




THE CITY OF SAN DIEGO

M E M O R A N D U M

DATE: March 17, 2023
TO: Distribution
FROM: Elizabeth Correia, City Treasurer 
SUBJECT: Monthly Investment Report – February 28, 2023

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).

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 Mara Elliott, City Attorney
Honorable Council President Elo-Rivera and Members of the City Council
Paola Avila, Chief of Staff, Office of the Mayor
Eric Dargan, Chief Operating Officer
Charles Modica, Independent Budget Analyst
Deborah Higgins, Investment Advisory Committee
Stefan Meierhofer, Investment Advisory Committee
Jayson Schmitt, Investment Advisory Committee
Matt Vespi, Chief Financial Officer and Investment Advisory Committee
Jyothi Pantulu, Assistant Director, Department of Finance and Investment Advisory Committee

Page 2
Distribution
March 17, 2023

cc: Jessica Lawrence, Director of Policy, Office of the Mayor
Rolando Charvel, Director, Department of Finance and City Comptroller
Emmanuel Labrinos, Interim Chief Investment Officer, Office of the City Treasurer
Nicole LeClair-Miller, Deputy Director, Office of the City Treasurer
Jeremy Shortess, Principal Accountant, Office of the City Treasurer



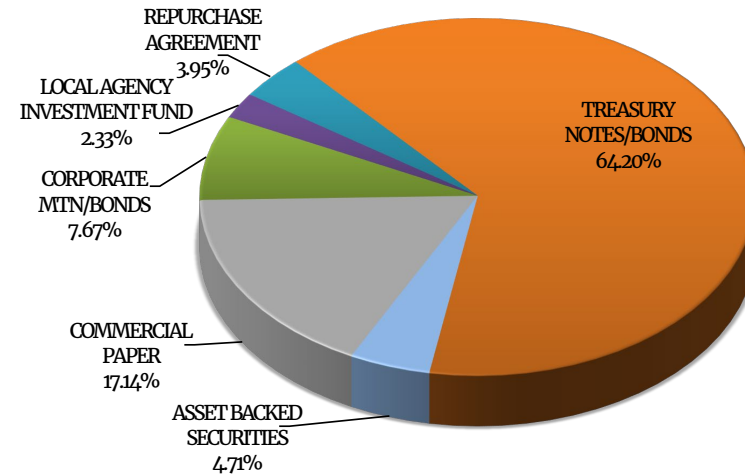
ASSET ALLOCATION

Assets (000's)	Current Par Value	Current Book Value	Market Value	Mkt/Book	Yield to Maturity 365
ASSET BACKED SECURITIES	136,111	134,247	131,289	97.80%	3.72%
COMMERCIAL PAPER	500,000	489,212	493,575	100.89%	4.82%
CORPORATE MTN/BONDS	222,733	218,850	216,238	98.81%	2.80%
LOCAL AGENCY INVESTMENT FUND	66,592	66,592	66,592	100.00%	2.07%
REPURCHASE AGREEMENT	112,800	112,800	112,800	100.00%	4.56%
TREASURY NOTES/BONDS	1,835,000	1,832,296	1,759,273	96.01%	1.73%
Totals (000's):	2,873,236	2,853,998	2,779,766	97.40%	2.56%

Portfolio Breakdown & Statistics

	Liquidity	Core
Portfolio Size	\$924,137,118	\$1,929,860,672
% of total pool	32.38%	67.62%
Portfolio Duration*	0.24	1.76
Index Duration*	0.26	1.78
% of index	91.94%	98.88%
Weighted Average Days to Maturity	89	730
Earned Income Yield	3.268%	2.077%

