



Investment Report

# City of Stockton

Period Ending  
March 31, 2016



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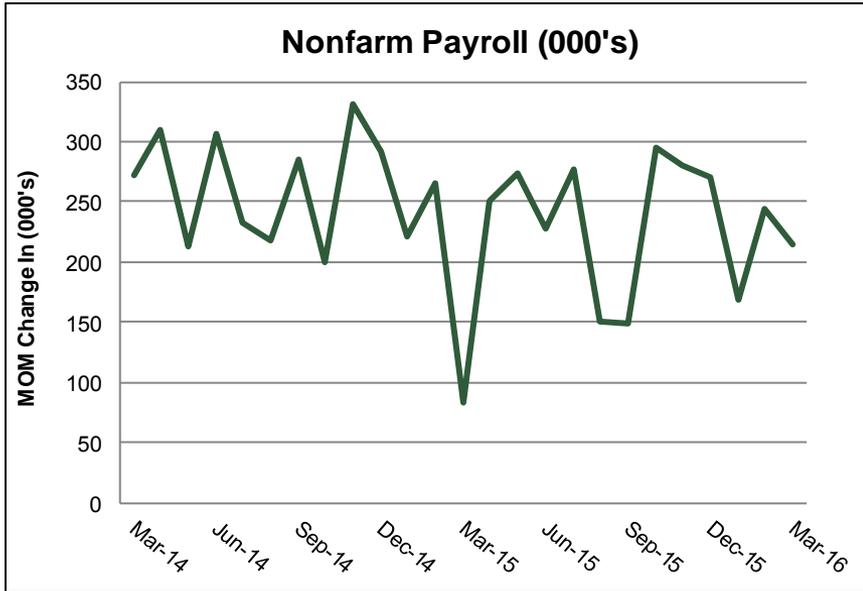
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**SECTION 1**

