THE CITY OF SAN DIEGO

M E M O R A N D U M

DATE: October 24, 2022

TO: Distribution

FROM: Elizabeth Correia, City Treasurer

SUBJECT: Monthly Investment Report – September 30, 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

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
Jay Goldstone, Chief Operating Officer
Charles Modica, Independent Budget Analyst
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Matt Vespi, Chief Financial Officer and Investment Advisory Committee
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
Jeremy Shortess, Principal Accountant, Office of the City Treasurer

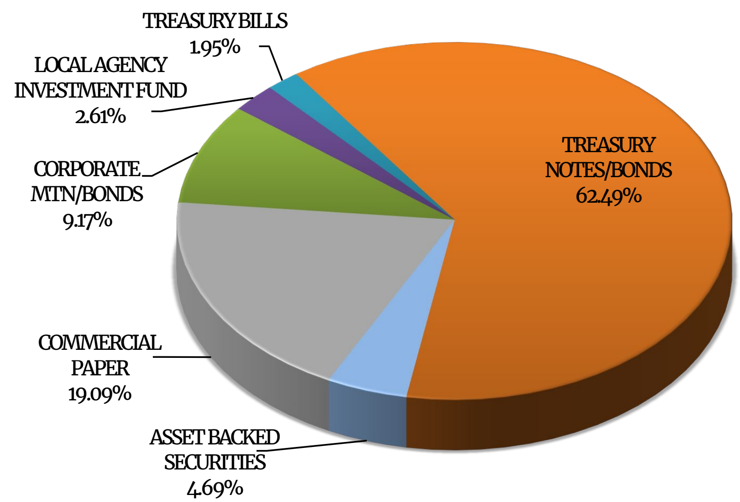
ASSET ALLOCATION

Assets (000's)	Current Par Value	Current Book Value	Market Value	Mkt/Book	Yield to Maturity 365
ASSET BACKED SECURITIES	119,240	118,867	115,528	97.19%	2.53%
COMMERCIAL PAPER	490,800	483,613	485,070	100.30%	3.26%
CORPORATE MTN/BONDS	233,588	232,234	226,569	97.56%	2.39%
LOCAL AGENCY INVESTMENT FUND	66,021	66,021	66,021	100.00%	0.75%
TREASURY BILLS	50,000	49,425	49,645	100.45%	2.54%
TREASURY NOTES/BONDS	1,585,000	1,583,214	1,505,856	95.11%	1.20%
Totals (000's):	**2,544,649**	**2,533,376**	**2,448,689**	**96.66%**	**1.78%**

Portfolio Breakdown & Statistics

	Liquidity	Core
Portfolio Size	$599,059,286	$1,934,316,241
% of total pool	23.65%	76.35%
Portfolio Duration*	0.24	1.76
Index Duration*	0.28	1.80
% of index	85.82%	97.78%
Weighted Average Days to Maturity	89	716
Earned Income Yield	2.712%	-0.578%

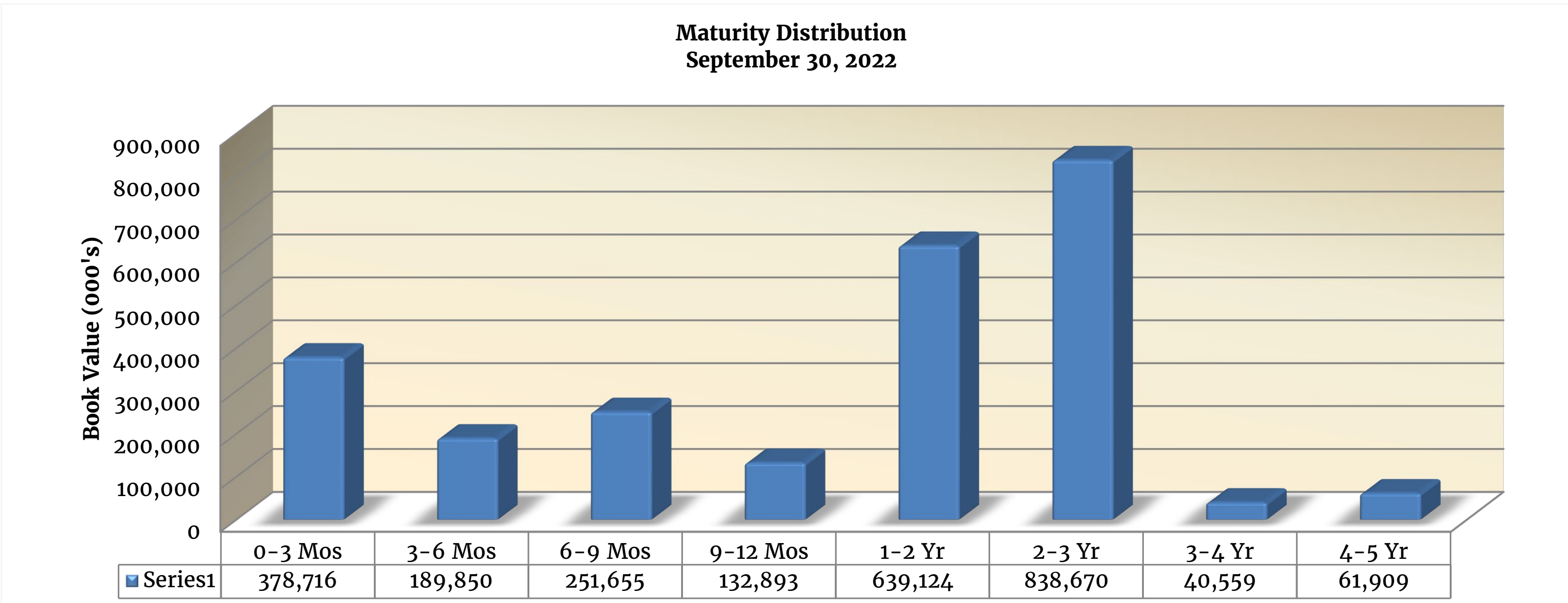
* Macaulay's Duration for Liquidity and Effective Duration for Core.



