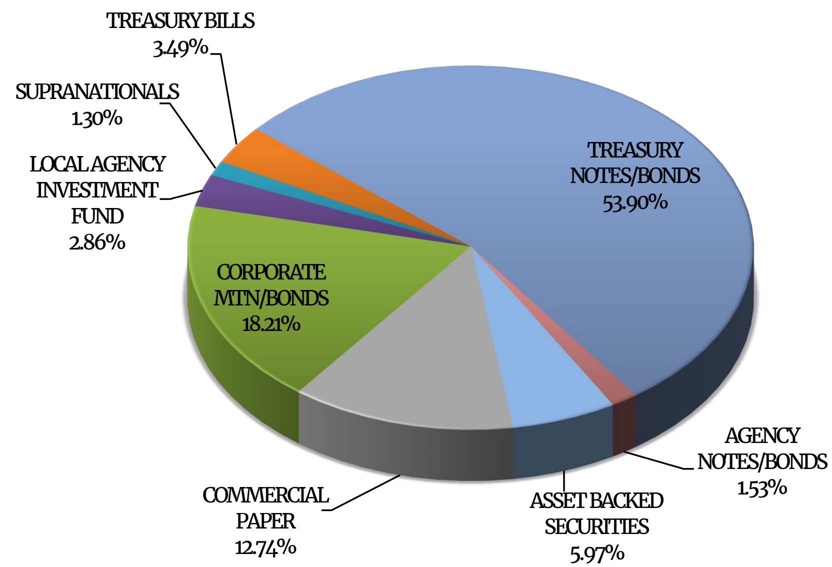
ASSET ALLOCATION

Assets (000's)	Current Par Value	Current Book Value	Market Value	Mkt/Book	Yield to Maturity
ASSET BACKED SECURITIES	136,769	136,945	138,586	101.20%	2.36%
COMMERCIAL PAPER	292,300	292,179	292,255	100.03%	0.16%
CORPORATE MTN/BONDS	416,428	417,673	426,311	102.07%	2.55%
LOCAL AGENCY INVESTMENT FUND	65,539	65,539	65,539	100.00%	0.84%
SUPRANATIONALS	30,000	29,972	30,477	101.69%	1.67%
TREASURY BILLS	80,000	79,984	80,000	100.02%	0.08%
TREASURY NOTES/BONDS	1,225,000	1,236,329	1,248,596	100.99%	0.99%
AGENCY NOTES/BONDS	35,000	35,216	35,643	101.21%	2.83%
Totals (000's):	**2,281,036**	**2,293,837**	**2,317,407**	**101.03%**	**1.25%**

Portfolio Breakdown & Statistics

	Liquidity	Core
Portfolio Size	$776,837,520	$1,516,999,059
% of total pool	33.87%	66.13%
Portfolio Duration*	0.25	1.78
Index Duration*/**	0.26	1.88
% of index	95.50%	94.68%
Weighted Average Days to Maturity	92	664
Earned Income Yield	1.395%	1.999%

