




The City of San Diego

M E M O R A N D U M

DATE: January 24, 2022
TO: Distribution
FROM: Elizabeth Correia, City Treasurer 
SUBJECT: Monthly Investment Report – December 31, 2021

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
Jeff Kavar, Interim 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



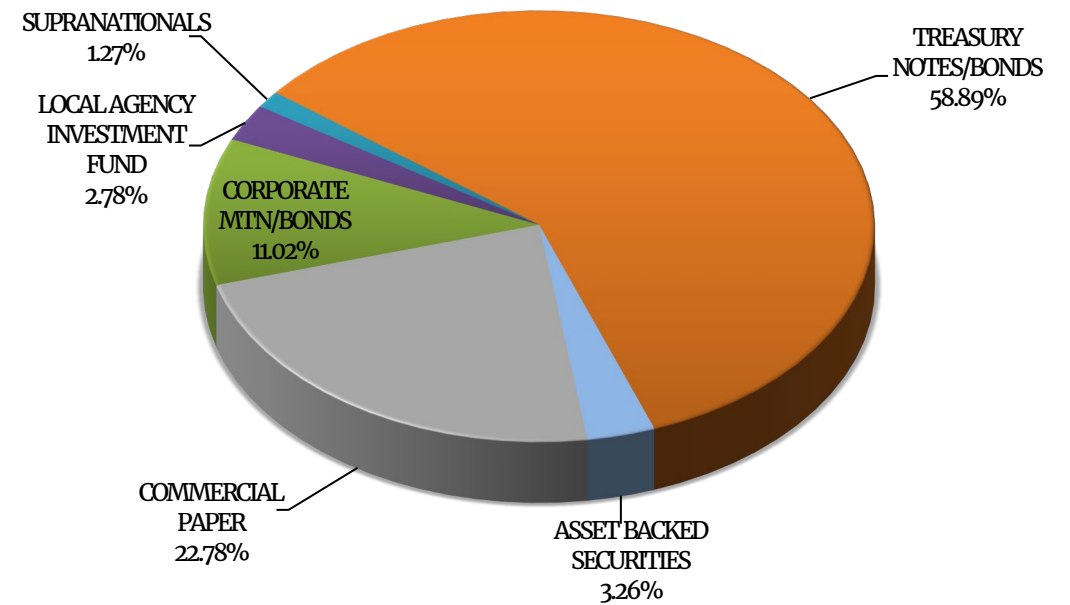
ASSET ALLOCATION

Assets (000's)	Current Par Value	Current Book Value	Market Value	Mkt/Book	Yield to Maturity
ASSET BACKED SECURITIES	76,500	77,075	76,628	99.42%	0.95%
COMMERCIAL PAPER	539,000	538,464	538,743	100.05%	0.19%
CORPORATE MTN/BONDS	258,717	260,354	260,798	100.17%	1.86%
LOCAL AGENCY INVESTMENT FUND	65,705	65,705	65,705	100.00%	0.24%
SUPRANATIONALS	30,000	29,972	30,044	100.24%	1.67%
TREASURY NOTES/BONDS	1,385,000	1,391,768	1,379,461	99.12%	0.47%
Totals (000's):	2,354,922	2,363,339	2,351,378	99.49%	0.59%

Portfolio Breakdown & Statistics

	Liquidity	Core
Portfolio Size	\$705,689,605	\$1,657,648,936
% of total pool	29.86%	70.14%
Portfolio Duration*	0.28	1.71
Index Duration*	0.26	1.89
% of index	105.87%	90.48%
Weighted Average Days to Maturity	101	641
Earned Income Yield	0.637%	0.608%

