




**The City of San Diego**

**M E M O R A N D U M**

DATE: April 21, 2022  
TO: Distribution  
FROM: Elizabeth Correia, City Treasurer   
SUBJECT: Monthly Investment Report – March 31, 2022

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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 securities were 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  
Deborah Higgins, Investment Advisory Committee  
Stefan Meierhofer, Investment Advisory Committee  
Jayson Schmitt, Investment Advisory Committee  
Matt Vespi, Chief Financial Officer and Investment Advisory Committee  
Lakshmi Kommi, Director, Debt Management 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



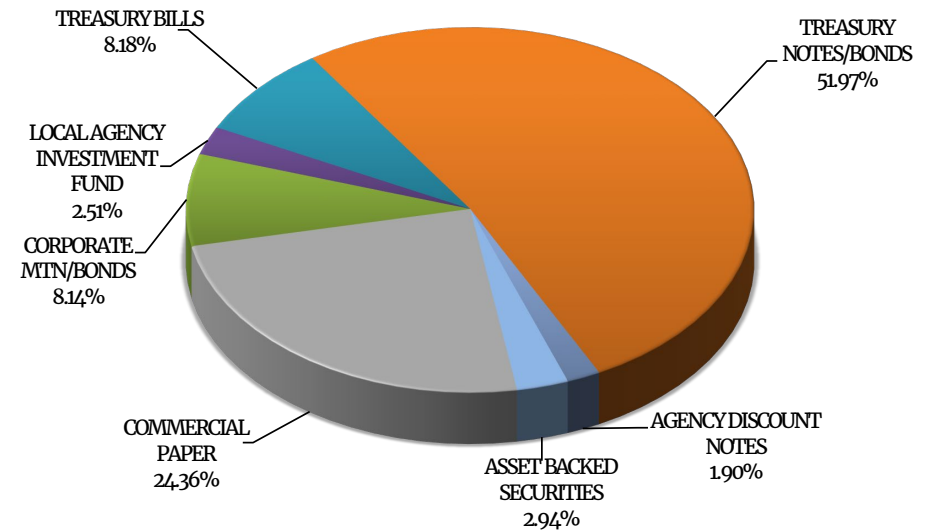
**ASSET ALLOCATION**

Assets (000's)	Current Par Value	Current Book Value	Market Value	Mkt/Book	Yield to Maturity
ASSET BACKED SECURITIES	76,500	77,075	75,237	97.61%	0.95%
COMMERCIAL PAPER	640,100	639,142	638,775	99.94%	0.31%
CORPORATE MTN/BONDS	211,924	213,607	210,685	98.63%	1.65%
LOCAL AGENCY INVESTMENT FUND	65,742	65,742	65,742	100.00%	0.23%
TREASURY BILLS	215,000	214,673	214,723	100.02%	0.41%
TREASURY NOTES/BONDS	1,360,000	1,363,779	1,318,405	96.67%	0.54%
AGENCY DISCOUNT NOTES	50,000	49,986	49,997	100.02%	0.15%
<b>Totals (000's):</b>	<b>2,619,266</b>	<b>2,624,004</b>	<b>2,573,565</b>	<b>98.08%</b>	<b>0.56%</b>

**Portfolio Breakdown & Statistics**

	Liquidity	Core
Portfolio Size	\$1,024,316,045	\$1,599,688,208
% of total pool	39.04%	60.96%
Portfolio Duration*	0.19	1.80
Index Duration*	0.26	1.86
% of index	74.19%	96.77%
Weighted Average Days to Maturity	70	680
Earned Income Yield	0.444%	0.610%