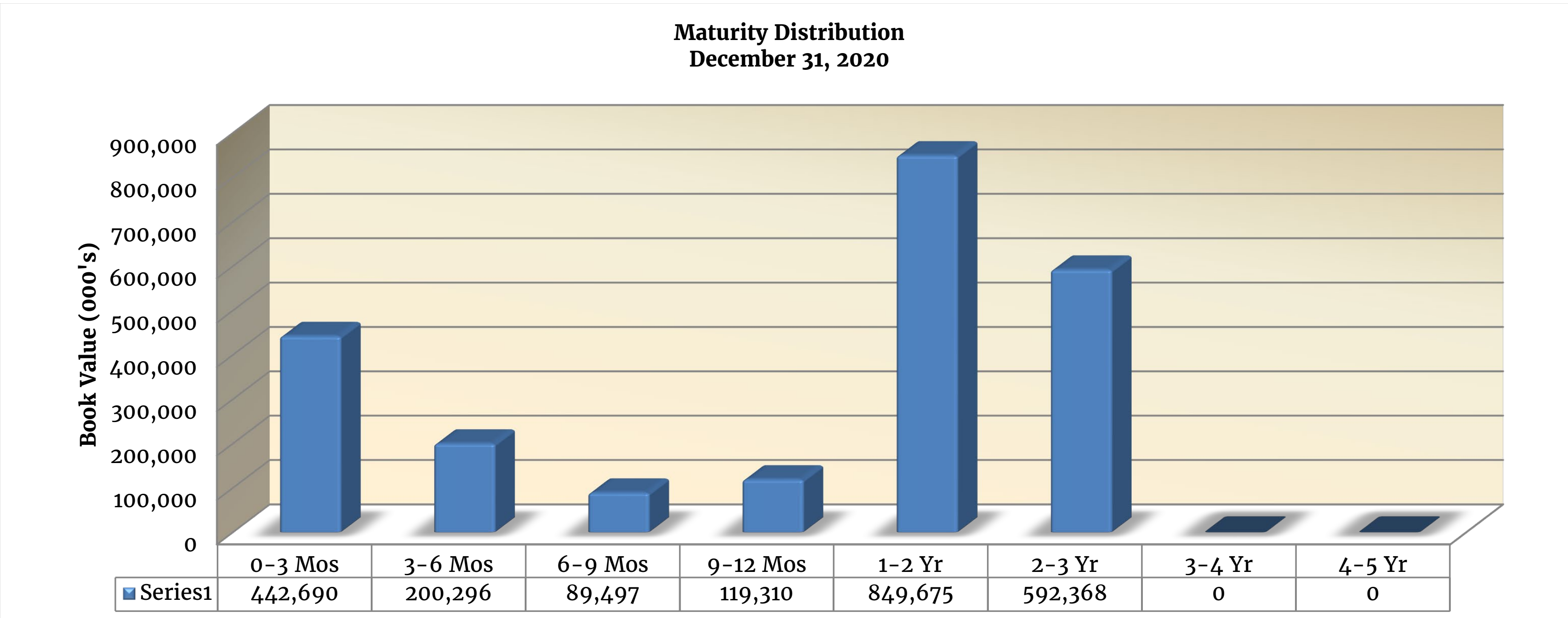
* Macaulay's Duration for Liquidity and Effective Duration for Core.
** Due to a change in the Portfolio Analytics Systems that the Investments Division utilizes, the two indices were changed from the ICE BoFA to the equivalent Bloomberg Barclays indices.



Pooled Portfolio Composition by Book Value

MATURITY DISTRIBUTION

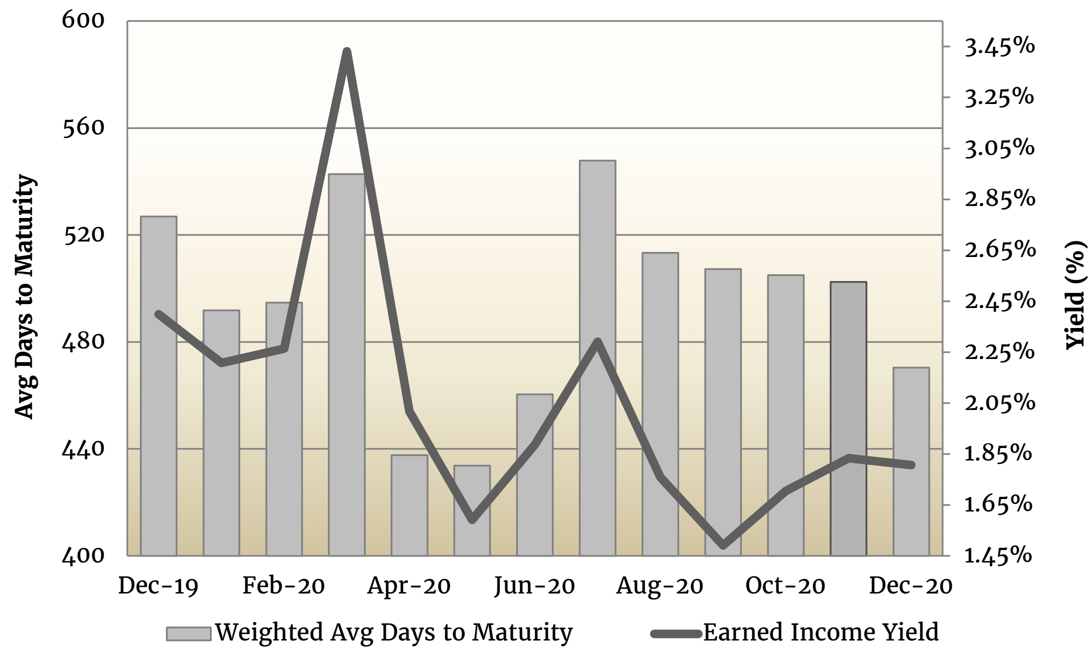
Current Book Value (000's)	0-3 Mos	3-6 Mos	6-9 Mos	9-12 Mos	1-2 Yr	2-3 Yr	3-4 Yr	4-5 Yr	Totals (000's)
ASSET BACKED SECURITIES	39,288	26,409	39,134		20,117	11,997			136,945
COMMERCIAL PAPER	212,234	79,945							292,179
CORPORATE MTN/BONDS	45,645	68,723	50,364	34,357	143,275	75,309			417,673
LOCAL AGENCY INVESTMENT FUND	65,539								65,539
SUPRANATIONALS					29,972				29,972
TREASURY BILLS	79,984								79,984
TREASURY NOTES/BONDS				74,956	656,312	505,061			1,236,329
AGENCY NOTES/BONDS		25,220		9,997					35,216
Totals (000's):	**442,690**	**200,296**	**89,497**	**119,310**	**849,675**	**592,368**	**0**	**0**	**2,293,837**
% of Portfolio	19.30%	8.73%	3.90%	5.20%	37.04%	25.82%	0.00%	0.00%	100.00%