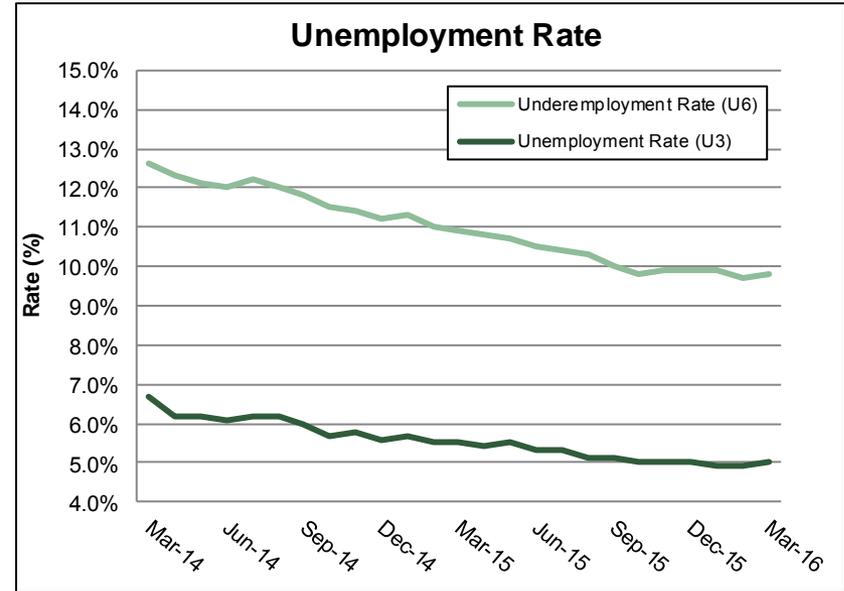
**Economic Update**



- The Federal Open Market Committee (FOMC) left policy rates unchanged in March, as expected. The tone of the FOMC policy statement was largely dovish and the Committee's consensus forecast for the year-end target federal funds rate was revised down to a level more closely aligned with market expectations. The FOMC's median forecast now implies two rate hikes in 2016 versus the previous forecast of four rate hikes. Fed funds futures prices currently imply just one more rate hike this year. The FOMC also adjusted some of their longer term forecasts, with the pace of rate hikes in 2017 and 2018 moving modestly lower. Esther George, the President of the Federal Reserve Bank of Kansas City was the lone dissenter at the March meeting, preferring to see the target fed funds rate increase by 0.25%. We believe monetary policy continues to be data dependent and we will be watching developments in currency market valuations, in particular the direction of the US Dollar, to help ascertain the future direction of the FOMC. A stable or weaker dollar will likely give the FOMC more latitude to continue the normalization process specific to the federal funds target rate; a stronger dollar would have the opposite impact.
- Domestic economic data is generally favorable. Labor market trends continue to improve, consumer confidence is strong, and housing trends remain healthy. In addition, manufacturing trends seem to be improving. Payrolls have increased by an average of 209,000 per month over the past three months. Meanwhile inflation pressures remain contained. Fourth quarter 2015 GDP grew at a stronger than expected annualized pace of 1.4%, following growth of 2.0% in the third quarter. Market participants have been forecasting GDP growth of about 2.0% in the first quarter of 2016, but some economists recently reduced their forecast.
- In March, the Treasury yield curve steepened slightly, with the 2-year Treasury yield down five basis points and the 10-year Treasury yield up three basis points. We believe the modest decline in shorter-term yields was influenced by largely dovish comments made by members of the FOMC during the month. Even though inflation remains contained for now, which gives the Fed more leeway to remain highly accommodative, we believe strong labor market trends leave the door open for the Fed to continue normalizing monetary policy this year. We believe two more 25 basis point fed funds rate hikes before year-end are possible. Ongoing uncertainty about monetary policy and how the Fed communicates its economic projections will likely continue to fuel financial market volatility.

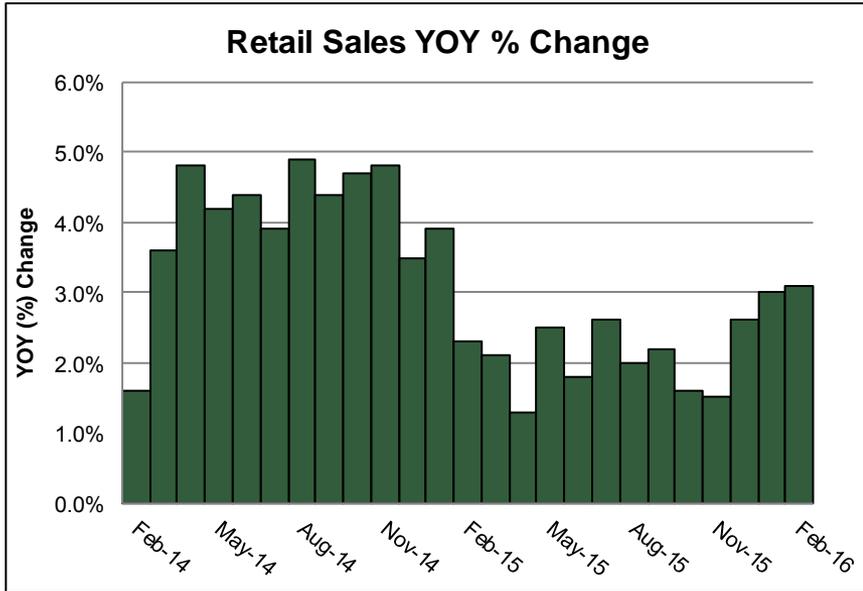


Source: US Department of Labor



Source: US Department of Labor

The March employment report was stronger than expected. Nonfarm payrolls rose by 215,000 in March, exceeding the consensus forecast of 205,000. January and February payrolls were revised down slightly by a net total of 1,000. The unemployment rate inched up to 5.0% from 4.9%, as the participation rate increased to 63.0% from 62.9%. A broader measure of unemployment called the U-6, which includes those whom are marginally attached to the labor force and employed part time for economic reasons, also ticked up to 9.8% from 9.7%. Wages rose 0.3% in March, exceeding expectations. During the first quarter of 2016, payrolls increased by an average of 209,000 per month, compared to the trailing six-month average of 246,000. Overall, the March jobs report points to ongoing strength in the labor market.