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



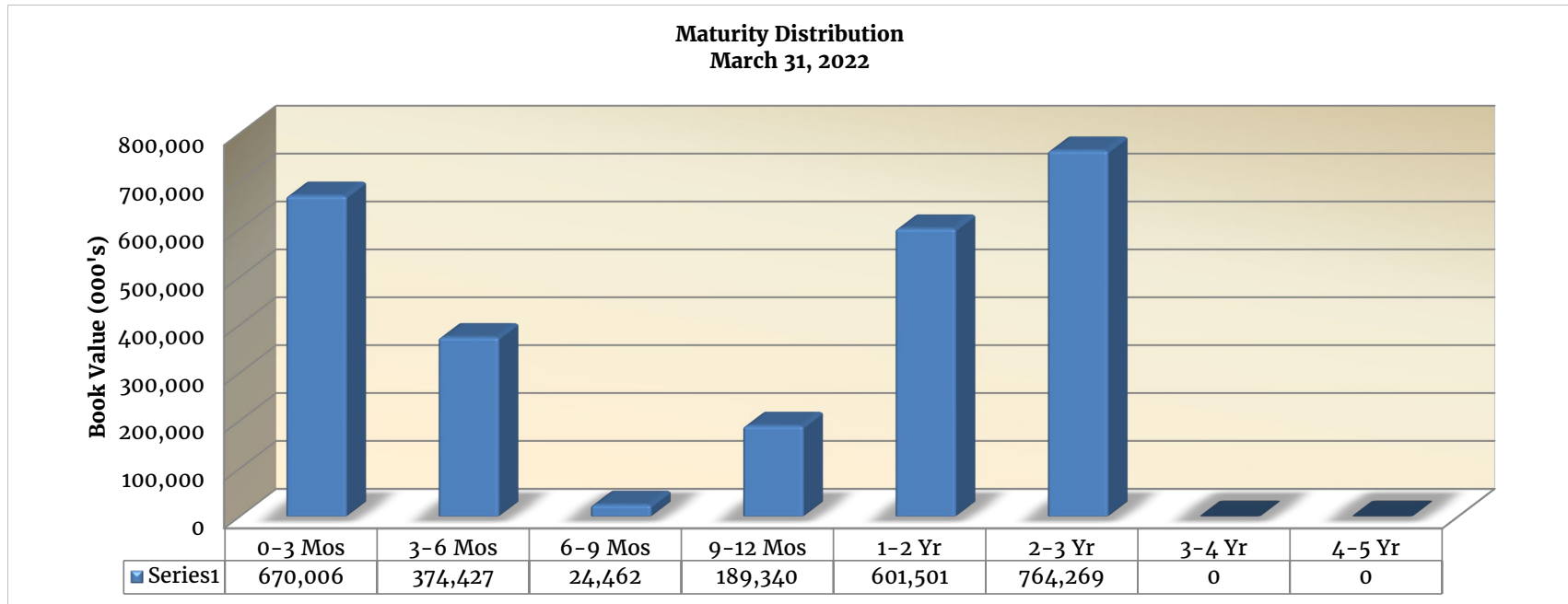
Pooled Portfolio Composition by Book Value

POOLED INVESTMENTS AT MARCH 31, 2022 - MATURITY DISTRIBUTION

City of San Diego  
Office of the City Treasurer



<b>MATURITY DISTRIBUTION</b>									
<b>Current Book Value (000's)</b>	<b>0-3 Mos</b>	<b>3-6 Mos</b>	<b>6-9 Mos</b>	<b>9-12 Mos</b>	<b>1-2 Yr</b>	<b>2-3 Yr</b>	<b>3-4 Yr</b>	<b>4-5 Yr</b>	<b>Totals (000's)</b>
ASSET BACKED SECURITIES		20,117		11,997		44,961			77,075
COMMERCIAL PAPER	284,832	354,310							639,142
CORPORATE MTN/BONDS	54,773		24,462	22,910	91,485	19,977			213,607
LOCAL AGENCY INVESTMENT FUND	65,742								65,742
TREASURY BILLS	214,673								214,673
TREASURY NOTES/BONDS				154,433	510,015	699,331			1,363,779
AGENCY DISCOUNT NOTES	49,986								49,986
<b>Totals (000's):</b>	<b>670,006</b>	<b>374,427</b>	<b>24,462</b>	<b>189,340</b>	<b>601,501</b>	<b>764,269</b>	<b>0</b>	<b>0</b>	<b>2,624,004</b>
<b>% of Portfolio</b>	<b>25.53%</b>	<b>14.27%</b>	<b>0.93%</b>	<b>7.22%</b>	<b>22.92%</b>	<b>29.13%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>100.00%</b>