PORTFOLIO - EARNED INCOME YIELD

Month	Earned Income Yield	Weighted Avg Days to Maturity
Dec-19	2.40%	526.90
Jan-20	2.21%	491.76
Feb-20	2.26%	494.67
Mar-20	3.43%	542.73
Apr-20	2.02%	437.63
May-20	1.59%	433.76
Jun-20	1.89%	460.36
Jul-20	2.29%	547.77
Aug-20	1.76%	513.27
Sep-20	1.49%	507.28
Oct-20	1.71%	504.99
Nov-20	1.83%	502.44
Dec-20	1.81%	470.36

Yield and Weighted Average Days to Maturity Trends



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
US Treasury Bill	US Treasury	912796A58	0.065	0.065	0.014	12/16/2020	1/5/2021	40,000,000.00	39,998,551.11	40,000,000.00	100.000	IDC-FIS
US Treasury Bill	US Treasury	9127963T4	0.097	0.097	0.019	8/25/2020	1/7/2021	40,000,000.00	39,985,495.00	40,000,000.00	100.000	IDC-FIS
	Total Count 2		0.081	0.081	0.017			80,000,000.00	79,984,046.11	80,000,000.00	100.000	

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
US Treasury Note	US Treasury	912828G87	2.125	2.620	0.995	6/1/2018	12/31/2021	25,000,000.00	24,579,101.56	25,498,000.00	101.992	IDC-FIS
US Treasury Note	US Treasury	912828G87	2.125	1.804	0.995	8/2/2019	12/31/2021	50,000,000.00	50,376,953.13	50,996,000.00	101.992	IDC-FIS
US Treasury Note	US Treasury	9128285V8	2.500	1.624	1.021	10/2/2019	1/15/2022	50,000,000.00	50,978,515.63	51,224,500.00	102.449	IDC-FIS
US Treasury Note	US Treasury	912828V72	1.875	2.163	1.069	1/3/2018	1/31/2022	25,000,000.00	24,720,703.13	25,472,750.00	101.891	IDC-FIS
US Treasury Note	US Treasury	912828V72	1.875	1.536	1.069	11/1/2019	1/31/2022	25,000,000.00	25,186,523.44	25,472,750.00	101.891	IDC-FIS
US Treasury Note	US Treasury	9128286C9	2.500	2.490	1.104	3/1/2019	2/15/2022	25,000,000.00	25,006,835.94	25,665,000.00	102.660	IDC-FIS
US Treasury Note	US Treasury	9128286M7	2.250	1.918	1.272	6/3/2019	4/15/2022	75,000,000.00	75,691,406.25	77,045,250.00	102.727	IDC-FIS
US Treasury Note	US Treasury	912828XG0	2.125	2.858	1.484	12/3/2018	6/30/2022	25,000,000.00	24,380,859.38	25,748,000.00	102.992	IDC-FIS
US Treasury Note	US Treasury	9128287C8	1.750	1.609	1.513	12/4/2019	7/15/2022	50,000,000.00	50,179,687.50	51,250,000.00	102.500	IDC-FIS
US Treasury Note	US Treasury	912828YA2	1.500	1.448	1.600	9/4/2019	8/15/2022	100,000,000.00	100,148,437.50	102,227,000.00	102.227	IDC-FIS
US Treasury Note	US Treasury	912828YK0	1.375	0.212	1.769	5/1/2020	10/15/2022	125,000,000.00	128,559,570.31	127,783,750.00	102.227	IDC-FIS
US Treasury Note	US Treasury	912828TY6	1.625	1.604	1.848	1/3/2020	11/15/2022	75,000,000.00	75,043,945.31	77,088,750.00	102.785	IDC-FIS
US Treasury Note	US Treasury	912828TY6	1.625	0.917	1.848	3/2/2020	11/15/2022	75,000,000.00	76,415,039.06	77,088,750.00	102.785	IDC-FIS
US Treasury Note	US Treasury	912828Z29	1.500	1.332	2.002	2/3/2020	1/15/2023	75,000,000.00	75,363,281.25	77,091,750.00	102.789	IDC-FIS
US Treasury Note	US Treasury	912828Z29	1.500	0.180	2.003	6/1/2020	1/15/2023	125,000,000.00	129,311,523.44	128,486,250.00	102.789	IDC-FIS
US Treasury Note	US Treasury	912828ZU7	0.250	0.168	2.449	7/1/2020	6/15/2023	100,000,000.00	100,242,187.50	100,258,000.00	100.258	IDC-FIS
US Treasury Note	US Treasury	912828ZU7	0.250	0.123	2.449	8/3/2020	6/15/2023	25,000,000.00	25,090,820.31	25,064,500.00	100.258	IDC-FIS
US Treasury Note	US Treasury	912828ZU7	0.250	0.138	2.449	9/1/2020	6/15/2023	25,000,000.00	25,078,125.00	25,064,500.00	100.258	IDC-FIS
US Treasury Note	US Treasury	91282CAK7	0.125	0.153	2.701	10/1/2020	9/15/2023	50,000,000.00	49,961,746.81	49,965,000.00	99.930	IDC-FIS
US Treasury Note	US Treasury	91282CAK7	0.125	0.191	2.701	11/2/2020	9/15/2023	50,000,000.00	49,914,537.29	49,965,000.00	99.930	IDC-FIS
US Treasury Note	US Treasury	91282CAW1	0.250	0.186	2.863	12/1/2020	11/15/2023	50,000,000.00	50,099,274.86	50,140,500.00	100.281	IDC-FIS
	Total Count 21		1.371	0.990	1.840			1,225,000,000.00	1,236,329,074.60	1,248,596,000.00	101.926	

AGENCY 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
Agency Note	Federal Home Loan Bank	313373ZY1	3.625	2.728	0.444	6/11/2020	6/11/2021	25,000,000.00	25,219,763.95	25,387,500.00	101.550	IDC-FIS
Agency Note	Federal Farm Credit Bank	3133EJT74	3.050	3.086	0.865	11/15/2020	11/15/2021	10,000,000.00	9,996,503.19	10,255,700.00	102.557	IDC-FIS
	Total Count 2		3.462	2.830	0.564			35,000,000.00	35,216,267.14	35,643,200.00	101.838	

SUPRANATIONALS	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
Supranationals	Intl Bank of Reconstruction & Development	459058DY6	1.626	1.670	1.096	12/4/2019	2/10/2022	30,000,000.00	29,971,500.00	30,477,300.00	101.591	IDC-FIS
	Total Count 1		1.626	1.670	1.096			30,000,000.00	29,971,500.00	30,477,300.00	101.591	

