




THE CITY OF SAN DIEGO

MEMORANDUM

DATE: August 29, 2022

TO: Distribution

FROM: Elizabeth Correia, City Treasurer 

SUBJECT: Monthly Investment Report July 31, 2022

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).

In compliance with the Investment Policy, all securities met the minimum credit rating requirement at the time of purchase. The following security was below the minimum Investment Policy credit rating for the applicable investment category as of month end:

Issuer	Maturity	Par Amount	S&P Rating	Moody’s	Fitch
Oracle Corporation Bond	10/15/2022	\$9,400,000	BBB	Baa2	BBB+

Our Investments Division continues to closely monitor the issuer and the financial market for any significant change.

If you have any questions, please contact Kent Morris, Chief Investment Officer, at (619) 236-6112.

EC/km

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

Page 2
Distribution
August 29, 2022

Distribution:

Honorable Mayor Todd Gloria
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Honorable Council President Elo-Rivera and Members of the City Council
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Jyothi Pantulu, Assistant Director, Department of Finance and Investment Advisory Committee

cc: Jessica Lawrence, Director of Policy, Office of the Mayor
Rolando Charvel, Director, Department of Finance and City Comptroller
Kent J. Morris, Chief Investment Officer, Office of the City Treasurer
Nicole LeClair-Miller, Deputy Director, Office of the City Treasurer
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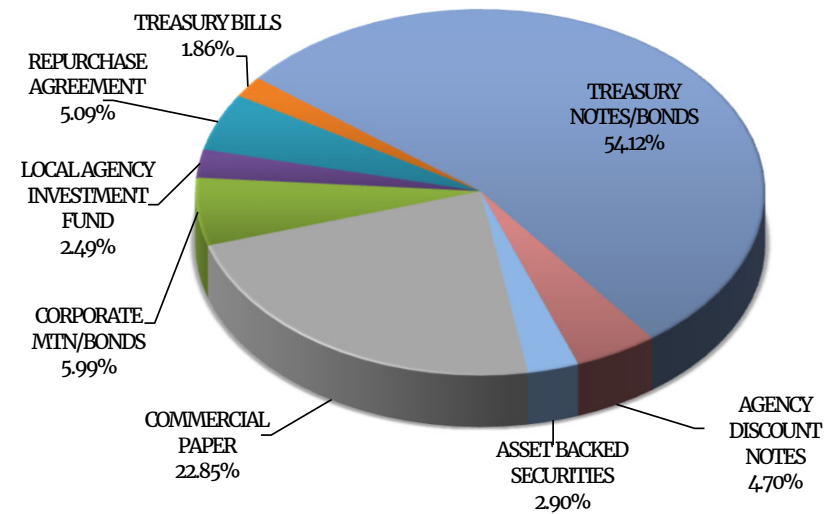
ASSET ALLOCATION

Assets (000's)	Current Par Value	Current Book Value	Market Value	Mkt/Book	Yield to Maturity 365
ASSET BACKED SECURITIES	76,500	77,075	74,880	97.15%	0.90%
COMMERCIAL PAPER	610,000	606,481	607,444	100.16%	1.74%
CORPORATE MTN/BONDS	157,132	158,834	154,812	97.47%	1.39%
LOCAL AGENCY INVESTMENT FUND	66,021	66,021	66,021	100.00%	0.75%
REPURCHASE AGREEMENT	135,200	135,200	135,200	100.00%	2.22%
TREASURY BILLS	50,000	49,425	49,470	100.09%	2.54%
TREASURY NOTES/BONDS	1,435,000	1,436,460	1,387,914	96.62%	0.78%
AGENCY DISCOUNT NOTES	125,000	124,749	124,956	100.17%	1.53%
Totals (000's):	2,654,853	2,654,245	2,600,698	97.98%	1.18%

Portfolio Breakdown & Statistics

	Liquidity	Core
Portfolio Size	\$981,876,049	\$1,672,369,414
% of total pool	36.99%	63.01%
Portfolio Duration*	0.11	1.62
Index Duration*	0.27	1.81
% of index	39.42%	89.50%
Weighted Average Days to Maturity	39	634
Earned Income Yield	1.537%	0.217%

* Macaulay's Duration for Liquidity and Effective Duration for Core.