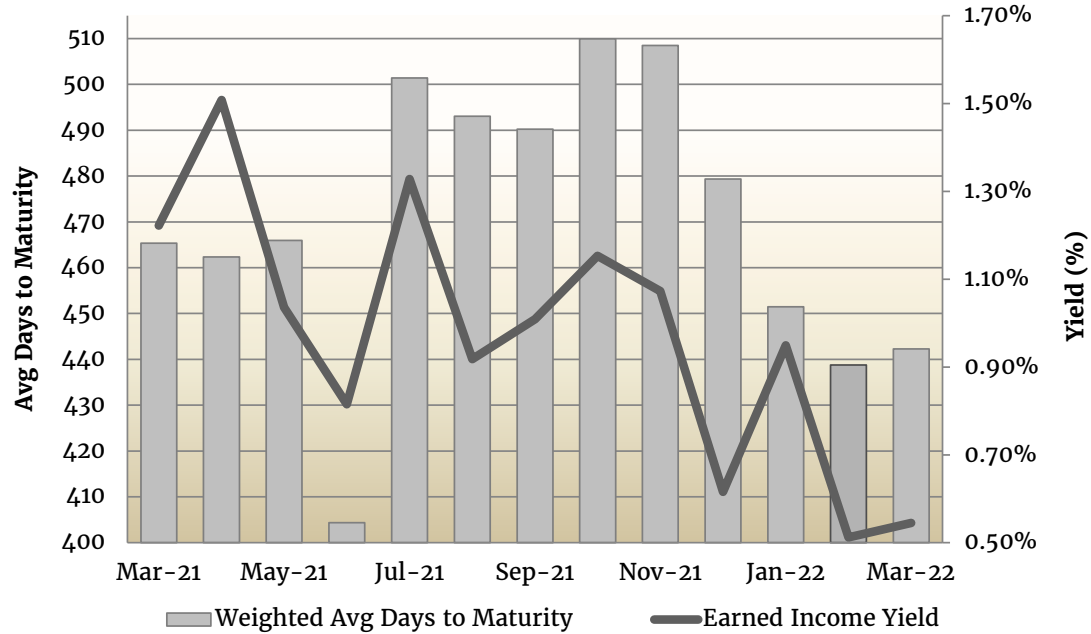




**PORTFOLIO - EARNED INCOME YIELD**

Month	Earned Income Yield	Weighted Avg Days to Maturity
Mar-21	1.22%	465.35
Apr-21	1.51%	462.35
May-21	1.04%	465.93
Jun-21	0.82%	404.34
Jul-21	1.33%	501.39
Aug-21	0.92%	493.08
Sep-21	1.01%	490.26
Oct-21	1.15%	509.97
Nov-21	1.07%	508.49
Dec-21	0.62%	479.35
Jan-22	0.95%	451.45
Feb-22	0.51%	438.77
Mar-22	0.55%	442.29

