

## Treasury Group

To: Deborah Kafoury – Chair, Board of County Commissioners  
Marissa Madrigal - Chief Operating Officer  
Investment Advisory Board Members (IAB)  
Mark Campbell – Chief Financial Officer  
Steve March - County Auditor

From: Jeff DeCosta, County Treasury

Date: February 12, 2018

Re: Investment Portfolio Results for January 2018

The County Investment Pool's annualized earnings rate for January was 1.37%. This was a one basis point decrease from the previous month's return of 1.38%. The year-to-date rate of return for Fiscal Year 2018 increased three basis points to 1.26%.

The U.S. Treasury 90-day T-Bill yield at the end of January was 1.46%. This was a seven basis point increase from December 31<sup>st</sup>.

The annualized earnings rate for the State's Local Government Investment Pool was 1.85%.

Nonfarm payrolls increased by 200,000 in January, higher than the 177,000 forecasted estimate. Average hourly earnings for workers in the private sector increased by a healthy 2.9% year over year. Unemployment benefits fell to the lowest level in nearly 45 years. The futures market is increasingly upping the odds that a fourth rate hike will happen this year.

For questions and suggestions regarding this report, please call me at (503) 988-7471 or email at: [jeffrey.decosta@multco.us](mailto:jeffrey.decosta@multco.us)



GOVERNMENT  
PORTFOLIO  
ADVISORS

# Executive Summary

Month-End 01/31/18



Investment Program

Prepared by:  
Government Portfolio Advisors  
[deanne@gpafixedincome.com](mailto:deanne@gpafixedincome.com)  
(503) 248-9973

## MONTH END COMMENTARY – JANUARY 2018

The upward movement in interest rates continued during January. Sustained strength in GDP, the tax reform policy, strong employment and a healthy global economy were all factors that contributed to stronger earnings and robust economic growth. The largest monthly increase in yields came in the five-year Treasury which increased by 32 basis points. The spread between two-year notes and five year notes reversed the flattening trend, moving to a spread of 38 basis points from 32 basis points last month.

**FOMC:** As expected, the FOMC left rates unchanged at its first meeting of 2018 and the last for Fed Chair Yellen. They left the door open for a rate hike at the next meeting on 3/21/18.

### 01/31/2018 FOMC Meeting highlights:

- Adds “further” for emphasis in outlook for gradual hikes
- The Fed raised rates three times last year and sees three more hikes in 2018 even as it continues to trim its balance sheet on a largely pre-set schedule.
- “Gains in employment, household spending and business fixed investment have been solid, and the unemployment rate has stayed low”, removing previous references to disruptions from hurricanes.
- Jerome Powell, who has backed Yellen’s gradual approach to rate increases, will now lead the Fed.
- Regarding inflation, the Fed said, “Inflation on a 12-month basis is expected to move up this year and to stabilize” around the U.S. central bank’s 2% target over the medium term.

**Non-farm Payrolls/Unemployment:** Non-farm payrolls increased by 148,000 in December. The employment data were a mixed bag, with payrolls much softer than expected, but the unemployment rate holding at 4.1% (an 18-year low) and hourly earnings up 0.3% month over month and up 2.5% year over year.

**GDP:** Fourth quarter GDP increased at an annual rate of 2.6%, according to the “advance” estimate. In the third quarter, real GDP increased 3.2%.

**Retail Sales:** December retail sales rose a solid 0.4% which was just shy of the consensus of +0.5%. This is a strong contribution to fourth-quarter GDP.

**Durable Goods Orders:** Orders for durable goods rose 2.9% in December, the fastest pace since June and another sign of strength in the economy. Durable goods orders have risen in four of the last five months and were up 5.8% for 2017, the best in six years.

**CPI:** The CPI rose 0.1% in December, rising 2.1% over the last six months. Less food and energy, the CPI rose 0.3% in December, up 1.8% over the year.

**Strategy going forward:** GPA believes that rates will continue to rise with a risk of an upside breakout in rates due to complacency regarding the long history of low-interest rates, acceleration of an increase in European rates, the impact of unwinding Quantitative Easing with a growing fiscal deficit. Our biggest concern is the possible increase in CPI due to labor constraints which would alter the Fed’s projections. We continue to manage portfolio durations at a range of 90% to 95% of benchmark durations. Yields are increasing nicely, and we expect this trend to continue through the year. Corporate credit spreads remain very tight, and GPA will continue to limit corporate credit to higher quality issues and with maturities limited to 2 years or shorter. With the recent significant increase in yields, we have been slowly increasing exposure into the 3-5 year sector.