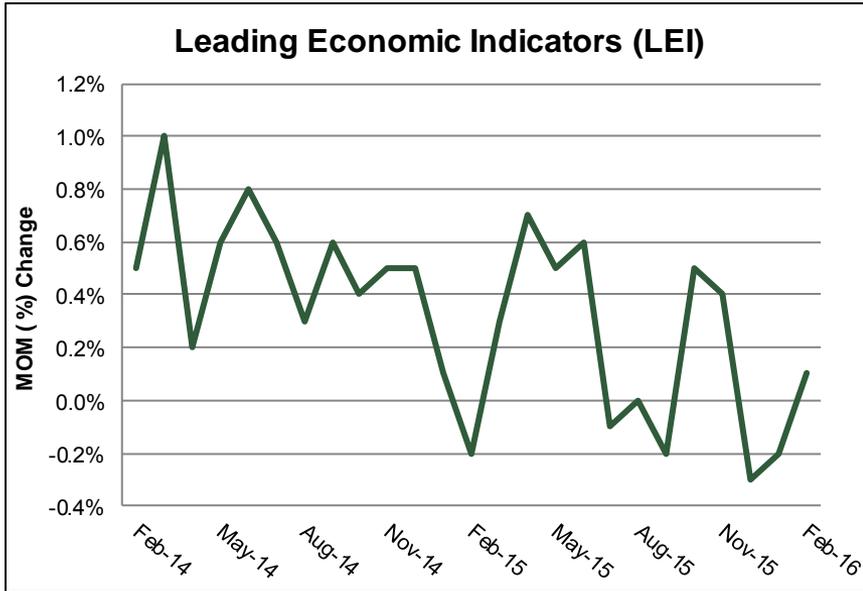


Source: US Department of Commerce

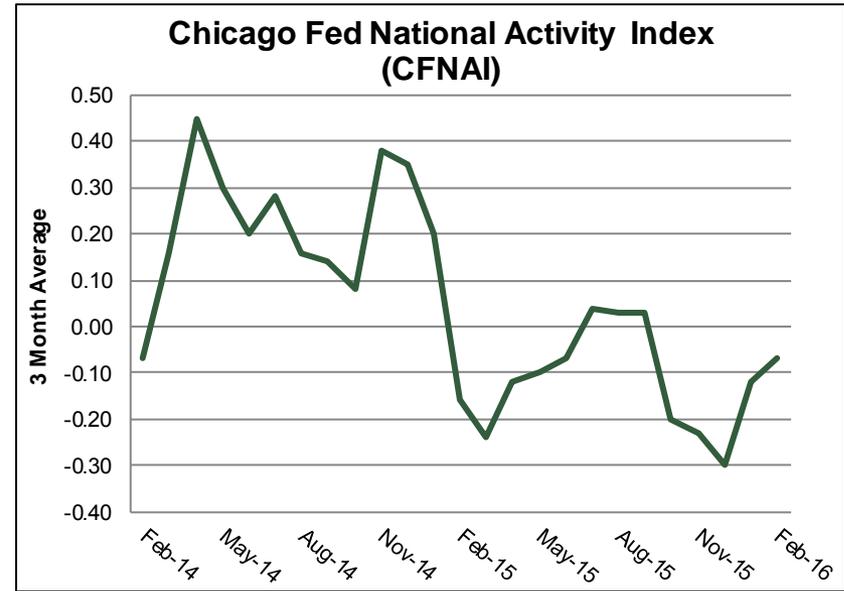


Source: Federal Reserve

Consumer spending trends have underwhelmed but we are hopeful the impact of lower commodity prices will begin to provide a tailwind. On a year-over-year basis, retail sales were up 3.1% in February, vs. up 3.0% in January. On a month-over-month basis, retail sales, excluding autos and gas, were in line with expectations in February, up 0.3%. However, retail sales in January were revised down to a decline of 0.1% from a gain of 0.4%. Overall retail sales, including autos and gas, were down 0.1% in February, following a disappointing 0.4% decline in January. The consumer confidence index increased to 96.2 in March from 94.0 in February. We believe ongoing improvement in the labor market and low gas prices should benefit consumer spending this year.

