




The City of San Diego

M E M O R A N D U M

DATE: November 18, 2022
TO: Distribution
FROM: Elizabeth Correia, City Treasurer 
SUBJECT: Monthly Investment Report - October 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).

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
Eric Dargan, Chief Operating Officer
Charles Modica, Independent Budget Analyst
Deborah Higgins, Investment Advisory Committee
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Jayson Schmitt, Investment Advisory Committee
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Jyothi Pantulu, Assistant Director, Department of Finance and Investment Advisory Committee

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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



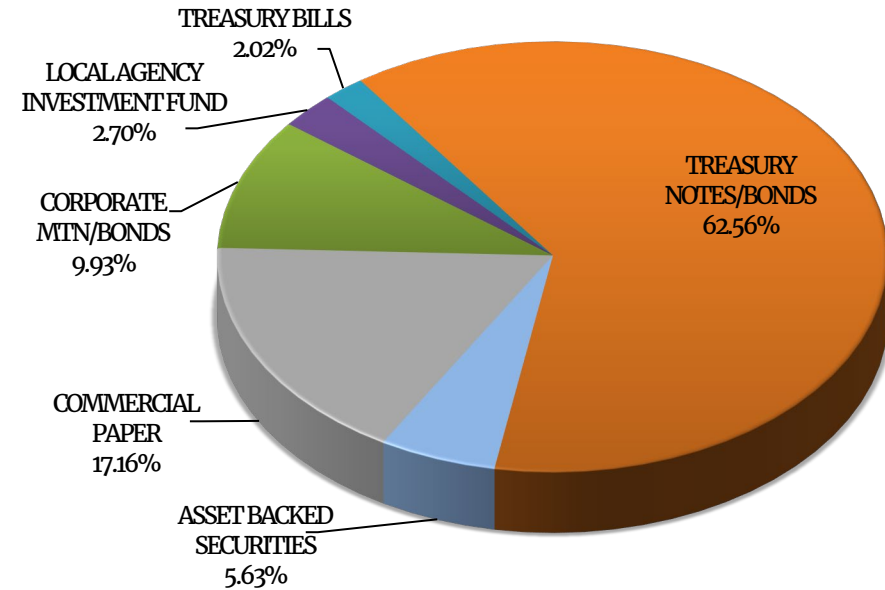
ASSET ALLOCATION

Assets (000's)	Current Par Value	Current Book Value	Market Value	Mkt/Book	Yield to Maturity 365
ASSET BACKED SECURITIES	139,240	137,962	133,854	97.02%	2.85%
COMMERCIAL PAPER	427,400	420,603	422,505	100.45%	3.37%
CORPORATE MTN/BONDS	245,220	243,384	237,325	97.51%	2.59%
LOCAL AGENCY INVESTMENT FUND	66,246	66,246	66,246	100.00%	1.35%
TREASURY BILLS	50,000	49,425	49,742	100.64%	2.54%
TREASURY NOTES/BONDS	1,535,000	1,533,025	1,454,429	94.87%	1.24%
Totals (000's):	2,463,106	2,450,645	2,364,100	96.47%	1.86%

Portfolio Breakdown & Statistics

	Liquidity	Core
Portfolio Size	\$536,273,655	\$1,914,371,455
% of total pool	21.88%	78.12%
Portfolio Duration*	0.20	1.72
Index Duration*	0.27	1.78
% of index	72.33%	96.63%
Weighted Average Days to Maturity	73	714
Earned Income Yield	2.998%	0.516%