### Treasury Yield Curve Total Returns over the last 12 months:\*

3month bill	0.93
1 year note	0.59
2 year note	-0.19
3 year note	-0.43
5 year note	-0.81

### TREASURY BENCHMARK TOTAL RETURNS IN MONTH\*

Benchmark	Period Return	Duration
BAML 0-3 Year Treasury	-0.16%	1.40
BAML 0-5 Year Treasury	-0.42%	2.15
BAML 1-3 Year Treasury	-0.29%	1.80
BAML 1-5 Year Treasury	-0.57%	2.60

### Changes in the Treasury Market (absolute yield levels): \*

	01/31/2017	11/30/17	12/31/17	01/31/18	Change in January	Change from Prior Year
<b>3 month bill</b>	.52	1.26	1.38	1.46	+.08	+.94
<b>6 month bill</b>	.63	1.44	1.53	1.65	+.13	+103
<b>2 year note</b>	1.21	1.78	1.88	2.14	+.10	+.93
<b>3 year note</b>	1.46	1.89	1.97	2.28	+.31	+.82
<b>5 year note</b>	1.91	2.14	2.21	2.52	+.32	+.61
<b>10 year note</b>	2.45	2.41	2.41	2.71	+.30	+.26

\*Source: Bloomberg



# Total Funds Multnomah County

# Compliance Report

Policy 2017 | 01/31/2018

	Policy Requirement	% of Total Accumulated	Portfolio Allocation	Within Limits	S&P	Moody's
Under 30 days	10%	18%	\$ 127,138,535	Yes	Muni's AA-	Aa3
Under 1 year	35%	81%	\$ 584,971,790	Yes	Corp Bonds AA-	Aa3
Under 5 years	100%	100%	\$ 718,360,295	Yes	C P A-1	P-1
				Yes	B A A-1+	P-1
Maximum Weighted Average Maturity	2		0.54	Yes		
Maximum Callable Securities	25%	3%	\$ 24,783,885	Yes		
Maximum Single Maturity	5 Years		2.50	Yes	Policy states ONE rating meets requirement	

Asset Allocation Diversification	Maximum Policy Allocation	Issuer Constraint	Percentage of Portfolio	Market Value	% Within Limits	Ratings Compliance	Issuer Compliance
US Treasury Obligations	100%		41.90%	\$ 300,990,830	Yes		
US Agencies Primary	100%		39.81%	\$ 285,996,725	Yes		
FHLB		25%	17.04%	\$ 122,437,775	Yes		
FNMA		25%	11.07%	\$ 79,536,115	Yes		
FHLMC		25%	8.26%	\$ 59,343,570	Yes		
FFCB		25%	3.44%	\$ 24,679,265	Yes		
US Agencies Secondary	10%	10%	0.00%	\$			
Municipal Obligations OR, CA, ID, WA	10%	5%	0.70%	\$ 4,996,600	Yes		Yes
Corporate Bonds (No Fossil Fuel)	25%	5%	3.45%	\$ 24,811,795	Yes	Yes	Yes
Commercial Paper	10%	5%	2.08%	\$ 14,961,900	Yes	Yes	Yes
Bank Deposits	50%	25%	3.45%	\$ 24,765,901	Yes	N/A	N/A
Certificates of Deposit	20%	10%	0.34%	\$ 2,450,000	Yes	Yes	Yes
Bankers Acceptances	10%	5%	0.00%	\$			
Repurchase Agreements	10%	5%					
Reverse Repurchase Agreement	10%	5%	0.00%	\$			
OST Fund Pool	ORS 294.810 ***		8.27%	\$ 59,386,544	Yes*	**	**
<b>Total</b>			<b>100%</b>	<b>\$ 718,360,295</b>			

\*\*\* Current ORS Maximum

\$ 48,333,000.00

\* ORS allows for OST Balances to be above limit during tax receipt periods.