Yield and Weighted Average Days to Maturity Trends



POOLED INVESTMENTS AT MARCH 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
US Treasury Bill	US Treasury	912796R50	0.316	0.316	0.249	1/28/2022	6/30/2022	50,000,000.00	49,932,850.00	49,935,500.00	99.871	IDC-FIS
US Treasury Bill	US Treasury	912796R50	0.431	0.432	0.249	2/10/2022	6/30/2022	50,000,000.00	49,916,194.44	49,935,500.00	99.871	IDC-FIS
US Treasury Bill	US Treasury	912796R50	0.448	0.449	0.249	2/25/2022	6/30/2022	100,000,000.00	99,844,444.44	99,871,000.00	99.871	IDC-FIS
US Treasury Bill	US Treasury	912796R50	0.411	0.412	0.249	2/28/2022	6/30/2022	15,000,000.00	14,979,087.17	14,980,650.00	99.871	IDC-FIS
Total	Count 4		0.411	0.411	0.249			215,000,000.00	214,672,576.05	214,722,650.00	99.871	

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	91282Z29	1.500	1.332	0.785	2/3/2020	1/15/2023	25,000,000.00	25,121,093.75	25,001,000.00	100.004	IDC-FIS
US Treasury Note	US Treasury	91282Z29	1.500	0.180	0.785	6/1/2020	1/15/2023	125,000,000.00	129,311,523.44	125,005,000.00	100.004	IDC-FIS
US Treasury Note	US Treasury	91282ZU7	0.250	0.168	1.204	7/1/2020	6/15/2023	100,000,000.00	100,242,187.50	98,082,000.00	98.082	IDC-FIS
US Treasury Note	US Treasury	91282ZU7	0.250	0.123	1.204	8/3/2020	6/15/2023	25,000,000.00	25,090,820.31	24,520,500.00	98.082	IDC-FIS
US Treasury Note	US Treasury	91282ZU7	0.250	0.138	1.204	9/1/2020	6/15/2023	25,000,000.00	25,078,125.00	24,520,500.00	98.082	IDC-FIS
US Treasury Note	US Treasury	91282CAK7	0.125	0.153	1.455	10/1/2020	9/15/2023	50,000,000.00	49,958,984.38	48,599,500.00	97.199	IDC-FIS
US Treasury Note	US Treasury	91282CAK7	0.125	0.191	1.455	11/2/2020	9/15/2023	50,000,000.00	49,906,250.00	48,599,500.00	97.199	IDC-FIS
US Treasury Note	US Treasury	91282CAW1	0.250	0.186	1.618	12/1/2020	11/15/2023	50,000,000.00	50,093,750.00	48,476,500.00	96.953	IDC-FIS
US Treasury Note	US Treasury	91282CAW1	0.250	0.153	1.618	1/5/2021	11/15/2023	50,000,000.00	50,138,671.88	48,476,500.00	96.953	IDC-FIS
US Treasury Note	US Treasury	91282CBV2	0.125	0.174	1.787	2/1/2021	1/15/2024	50,000,000.00	49,927,734.38	48,138,500.00	96.277	IDC-FIS
US Treasury Note	US Treasury	91282CBE0	0.125	0.316	1.787	3/1/2021	1/15/2024	50,000,000.00	49,726,562.50	48,138,500.00	96.277	IDC-FIS
US Treasury Note	US Treasury	91282CBR1	0.250	0.334	1.952	4/1/2021	3/15/2024	60,000,000.00	59,852,343.75	57,675,000.00	96.125	IDC-FIS
US Treasury Note	US Treasury	91282CBV2	0.375	0.336	2.030	5/4/2021	4/15/2024	50,000,000.00	50,056,640.63	48,060,500.00	96.121	IDC-FIS
US Treasury Note	US Treasury	91282CCC3	0.250	0.296	2.116	5/28/2021	5/15/2024	75,000,000.00	74,897,460.94	71,739,000.00	95.652	IDC-FIS
US Treasury Note	US Treasury	91282CCG4	0.250	0.458	2.199	7/1/2021	6/15/2024	50,000,000.00	49,695,312.50	47,720,500.00	95.441	IDC-FIS
US Treasury Note	US Treasury	91282CCL3	0.375	0.346	2.280	8/3/2021	7/15/2024	50,000,000.00	50,042,968.75	47,760,000.00	95.520	IDC-FIS
US Treasury Note	US Treasury	91282CCT6	0.375	0.398	2.363	9/1/2021	8/15/2024	75,000,000.00	74,950,195.31	71,478,750.00	95.305	IDC-FIS
US Treasury Note	US Treasury	91282CCX7	0.375	0.527	2.446	10/1/2021	9/15/2024	50,000,000.00	49,777,343.75	47,544,900.00	95.090	UPPRICE
US Treasury Note	US Treasury	91282CDB4	0.625	0.760	2.516	11/1/2021	10/15/2024	75,000,000.00	74,725,993.73	71,654,325.00	95.539	UPPRICE
US Treasury Note	US Treasury	91282CDH1	0.750	0.749	2.594	12/1/2021	11/15/2024	50,000,000.00	50,018,527.72	47,832,050.00	95.664	UPPRICE
US Treasury Note	US Treasury	91282CDN8	1.000	0.947	2.669	1/3/2022	12/15/2024	75,000,000.00	75,153,406.16	72,067,500.00	96.090	UPPRICE
US Treasury Note	US Treasury	91282Z52	1.375	1.402	2.783	2/1/2022	1/31/2025	50,000,000.00	49,962,836.67	48,455,000.00	96.910	UPPRICE
US Treasury Note	US Treasury	91282CDZ1	1.500	1.638	2.817	3/1/2022	2/15/2025	50,000,000.00	49,829,786.77	48,652,500.00	97.305	IDC-FIS
US Treasury Note	US Treasury	9128284F4	2.625	2.471	2.905	3/31/2022	3/31/2025	50,000,000.00	50,220,703.13	50,207,050.00	100.414	UPPRICE
Total	Count 24		0.648	0.539	1.933			1,360,000,000.00	1,363,779,222.95	1,318,405,075.00	96.942	