Pooled Portfolio Composition by Book Value

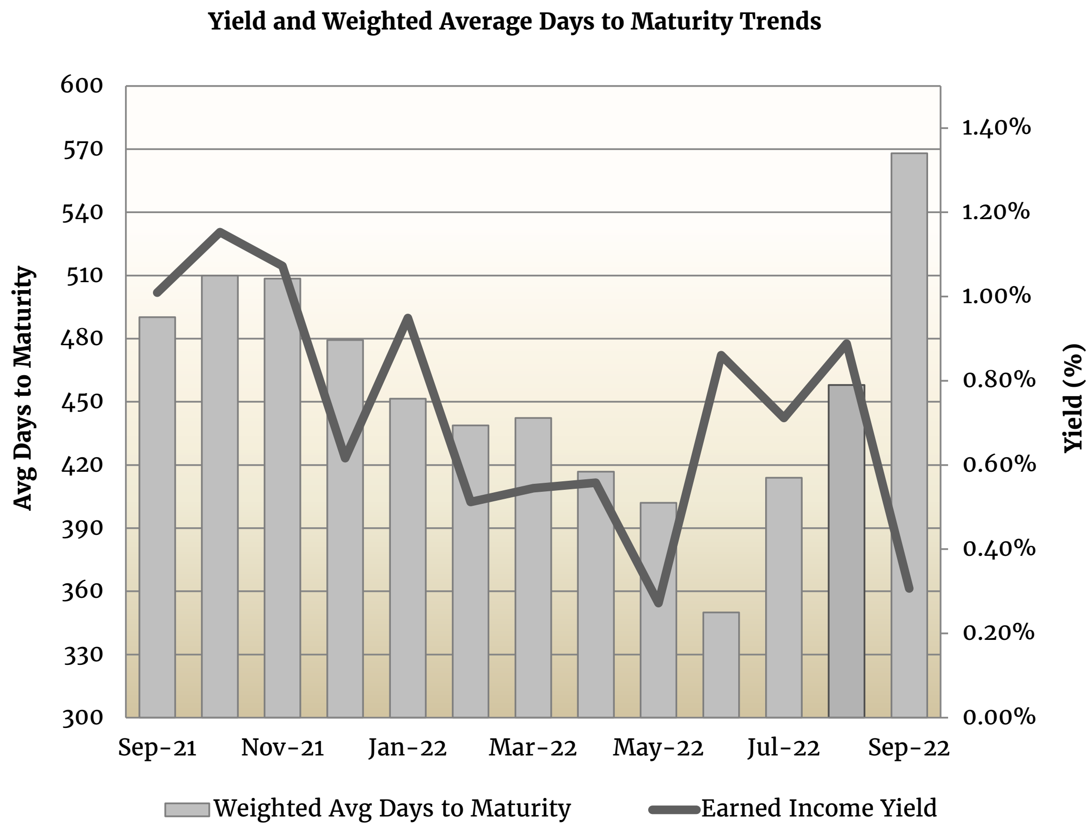
MATURITY DISTRIBUTION

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						29,959	26,999	61,909	118,867
COMMERCIAL PAPER	238,808	166,940	77,866						483,613
CORPORATE MTN/BONDS	24,462	22,910	48,469	33,028	29,965	59,841	13,560		232,234
LOCAL AGENCY INVESTMENT FUND	66,021								66,021
TREASURY BILLS	49,425								49,425
TREASURY NOTES/BONDS			125,320	99,865	609,159	748,870			1,583,214
Totals (000's):	**378,716**	**189,850**	**251,655**	**132,893**	**639,124**	**838,670**	**40,559**	**61,909**	**2,533,376**
% of Portfolio	14.95%	7.49%	9.93%	5.25%	25.23%	33.10%	1.60%	2.44%	100.00%



PORTFOLIO - EARNED INCOME YIELD

Month	Earned Income Yield	Weighted Avg Days to Maturity
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
Aug-22	0.89%	458
Sep-22	0.31%	568



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	0.222	7/8/2022	12/22/2022	50,000,000.00	49,424,661.81	49,644,650.00	99.289	CDL
	Total Count 1		2.481	2.544	0.222			50,000,000.00	49,424,661.81	49,644,650.00	99.289	

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	912828ZU7	0.250	0.168	0.690	7/1/2020	6/15/2023	100,000,000.00	100,242,187.50	97,312,500.00	97.313	CDL
Treasury Notes	UST Note	912828ZU7	0.250	0.138	0.690	9/1/2020	6/15/2023	25,000,000.00	25,078,125.00	24,328,125.00	97.313	CDL
Treasury Notes	UST Note	91282CAK7	0.125	0.153	0.935	10/1/2020	9/15/2023	50,000,000.00	49,958,984.38	48,068,350.00	96.137	CDL
Treasury Notes	UST Note	91282CAK7	0.125	0.191	0.935	11/2/2020	9/15/2023	50,000,000.00	49,906,250.00	48,068,350.00	96.137	CDL
Treasury Notes	UST Note	91282CAW1	0.250	0.186	1.096	12/1/2020	11/15/2023	50,000,000.00	50,093,750.00	47,792,950.00	95.586	CDL
Treasury Notes	UST Note	91282CAW1	0.250	0.153	1.096	1/5/2021	11/15/2023	50,000,000.00	50,138,671.88	47,792,950.00	95.586	CDL
Treasury Notes	UST Note	91282CBE0	0.125	0.174	1.260	2/1/2021	1/15/2024	50,000,000.00	49,927,734.38	47,392,600.00	94.785	CDL
Treasury Notes	UST Note	91282CBE0	0.125	0.316	1.260	3/1/2021	1/15/2024	50,000,000.00	49,726,562.50	47,392,600.00	94.785	CDL
Treasury Notes	UST Note	91282CBR1	0.250	0.334	1.422	4/1/2021	3/15/2024	60,000,000.00	59,852,343.75	56,580,480.00	94.301	CDL
