	8/15/2028	25,000,000.00	24,996,500.00	25,174,350.00	100.697	ICED
Medium Term Notes	Eli Lilly	532457DB1	4.000	4.014	2.665	8/20/2025	10/15/2028	25,000,000.00	24,987,750.00	25,169,600.00	100.678	ICED
Medium Term Notes	Novartis Capital	66989HAX6	3.900	3.908	2.737	11/5/2025	11/5/2028	10,000,000.00	9,997,800.00	10,041,860.00	100.419	ICED
Medium Term Notes	Paccar Inc	69371RU20	4.000	4.020	2.738	11/7/2025	11/7/2028	10,000,000.00	9,994,400.00	10,051,800.00	100.518	ICED
Medium Term Notes	Alphabet Inc	02079KAV9	3.875	3.905	2.763	11/6/2025	11/15/2028	5,000,000.00	4,995,700.00	5,029,875.00	100.598	ICED
Medium Term Notes	Amazon	023135CS3	3.900	3.908	2.777	11/20/2025	11/20/2028	25,000,000.00	24,994,500.00	25,096,675.00	100.387	ICED
Total	Count 37		4.264	4.358	2.048			567,350,000.00	566,428,872.15	572,300,420.11	100.873	

Grand Total 2,028,365,432.27 2,022,071,098.04 2,035,063,102.38



GLOSSARY OF INVESTMENT TERMS

ASSET BACKED SECURITIES: Securities, such as bonds or notes, collateralized by receivables such as credit card or auto loans.

BOOK VALUE: The original cost of the investment, plus accrued interest and amortization of any premium or discount.

CERTIFICATE OF DEPOSIT (CD or NCD): A deposit of funds at a bank for a specified period of time that earns interest at a specified rate. Commonly known as "CDs" or "negotiable CDs."

COUPON: The annual rate at which a bond pays interest.

CUSIP: The number identifying all stocks and registered bonds, using the Committee on Uniform Securities Identification Procedures (CUSIP).

DURATION: Duration measures the price sensitivity of a bond to changes in interest rates.

(a) **EFFECTIVE DURATION** is a duration calculation for bonds with embedded options. Effective duration takes into account that expected cash flows will fluctuate as interest rates change.

(b) **MACAULAY'S DURATION** is the weighted average maturity of the bond's cash flows, where the present values of the cash flows serves as the weights. The greater the duration of the bond, the greater its percentage price volatility.

LOCAL AGENCY INVESTMENT FUND (LAIF): An investment pool sponsored by the State of California and administered/managed by the State Treasurer's Office. Local government units, with consent of the local governing body of that agency, may voluntarily deposit surplus funds for the purpose of investment.

MARKET VALUE: The price at which a security is trading and could presumably be purchased or sold.

MATURITY: The date upon which the principal or stated value of an investment becomes due and payable.

PAR VALUE: The amount of principal which must be paid at maturity. Also referred to as the face amount of a bond, normally quoted in \$1,000 increments per bond.

REPURCHASE AGREEMENT (RP OR REPO): The purchase of securities, on a temporary basis, with the seller's simultaneous agreement to repurchase the securities at a later date at a specified price that includes interest for the buyer's holding period. In essence, this is a collateralized investment whereby the security "buyer" lends the "seller" money for the period of the agreement.

SUPRANATIONAL: An entity formed by two or more central governments through international treaties, for the purpose of promoting economic development for member countries. Two examples of supranational institutions are the International Bank for Reconstruction and Development (World Bank) and the Inter-American Development Bank.

U. S. GOVERNMENT AGENCY SECURITIES: Debt securities issued by U. S. Government sponsored enterprises and federally related institutions. These government agencies include: Federal Home Loan Banks (FHLB); Federal Home Loan Mortgage Corporation (FHLMC, or "Freddie Mac"); Federal National Mortgage Association (FNMA, or "Fannie Mae"); Federal Farm Credit Banks (FFCB); and Tennessee Valley Authority (TVA).

U.S. TREASURY SECURITIES: Securities issued by the U. S. Treasury and backed by the full faith and credit of the United States. Treasuries are considered to have no credit risk, and are the benchmark for interest rates on all other securities in the U.S. and overseas. The Treasury issues both discounted securities and fixed coupon notes and bonds.

WEIGHTED AVERAGE DAYS TO MATURITY: The weighted average of the remaining term to maturity of all of the assets in an investment pool or securities portfolio, as expressed in days.

YIELD: The rate of annual income return on an investment, expressed as a percentage.

(a) **EARNED INCOME YIELD** is the annual income from an investment divided by the current market value.

(b) **YIELD TO MATURITY** is the rate of return earned on an investment considering all cash flows and timing factors: interest earnings, discounts, and premiums above par.

For additional glossary terms, previous Investment Reports, and City Investment Policy, please visit the Office of the City Treasurer's website at:
<http://www.sandiego.gov/treasurer/investments/>