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 Note	Federal Home Loan Bank	313385VM5	0.145	0.145	0.036	2/1/2022	4/13/2022	50,000,000.00	49,985,701.39	49,997,000.00	99.994	IDC-FIS
Total	Count 1		0.145	0.145	0.036			50,000,000.00	49,985,701.39	49,997,000.00	99.994	

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		0.230	0.230	0.003	3/31/2003	4/1/2022	65,742,493.61	65,742,493.61	65,742,493.61	100.000	BOOK
Total	Count 1		0.230	0.230	0.003			65,742,493.61	65,742,493.61	65,742,493.61	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	Chase Issuance Trust	161571FQ2	2.160	1.775	0.248	9/18/2019	9/15/2022	20,000,000.00	20,117,187.50	20,069,520.00	100.348	UPPRICE
Asset Backed Security	Chase Issuance Trust	161571HP2	1.530	1.545	0.413	2/18/2020	1/17/2023	12,000,000.00	11,997,250.80	11,974,599.60	99.788	UPPRICE
Asset Backed Security	Capital One	14041NFW6	0.550	0.553	1.161	7/22/2021	7/15/2024	27,000,000.00	26,998,906.50	25,730,109.00	95.297	UPPRICE
Asset Backed Security	Chase Issuance Trust	161571HP2	1.530	0.235	1.417	1/6/2021	1/15/2025	17,500,000.00	17,962,109.38	17,462,957.75	99.788	UPPRICE
Total	Count 4		1.351	0.952	0.864			76,500,000.00	77,075,454.18	75,237,186.35	98.349	