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



Pooled Portfolio Composition by Book Value

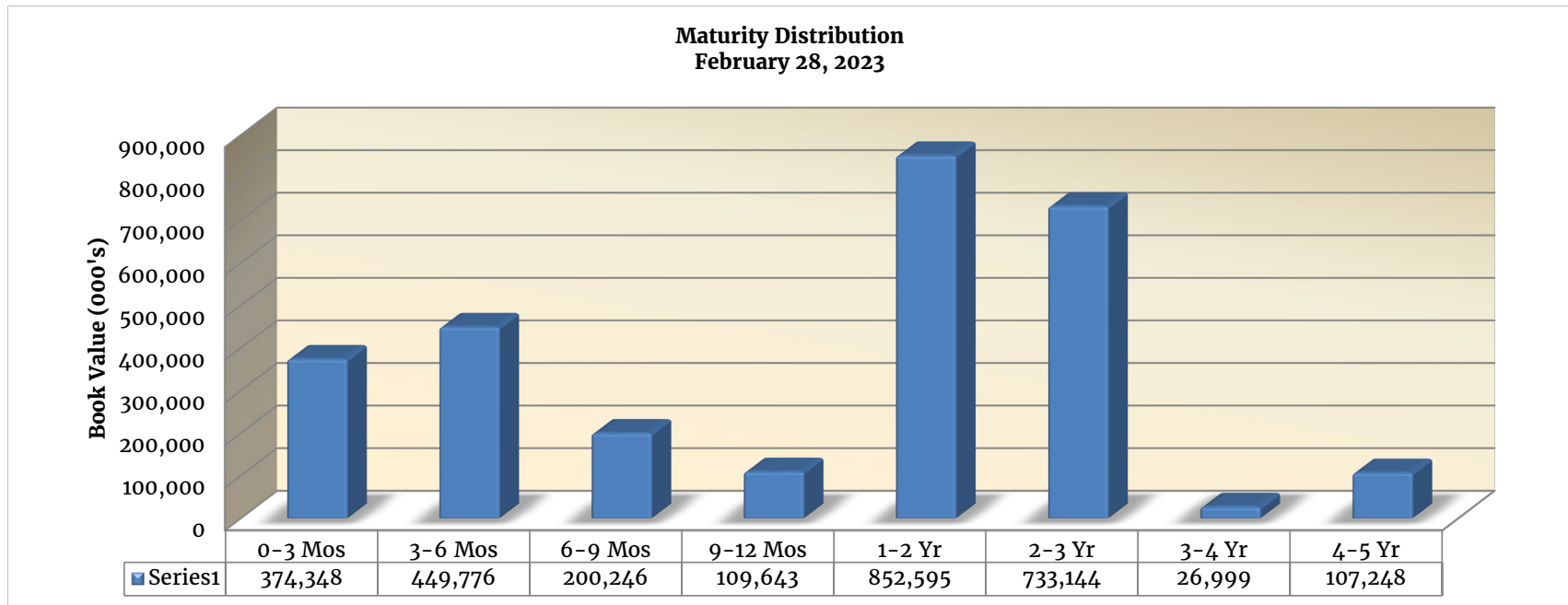
POOLED INVESTMENTS AT FEBRUARY 28, 2023 - MATURITY DISTRIBUTION

City of San Diego
Office of the City Treasurer



MATURITY DISTRIBUTION

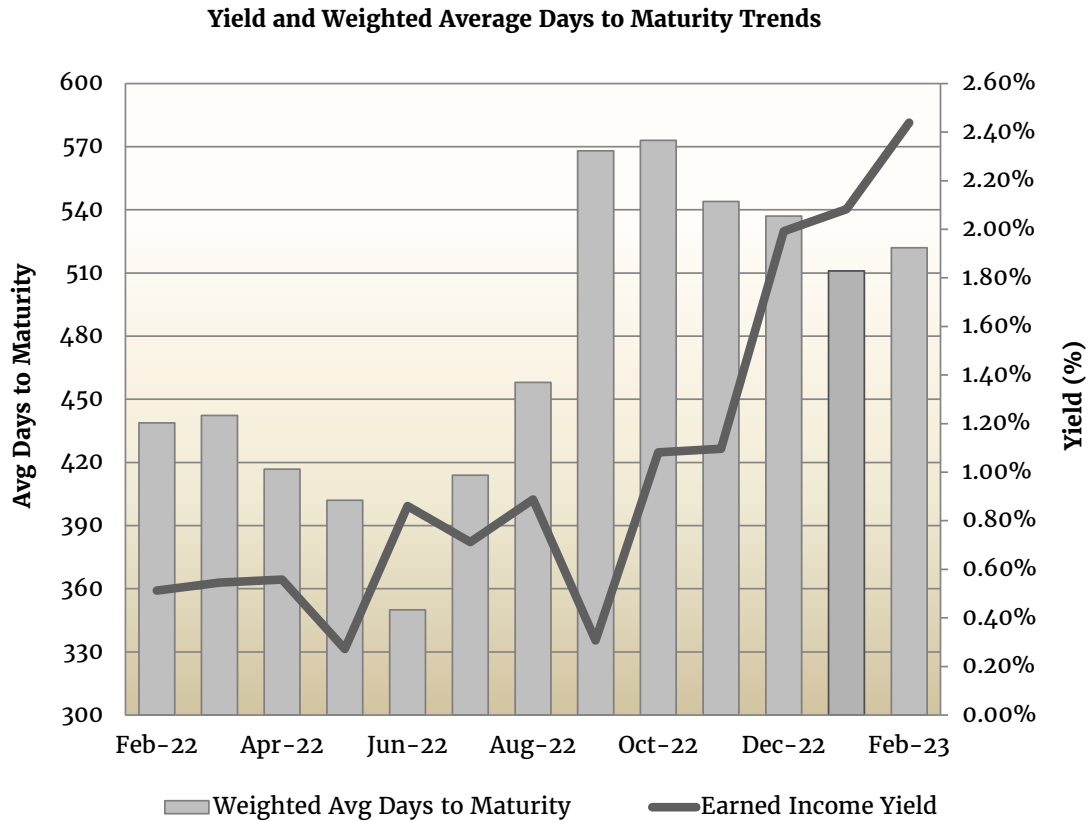
Current Book Value (000's)	0-3 Mos	3-6 Mos	6-9 Mos	9-12 Mos	1-2 Yr	2-3 Yr	3-4 Yr	4-5 Yr	Totals (000's)
ASSET BACKED SECURITIES							26,999	107,248	134,247
COMMERCIAL PAPER	147,357	341,855							489,212
CORPORATE MTN/BONDS	47,599	32,888		9,988	43,913	84,462			218,850
LOCAL AGENCY INVESTMENT FUND	66,592								66,592
REPURCHASE AGREEMENT	112,800								112,800
TREASURY NOTES/BONDS		75,033	200,246	99,654	808,682	648,681			1,832,296
Totals (000's):	374,348	449,776	200,246	109,643	852,595	733,144	26,999	107,248	2,853,998
% of Portfolio	13.12%	15.76%	7.02%	3.84%	29.87%	25.69%	0.95%	3.76%	100.00%





PORTFOLIO - EARNED INCOME YIELD

Month	Earned Income Yield	Weighted Avg Days to Maturity
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
Aug-22	0.89%	458
Sep-22	0.31%	568
Oct-22	1.08%	573
Nov-22	1.10%	544
Dec-22	1.99%	537
Jan-23	2.08%	511
Feb-23	2.44%	522