Treasury Notes	UST Note	91282CBV2	0.375	0.336	1.499	5/4/2021	4/15/2024	50,000,000.00	50,056,640.63	47,076,150.00	94.152	CDL
Treasury Notes	UST Note	91282CCC3	0.250	0.296	1.584	5/28/2021	5/15/2024	75,000,000.00	74,897,460.94	70,259,775.00	93.680	CDL
Treasury Notes	UST Note	91282CCG4	0.250	0.458	1.664	7/1/2021	6/15/2024	50,000,000.00	49,695,312.50	46,701,150.00	93.402	CDL
Treasury Notes	UST Note	91282CCL3	0.375	0.346	1.745	8/3/2021	7/15/2024	50,000,000.00	50,042,968.75	46,685,550.00	93.371	CDL
Treasury Notes	UST Note	91282CCT6	0.375	0.398	1.827	9/1/2021	8/15/2024	75,000,000.00	74,950,195.31	69,770,475.00	93.027	CDL
Treasury Notes	UST Note	91282CCX7	0.375	0.527	1.908	10/1/2021	9/15/2024	50,000,000.00	49,777,343.75	46,384,750.00	92.770	CDL
Treasury Notes	UST Note	91282CDB4	0.625	0.760	1.979	11/1/2021	10/15/2024	75,000,000.00	74,704,101.56	69,720,675.00	92.961	CDL
Treasury Notes	UST Note	91282CDH1	0.750	0.749	2.058	12/1/2021	11/15/2024	50,000,000.00	50,001,953.13	46,460,950.00	92.922	CDL
Treasury Notes	UST Note	91282CDN8	1.000	0.947	2.132	1/3/2022	12/15/2024	75,000,000.00	75,114,257.81	69,887,700.00	93.184	CDL
Treasury Notes	UST Note	912828Z52	1.375	1.402	2.248	2/1/2022	1/31/2025	50,000,000.00	49,960,937.50	46,832,050.00	93.664	CDL
Treasury Notes	UST Note	91282CDZ1	1.500	1.638	2.284	3/1/2022	2/15/2025	50,000,000.00	49,800,781.25	46,869,150.00	93.738	CDL
Treasury Notes	UST Note	9128284F4	2.625	2.471	2.380	3/31/2022	3/31/2025	50,000,000.00	50,220,703.13	48,074,200.00	96.148	CDL
Treasury Notes	UST Note	91282CEH0	2.625	2.863	2.388	4/29/2022	4/15/2025	50,000,000.00	49,714,267.42	48,017,600.00	96.035	CDL
Treasury Notes	UST Note	91282CEQ0	2.750	2.753	2.466	5/31/2022	5/15/2025	50,000,000.00	50,055,876.36	48,115,250.00	96.231	CDL
Treasury Notes	UST Note	91282CEU1	2.875	3.036	2.544	7/1/2022	6/15/2025	50,000,000.00	49,836,279.03	48,220,700.00	96.441	CDL
Treasury Notes	UST Note	91282CEY3	3.000	2.843	2.620	8/1/2022	7/15/2025	100,000,000.00	100,579,993.21	96,656,300.00	96.656	CDL
Treasury Notes	UST Note	91282CFE6	3.125	3.444	2.699	9/1/2022	8/15/2025	150,000,000.00	148,880,604.62	145,394,550.00	96.930	CDL
	Total Count 26		1.153	1.203	1.823			1,585,000,000.00	1,583,214,286.29	1,505,855,880.00	95.007	