POOLED INVESTMENTS AT MARCH 31, 2022 - 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	US Bank Commercial Paper Sweep		0.010	0.010	0.003	7/1/2019	4/1/2022	13,100,000.00	13,100,000.00	13,100,000.00	100.000	BOOK
Commercial Paper	MUFG Bank Ltd NY	62479MD18	0.150	0.150	0.003	10/25/2021	4/1/2022	40,000,000.00	39,973,666.67	40,000,000.00	100.000	IDC-FIS
Commercial Paper	MUFG Bank Ltd NY	62479MD42	0.290	0.290	0.011	3/28/2022	4/4/2022	32,000,000.00	31,998,195.56	31,999,653.33	99.999	IDC-FIS
Commercial Paper	Toyota Motor Credit Corp.	89233HDV3	0.170	0.170	0.079	11/16/2021	4/29/2022	40,000,000.00	39,969,022.22	39,995,955.56	99.990	IDC-FIS
Commercial Paper	Credit Agricole CIB NY	22533UED1	0.230	0.230	0.118	12/15/2021	5/13/2022	40,000,000.00	39,961,922.22	39,993,933.33	99.985	IDC-FIS
Commercial Paper	Sumitomo Mitsui Trust Bank NY	86563HET3	0.250	0.250	0.156	11/22/2021	5/27/2022	40,000,000.00	39,948,333.33	39,991,911.11	99.980	IDC-FIS
Commercial Paper	Royal Bank of Canada NY	78015DFA3	0.270	0.270	0.194	12/16/2021	6/10/2022	40,000,000.00	39,947,200.00	39,932,000.00	99.830	UPPRICE
Commercial Paper	Skandi Enskilda Bank NY	83050UFQ6	0.280	0.280	0.233	11/24/2021	6/24/2022	40,000,000.00	39,934,044.44	39,920,000.00	99.800	UPPRICE
Commercial Paper	Rabobank NY	21687BG13	0.270	0.270	0.252	12/16/2021	7/1/2022	40,000,000.00	39,940,900.00	39,896,000.00	99.740	UPPRICE
Commercial Paper	ING US Funding LLC	4497W1GI8	0.370	0.371	0.252	1/19/2022	7/1/2022	50,000,000.00	49,916,236.11	49,870,000.00	99.740	UPPRICE
Commercial Paper	JP Morgan Securities Landesbank Baden-Württemberg	46640QG13	0.630	0.631	0.252	2/28/2022	7/1/2022	35,000,000.00	34,924,662.50	34,909,000.00	99.740	UPPRICE
Commercial Paper	Natixis NY	5148X1G15	0.290	0.290	0.252	1/5/2022	7/1/2022	50,000,000.00	49,928,708.33	49,870,000.00	99.740	UPPRICE
Commercial Paper	Société Générale	63873KG84	0.280	0.280	0.271	11/24/2021	7/8/2022	40,000,000.00	39,929,688.89	39,884,000.00	99.710	UPPRICE
Commercial Paper	BNP Paribas NY	83369CGN8	0.350	0.351	0.309	12/15/2021	7/22/2022	40,000,000.00	39,914,833.33	39,868,000.00	99.670	UPPRICE
Commercial Paper	Barclays US	09659CH35	0.325	0.326	0.342	1/3/2022	8/3/2022	50,000,000.00	49,904,305.56	49,785,000.00	99.570	UPPRICE
Commercial Paper	Barclays US	06742XE78	0.530	0.532	0.386	1/28/2022	8/19/2022	50,000,000.00	49,850,569.44	49,760,000.00	99.520	UPPRICE
	Total	Count 16	0.308	0.309	0.211			640,100,000.00	639,142,288.60	638,775,453.33	99.793	
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	Intel Corp.	458140BB5	2.350	3.216	0.112	5/11/2021	5/11/2022	13,156,000.00	13,044,713.88	13,159,683.68	100.028	IDC-FIS
Medium Term Note	Intel Corp.	458140BB5	2.350	2.317	0.112	5/11/2021	5/11/2022	5,756,000.00	5,757,877.60	5,757,611.68	100.028	IDC-FIS