POOLED INVESTMENTS AT FEBRUARY 28, 2023 - 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	91282ZU7	0.250	0.169	0.290	12/1/2022	6/15/2023	75,000,000.00	75,032,826.62	73,989,225.00	98.652	ICED
Treasury Notes	UST Note	91282CAK7	0.125	0.153	0.525	1/3/2023	9/15/2023	50,000,000.00	50,009,336.50	48,705,100.00	97.410	ICED
Treasury Notes	UST Note	91282CAK7	0.125	0.190	0.525	2/1/2023	9/15/2023	50,000,000.00	50,003,851.77	48,705,100.00	97.410	ICED
Treasury Notes	UST Note	91282CAW1	0.250	0.186	0.688	12/1/2020	11/15/2023	50,000,000.00	50,093,750.00	48,320,300.00	96.641	ICED
Treasury Notes	UST Note	91282CAW1	0.250	0.153	0.688	1/5/2021	11/15/2023	50,000,000.00	50,138,671.88	48,320,300.00	96.641	ICED
Treasury Notes	UST Note	91282CBE0	0.125	0.174	0.853	2/1/2021	1/15/2024	50,000,000.00	49,927,734.38	47,876,950.00	95.754	ICED
Treasury Notes	UST Note	91282CBE0	0.125	0.316	0.853	3/1/2021	1/15/2024	50,000,000.00	49,726,562.50	47,876,950.00	95.754	ICED
Treasury Notes	UST Note	91282CBR1	0.250	0.334	1.010	4/1/2021	3/15/2024	60,000,000.00	59,852,343.75	57,046,860.00	95.078	ICED
Treasury Notes	UST Note	91282CBV2	0.375	0.336	1.092	5/4/2021	4/15/2024	50,000,000.00	50,056,640.63	47,419,900.00	94.840	ICED
Treasury Notes	UST Note	91282CCC3	0.250	0.296	1.175	5/28/2021	5/15/2024	75,000,000.00	74,897,460.94	70,740,225.00	94.320	ICED
Treasury Notes	UST Note	91282CCG4	0.250	0.458	1.257	7/1/2021	6/15/2024	50,000,000.00	49,695,312.50	46,988,300.00	93.977	ICED
Treasury Notes	UST Note	91282CCL3	0.375	0.346	1.338	8/3/2021	7/15/2024	50,000,000.00	50,042,968.75	46,896,500.00	93.793	ICED
Treasury Notes	UST Note	91282CCT6	0.375	0.398	1.422	9/1/2021	8/15/2024	75,000,000.00	74,950,195.31	70,101,600.00	93.469	ICED
Treasury Notes	UST Note	91282CCX7	0.375	0.527	1.494	10/1/2021	9/15/2024	50,000,000.00	49,777,343.75	46,597,650.00	93.195	ICED
Treasury Notes	UST Note	91282CDB4	0.625	0.760	1.574	11/1/2021	10/15/2024	75,000,000.00	74,704,101.56	69,957,975.00	93.277	ICED
Treasury Notes	UST Note	91282CDH1	0.750	0.749	1.654	12/1/2021	11/15/2024	50,000,000.00	50,001,953.13	46,587,900.00	93.176	ICED
Treasury Notes	UST Note	91282CDN8	1.000	0.947	1.732	1/3/2022	12/15/2024	75,000,000.00	75,114,257.81	70,004,850.00	93.340	ICED
Treasury Notes	UST Note	91282Z52	1.375	1.402	1.853	2/1/2022	1/31/2025	50,000,000.00	49,960,937.50	46,869,150.00	93.738	ICED
Treasury Notes	UST Note	91282CGG0	4.125	4.222	1.815	2/1/2023	1/31/2025	100,000,000.00	99,827,801.28	98,699,200.00	98.699	ICED
Treasury Notes	UST Note	91282CDZ1	1.500	1.638	1.892	3/1/2022	2/15/2025	50,000,000.00	49,800,781.25	46,914,050.00	93.828	ICED
Treasury Notes	UST Note	9128284F4	2.625	2.471	1.969	3/31/2022	3/31/2025	50,000,000.00	50,220,703.13	47,906,250.00	95.813	ICED
Treasury Notes	UST Note	91282CEH0	2.625	2.863	2.009	4/29/2022	4/15/2025	50,000,000.00	49,664,062.50	47,847,650.00	95.695	ICED
Treasury Notes	UST Note	91282CEQ0	2.750	2.753	2.088	5/31/2022	5/15/2025	50,000,000.00	49,996,093.75	47,927,750.00	95.856	ICED
Treasury Notes	UST Note	91282CEU1	2.875	3.036	2.168	7/1/2022	6/15/2025	50,000,000.00	49,773,437.50	48,054,700.00	96.109	ICED
Treasury Notes	UST Note	91282CEY3	3.000	2.843	2.248	8/1/2022	7/15/2025	100,000,000.00	100,441,406.25	96,285,200.00	96.285	ICED
Treasury Notes	UST Note	91282CFE6	3.125	3.444	2.329	9/1/2022	8/15/2025	150,000,000.00	148,664,062.50	144,808,650.00	96.539	ICED
Treasury Notes	UST Note	91282CFP1	4.250	4.320	2.415	12/2/2022	10/15/2025	100,000,000.00	100,369,033.31	99,160,200.00	99.160	ICED
Treasury Notes	UST Note	91282CGA3	4.000	4.238	2.588	1/3/2023	12/15/2025	100,000,000.00	99,552,541.21	98,664,100.00	98.664	ICED
Total	Count 28		1.663	1.732	1.595			1,835,000,000.00	1,832,296,171.96	1,759,272,585.00	95.873	