\*\* Ratings & Issuer restrictions do not apply to pool funds

Benchmark: BofA Merrill 0-3 year Treasury

## STRATEGY OVERVIEW

Name	Par Amount	Total Adjusted Cost	Market Value	Unrealized Gain/Loss	Yield At Cost	Eff Dur	Bench Dur
Multnomah County - Core Investment Fund	\$ 210,000,000	\$ 210,172,850	\$ 208,122,500	\$ (2,050,350)	1.16	1.15	1.40
Multnomah County CD Fund	\$ 2,450,000	\$ 2,450,000	\$ 2,450,000	\$	1.04	0.55	0.10
Multnomah County Liquidity	\$ 509,152,445	\$ 507,899,288	\$ 507,787,795	\$ (111,493)	1.48	0.26	0.10
<b>TOTAL PORTFOLIO</b>	<b>\$ 721,602,445</b>	<b>\$ 720,522,138</b>	<b>\$ 718,360,295</b>	<b>\$ (2,161,843)</b>	<b>1.38</b>	<b>0.52</b>	<b>0.48</b>



# Total Funds Multnomah County

For Period January 01, 2018 - January 31, 2018

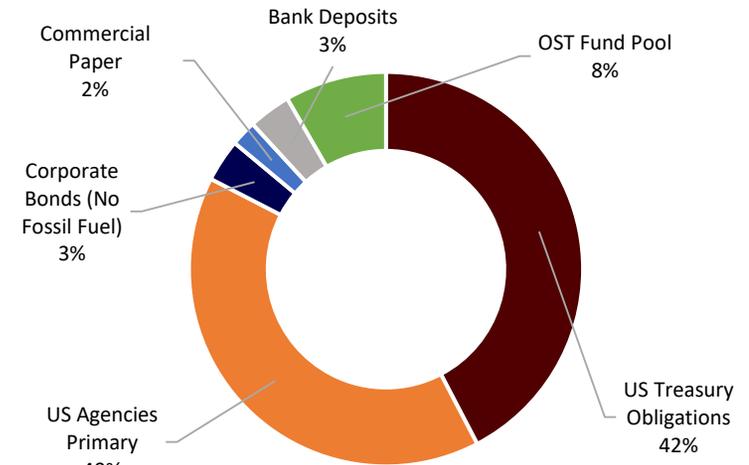
# Investment Report

Policy 2017 | 01/31/2018

Investment Holdings at 01/31/2018	Market Value	% of Total Portfolio	Maximum Per Policy
US Treasury Obligations	\$ 300,990,830	41.90%	100%
US Agencies Primary	\$ 285,996,725	39.81%	100%
Municipal Obligations OR, CA, ID, WA	\$ 4,996,600	0.70%	10%
Corporate Bonds (No Fossil Fuel)	\$ 24,811,795	3.45%	25%
Commercial Paper	\$ 14,961,900	2.08%	10%
Bank Deposits	\$ 24,765,901	3.45%	50%
Certificates of Deposit	\$ 2,450,000	0.34%	20%
Bankers Acceptances	\$ -		10%
Repurchase Agreements	\$ -		10%
Reverse Repurchase Agreement	\$ -		10%
OST Fund Pool	\$ 59,386,544	8.27%	
<b>Total Portfolio</b>	<b>\$ 718,360,295</b>	<b>100.00%</b>	

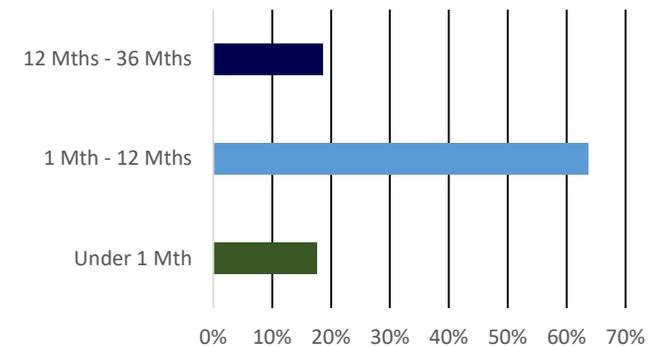
  

% of Portfolio With One Issuer:			
Corporate Notes	\$ 9,991,100	1.39%	5%
State Obligations	\$ 4,996,600	0.70%	5%