Pooled Portfolio Composition by Book Value

POOLED INVESTMENTS AT JULY 31, 2022 - MATURITY DISTRIBUTION

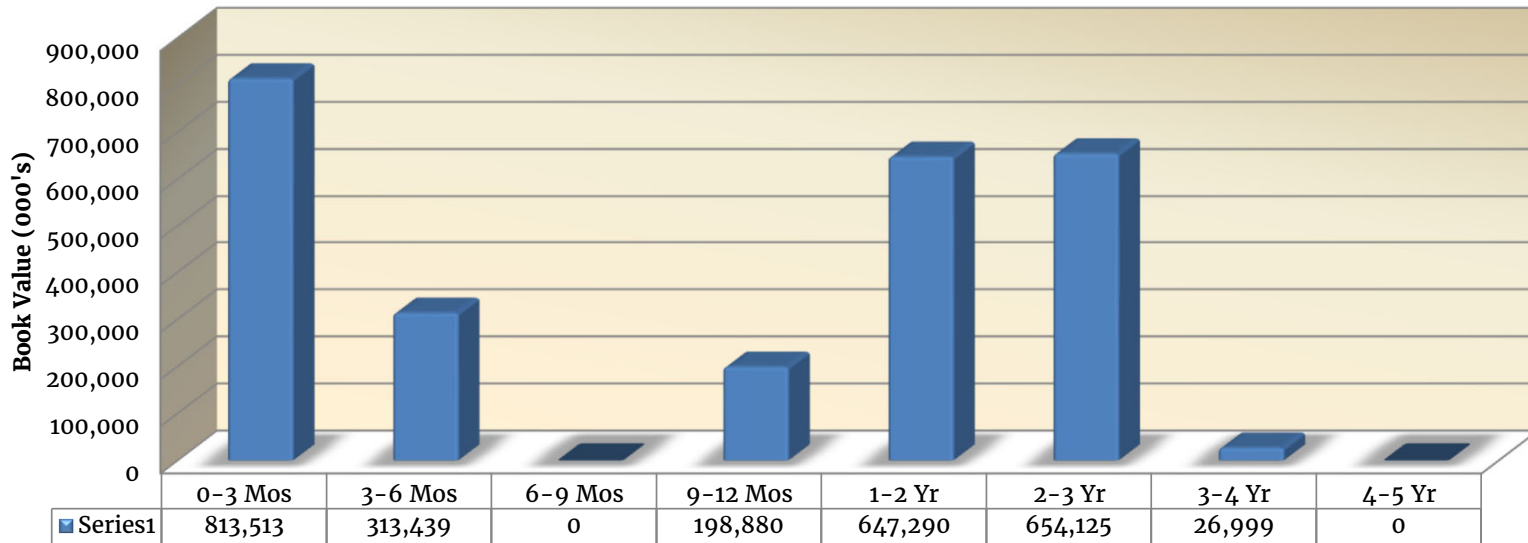
City of San Diego
Office of the City Treasurer



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	20,117					29,959	26,999		77,075
COMMERCIAL PAPER	458,083	148,398							606,481
CORPORATE MTN/BONDS	9,342	38,029		48,469	62,993				158,834
LOCAL AGENCY INVESTMENT FUND	66,021								66,021
REPURCHASE AGREEMENT	135,200								135,200
TREASURY BILLS		49,425							49,425
TREASURY NOTES/BONDS		77,587		150,411	584,297	624,166			1,436,460
AGENCY DISCOUNT NOTES	124,749								124,749
Totals (000's):	813,513	313,439	0	198,880	647,290	654,125	26,999	0	2,654,245
% of Portfolio	30.65%	11.81%	0.00%	7.49%	24.39%	24.64%	1.02%	0.00%	100.00%