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	10/1/2022	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	

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	161571HP2	1.530	1.545	1.168	2/18/2020	1/15/2025	12,000,000.00	11,997,250.80	11,925,408.00	99.378	CDL
Asset Backed Secs	Chase Issuance Trust	161571HP2	1.530	0.154	1.099	1/6/2021	1/15/2025	17,500,000.00	17,962,109.38	17,391,220.00	99.378	CDL
Asset Backed Secs	Capital One	14041NFW6	0.550	0.552	1.843	7/22/2021	7/15/2026	27,000,000.00	26,998,906.50	25,131,870.00	93.081	CDL
Asset Backed Secs	Capital One	14041NGA3	3.490	4.794	2.141	9/30/2022	5/15/2027	25,000,000.00	24,321,510.42	24,238,725.00	96.955	CDL
Asset Backed Secs	American Express Credt	02582JJV3	3.750	3.896	2.313	9/12/2022	8/16/2027	27,740,000.00	27,589,380.47	27,022,310.72	97.413	CDL
Asset Backed Secs	Chase Issuance Trust	161571HS6	3.970	4.010	2.287	9/16/2022	9/15/2027	10,000,000.00	9,998,331.00	9,818,630.00	98.186	CDL
	Total Count 6		2.429	2.527	1.870			119,240,000.00	118,867,488.57	115,528,163.72	96.887	

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	3.100	3.100	0.000	7/1/2019	10/1/2022	40,800,000.00	40,800,000.00	40,800,000.00	100.000	Book
Commercial Paper	Bayerische Landesbank	07274MKH7	2.300	2.350	0.043	6/17/2022	10/17/2022	50,000,000.00	49,610,277.78	49,926,350.00	99.853	CDL
Commercial Paper	Korea Development Bank	5006E1L36	2.630	2.690	0.090	7/6/2022	11/3/2022	50,000,000.00	49,561,666.67	49,851,450.00	99.703	CDL
Commercial Paper	Landesbank Baden-Wuert	5148X1M26	2.760	2.830	0.168	7/7/2022	12/2/2022	50,000,000.00	49,432,666.67	49,695,350.00	99.391	CDL
Commercial Paper	ING Funding	4497W1M94	2.790	2.863	0.188	7/8/2022	12/9/2022	50,000,000.00	49,403,250.00	49,655,550.00	99.311	CDL
Commercial Paper	Natixis SA	63873KP19	3.530	3.642	0.332	8/9/2022	2/1/2023	50,000,000.00	49,137,111.11	49,338,500.00	98.677	CDL
Commercial Paper	Credit Suisse NY	2254EBPA3	3.540	3.737	0.356	8/10/2022	2/10/2023	50,000,000.00	49,095,333.33	49,241,350.00	98.483	CDL
Commercial Paper	Societe Generale	83369CPF5	3.390	3.575	0.369	8/15/2022	2/15/2023	50,000,000.00	49,133,666.67	49,239,450.00	98.479	CDL
Commercial Paper	JPMorgan Chase	46640QQN4	3.620	3.820	0.462	8/22/2022	3/22/2023	20,000,000.00	19,573,644.44	19,604,020.00	98.020	CDL
Commercial Paper	Credit Agricole	22533USC8	3.690	3.863	0.596	9/7/2022	5/12/2023	50,000,000.00	48,734,125.00	48,619,600.00	97.239	CDL
Commercial Paper	JP Morgan Securities	46590ESW9	3.860	4.055	0.645	9/2/2022	5/30/2023	30,000,000.00	29,131,500.00	29,097,900.00	96.993	CDL
	Total Count 11		3.147	3.261	0.275			490,800,000.00	483,613,241.67	485,069,520.00	98.832	