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
Local Agency Investment Fund	California State Pool		0.840	0.840	0.003	3/31/2003	1/1/2021	65,539,192.05	65,539,192.05	65,539,192.05	100.000	BOOK
	Total Count 1		0.840	0.840	0.003			65,539,192.05	65,539,192.05	65,539,192.05	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 Security	Citibank Credit Card Issuance Trust	17305EGK5	2.490	2.495	0.036	7/20/2020	1/20/2021	24,000,000.00	23,999,436.71	24,029,488.80	100.123	UPRICE
Asset Backed Security	Bank of America Credit Card TR 2017	05522RCY2	2.700	2.932	0.105	8/15/2020	2/15/2021	5,299,000.00	5,295,426.19	5,314,946.28	100.301	UPRICE
Asset Backed Security	Bank of America Credit Card TR 2017	05522RCY2	2.700	2.925	0.105	8/15/2020	2/15/2021	10,000,000.00	9,993,474.76	10,030,093.00	100.301	UPRICE
Asset Backed Security	Bank of America Credit Card TR 2017	05522RCZ9	3.000	2.706	0.271	8/15/2020	4/15/2021	8,185,000.00	8,193,975.78	8,249,332.46	100.786	UPRICE
Asset Backed Security	Bank of America Credit Card TR 2017	05522RCZ9	3.000	1.535	0.271	8/15/2020	4/15/2021	6,250,000.00	6,284,281.29	6,299,123.75	100.786	UPRICE
Asset Backed Security	American Express Credit Account	02582JHZ6	2.990	2.374	0.354	8/15/2020	5/15/2021	11,900,000.00	11,930,429.81	12,021,810.78	101.024	UPRICE
Asset Backed Security	Discover Card Execution Note Trust	254683CG8	3.110	2.720	0.518	7/15/2020	7/15/2021	26,855,000.00	26,911,444.15	27,268,902.69	101.541	UPRICE
Asset Backed Security	Capital One	14041NFG1	1.660	2.536	0.602	8/15/2020	8/15/2021	12,280,000.00	12,222,157.12	12,390,942.43	100.903	UPRICE
Asset Backed Security	Chase Issuance Trust	161571FQ2	2.160	1.775	0.868	9/18/2019	9/15/2022	20,000,000.00	20,117,187.50	20,663,432.00	103.317	UPRICE
Asset Backed Security	Chase Issuance Trust	161571HP2	1.530	1.545	1.033	2/18/2020	1/17/2023	12,000,000.00	11,997,250.80	12,317,817.60	102.648	UPRICE
	Total Count 10		2.526	2.360	0.451			136,769,000.00	136,945,064.11	138,585,889.79	101.328	

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 Commercial Paper Sweep		0.030	0.030	0.003	7/1/2019	1/1/2021	52,300,000.00	52,300,000.00	52,300,000.00	100.000	BOOK
Commercial Paper	Bayerische Landesbank NY	07274LNN3	0.160	0.160	0.060	11/18/2020	1/22/2021	40,000,000.00	39,988,444.44	39,997,666.67	99.994	IDC-FIS
Commercial Paper	Credit Agricole CIB NY	22533TPK6	0.145	0.145	0.137	11/19/2020	2/19/2021	40,000,000.00	39,985,177.78	39,994,555.56	99.986	IDC-FIS
Commercial Paper	MUFG Bank Ltd NY	62479LQ57	0.180	0.180	0.175	11/25/2020	3/5/2021	40,000,000.00	39,980,000.00	39,993,000.00	99.983	IDC-FIS
Commercial Paper	Natixis NY	63873JQK9	0.190	0.190	0.214	12/16/2020	3/19/2021	40,000,000.00	39,980,366.67	39,991,444.44	99.979	IDC-FIS
Commercial Paper	Toyota Motor Credit Corp.	89233GR24	0.200	0.200	0.252	12/16/2020	4/2/2021	40,000,000.00	39,976,222.22	39,989,888.89	99.975	IDC-FIS
Commercial Paper	Landesbank Baden-Württemberg	5148X0RG2	0.250	0.250	0.290	12/24/2020	4/16/2021	40,000,000.00	39,968,611.11	39,988,333.33	99.971	IDC-FIS
	Total Count 7		0.159	0.159	0.155			292,300,000.00	292,178,822.22	292,254,888.89	99.985	