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

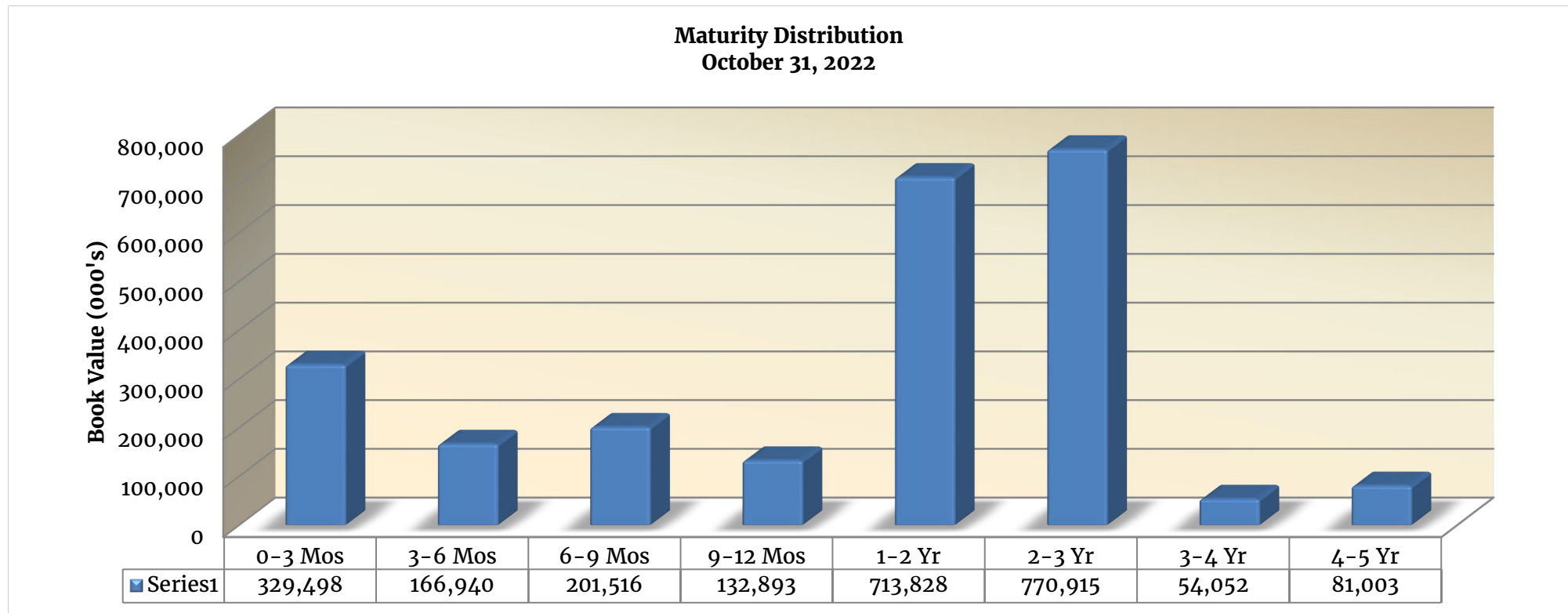


Pooled Portfolio Composition by Book Value



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	81,003	137,962
COMMERCIAL PAPER	175,798	166,940	77,866						420,603
CORPORATE MTN/BONDS	38,029		48,469	33,028	29,965	66,840	27,053		243,384
LOCAL AGENCY INVESTMENT FUND	66,246								66,246
TREASURY BILLS	49,425								49,425
TREASURY NOTES/BONDS			75,182	99,865	683,863	674,115			1,533,025
Totals (000's):	329,498	166,940	201,516	132,893	713,828	770,915	54,052	81,003	2,450,645
% of Portfolio	13.45%	6.81%	8.22%	5.42%	29.13%	31.46%	2.21%	3.31%	100.00%