## MATURITY DISTRIBUTION

Maturities from 01/31/2018	Per Maturity Bucket		Cumulative	
	Market Value	% of Total Portfolio	% of Total Portfolio	Minimum Per Policy
Under 1 Mth	\$ 127,138,535	18%	18%	10%
1 Mth - 12 Mths	\$ 457,833,255	64%	81%	35%
12 Mths - 36 Mths	\$ 133,388,505	19%	100%	100%



Average Maturity on 01/31/2018  
Average Maturity of portfolio  
(excluding bank / LGIP deposits)

0.54 Years  
1.16 Years

Maximum Per Policy  
5 Years

## ACTIVITY & PERFORMANCE SUMMARY

Activity Summary	This Month	Fiscal Year-to-Date
Beginning Amortized Cost	\$ 772,231,410	\$ 409,412,858
Investment purchases	\$ 49,866,806	\$ 519,847,835
Investment maturities and sales	\$ (50,000,000)	\$ (210,450,000)
Amortization	\$ 370,388	\$ 503,120
Net cash deposit (withdrawals)	\$ (51,946,465)	\$ 1,208,324
Realized Gain/Loss	\$ -	\$ -
Ending Amortized Costs	<u>\$ 720,522,138</u>	<u>\$ 720,522,138</u>
Market Value on 01/31/2018		\$ 718,360,295

Performance Summary	This Month	Fiscal Year-to-Date
Amortization	\$ 370,388	\$ 503,120
Interest income	\$ 501,079	\$ 3,563,699
Realized gain (loss)	\$ -	\$ -
<b>Total income</b>	<u>\$ 871,466</u>	<u>\$ 4,066,819</u>
Average portfolio balance	<u>\$ 761,189,772</u>	<u>\$ 558,340,792</u>
Total Portfolio yield at cost on 01/31/2018		1.38%
Investment Portfolio yield at cost (excluding bank / LGIP dep)		1.16%
Local Government Investment Pool interest rate		1.85%



# Portfolio Appraisal - Settled Trades

US Dollar  
1/31/2018

## Multnomah County - Core Investment Fund

Quantity	Symbol	Security	Unit Adj. Cost	Total Adjusted Cost	Price	Market Value	% Assets	Yield
<b>US Agency (USD)</b>								
10,000,000	3135G0WJ8	FEDERAL NATL MTG ASSN 0.875% Due 05-21-18	99.97	9,996,991.93	99.80	9,980,180.00	4.8	1.0
5,000,000	3134G9G76	FEDERAL HOME LN MTG CORP 0.800% Due 06-29-18	99.97	4,998,258.24	99.63	4,981,595.00	2.4	0.9
10,000,000	3130A8PK3	FEDERAL HOME LOAN BANKS 0.625% Due 08-07-18	99.88	9,988,228.38	99.43	9,942,540.00	4.8	0.9
10,000,000	3136G02M2	FEDERAL NATL MTG ASSN 1.180% Due 10-30-18	99.78	9,977,908.82	99.49	9,948,760.00	4.8	1.5
10,000,000	3133782M2	FEDERAL HOME LOAN BANKS 1.500% Due 03-08-19	100.59	10,058,582.06	99.45	9,944,520.00	4.8	1.0
10,000,000	3134G9AW7	FEDERAL HOME LN MTG CORP 1.150% Due 04-26-19	99.96	9,995,899.54	98.93	9,892,670.00	4.8	1.2
10,000,000	3133EF5X1	FEDERAL FARM CR BKS 1.100% Due 05-03-19	100.10	10,010,357.98	98.65	9,864,800.00	4.7	1.0
15,000,000	313379EE5	FEDERAL HOME LOAN BANKS 1.625% Due 06-14-19	100.98	15,147,090.82	99.42	14,913,645.00	7.2	0.9
15,000,000	3137EAEB1	FEDERAL HOME LN MTG CORP 0.875% Due 07-19-19	99.91	14,987,249.92	98.27	14,739,945.00	7.1	0.9
10,000,000	3136G3X67	FEDERAL NATL MTG ASSN 1.100% Due 08-23-19	100.00	10,000,000.00	98.45	9,845,470.00	4.7	1.1
15,000,000	3133EHYJ6	FEDERAL FARM CR BKS 1.375% Due 09-12-19	99.81	14,971,705.00	98.76	14,814,465.00	7.1	1.5
10,000,000	3137EAEE5	FEDERAL HOME LN MTG CORP 1.500% Due 01-17-20	99.98	9,997,857.17	98.74	9,874,160.00	4.7	1.5
10,000,000	3130ABPV2	FEDERAL HOME LOAN BANKS 1.690% Due 06-29-20	99.96	9,995,912.97	98.54	9,853,530.00	4.7	1.7
10,000,000	3135G0T60	FEDERAL NATL MTG ASSN 1.500% Due 07-30-20	99.77	9,976,717.22	98.15	9,814,610.00	4.7	1.6
				<b>150,102,760.07</b>		<b>148,410,890.00</b>	<b>71.3</b>	<b>1.19</b>
<b>Corporate (USD)</b>								
5,000,000	478160BG8	JOHNSON & JOHNSON 1.650% Due 12-05-18	100.52	5,025,906.99	99.62	4,981,105.00	2.4	1.0
10,000,000	037833AQ3	APPLE INC 2.100% Due 05-06-19	100.67	10,066,720.38	99.91	9,991,100.00	4.8	1.6
10,000,000	594918BN3	MICROSOFT CORP 1.100% Due 08-08-19	99.94	9,993,889.22	98.40	9,839,590.00	4.7	1.1
				<b>25,086,516.59</b>		<b>24,811,795.00</b>	<b>11.9</b>	<b>1.29</b>