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 Note	Toyota Motor Credit Corp.	89236TFQ3	3.050	3.081	0.022	7/8/2020	1/8/2021	5,000,000.00	4,999,244.87	5,001,200.00	100.024	IDC-FIS
Medium Term Note	Apple Inc.	037833BS8	2.250	2.488	0.148	2/23/2020	2/23/2021	7,355,000.00	7,337,806.23	7,363,752.45	100.119	IDC-FIS
Medium Term Note	Apple Inc.	037833BS8	2.250	2.900	0.148	2/23/2020	2/23/2021	13,455,000.00	13,369,428.54	13,471,011.45	100.119	IDC-FIS
Medium Term Note	Exxon Mobil Corp.	30231GAV4	2.222	2.465	0.164	3/1/2020	3/1/2021	10,000,000.00	9,976,130.88	10,014,300.00	100.143	IDC-FIS
Medium Term Note	Exxon Mobil Corp.	30231GAV4	2.222	2.610	0.164	3/1/2020	3/1/2021	10,000,000.00	9,961,959.92	10,014,300.00	100.143	IDC-FIS
Medium Term Note	US Bank NA	90331HNP4	3.150	3.045	0.318	10/26/2020	4/26/2021	6,750,000.00	6,753,497.19	6,794,887.50	100.665	IDC-FIS
Medium Term Note	US Bank NA	90331HNP4	3.150	2.648	0.318	10/26/2020	4/26/2021	15,000,000.00	15,037,149.72	15,099,750.00	100.665	IDC-FIS
Medium Term Note	PNC Bank NA	69353REW4	2.150	3.285	0.326	10/29/2020	4/29/2021	10,000,000.00	9,944,167.41	10,046,900.00	100.469	IDC-FIS
Medium Term Note	General Dynamics Corp.	369550BE7	3.000	3.197	0.359	11/11/2020	5/11/2021	7,001,000.00	6,994,219.06	7,068,419.63	100.963	IDC-FIS
Medium Term Note	General Dynamics Corp.	369550BE7	3.000	3.163	0.359	11/11/2020	5/11/2021	5,000,000.00	4,995,993.58	5,048,150.00	100.963	IDC-FIS
Medium Term Note	UnitedHealth Group Inc.	91324PDH2	3.150	3.168	0.454	6/15/2020	6/15/2021	10,000,000.00	9,998,195.05	10,125,500.00	101.255	IDC-FIS
Medium Term Note	Walmart Inc.	931142EJ8	3.125	3.127	0.476	6/23/2020	6/23/2021	15,000,000.00	14,999,749.31	15,205,650.00	101.371	IDC-FIS
Medium Term Note	Citibank NA	17325FAQ1	3.400	3.438	0.553	7/23/2020	7/23/2021	10,000,000.00	9,996,336.68	10,147,300.00	101.473	IDC-FIS
Medium Term Note	Citibank NA	17325FAQ1	3.400	3.380	0.553	7/23/2020	7/23/2021	15,250,000.00	15,253,031.73	15,474,632.50	101.473	IDC-FIS