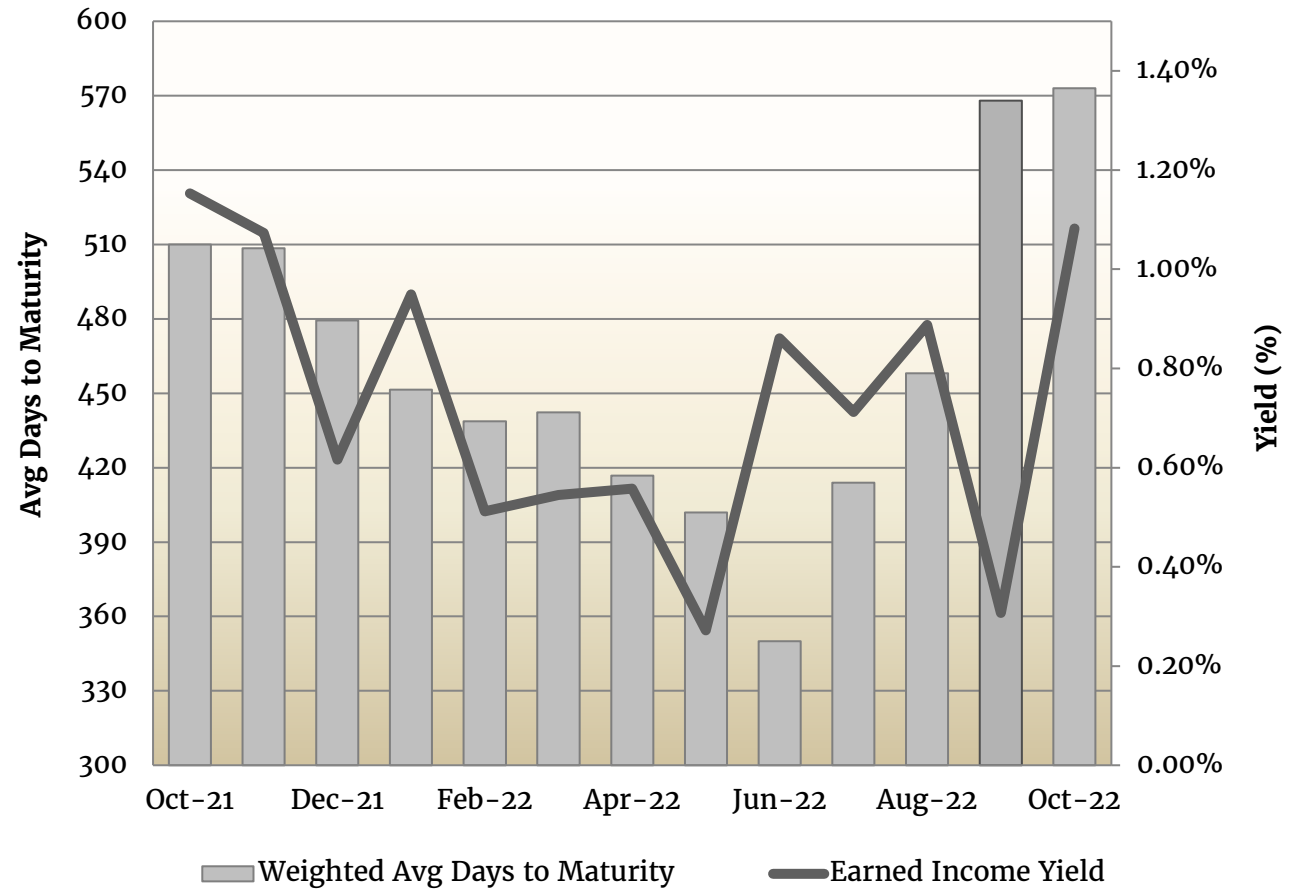




PORTFOLIO - EARNED INCOME YIELD

Month	Earned Income Yield	Weighted Avg Days to Maturity
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
Oct-22	1.08%	573

Yield and Weighted Average Days to Maturity Trends



POOLED INVESTMENTS AT OCTOBER 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	0.138	7/8/2022	12/22/2022	50,000,000.00	49,424,661.81	49,741,550.00	99.483	CDL
	Total	Count 1	2.481	2.544	0.138			50,000,000.00	49,424,661.81	49,741,550.00	99.483	