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	2.070	2.070	0.000	3/31/2003	3/1/2023	66,592,096.25	66,592,096.25	66,592,096.25	100.000	Book
Total	Count 1		2.070	2.070	0.000			66,592,096.25	66,592,096.25	66,592,096.25	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	Capital One	14041NFW6	0.550	0.552	1.651	7/22/2021	7/15/2026	27,000,000.00	26,998,906.50	25,315,200.00	93.760	MNL
Asset Backed Secs	Capital One	14041NFX9	2.800	4.872	1.896	10/7/2022	3/15/2027	20,000,000.00	19,130,468.75	19,080,480.00	95.402	ICED
Asset Backed Secs	Capital One	14041NGA3	3.490	4.794	1.947	9/30/2022	5/15/2027	25,000,000.00	24,285,156.25	24,145,000.00	96.580	MNL
Asset Backed Secs	American Express Credit	02582JJV3	3.750	3.896	2.098	9/12/2022	8/16/2027	27,740,000.00	27,589,380.47	26,891,156.00	96.940	MNL
Asset Backed Secs	Chase Issuance Trust	161571HS6	3.970	4.010	2.089	9/16/2022	9/15/2027	10,000,000.00	9,998,331.00	9,738,690.00	97.387	ICED
Asset Backed Secs	Chase Issuance Trust	161571HS6	3.970	4.417	2.145	2/2/2023	9/15/2027	8,871,000.00	8,776,052.58	8,639,191.90	97.387	ICED
Asset Backed Secs	American Express Credit	02582JJX9	4.950	5.004	2.124	11/3/2022	10/15/2027	10,000,000.00	9,999,504.00	9,988,000.00	99.880	MNL
Asset Backed Secs	American Express Credit	02582JJX9	4.950	5.185	2.124	11/3/2022	10/15/2027	7,500,000.00	7,469,238.28	7,491,000.00	99.880	MNL
Total	Count 7		3.111	3.722	1.958			136,111,000.00	134,247,037.83	131,288,717.90	96.457	

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	REPO79846	4.500	4.563	0.000	2/28/2023	3/1/2023	112,800,000.00	112,800,000.00	112,800,000.00	100.000	ICED
Total	Count 1		4.500	4.563	0.000			112,800,000.00	112,800,000.00	112,800,000.00	100.000	

POOLED INVESTMENTS AT FEBRUARY 28, 2023 - PORTFOLIO POSITION DETAIL

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	Toyota Motor Credit Corp	89233HQ15	4.530	4.600	0.000	2/16/2023	3/1/2023	50,000,000.00	49,918,208.33	50,000,000.00	100.000	ICED
Commercial Paper	JPMorgan Chase	46640QQN4	3.620	3.820	0.057	8/22/2022	3/22/2023	20,000,000.00	19,573,644.44	19,943,540.00	99.718	ICED
Commercial Paper	Credit Agricole	22533USC8	3.690	3.863	0.195	9/7/2022	5/12/2023	50,000,000.00	48,734,125.00	49,521,050.00	99.042	ICED
Commercial Paper	JP Morgan Securities	46590ESW9	3.860	4.055	0.243	9/2/2022	5/30/2023	30,000,000.00	29,131,500.00	29,638,110.00	98.794	ICED
Commercial Paper	Mizuho Bank	60689GTD8	4.900	5.094	0.280	12/14/2022	6/13/2023	50,000,000.00	48,768,194.44	49,288,350.00	98.577	ICED
Commercial Paper	Bayerische Landesbank	07274MTF2	4.850	5.041	0.286	12/15/2022	6/15/2023	50,000,000.00	48,774,027.78	49,288,900.00	98.578	ICED
Commercial Paper	Korea Development Bank	5006E1TL8	5.020	5.282	0.299	12/16/2022	6/20/2023	50,000,000.00	48,703,166.67	49,251,950.00	98.504	ICED
Commercial Paper	MUFG Bank	62479MTP8	5.080	5.340	0.307	11/23/2022	6/23/2023	50,000,000.00	48,504,222.22	49,230,600.00	98.461	ICED
Commercial Paper	Barclays	06742VSH5	4.880	5.053	0.325	1/27/2023	6/30/2023	50,000,000.00	48,956,222.22	49,144,500.00	98.289	ICED
Commercial Paper	Johnson & Johnson	47816GTW9	4.890	5.044	0.325	2/24/2023	6/30/2023	50,000,000.00	49,144,250.00	49,144,500.00	98.289	ICED
Commercial Paper	BNP Paribas	09659CU30	4.745	4.909	0.333	2/2/2023	7/3/2023	50,000,000.00	49,004,868.06	49,123,500.00	98.247	ICED
	Total	Count 11	4.635	4.818	0.251			500,000,000.00	489,212,429.16	493,575,000.00	98.715	