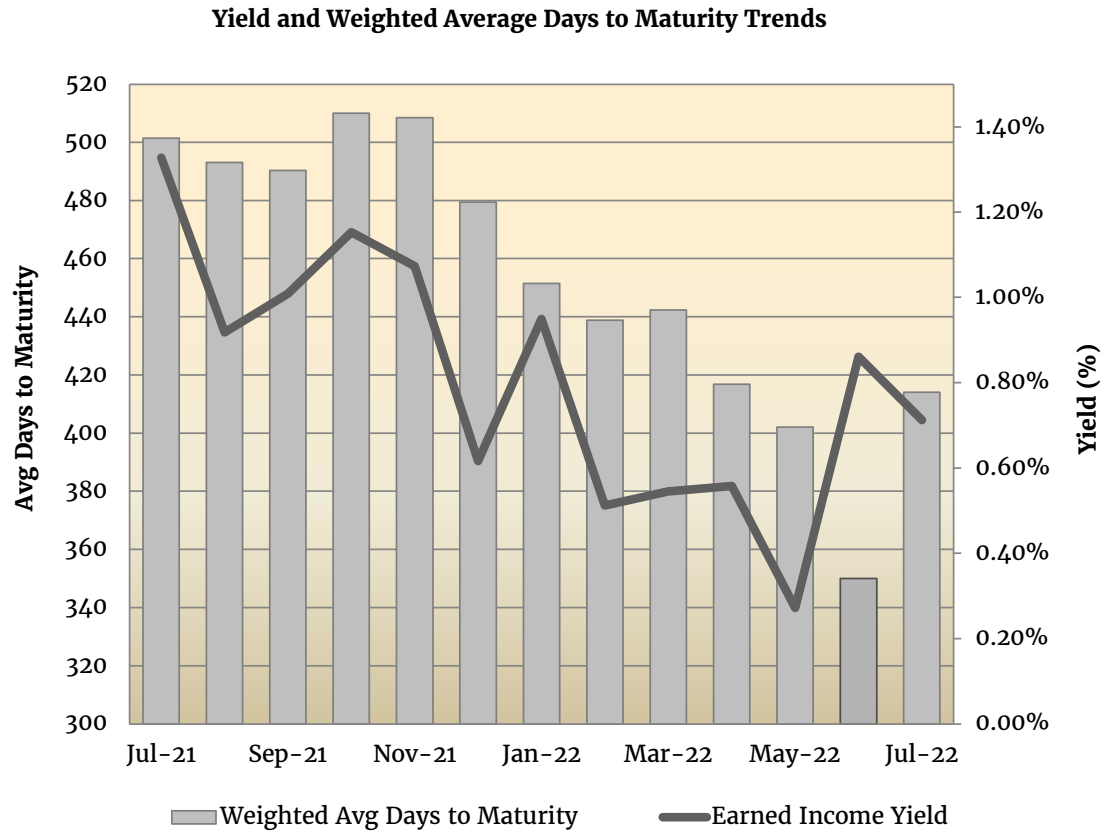
Maturity Distribution
July 31, 2022





PORTFOLIO - EARNED INCOME YIELD

Month	Earned Income Yield	Weighted Avg Days to Maturity
Jul-21	1.33%	501
Aug-21	0.92%	493
Sep-21	1.01%	490
Oct-21	1.15%	510
Nov-21	1.07%	508
Dec-21	0.62%	479
Jan-22	0.95%	451
Feb-22	0.51%	439
Mar-22	0.55%	442
Apr-22	0.56%	417
May-22	0.27%	402
Jun-22	0.86%	350
Jul-22	0.71%	414



POOLED INVESTMENTS AT JULY 31, 2022 - PORTFOLIO POSITION DETAIL

TREASURY BILLS	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 Bills	UST Bill	912796X87	2.481	2.544	0.387	7/8/2022	12/22/2022	50,000,000.00	49,424,661.81	49,470,200.00	98.940	CDL
	Total	Count 1	2.481	2.544	0.387			50,000,000.00	49,424,661.81	49,470,200.00	98.940	