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	0.605	7/1/2020	6/15/2023	75,000,000.00	75,181,640.63	73,045,875.00	97.395	CDL
Treasury Notes	UST Note	91282CAK7	0.125	0.153	0.849	10/1/2020	9/15/2023	50,000,000.00	49,958,984.38	48,078,150.00	96.156	CDL
Treasury Notes	UST Note	91282CAK7	0.125	0.191	0.849	11/2/2020	9/15/2023	50,000,000.00	49,906,250.00	48,078,150.00	96.156	CDL
Treasury Notes	UST Note	91282CAW1	0.250	0.186	1.012	12/1/2020	11/15/2023	50,000,000.00	50,093,750.00	47,783,200.00	95.566	CDL
Treasury Notes	UST Note	91282CAW1	0.250	0.153	1.012	1/5/2021	11/15/2023	50,000,000.00	50,138,671.88	47,783,200.00	95.566	CDL
Treasury Notes	UST Note	91282CBE0	0.125	0.174	1.174	2/1/2021	1/15/2024	50,000,000.00	49,927,734.38	47,353,500.00	94.707	CDL
Treasury Notes	UST Note	91282CBE0	0.125	0.316	1.174	3/1/2021	1/15/2024	50,000,000.00	49,726,562.50	47,353,500.00	94.707	CDL
Treasury Notes	UST Note	91282CBR1	0.250	0.334	1.337	4/1/2021	3/15/2024	60,000,000.00	59,852,343.75	56,521,860.00	94.203	CDL
Treasury Notes	UST Note	91282CBV2	0.375	0.336	1.417	5/4/2021	4/15/2024	50,000,000.00	50,056,640.63	47,005,850.00	94.012	CDL
Treasury Notes	UST Note	91282CCC3	0.250	0.296	1.499	5/28/2021	5/15/2024	75,000,000.00	74,897,460.94	70,142,550.00	93.523	CDL
Treasury Notes	UST Note	91282CCG4	0.250	0.458	1.579	7/1/2021	6/15/2024	50,000,000.00	49,695,312.50	46,607,400.00	93.215	CDL
Treasury Notes	UST Note	91282CCL3	0.375	0.346	1.659	8/3/2021	7/15/2024	50,000,000.00	50,042,968.75	46,566,400.00	93.133	CDL
Treasury Notes	UST Note	91282CCT6	0.375	0.398	1.742	9/1/2021	8/15/2024	75,000,000.00	74,950,195.31	69,600,600.00	92.801	CDL
Treasury Notes	UST Note	91282CCX7	0.375	0.527	1.823	10/1/2021	9/15/2024	50,000,000.00	49,777,343.75	46,294,900.00	92.590	CDL
Treasury Notes	UST Note	91282CDB4	0.625	0.760	1.900	11/1/2021	10/15/2024	75,000,000.00	74,704,101.56	69,606,450.00	92.809	CDL
Treasury Notes	UST Note	91282CDH1	0.750	0.749	1.973	12/1/2021	11/15/2024	50,000,000.00	50,001,953.13	46,355,450.00	92.711	CDL
Treasury Notes	UST Note	91282CDN8	1.000	0.947	2.048	1/3/2022	12/15/2024	75,000,000.00	75,114,257.81	69,779,325.00	93.039	CDL
Treasury Notes	UST Note	912828Z52	1.375	1.402	2.163	2/1/2022	1/31/2025	50,000,000.00	49,960,937.50	46,738,300.00	93.477	CDL
Treasury Notes	UST Note	91282CDZ1	1.500	1.638	2.199	3/1/2022	2/15/2025	50,000,000.00	49,800,781.25	46,751,950.00	93.504	CDL
Treasury Notes	UST Note	9128284F4	2.625	2.471	2.295	3/31/2022	3/31/2025	50,000,000.00	50,220,703.13	47,949,200.00	95.898	CDL
Treasury Notes	UST Note	91282CEH0	2.625	2.863	2.335	4/29/2022	4/15/2025	50,000,000.00	49,664,062.50	47,876,950.00	95.754	CDL
Treasury Notes	UST Note	91282CEQ0	2.750	2.753	2.382	5/31/2022	5/15/2025	50,000,000.00	50,055,876.36	47,949,200.00	95.898	CDL
Treasury Notes	UST Note	91282CEU1	2.875	3.036	2.458	7/1/2022	6/15/2025	50,000,000.00	49,836,279.03	48,062,500.00	96.125	CDL
Treasury Notes	UST Note	91282CEY3	3.000	2.843	2.535	8/1/2022	7/15/2025	100,000,000.00	100,579,993.21	96,312,500.00	96.313	CDL
Treasury Notes	UST Note	91282CFE6	3.125	3.444	2.614	9/1/2022	8/15/2025	150,000,000.00	148,880,604.62	144,832,050.00	96.555	CDL
	Total	Count 25	1.182	1.238	1.777			1,535,000,000.00	1,533,025,409.50	1,454,429,010.00	94.751	