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	0.038	5/2/2019	10/15/2022	9,400,000.00	9,342,284.00	9,394,736.00	99.944	CDL
Medium Term Notes	Visa Inc	92826CAC6	2.800	2.567	0.202	5/2/2019	12/14/2022	15,000,000.00	15,119,700.00	14,964,300.00	99.762	CDL
Medium Term Notes	US BANK NA	90331HPF4	1.950	1.978	0.273	12/9/2019	1/9/2023	10,000,000.00	9,991,600.00	9,944,190.00	99.442	CDL
Medium Term Notes	Bank of America	06051GEU9	3.300	2.201	0.279	10/2/2019	1/11/2023	12,487,000.00	12,918,176.11	12,455,957.32	99.751	CDL
Medium Term Notes	Pepsico Inc	713448EY0	0.750	0.273	0.569	3/12/2021	5/1/2023	16,000,000.00	16,162,400.00	15,696,688.00	98.104	CDL
Medium Term Notes	Apple Corp	037833AK6	2.400	1.884	0.570	10/2/2019	5/3/2023	8,895,000.00	9,053,331.00	8,797,786.55	98.907	CDL
Medium Term Notes	Apple Corp	037833AK6	2.400	0.314	0.570	9/18/2020	5/3/2023	9,338,000.00	9,846,734.24	9,235,945.00	98.907	CDL
Medium Term Notes	JPMorgan Chase	46625HRL6	2.700	2.159	0.610	12/4/2019	5/18/2023	13,170,000.00	13,406,138.10	13,043,554.83	99.040	CDL
Medium Term Notes	Toyota Corporation	89236THF5	0.500	0.327	0.849	2/23/2021	8/14/2023	15,000,000.00	15,063,900.00	14,501,580.00	96.677	CDL
Medium Term Notes	Bank of New York Mellon	06406FAD5	2.200	2.011	0.850	11/4/2019	8/16/2023	17,842,000.00	17,964,217.70	17,489,977.34	98.027	CDL
Medium Term Notes	PACCAR Inc	69371RR24	0.350	0.389	1.303	2/2/2021	2/2/2024	10,000,000.00	9,988,400.00	9,463,900.00	94.639	CDL
Medium Term Notes	Bank of New York Mellon	06406RAS6	0.500	0.536	1.526	4/26/2021	4/26/2024	15,000,000.00	14,983,950.00	14,074,800.00	93.832	CDL
Medium Term Notes	Amazon	023135BW5	0.450	0.499	1.571	5/12/2021	5/12/2024	5,000,000.00	4,992,700.00	4,687,130.00	93.743	CDL
Medium Term Notes	Microsoft Corp	594918BB9	2.700	4.615	2.245	9/29/2022	2/12/2025	25,000,000.00	24,024,375.00	23,991,350.00	95.965	CDL
Medium Term Notes	Toyota Corporation	89236TKC8	3.950	4.511	2.541	9/23/2022	6/30/2025	24,765,000.00	24,631,193.33	24,172,125.90	97.606	CDL
Medium Term Notes	Home Depot	437076CR1	4.000	4.294	2.748	9/23/2022	9/15/2025	11,272,000.00	11,185,255.70	11,092,752.66	98.410	CDL
Medium Term Notes	Apple Corp	037833EB2	0.700	4.651	3.238	9/29/2022	2/8/2026	15,419,000.00	13,560,111.06	13,562,166.93	87.958	CDL
	Total Count 17		2.145	2.386	1.295			233,588,000.00	232,234,466.24	226,568,940.53	96.995	
							Grand Total	2,544,649,382.71	2,533,375,527.29	2,448,688,536.96		

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/