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

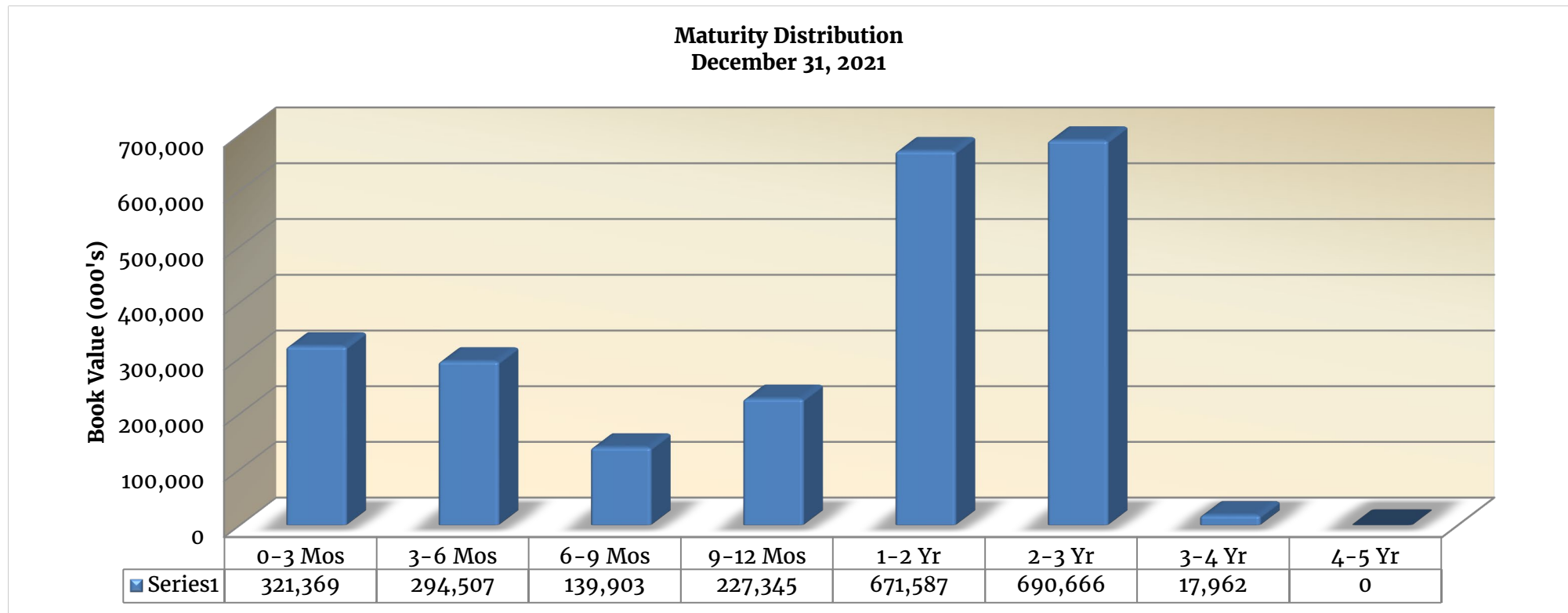


Pooled Portfolio Composition by Book Value



MATURITY DISTRIBUTION

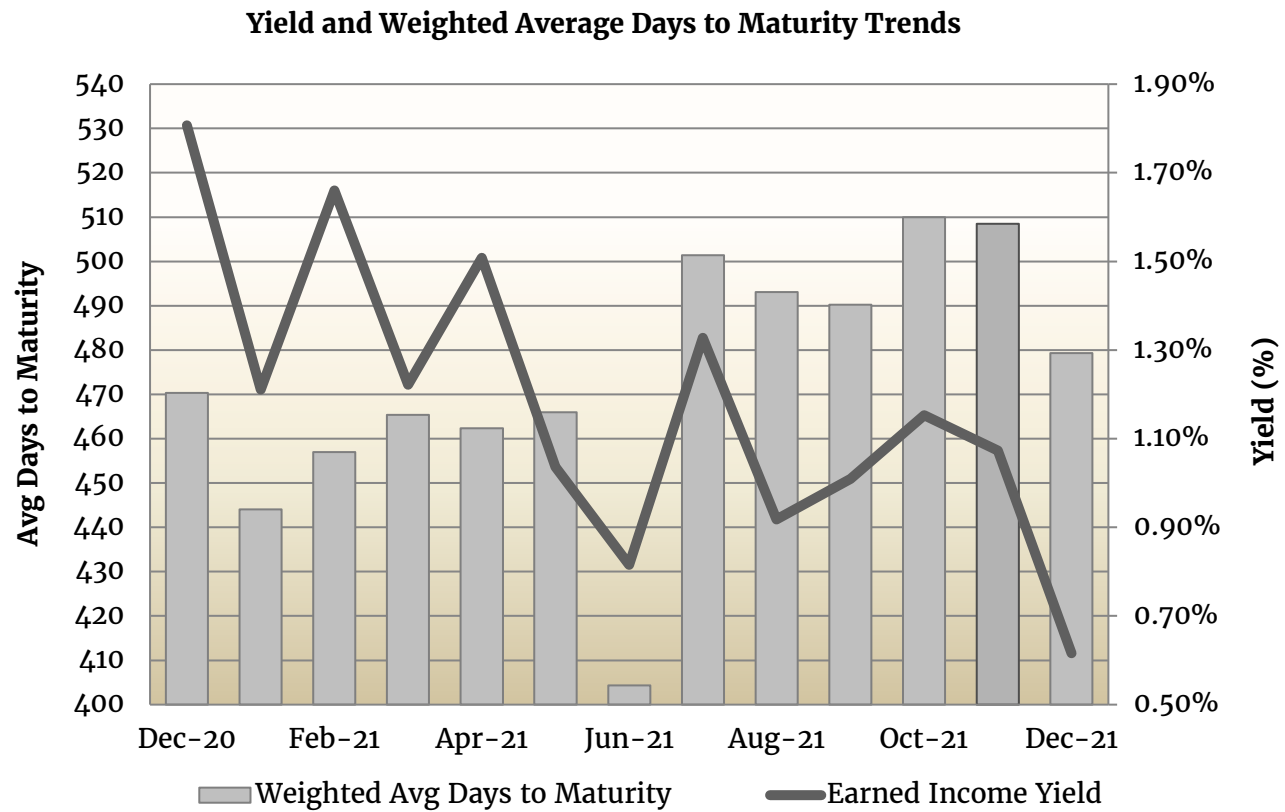
Current Book Value (000's)	0-3 Mos	3-6 Mos	6-9 Mos	9-12 Mos	1-2 Yr	2-3 Yr	3-4 Yr	4-5 Yr	Totals (000's)
ASSET BACKED SECURITIES			20,117		11,997	26,999	17,962		77,075
COMMERCIAL PAPER	178,944	239,734	119,785						538,464
CORPORATE MTN/BONDS	46,748	54,773		24,462	104,406	29,965			260,354
LOCAL AGENCY INVESTMENT FUND	65,705								65,705
SUPRANATIONALS	29,972								29,972
TREASURY NOTES/BONDS				202,883	555,184	633,702			1,391,768
Totals (000's):	321,369	294,507	139,903	227,345	671,587	690,666	17,962	0	2,363,339
% of Portfolio	13.60%	12.46%	5.92%	9.62%	28.42%	29.22%	0.76%	0.00%	100.00%





PORTFOLIO - EARNED INCOME YIELD

Month	Earned Income Yield	Weighted Avg Days to Maturity
Dec-20	1.81%	470.36
Jan-21	1.21%	444.07
Feb-21	1.66%	457.02
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