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	1.350	1.350	0.000	3/31/2003	11/1/2022	66,246,029.21	66,246,029.21	66,246,029.21	100.000	Book
	Total	Count 1	1.350	1.350	0.000			66,246,029.21	66,246,029.21	66,246,029.21	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	1.131	2/18/2020	1/15/2025	12,000,000.00	11,997,250.80	11,916,000.00	99.300	MNL
Asset Backed Secs	Chase Issuance Trust	161571HP2	1.530	0.154	1.061	1/6/2021	1/15/2025	17,500,000.00	17,962,109.38	17,377,500.00	99.300	MNL
Asset Backed Secs	Capital One	14041NFW6	0.550	0.552	1.802	7/22/2021	7/15/2026	27,000,000.00	26,998,906.50	25,023,600.00	92.680	MNL
Asset Backed Secs	Capital One	14041NFZ9	2.800	4.872	2.018	10/7/2022	3/15/2027	20,000,000.00	19,130,468.75	18,998,000.00	94.990	MNL
Asset Backed Secs	Capital One	14041NGA3	3.490	4.794	2.097	9/30/2022	5/15/2027	25,000,000.00	24,285,156.25	24,054,200.00	96.217	CDL
Asset Backed Secs	American Express Credit	02582JJV3	3.750	3.896	2.264	9/12/2022	8/16/2027	27,740,000.00	27,589,380.47	26,767,185.94	96.493	CDL
Asset Backed Secs	Chase Issuance Trust	161571HS6	3.970	4.010	2.241	9/16/2022	9/15/2027	10,000,000.00	9,998,331.00	9,717,270.00	97.173	CDL
	Total	Count 7	2.480	2.852	1.853			139,240,000.00	137,961,603.15	133,853,755.94	96.132	