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	912828Z29	1.500	0.180	0.457	6/1/2020	1/15/2023	75,000,000.00	77,586,914.06	74,528,325.00	99.371	CDL
Treasury Notes	UST Note	912828ZU7	0.250	0.168	0.857	7/1/2020	6/15/2023	100,000,000.00	100,242,187.50	97,668,000.00	97.668	CDL
Treasury Notes	UST Note	912828ZU7	0.250	0.123	0.857	8/3/2020	6/15/2023	25,000,000.00	25,090,820.31	24,417,000.00	97.668	CDL
Treasury Notes	UST Note	912828ZU7	0.250	0.138	0.857	9/1/2020	6/15/2023	25,000,000.00	25,078,125.00	24,417,000.00	97.668	CDL
Treasury Notes	UST Note	91282CAK7	0.125	0.153	1.105	10/1/2020	9/15/2023	50,000,000.00	49,958,984.38	48,441,400.00	96.883	CDL
Treasury Notes	UST Note	91282CAK7	0.125	0.191	1.105	11/2/2020	9/15/2023	50,000,000.00	49,906,250.00	48,441,400.00	96.883	CDL
Treasury Notes	UST Note	91282CAW1	0.250	0.186	1.267	12/1/2020	11/15/2023	50,000,000.00	50,093,750.00	48,312,500.00	96.625	CDL
Treasury Notes	UST Note	91282CAW1	0.250	0.153	1.267	1/5/2021	11/15/2023	50,000,000.00	50,138,671.88	48,312,500.00	96.625	CDL
Treasury Notes	UST Note	91282CBE0	0.125	0.174	1.431	2/1/2021	1/15/2024	50,000,000.00	49,927,734.38	47,992,200.00	95.984	CDL
Treasury Notes	UST Note	91282CBE0	0.125	0.316	1.431	3/1/2021	1/15/2024	50,000,000.00	49,726,562.50	47,992,200.00	95.984	CDL
Treasury Notes	UST Note	91282CBR1	0.250	0.334	1.594	4/1/2021	3/15/2024	60,000,000.00	59,852,343.75	57,440,640.00	95.734	CDL
Treasury Notes	UST Note	91282CBV2	0.375	0.336	1.674	5/4/2021	4/15/2024	50,000,000.00	50,056,640.63	47,867,200.00	95.734	CDL
Treasury Notes	UST Note	91282CCC3	0.250	0.296	1.758	5/28/2021	5/15/2024	75,000,000.00	74,897,460.94	71,513,700.00	95.352	CDL
Treasury Notes	UST Note	91282CCG4	0.250	0.458	1.840	7/1/2021	6/15/2024	50,000,000.00	49,695,312.50	47,580,100.00	95.160	CDL
Treasury Notes	UST Note	91282CCL3	0.375	0.346	1.920	8/3/2021	7/15/2024	50,000,000.00	50,042,968.75	47,625,000.00	95.250	CDL
Treasury Notes	UST Note	91282CCT6	0.375	0.398	1.999	9/1/2021	8/15/2024	75,000,000.00	74,950,195.31	71,255,850.00	95.008	CDL
Treasury Notes	UST Note	91282CCX7	0.375	0.527	2.082	10/1/2021	9/15/2024	50,000,000.00	49,777,343.75	47,417,950.00	94.836	CDL
Treasury Notes	UST Note	91282CDB4	0.625	0.760	2.157	11/1/2021	10/15/2024	75,000,000.00	74,704,101.56	71,411,100.00	95.215	CDL
Treasury Notes	UST Note	91282CDH1	0.750	0.749	2.236	12/1/2021	11/15/2024	50,000,000.00	50,001,953.13	47,644,550.00	95.289	CDL
Treasury Notes	UST Note	91282CDN8	1.000	0.947	2.313	1/3/2022	12/15/2024	75,000,000.00	75,114,257.81	71,803,725.00	95.738	CDL
Treasury Notes	UST Note	912828Z52	1.375	1.402	2.427	2/1/2022	1/31/2025	50,000,000.00	49,960,937.50	48,203,150.00	96.406	CDL
Treasury Notes	UST Note	91282CDZ1	1.500	1.638	2.447	3/1/2022	2/15/2025	50,000,000.00	49,829,786.77	48,324,200.00	96.648	CDL
Treasury Notes	UST Note	9128284F4	2.625	2.471	2.532	3/31/2022	3/31/2025	50,000,000.00	50,220,703.13	49,712,900.00	99.426	CDL
Treasury Notes	UST Note	91282CEH0	2.625	2.863	2.572	4/29/2022	4/15/2025	50,000,000.00	49,714,267.42	49,685,550.00	99.371	CDL
Treasury Notes	UST Note	91282CEQ0	2.750	2.753	2.649	5/31/2022	5/15/2025	50,000,000.00	50,055,876.36	49,859,400.00	99.719	CDL
Treasury Notes	UST Note	91282CEU1	2.875	3.036	2.728	7/1/2022	6/15/2025	50,000,000.00	49,836,279.03	50,046,900.00	100.094	CDL
	Total	Count 26	0.822	0.782	1.747			1,435,000,000.00	1,436,460,428.35	1,387,914,440.00	96.719	