POOLED INVESTMENTS AT DECEMBER 31, 2021 - SUMMARY & STATISTICS

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	912828YK0	1.375	0.212	0.785	5/1/2020	10/15/2022	50,000,000.00	51,423,828.13	50,402,500.00	100.805	IDC-FIS
US Treasury Note	US Treasury	912828TY6	1.625	1.604	0.868	1/3/2020	11/15/2022	75,000,000.00	75,043,945.31	75,802,500.00	101.070	IDC-FIS
US Treasury Note	US Treasury	912828TY6	1.625	0.917	0.868	3/2/2020	11/15/2022	75,000,000.00	76,415,039.06	75,802,500.00	101.070	IDC-FIS
US Treasury Note	US Treasury	912828Z29	1.500	1.332	1.028	2/3/2020	1/15/2023	75,000,000.00	75,363,281.25	75,817,500.00	101.090	IDC-FIS
US Treasury Note	US Treasury	912828Z29	1.500	0.180	1.028	6/1/2020	1/15/2023	125,000,000.00	129,311,523.44	126,362,500.00	101.090	IDC-FIS
US Treasury Note	US Treasury	912828ZU7	0.250	0.168	1.454	7/1/2020	6/15/2023	100,000,000.00	100,242,187.50	99,539,000.00	99.539	IDC-FIS
US Treasury Note	US Treasury	912828ZU7	0.250	0.123	1.454	8/3/2020	6/15/2023	25,000,000.00	25,090,820.31	24,884,750.00	99.539	IDC-FIS
US Treasury Note	US Treasury	912828ZU7	0.250	0.138	1.454	9/1/2020	6/15/2023	25,000,000.00	25,078,125.00	24,884,750.00	99.539	IDC-FIS
US Treasury Note	US Treasury	91282CAK7	0.125	0.153	1.704	10/1/2020	9/15/2023	50,000,000.00	49,958,984.38	49,547,000.00	99.094	IDC-FIS
US Treasury Note	US Treasury	91282CAK7	0.125	0.191	1.704	11/2/2020	9/15/2023	50,000,000.00	49,906,250.00	49,547,000.00	99.094	IDC-FIS
US Treasury Note	US Treasury	91282CAW1	0.250	0.186	1.868	12/1/2020	11/15/2023	50,000,000.00	50,093,750.00	49,594,000.00	99.188	IDC-FIS
US Treasury Note	US Treasury	91282CAW1	0.250	0.153	1.868	1/5/2021	11/15/2023	50,000,000.00	50,138,671.88	49,594,000.00	99.188	IDC-FIS
US Treasury Note	US Treasury	91282CBE0	0.125	0.174	2.036	2/1/2021	1/15/2024	50,000,000.00	49,927,734.38	49,377,000.00	98.754	IDC-FIS
US Treasury Note	US Treasury	91282CBE0	0.125	0.316	2.036	3/1/2021	1/15/2024	50,000,000.00	49,726,562.50	49,377,000.00	98.754	IDC-FIS
US Treasury Note	US Treasury	91282CBR1	0.250	0.334	2.199	4/1/2021	3/15/2024	60,000,000.00	59,852,343.75	59,292,000.00	98.820	IDC-FIS
US Treasury Note	US Treasury	91282CBV2	0.375	0.336	2.280	5/4/2021	4/15/2024	50,000,000.00	50,056,640.63	49,508,000.00	99.016	IDC-FIS
US Treasury Note	US Treasury	91282CCC3	0.250	0.296	2.366	5/28/2021	5/15/2024	75,000,000.00	74,897,460.94	73,992,000.00	98.656	IDC-FIS
US Treasury Note	US Treasury	91282CCG4	0.250	0.458	2.449	7/1/2021	6/15/2024	50,000,000.00	49,695,312.50	49,273,500.00	98.547	IDC-FIS
US Treasury Note	US Treasury	91282CCL3	0.375	0.346	2.525	8/3/2021	7/15/2024	50,000,000.00	50,052,649.46	49,392,500.00	98.785	IDC-FIS
US Treasury Note	US Treasury	91282CCT6	0.375	0.398	2.608	9/1/2021	8/15/2024	75,000,000.00	74,963,187.84	74,027,250.00	98.703	IDC-FIS
US Treasury Note	US Treasury	91282CCX7	0.375	0.527	2.692	10/1/2021	9/15/2024	50,000,000.00	49,785,631.04	49,304,700.00	98.609	UPRICE
US Treasury Note	US Treasury	91282CDB4	0.625	0.760	2.766	11/1/2021	10/15/2024	75,000,000.00	74,725,993.73	74,408,175.00	99.211	UPRICE
US Treasury Note	US Treasury	91282CDH1	0.750	0.749	2.844	12/1/2021	11/15/2024	50,000,000.00	50,018,527.72	49,730,500.00	99.461	UPRICE
Total	Count 23		0.665	0.472	1.809			1,385,000,000.00	1,391,768,450.75	1,379,460,625.00	99.600	

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	0.112	12/4/2019	2/10/2022	30,000,000.00	29,971,500.00	30,044,100.00	100.147	IDC-FIS
Total	Count 1		1.626	1.670	0.112			30,000,000.00	29,971,500.00	30,044,100.00	100.147	

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		0.240	0.240	0.003	3/31/2003	1/1/2022	65,704,608.17	65,704,608.17	65,704,608.17	100.000	BOOK
Total	Count 1		0.240	0.240	0.003			65,704,608.17	65,704,608.17	65,704,608.17	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	0.372	9/18/2019	9/15/2022	20,000,000.00	20,117,187.50	20,242,288.00	101.211	UPRICE
Asset Backed Security	Chase Issuance Trust	161571HP2	1.530	1.545	0.537	2/18/2020	1/17/2023	12,000,000.00	11,997,250.80	12,114,964.80	100.958	UPRICE
Asset Backed Security	Capital One	14041NFW6	0.550	0.553	1.285	7/22/2021	7/15/2024	27,000,000.00	26,998,906.50	26,603,305.20	98.531	UPRICE
Asset Backed Security	Chase Issuance Trust	161571HP2	1.530	0.235	1.541	1/6/2021	1/15/2025	17,500,000.00	17,962,109.38	17,667,657.00	100.958	UPRICE
Total	Count 4		1.351	0.952	0.988			76,500,000.00	77,075,454.18	76,628,215.00	100.168	