POOLED INVESTMENTS AT OCTOBER 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	SYS79354	3.100	3.100	0.000	7/1/2019	11/1/2022	27,400,000.00	27,400,000.00	27,400,000.00	100.000	Book
Commercial Paper	Korea Development Bank	5006E1L36	2.630	2.690	0.005	7/6/2022	11/3/2022	50,000,000.00	49,561,666.67	49,986,600.00	99.973	CDL
Commercial Paper	Landesbank Baden-Wuert	5148X1M26	2.760	2.830	0.084	7/7/2022	12/2/2022	50,000,000.00	49,432,666.67	49,830,650.00	99.661	CDL
Commercial Paper	ING Funding	4497W1M94	2.790	2.863	0.104	7/8/2022	12/9/2022	50,000,000.00	49,403,250.00	49,796,600.00	99.593	CDL
Commercial Paper	Natixis SA	63873KP19	3.530	3.642	0.249	8/9/2022	2/1/2023	50,000,000.00	49,137,111.11	49,416,800.00	98.834	CDL
Commercial Paper	Credit Suisse NY	2254EBPA3	3.540	3.737	0.272	8/10/2022	2/10/2023	50,000,000.00	49,095,333.33	49,331,500.00	98.663	CDL
Commercial Paper	Societe Generale	83369CPF5	3.390	3.575	0.286	8/15/2022	2/15/2023	50,000,000.00	49,133,666.67	49,353,850.00	98.708	CDL
Commercial Paper	JPMorgan Chase	46640QQN4	3.620	3.820	0.379	8/22/2022	3/22/2023	20,000,000.00	19,573,644.44	19,634,200.00	98.171	CDL
Commercial Paper	Credit Agricole	22533USC8	3.690	3.863	0.513	9/7/2022	5/12/2023	50,000,000.00	48,734,125.00	48,643,900.00	97.288	CDL
Commercial Paper	JP Morgan Securities	46590ESW9	3.860	4.055	0.560	9/2/2022	5/30/2023	30,000,000.00	29,131,500.00	29,110,470.00	97.035	CDL
	Total	Count 10	3.249	3.373	0.233			427,400,000.00	420,602,963.89	422,504,570.00	98.855	
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	Visa Inc	92826CAC6	2.800	2.567	0.180	5/2/2019	12/14/2022	15,000,000.00	15,119,700.00	14,974,950.00	99.833	CDL
Medium Term Notes	US BANK NA	90331HPF4	1.950	1.978	0.282	12/9/2019	1/9/2023	10,000,000.00	9,991,600.00	9,953,250.00	99.533	CDL
Medium Term Notes	Bank of America	06051GEU9	3.300	2.201	0.290	10/2/2019	1/11/2023	12,487,000.00	12,918,176.11	12,461,551.49	99.796	CDL
Medium Term Notes	Pepsico Inc	713448EY0	0.750	0.273	0.249	3/12/2021	5/1/2023	16,000,000.00	16,162,400.00	15,693,712.00	98.086	CDL
Medium Term Notes	Apple Corp	037833AK6	2.400	1.884	0.256	10/2/2019	5/3/2023	8,895,000.00	9,053,331.00	8,795,509.43	98.882	CDL
Medium Term Notes	Apple Corp	037833AK6	2.400	0.314	0.256	9/18/2020	5/3/2023	9,338,000.00	9,846,734.24	9,233,554.47	98.882	CDL
Medium Term Notes	JPMorgan Chase	46625HRL6	2.700	2.159	0.317	12/4/2019	5/18/2023	13,170,000.00	13,406,138.10	13,021,797.99	98.875	CDL
Medium Term Notes	Toyota Corporation	89236THF5	0.500	0.327	0.672	2/23/2021	8/14/2023	15,000,000.00	15,063,900.00	14,506,650.00	96.711	CDL
Medium Term Notes	Bank of New York Mellon	06406FAD5	2.200	2.011	0.679	11/4/2019	8/16/2023	17,842,000.00	17,964,217.70	17,494,170.21	98.051	CDL
Medium Term Notes	PACCAR Inc	69371RR24	0.350	0.389	1.220	2/2/2021	2/2/2024	10,000,000.00	9,988,400.00	9,456,330.00	94.563	CDL
Medium Term Notes	Bank of New York Mellon	06406RAS6	0.500	0.536	1.445	4/26/2021	4/26/2024	15,000,000.00	14,983,950.00	14,011,395.00	93.409	CDL
Medium Term Notes	Amazon	023135BW5	0.450	0.499	1.488	5/12/2021	5/12/2024	5,000,000.00	4,992,700.00	4,688,830.00	93.777	CDL
Medium Term Notes	Microsoft Corp	594918BB9	2.700	4.615	2.164	9/29/2022	2/12/2025	25,000,000.00	24,024,375.00	24,005,750.00	96.023	CDL
Medium Term Notes	Toyota Corporation	89236TKC8	3.950	4.511	2.458	9/23/2022	6/30/2025	24,765,000.00	24,631,193.33	24,128,192.79	97.429	CDL
Medium Term Notes	Home Depot	437076CR1	4.000	4.294	2.664	9/23/2022	9/15/2025	11,272,000.00	11,185,255.70	11,034,386.24	97.892	CDL
Medium Term Notes	UnitedHealth Group	91324PEN8	5.150	5.154	2.708	10/28/2022	10/15/2025	7,000,000.00	6,999,370.00	7,009,191.00	100.131	CDL
Medium Term Notes	Visa Inc	92826CAD4	3.150	4.888	2.885	10/26/2022	12/14/2025	14,032,000.00	13,492,890.56	13,354,254.40	95.170	CDL
Medium Term Notes	Apple Corp	037833EB2	0.700	4.651	3.152	9/29/2022	2/8/2026	15,419,000.00	13,560,111.06	13,501,385.23	87.563	CDL
	Total	Count 18	2.274	2.593	1.352			245,220,000.00	243,384,442.80	237,324,860.25	96.780	
Grand Total								2,463,106,029.21	2,450,645,110.36	2,364,099,775.40		



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/>