Medium Term Note	Fifth Third Bank	31677QBN8	3.350	3.359	0.561	7/26/2020	7/26/2021	5,000,000.00	4,999,583.71	5,073,000.00	101.460	IDC-FIS
Medium Term Note	PACCAR Financial Corp.	69371RP42	3.150	3.161	0.598	8/9/2020	8/9/2021	7,000,000.00	6,999,277.33	7,119,910.00	101.713	IDC-FIS
Medium Term Note	Cisco Systems Inc.	17275RBJ0	1.850	2.202	0.715	9/20/2020	9/20/2021	5,297,000.00	5,278,674.89	5,350,393.76	101.008	IDC-FIS
Medium Term Note	Cisco Systems Inc.	17275RBJ0	1.850	2.085	0.715	9/20/2020	9/20/2021	7,855,000.00	7,836,828.90	7,934,178.40	101.008	IDC-FIS
Medium Term Note	Honeywell International Inc.	438516BM7	1.850	2.093	0.829	11/1/2020	11/1/2021	9,825,000.00	9,801,540.94	9,941,328.00	101.184	IDC-FIS
Medium Term Note	UnitedHealth Group Inc.	91324PCH3	2.875	2.447	0.948	12/15/2020	12/15/2021	9,613,000.00	9,653,360.05	9,845,153.95	102.415	IDC-FIS
Medium Term Note	Pfizer Inc.	717081DZ3	2.200	2.231	0.950	12/15/2020	12/15/2021	14,907,000.00	14,902,390.97	15,196,643.01	101.943	IDC-FIS
Medium Term Note	Bank of New York Mellon	06406RAA5	2.600	2.714	1.081	5/2/2019	2/7/2022	16,114,000.00	16,064,852.30	16,495,901.80	102.370	IDC-FIS
Medium Term Note	Apple Inc.	037833AY6	2.150	3.213	1.090	12/14/2018	2/9/2022	10,000,000.00	9,683,600.00	10,207,300.00	102.073	IDC-FIS
Medium Term Note	Home Depot Inc.	437076BV3	3.250	3.341	1.143	12/6/2018	3/1/2022	10,000,000.00	9,972,600.00	10,342,800.00	103.428	IDC-FIS
Medium Term Note	Chevron Corp.	166764BN9	2.498	1.807	1.154	11/4/2019	3/3/2022	12,000,000.00	12,188,160.00	12,293,880.00	102.449	IDC-FIS
Medium Term Note	Chevron Corp.	166764BN9	2.498	1.802	1.154	11/4/2019	3/3/2022	5,300,000.00	5,383,740.00	5,429,797.00	102.449	IDC-FIS
Medium Term Note	UnitedHealth Group Inc.	91324PBV3	2.875	2.090	1.185	10/2/2019	3/15/2022	10,679,000.00	10,878,270.14	10,939,674.39	102.441	IDC-FIS
Medium Term Note	Intel Corp.	458140BB5	2.350	3.250	1.344	12/14/2018	5/11/2022	13,156,000.00	12,776,712.52	13,498,713.80	102.605	IDC-FIS
Medium Term Note	Intel Corp.	458140BB5	2.350	2.316	1.344	6/13/2019	5/11/2022	5,756,000.00	5,761,468.20	5,905,943.80	102.605	IDC-FIS
Medium Term Note	IBM Corp.	459200JX0	2.850	2.030	1.346	12/4/2019	5/13/2022	10,000,000.00	10,194,400.00	10,355,200.00	103.552	IDC-FIS
Medium Term Note	Eli Lilly & Co.	532457BQ0	2.350	2.632	1.355	4/25/2019	5/15/2022	3,170,000.00	3,143,910.90	3,255,748.50	102.705	IDC-FIS
Medium Term Note	Eli Lilly & Co.	532457BQ0	2.350	2.054	1.355	7/5/2019	5/15/2022	4,710,000.00	4,748,480.70	4,837,405.50	102.705	IDC-FIS
Medium Term Note	United Parcel Service, Inc.	911312BC9	2.350	2.636	1.358	5/6/2019	5/16/2022	8,000,000.00	7,933,840.00	8,214,560.00	102.682	IDC-FIS
Medium Term Note	Home Depot Inc.	437076BG6	2.625	2.336	1.397	6/4/2019	6/1/2022	10,000,000.00	10,082,900.00	10,312,200.00	103.122	IDC-FIS
Medium Term Note	Oracle Corp.	68389XAP0	2.500	2.687	1.752	5/2/2019	10/15/2022	9,400,000.00	9,342,284.00	9,770,642.00	103.943	IDC-FIS
Medium Term Note	Visa Inc.	92826CAC6	2.800	2.567	1.912	5/2/2019	12/14/2022	15,000,000.00	15,119,700.00	15,696,300.00	104.642	IDC-FIS
Medium Term Note	US Bank NA	90331HPF4	1.950	1.978	1.974	12/9/2019	1/9/2023	10,000,000.00	9,991,600.00	10,316,200.00	103.162	IDC-FIS
Medium Term Note	Bank of America Corp.	06051GEU9	3.300	2.201	1.949	10/2/2019	1/11/2023	12,487,000.00	12,918,176.11	13,238,842.27	106.021	IDC-FIS
Medium Term Note	Oracle Corp.	68389XBR5	2.625	2.271	2.059	6/21/2019	2/15/2023	2,103,000.00	2,128,929.99	2,201,231.13	104.671	IDC-FIS
Medium Term Note	Apple Inc.	037833AK6	2.400	1.884	2.281	10/2/2019	5/3/2023	8,895,000.00	9,053,331.00	9,330,499.20	104.896	IDC-FIS
Medium Term Note	Apple Inc.	037833AK6	2.400	0.314	2.282	9/18/2020	5/3/2023	9,338,000.00	9,846,734.24	9,795,188.48	104.896	IDC-FIS
Medium Term Note	JP Morgan Chase & Co.	46625HRL6	2.700	2.159	2.315	12/4/2019	5/18/2023	13,170,000.00	13,406,138.10	13,846,279.50	105.135	IDC-FIS
Medium Term Note	Bank of New York Mellon	06406FAD5	2.200	2.011	2.545	11/4/2019	8/16/2023	17,842,000.00	17,964,217.70	18,690,208.68	104.754	IDC-FIS
	Total	Count 43	2.631	2.552	1.086			416,428,000.00	417,672,612.86	426,310,876.70	102.373	
							Grand Total	2,281,036,192.05	2,293,836,579.09	2,317,407,347.43		

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/