POOLED INVESTMENTS AT DECEMBER 31, 2021 - SUMMARY & STATISTICS

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	1/1/2022	59,000,000.00	59,000,000.00	59,000,000.00	100.000	BOOK
Commercial Paper	Bayerische Landesbank NY	07274MA70	0.105	0.105	0.019	9/21/2021	1/7/2022	40,000,000.00	39,987,400.00	39,999,333.33	99.998	IDC-FIS
Commercial Paper	Mizuho Bank Ltd NY	60689GBR6	0.130	0.130	0.153	9/24/2021	2/25/2022	40,000,000.00	39,977,755.56	39,993,888.89	99.985	IDC-FIS
Commercial Paper	Skandi Enskilda Bank NY	83050UC48	0.120	0.120	0.172	9/30/2021	3/4/2022	40,000,000.00	39,979,333.33	39,993,111.11	99.983	IDC-FIS
Commercial Paper	MUFG Bank Ltd NY	62479MD18	0.150	0.150	0.249	10/25/2021	4/1/2022	40,000,000.00	39,973,666.67	39,990,000.00	99.975	IDC-FIS
Commercial Paper	Toyota Motor Credit Corp.	89233HDV3	0.170	0.170	0.326	11/16/2021	4/29/2022	40,000,000.00	39,969,022.22	39,986,888.89	99.967	IDC-FIS
Commercial Paper	Credit Agricole CIB NY	22533UED1	0.230	0.230	0.364	12/15/2021	5/13/2022	40,000,000.00	39,961,922.22	39,985,333.33	99.963	IDC-FIS
Commercial Paper	Sumitomo Mitsui Trust Bank NY	86563HET3	0.250	0.250	0.402	11/22/2021	5/27/2022	40,000,000.00	39,948,333.33	39,983,777.78	99.959	IDC-FIS
Commercial Paper	Royal Bank of Canada NY	78015DFA3	0.270	0.270	0.441	12/16/2021	6/10/2022	40,000,000.00	39,947,200.00	39,982,222.22	99.956	IDC-FIS
Commercial Paper	Skandi Enskilda Bank NY	83050UFQ6	0.280	0.280	0.479	11/24/2021	6/24/2022	40,000,000.00	39,934,044.44	39,980,666.67	99.952	IDC-FIS
Commercial Paper	Rabobank NY	21687BG13	0.270	0.270	0.498	12/16/2021	7/1/2022	40,000,000.00	39,940,900.00	39,979,888.89	99.950	IDC-FIS
Commercial Paper	Natixis NY	63873KG84	0.280	0.280	0.517	11/24/2021	7/8/2022	40,000,000.00	39,929,688.89	39,932,000.00	99.830	UPPRICE
Commercial Paper	Société Générale	83369CGN8	0.350	0.351	0.556	12/15/2021	7/22/2022	40,000,000.00	39,914,833.33	39,935,600.00	99.839	UPPRICE
	Total	Count 13	0.194	0.195	0.310			539,000,000.00	538,464,099.99	538,742,711.11	99.952	