# Portfolio Appraisal - Settled Trades

US Dollar  
1/31/2018

Multnomah County - Core Investment Fund

Quantity	Symbol	Security	Unit Adj. Cost	Total Adjusted Cost	Price	Market Value	% Assets	Yield
<b>US Treasury (USD)</b>								
10,000,000	912828K25	UNITED STATES TREAS NTS 0.750% Due 04-15-18	99.95	9,995,109.28	99.86	9,986,140.00	4.8	1.0
10,000,000	912828VE7	UNITED STATES TREAS NTS 1.000% Due 05-31-18	100.03	10,002,911.79	99.82	9,981,640.00	4.8	0.9
15,000,000	912828S68	UNITED STATES TREAS NTS 0.750% Due 07-31-18	99.90	14,985,552.54	99.55	14,932,035.00	7.2	0.9
				<b>34,983,573.61</b>		<b>34,899,815.00</b>	<b>16.8</b>	<b>0.95</b>
<b>Total Portfolio</b>				<b>210,172,850.26</b>		<b>208,122,500.00</b>	<b>100.0</b>	<b>1.16</b>



Multnomah County CD Fund

Portfolio Appraisal - Settled Trades

US Dollar  
1/31/2018

Quantity	Symbol	Security	Unit Adj. Cost	Total Adjusted Cost	Price	Market Value	% Assets	Yield
<b>Bank or Cash Deposit (USD)</b>								
245,000	SYS7444	RIVERMARK COMMUNITY CU 0.600% Due 03-12-18	100.00	245,000.00	100.00	245,000.00	10.0	0.6
245,000	SYS7450	UNITUS COMMUNITY CU 0.880% Due 07-24-18	100.00	245,000.00	100.00	245,000.00	10.0	0.9
245,000	SYS7447	PREMIER COMMUNITY BANK CD 0.750% Due 08-01-18	100.00	245,000.00	100.00	245,000.00	10.0	0.8
245,000	SYS7410	NORTHWEST COMMUNITY CU 0.946% Due 08-09-18	100.00	245,000.00	100.00	245,000.00	10.0	0.9
245,000	SYS7453	WILLAMETTE COMMUNITY BK CD 0.950% Due 08-14-18	100.00	245,000.00	100.00	245,000.00	10.0	1.0
245,000	SYS7452	PACIFIC WEST BANK CD 1.000% Due 08-16-18	100.00	245,000.00	100.00	245,000.00	10.0	1.0
245,000	SYS7449	HOMESTREET BANK 1.000% Due 08-18-18	100.00	245,000.00	100.00	245,000.00	10.0	1.0
245,000	SYS7456	WILLAMETTE VALLEY BANK CD 1.500% Due 10-25-18	100.00	245,000.00	100.00	245,000.00	10.0	1.5
245,000	SYS7458	SUMMIT BANK CD 1.230% Due 11-15-18	100.00	245,000.00	100.00	245,000.00	10.0	1.2
245,000	SYS7459	UMPQUA BANK CD 1.500% Due 11-20-18	100.00	245,000.00	100.00	245,000.00	10.0	1.5
				<b>2,450,000.00</b>		<b>2,450,000.00</b>	<b>100.0</b>	<b>1.04</b>
<b>Total Portfolio</b>				<b>2,450,000.00</b>		<b>2,450,000.00</b>	<b>100.0</b>	<b>1.04</b>