Medium Term Note	IBM Corp.	459200JX0	2.850	2.041	0.118	5/13/2021	5/13/2022	10,000,000.00	10,079,636.36	10,020,500.00	100.205	IDC-FIS
Medium Term Note	Eli Lilly & Co.	532457BQ0	2.350	2.624	0.123	5/15/2021	5/15/2022	3,170,000.00	3,161,467.27	3,174,818.40	100.152	IDC-FIS
Medium Term Note	Eli Lilly & Co.	532457BQ0	2.350	2.060	0.123	5/15/2021	5/15/2022	4,710,000.00	4,723,440.63	4,717,159.20	100.152	IDC-FIS
Medium Term Note	United Parcel Service, Inc.	911312BC9	2.350	2.628	0.126	5/16/2021	5/16/2022	8,000,000.00	7,978,166.00	8,006,480.00	100.081	IDC-FIS
Medium Term Note	Home Depot Inc.	437076BG6	2.625	2.343	0.170	6/1/2021	6/1/2022	10,000,000.00	10,027,683.90	10,011,300.00	100.113	IDC-FIS
Medium Term Note	Oracle Corp.	68389XAP0	2.500	2.687	0.533	5/2/2019	10/15/2022	9,400,000.00	9,342,284.00	9,429,422.00	100.313	IDC-FIS
Medium Term Note	Visa Inc.	92826CAC6	2.800	2.567	0.696	5/2/2019	12/14/2022	15,000,000.00	15,119,700.00	15,115,500.00	100.770	IDC-FIS
Medium Term Note	US Bank NA	90331HPP4	1.950	1.978	0.767	12/9/2019	1/9/2023	10,000,000.00	9,991,600.00	10,028,500.00	100.285	IDC-FIS
Medium Term Note	Bank of America Corp.	06051GEU9	3.300	2.201	0.770	10/2/2019	1/11/2023	12,487,000.00	12,918,176.11	12,625,980.31	101.113	IDC-FIS
Medium Term Note	PepsiCo Inc.	713448EY0	0.750	0.273	1.078	3/12/2021	5/1/2023	16,000,000.00	16,162,400.00	15,775,840.00	98.599	IDC-FIS
Medium Term Note	Apple Inc.	037833AK6	2.400	1.884	1.071	10/2/2019	5/3/2023	8,895,000.00	9,053,331.00	8,945,879.40	100.572	IDC-FIS
Medium Term Note	Apple Inc.	037833AK6	2.400	0.314	1.071	9/18/2020	5/3/2023	9,338,000.00	9,846,734.24	9,391,413.36	100.572	IDC-FIS
Medium Term Note	JP Morgan Chase & Co.	46625HRL6	2.700	2.159	1.111	12/4/2019	5/18/2023	13,170,000.00	13,406,138.10	13,225,972.50	100.425	IDC-FIS
Medium Term Note	Toyota Motor Credit Corp.	89236THF5	0.500	0.327	1.366	2/23/2021	8/14/2023	15,000,000.00	15,063,900.00	14,642,850.00	97.619	IDC-FIS
Medium Term Note	Bank of New York Mellon	06406FAD5	2.200	2.011	1.359	11/4/2019	8/16/2023	17,842,000.00	17,964,217.70	17,827,012.72	99.916	IDC-FIS
Medium Term Note	PACCAR Financial Corp.	69371RR24	0.350	0.389	1.831	2/2/2021	2/2/2024	10,000,000.00	9,988,400.00	9,638,000.00	96.380	IDC-FIS
Medium Term Note	Bank of New York Mellon	06406RAS6	0.500	0.035	2.057	4/26/2021	4/26/2024	15,000,000.00	14,983,950.00	14,371,800.00	95.812	IDC-FIS
Medium Term Note	Amazon.com, Inc.	023135BW5	0.450	0.499	2.103	5/12/2021	5/12/2024	5,000,000.00	4,992,700.00	4,819,500.00	96.390	UPPRICE
	Total	Count 20	1.958	1.648	0.923			211,924,000.00	213,606,516.79	210,685,223.25	99.415	
<b>Grand Total</b>								2,619,266,493.61	2,624,004,253.57	2,573,565,081.54		



<b>GLOSSARY OF INVESTMENT TERMS</b>
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**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/>