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	Pepsico Inc	713448EY0	0.750	0.274	0.167	11/1/2022	5/1/2023	16,000,000.00	16,038,013.00	15,890,880.00	99.318	ICED
Medium Term Notes	Apple Corp	037833AK6	2.400	1.899	0.172	11/1/2022	5/3/2023	8,895,000.00	8,917,320.87	8,853,024.49	99.528	ICED
Medium Term Notes	Apple Corp	037833AK6	2.400	0.321	0.172	11/1/2022	5/3/2023	9,338,000.00	9,435,978.45	9,293,933.98	99.528	ICED
Medium Term Notes	JPMorgan Chase	46625HRL6	2.700	2.174	0.213	11/1/2022	5/18/2023	13,170,000.00	13,207,394.86	13,099,290.27	99.463	ICED
Medium Term Notes	Toyota Corporation	89236THF5	0.500	0.327	0.454	11/1/2022	8/14/2023	15,000,000.00	15,020,295.96	14,692,530.00	97.950	ICED
Medium Term Notes	Bank of New York Mellon	06406FAD5	2.200	2.015	0.460	11/1/2022	8/16/2023	17,842,000.00	17,867,574.19	17,593,871.31	98.609	ICED
Medium Term Notes	PACCAR Inc	69371RR24	0.350	0.389	0.894	2/2/2021	2/2/2024	10,000,000.00	9,988,400.00	9,555,800.00	95.558	ICED
Medium Term Notes	Bank of New York Mellon	06406RAS6	0.500	0.536	1.118	4/26/2021	4/26/2024	15,000,000.00	14,983,950.00	14,198,685.00	94.658	ICED
Medium Term Notes	Amazon	023135BW5	0.450	0.499	1.163	5/12/2021	5/12/2024	5,000,000.00	4,992,700.00	4,730,285.00	94.606	ICED
Medium Term Notes	Microsoft Corp	594918BB9	2.700	4.615	1.862	9/29/2022	2/12/2025	25,000,000.00	23,936,250.00	24,045,450.00	96.182	ICED
Medium Term Notes	Toyota Corporation	89236TKC8	3.950	4.511	2.179	9/23/2022	6/30/2025	24,765,000.00	24,405,659.85	24,166,429.95	97.583	ICED
Medium Term Notes	Home Depot	437076CR1	4.000	4.294	2.339	9/23/2022	9/15/2025	11,272,000.00	11,185,255.70	11,078,099.06	98.280	ICED
Medium Term Notes	UnitedHealth Group	91324PEN8	5.150	5.154	2.384	10/28/2022	10/15/2025	7,000,000.00	6,999,370.00	7,013,013.00	100.186	ICED
Medium Term Notes	Visa Inc	92826CAD4	3.150	4.888	2.604	10/26/2022	12/14/2025	14,032,000.00	13,330,820.96	13,393,922.86	95.453	ICED
Medium Term Notes	Caterpillar Fncl Service	14913R3B1	4.800	4.809	2.612	1/6/2023	1/6/2026	15,000,000.00	14,996,250.00	14,949,840.00	99.666	ICED
Medium Term Notes	Apple Corp	037833EB2	0.700	4.651	2.839	9/29/2022	2/8/2026	15,419,000.00	13,544,820.55	13,682,774.34	88.740	ICED
	Total	Count 16	2.363	2.803	1.408			222,733,000.00	218,850,054.39	216,237,829.26	97.084	

Grand Total 2,873,236,096.25 2,853,997,789.59 2,779,766,228.41



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/>