# Portfolio Appraisal - Settled Trades

US Dollar  
1/31/2018

## Multnomah County Liquidity

Quantity	Symbol	Security	Unit Adj. Cost	Total Adjusted Cost	Price	Market Value	% Assets	Yield
<b>US Agency (USD)</b>								
50,000,000	313385VE3	FEDL HOME LOAN BKS DISC NT 0.000% Due 04-06-18	99.76	49,878,222.17	99.75	49,874,000.00	9.8	1.4
10,000,000	313385VM5	FEDL HOME LOAN BKS DISC NT 0.000% Due 04-13-18	99.73	9,973,375.00	99.72	9,972,000.00	2.0	1.4
18,000,000	313385WE2	FEDL HOME LOAN BKS DISC NT 0.000% Due 04-30-18	99.67	17,939,720.04	99.65	17,937,540.00	3.5	1.4
20,000,000	313397ZG9	FEDERAL HOME LN MTG CORP DISC NT 0.000% Due 07-13-18	99.35	19,869,500.07	99.28	19,855,200.00	3.9	1.5
15,000,000	3135G0L68	FEDERAL NATL MTG ASSN 0.750% Due 07-27-18	99.60	14,939,943.01	99.55	14,933,070.00	2.9	1.6
25,000,000	3135G0YM9	FEDERAL NATL MTG ASSN 1.875% Due 09-18-18	100.13	25,033,737.36	100.06	25,014,025.00	4.9	1.7
				<b>137,634,497.66</b>		<b>137,585,835.00</b>	<b>27.1</b>	<b>1.46</b>
<b>Municipal (USD)</b>								
5,000,000	625517JL2	MULTNOMAH CNTY OR SCH DIST 1.500% Due 06-15-18	100.09	5,004,531.72	99.93	4,996,600.00	1.0	1.3
				<b>5,004,531.72</b>		<b>4,996,600.00</b>	<b>1.0</b>	<b>1.25</b>
<b>US Treasury (USD)</b>								
18,000,000	912828H94	UNITED STATES TREAS NTS 1.000% Due 02-15-18	99.99	17,997,935.99	99.99	17,997,840.00	3.5	1.3
25,000,000	912828UR9	UNITED STATES TREAS NTS 0.750% Due 02-28-18	99.96	24,989,804.69	99.95	24,988,250.00	4.9	1.3
43,000,000	912796NW5	UNITED STATES TREAS BILLS 0.000% Due 03-15-18	99.85	42,935,332.16	99.85	42,933,350.00	8.5	1.3
25,000,000	912796LS6	UNITED STATES TREAS BILLS 0.000% Due 03-29-18	99.78	24,945,166.66	99.80	24,948,750.00	4.9	1.4
10,000,000	912828XA3	UNITED STATES TREAS NTS 1.000% Due 05-15-18	99.89	9,988,778.17	99.86	9,986,310.00	2.0	1.4
50,000,000	912796MB2	UNITED STATES TREAS BILLS 0.000% Due 05-24-18	99.56	49,782,464.89	99.54	49,769,500.00	9.8	1.4
15,000,000	912828XF2	UNITED STATES TREAS NTS 1.125% Due 06-15-18	99.88	14,981,812.76	99.85	14,977,155.00	2.9	1.5
20,000,000	912796MF3	UNITED STATES TREAS BILLS 0.000% Due 06-21-18	99.43	19,885,763.89	99.41	19,882,200.00	3.9	1.5
18,000,000	912828K82	UNITED STATES TREAS NTS 1.000% Due 08-15-18	99.68	17,941,569.43	99.63	17,932,500.00	3.5	1.6
25,000,000	9128282C3	UNITED STATES TREAS NTS 0.750% Due 08-31-18	99.49	24,872,946.52	99.43	24,858,400.00	4.9	1.6