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	Bank of New York Mellon	06406RAA5	2.600	2.712	0.104	2/7/2021	2/7/2022	16,114,000.00	16,096,273.80	16,120,123.32	100.038	IDC-FIS
Medium Term Note	Apple Inc.	037833AY6	2.150	3.176	0.110	2/9/2021	2/9/2022	10,000,000.00	9,899,838.68	10,017,900.00	100.179	IDC-FIS
Medium Term Note	Home Depot Inc.	437076BV3	3.250	3.337	0.164	3/1/2021	3/1/2022	10,000,000.00	9,991,531.75	10,044,800.00	100.448	IDC-FIS
Medium Term Note	UnitedHealth Group Inc.	91324PBV3	2.875	2.102	0.203	3/15/2021	3/15/2022	10,679,000.00	10,760,266.59	10,700,037.63	100.197	IDC-FIS
Medium Term Note	Intel Corp.	458140BB5	2.350	3.216	0.359	5/11/2021	5/11/2022	13,156,000.00	13,044,713.88	13,227,700.20	100.545	IDC-FIS
Medium Term Note	Intel Corp.	458140BB5	2.350	2.317	0.359	5/11/2021	5/11/2022	5,756,000.00	5,757,877.60	5,787,370.20	100.545	IDC-FIS
Medium Term Note	IBM Corp.	459200JX0	2.850	2.041	0.364	5/13/2021	5/13/2022	10,000,000.00	10,079,636.36	10,091,500.00	100.915	IDC-FIS
Medium Term Note	Eli Lilly & Co.	532457BQ0	2.350	2.624	0.370	5/15/2021	5/15/2022	3,170,000.00	3,161,467.27	3,194,155.40	100.762	IDC-FIS
Medium Term Note	Eli Lilly & Co.	532457BQ0	2.350	2.060	0.370	5/15/2021	5/15/2022	4,710,000.00	4,723,440.63	4,745,890.20	100.762	IDC-FIS
Medium Term Note	United Parcel Service, Inc.	911312BC9	2.350	2.628	0.372	5/16/2021	5/16/2022	8,000,000.00	7,978,166.00	8,046,800.00	100.585	IDC-FIS
Medium Term Note	Home Depot Inc.	437076BG6	2.625	2.343	0.416	6/1/2021	6/1/2022	10,000,000.00	10,027,683.90	10,076,700.00	100.767	IDC-FIS
Medium Term Note	Oracle Corp.	68389XAP0	2.500	2.687	0.783	5/2/2019	10/15/2022	9,400,000.00	9,342,284.00	9,534,044.00	101.426	IDC-FIS
Medium Term Note	Visa Inc.	92826CAC6	2.800	2.567	0.946	5/2/2019	12/14/2022	15,000,000.00	15,119,700.00	15,277,350.00	101.849	IDC-FIS
Medium Term Note	US Bank NA	90331HPF4	1.950	1.978	1.008	12/9/2019	1/9/2023	10,000,000.00	9,991,600.00	10,129,300.00	101.293	IDC-FIS
Medium Term Note	Bank of America Corp.	06051GEU9	3.300	2.201	1.004	10/2/2019	1/11/2023	12,487,000.00	12,918,176.11	12,829,643.28	102.744	IDC-FIS
Medium Term Note	PepsiCo Inc.	713448EY0	0.750	0.273	1.328	3/12/2021	5/1/2023	16,000,000.00	16,162,400.00	16,021,760.00	100.136	IDC-FIS
Medium Term Note	Apple Inc.	037833AK6	2.400	1.884	1.321	10/2/2019	5/3/2023	8,895,000.00	9,053,331.00	9,107,857.35	102.393	IDC-FIS
Medium Term Note	Apple Inc.	037833AK6	2.400	0.314	1.321	9/18/2020	5/3/2023	9,338,000.00	9,846,734.24	9,561,458.34	102.393	IDC-FIS
Medium Term Note	JP Morgan Chase & Co.	46625HRL6	2.700	2.159	1.361	12/4/2019	5/18/2023	13,170,000.00	13,406,138.10	13,469,880.90	102.277	IDC-FIS
Medium Term Note	Toyota Motor Credit Corp.	89236THF5	0.500	0.327	1.612	2/23/2021	8/14/2023	15,000,000.00	15,063,900.00	14,946,150.00	99.641	IDC-FIS
Medium Term Note	Bank of New York Mellon	06406FAD5	2.200	2.011	1.593	11/4/2019	8/16/2023	17,842,000.00	17,964,217.70	18,230,063.50	102.175	IDC-FIS
Medium Term Note	PACCAR Financial Corp.	69371RR24	0.350	0.389	2.077	2/2/2021	2/2/2024	10,000,000.00	9,988,400.00	9,867,900.00	98.679	IDC-FIS
Medium Term Note	Bank of New York Mellon	06406RAS6	0.500	0.035	2.307	4/26/2021	4/26/2024	15,000,000.00	14,983,950.00	14,817,300.00	98.782	IDC-FIS
Medium Term Note	Amazon.com, Inc.	023135BW5	0.450	0.499	2.353	5/12/2021	5/12/2024	5,000,000.00	4,992,700.00	4,951,900.00	99.038	IDC-FIS
	Total	Count 24	2.093	1.855	0.983			258,717,000.00	260,354,427.61	260,797,584.32	100.804	

Grand Total								2,354,921,608.17	2,363,338,540.70	2,351,377,843.60		
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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/>