AGENCY DISCOUNT NOTES	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
Agency Discount Notes	Federal Home Loan Bank DN	313385A48	1.450	1.473	0.002	6/17/2022	8/2/2022	50,000,000.00	49,907,361.11	49,997,000.00	99.994	CDL
Agency Discount Notes	Federal Home Loan Bank DN	313385B47	1.550	1.575	0.024	6/22/2022	8/10/2022	75,000,000.00	74,841,770.83	74,959,200.00	99.946	CDL
	Total	Count 2	1.510	1.534	0.015			125,000,000.00	124,749,131.94	124,956,200.00	99.965	

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	LAIF	SYS49819	0.750	0.750	0.000	3/31/2003	8/1/2022	66,021,382.71	66,021,382.71	66,021,382.71	100.000	Book
	Total	Count 1	0.750	0.750	0.000			66,021,382.71	66,021,382.71	66,021,382.71	100.000	

POOLED INVESTMENTS AT JULY 31, 2022 - PORTFOLIO POSITION DETAIL

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	Chase Issuance Trust	161571FQ2	2.160	1.645	0.000	9/18/2019	9/15/2022	20,000,000.00	20,117,187.50	19,993,660.00	99.968	CDL
Asset Backed Secs	Chase Issuance Trust	161571HP2	1.530	1.545	1.241	2/18/2020	1/15/2025	12,000,000.00	11,997,250.80	11,904,972.00	99.208	CDL
Asset Backed Secs	Chase Issuance Trust	161571HP2	1.530	0.154	1.174	1/6/2021	1/15/2025	17,500,000.00	17,962,109.38	17,361,417.50	99.208	CDL
Asset Backed Secs	Capital One	14041NFW6	0.550	0.552	1.930	7/22/2021	7/15/2026	27,000,000.00	26,998,906.50	25,620,165.00	94.890	CDL
	Total	Count 4	1.351	0.899	1.141			76,500,000.00	77,075,454.18	74,880,214.50	97.883	
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 Agreement	JP Morgan Repurchase Agmt	REPO79667	2.190	2.220	0.000	7/29/2022	8/1/2022	135,200,000.00	135,200,000.00	135,200,000.00	100.000	Book
	Total	Count 1	2.190	2.220	-0.002			135,200,000.00	135,200,000.00	135,200,000.00	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	Credit Agricole	22533UH14	1.380	1.403	0.000	5/20/2022	8/1/2022	40,000,000.00	39,888,066.67	39,941,040.00	99.853	CDL
Commercial Paper	BNP Paribas	09659CH35	0.325	0.333	0.005	1/3/2022	8/3/2022	50,000,000.00	49,904,305.56	49,984,150.00	99.968	CDL
Commercial Paper	Credit Agricole	22533UH30	1.390	1.413	0.005	6/1/2022	8/3/2022	40,000,000.00	39,902,700.00	39,987,160.00	99.968	CDL
Commercial Paper	JP Morgan Securities	46640QH87	1.400	1.424	0.019	5/25/2022	8/8/2022	40,000,000.00	39,883,333.33	39,974,000.00	99.935	CDL
Commercial Paper	Barclays	PPE14ZKJ0	0.530	0.543	0.049	1/28/2022	8/19/2022	50,000,000.00	49,850,569.44	49,931,250.00	99.863	CDL
Commercial Paper	MUFG Bank	62479MJ20	1.280	1.305	0.087	4/4/2022	9/2/2022	40,000,000.00	39,785,244.44	39,909,320.00	99.773	CDL
Commercial Paper	Mizuho Bank	60689GJ98	1.710	1.741	0.106	6/10/2022	9/9/2022	50,000,000.00	49,783,875.00	49,857,550.00	99.715	CDL
Commercial Paper	Sumitomo Mitsui Trust	86563HJG6	1.590	1.620	0.126	5/31/2022	9/16/2022	50,000,000.00	49,761,500.00	49,833,650.00	99.667	CDL