# Portfolio Appraisal - Settled Trades

US Dollar  
1/31/2018

## Multnomah County Liquidity

Quantity	Symbol	Security	Unit Adj. Cost	Total Adjusted Cost	Price	Market Value	% Assets	Yield
18,000,000	912796NV7	UNITED STATES TREAS BILLS 0.000% Due 09-13-18	99.02	17,822,872.00	98.98	17,816,760.00	3.5	1.6
				<b>266,144,447.15</b>		<b>266,091,015.00</b>	<b>52.4</b>	<b>1.44</b>
<b>LGIP State Pool (USD)</b>								
59,386,544	OSTFLGIP	OREGON SHORT TERM FUND POOL 1.850% Due 02-27-18	100.00	59,386,543.78	100.00	59,386,543.78	11.7	1.9
				<b>59,386,543.78</b>		<b>59,386,543.78</b>	<b>11.7</b>	<b>1.85</b>
<b>Bank or Cash Deposit (USD)</b>								
2,783,493	SYSBADD1	BANK OF AMERICA 0.010% Due 02-27-18	100.00	2,783,493.37	100.00	2,783,493.37	0.5	0.0
17,183,758	SYSSBMM1	UMPQUA BANK 1.200% Due 02-27-18	100.00	17,183,758.25	100.00	17,183,758.25	3.4	1.2
200,256	SYSUSB076	US BANK 0.010% Due 02-27-18	100.00	200,255.80	100.00	200,255.80	0.0	0.0
4,021,498	000WAFED	WASHINGTON FEDERAL 1.200% Due 02-27-18	100.00	4,021,497.63	100.00	4,021,497.63	0.8	1.2
576,896	SYSWCBMM1	WILLAMETTE COMMUNITY BANK 1.000% Due 02-27-18	100.00	576,895.88	100.00	576,895.88	0.1	1.0
				<b>24,765,900.93</b>		<b>24,765,900.93</b>	<b>4.9</b>	<b>1.05</b>
<b>Commercial Paper (USD)</b>								
15,000,000	89233HCV4	TOYOTA MOTOR CREDIT CP 0.000% Due 03-29-18	99.76	14,963,366.67	99.75	14,961,900.00	2.9	1.6
				<b>14,963,366.67</b>		<b>14,961,900.00</b>	<b>2.9</b>	<b>1.58</b>
<b>Total Portfolio</b>				<b>507,899,287.90</b>		<b>507,787,794.71</b>	<b>100.0</b>	<b>1.48</b>



### **Disclaimer**

This material is based on information obtained from sources generally believed to be reliable and available to the public; however, GPA cannot guarantee its accuracy, completeness, or suitability. This material is for purposes of observations and oversight and is the opinion of the author and not necessarily of GPA, LLC. Past performance does not necessarily reflect and is not a guaranty of future results. The information contained in this document is not an offer to purchase or sell any securities.

### **Definition and Terms**

**Investment Report:** Provides of summary asset allocation and maturity distribution. The activity and earnings summary provides a high level overview of the total funds.

**Total Funds:** This is the amount of the overall portfolio balances that are held in short term liquid investments to meet ongoing operational budgets and cash flows and investments held for longer periods. An annual assessment of the allocations to each component is evaluated through a cash flow process determining liquidity needs and District preferences, the Guideline Portfolio Strategy "GPS" is completed by Government Portfolio Advisors.

**Compliance Report:** Provides a comparison of the portfolio positions to the investment policy. This report includes a breakout of the specific funds and each allocation to the liquidity and investments.

**Holdings Reports:** Provides an overview by fund of portfolio distribution.

**Security Type:** Allocates the investment to a specific issuer type.

**Par Value:** The total face value of the investment at maturity.

**Security Name:** Lists the specific name of issuer.

**Book Yield or Yield at Cost:** Is the earning yield on each security at the time of purchase. The total is a weighting based on investment value.

**Market Value:** The current market value of the security based on a third party pricing source. This price represents the value if the securities were sold on the pricing date. The market value changes with interest rates.

**Total Adjusted Cost:** This may be referred to as "book value" and represents the cost basis to date after amortization of premiums or discounts since the purchase date.

**Unrealized gain or loss:** This represents the difference between the market value and the adjusted cost at the time of the report.

**% of Portfolio:** Represents the percent allocation dedicated to each security type in the fund.

**Effective Duration:** Represents the duration based on the time between the report date and the maturity of the bond. Duration is similar to average maturity and is used to measure the price sensitivity of the portfolio given interest rate changes.