Commercial Paper	Toyota Motor Credit Corp	89233HJV7	1.810	1.846	0.160	6/7/2022	9/29/2022	50,000,000.00	49,713,416.67	49,781,700.00	99.563	CDL
Commercial Paper	Bayerische Landesbank	07274MKH7	2.300	2.350	0.209	6/17/2022	10/17/2022	50,000,000.00	49,610,277.78	49,704,100.00	99.408	CDL
Commercial Paper	Korea Development Bank	5006E1L36	2.630	2.690	0.255	7/6/2022	11/3/2022	50,000,000.00	49,561,666.67	49,628,300.00	99.257	CDL
Commercial Paper	Landesbank Baden-Wuert	5148X1M26	2.760	2.830	0.333	7/7/2022	12/2/2022	50,000,000.00	49,432,666.67	49,479,550.00	98.959	CDL
Commercial Paper	ING Funding	4497W1M94	2.790	2.863	0.352	7/8/2022	12/9/2022	50,000,000.00	49,403,250.00	49,432,150.00	98.864	CDL
	Total	Count 13	1.703	1.740	0.138			610,000,000.00	606,480,872.23	607,443,920.00	99.581	
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	Oracle Corp	68389XAP0	2.500	2.687	0.205	5/2/2019	10/15/2022	9,400,000.00	9,342,284.00	9,387,639.00	99.869	CDL
Medium Term Notes	Visa Inc	92826CAC6	2.800	2.567	0.369	5/2/2019	12/14/2022	15,000,000.00	15,119,700.00	15,002,550.00	100.017	CDL
Medium Term Notes	US BANK NA	90331HPP4	1.950	1.978	0.441	12/9/2019	1/9/2023	10,000,000.00	9,991,600.00	9,956,740.00	99.567	CDL
Medium Term Notes	Bank of America	06051GEU9	3.300	2.201	0.446	10/2/2019	1/11/2023	12,487,000.00	12,918,176.11	12,496,103.02	100.073	CDL
Medium Term Notes	Pepsico Inc	713448EY0	0.750	0.273	0.738	3/12/2021	5/1/2023	16,000,000.00	16,162,400.00	15,764,816.00	98.530	CDL
Medium Term Notes	Apple Corp	037833AK6	2.400	1.884	0.738	10/2/2019	5/3/2023	8,895,000.00	9,053,331.00	8,855,879.79	99.560	CDL
Medium Term Notes	Apple Corp	037833AK6	2.400	0.314	0.738	9/18/2020	5/3/2023	9,338,000.00	9,846,734.24	9,296,931.48	99.560	CDL
Medium Term Notes	JPMorgan Chase	46625HRL6	2.700	2.159	0.777	12/4/2019	5/18/2023	13,170,000.00	13,406,138.10	13,092,402.36	99.411	CDL
Medium Term Notes	Toyota Corporation	89236THE5	0.500	0.327	1.016	2/23/2021	8/14/2023	15,000,000.00	15,063,900.00	14,591,160.00	97.274	CDL
Medium Term Notes	Bank of New York Mellon	06406FAD5	2.200	2.011	1.010	11/4/2019	8/16/2023	17,842,000.00	17,964,217.70	17,694,446.66	99.173	CDL
Medium Term Notes	PACCAR Inc	69371RRZ4	0.350	0.389	1.472	2/2/2021	2/2/2024	10,000,000.00	9,988,400.00	9,564,900.00	95.649	CDL
Medium Term Notes	Bank of New York Mellon	06406RAS6	0.500	0.536	1.701	4/26/2021	4/26/2024	15,000,000.00	14,983,950.00	14,318,400.00	95.456	CDL
Medium Term Notes	Amazon	023135BW5	0.450	0.499	1.748	5/12/2021	5/12/2024	5,000,000.00	4,992,700.00	4,789,750.00	95.795	CDL
	Total	Count 13	1.774	1.392	0.859			157,132,000.00	158,833,531.15	154,811,718.31	98.523	
Grand Total								2,654,853,382.71	2,654,245,462.37	2,600,698,075.52		



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/>