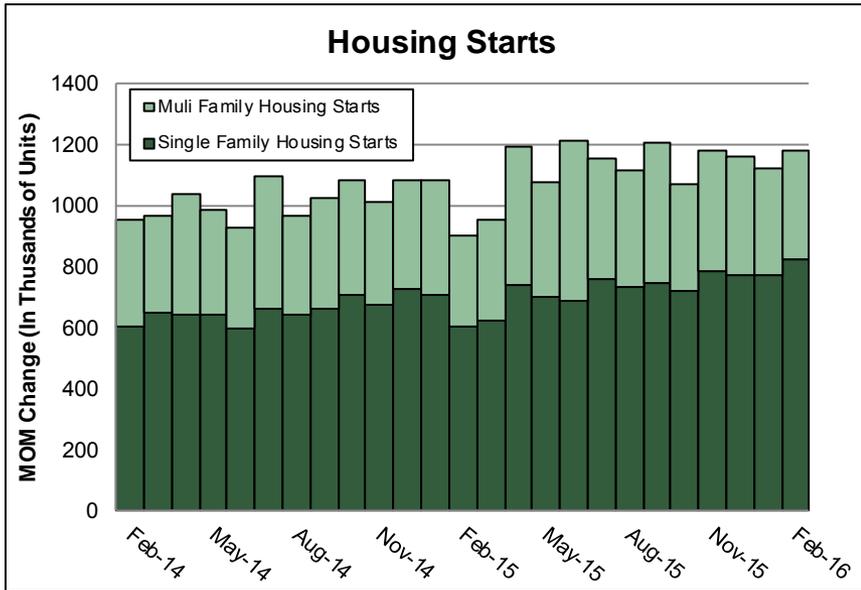


Source: The Conference Board

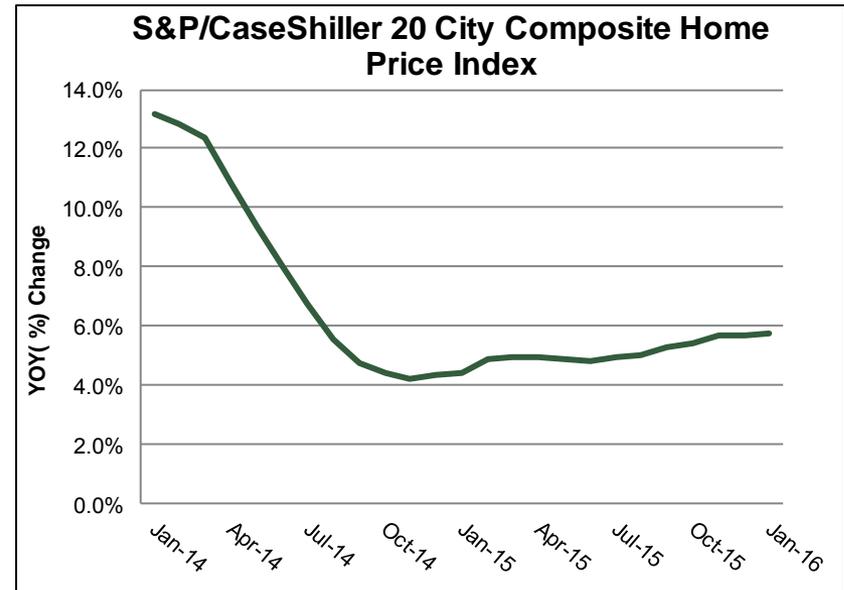


Source: Federal Reserve Bank of Chicago

The index of Leading Economic Indicators (LEI) rose 0.1% in February, following a 0.2% decline in January. On a year-over-year basis, the LEI was up 2.3% in February vs. up 2.1% in January. The index points to modest economic growth with little chance of an economic downturn in the near-term. The Chicago Fed National Activity Index (CFNAI) 3-month moving average improved to -0.07 in February from -0.12 in January. Overall, this index is indicative of below-average economic activity. A reading below -0.70 on a 3-month moving average basis has historically corresponded with the onset of a recession; fortunately the CFNAI remains safely above that level.

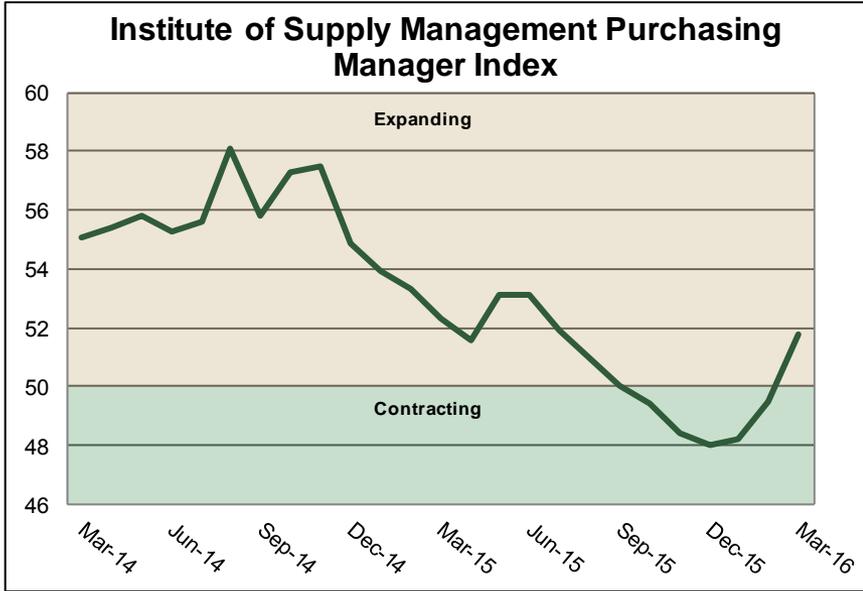


Source: US Census Bureau

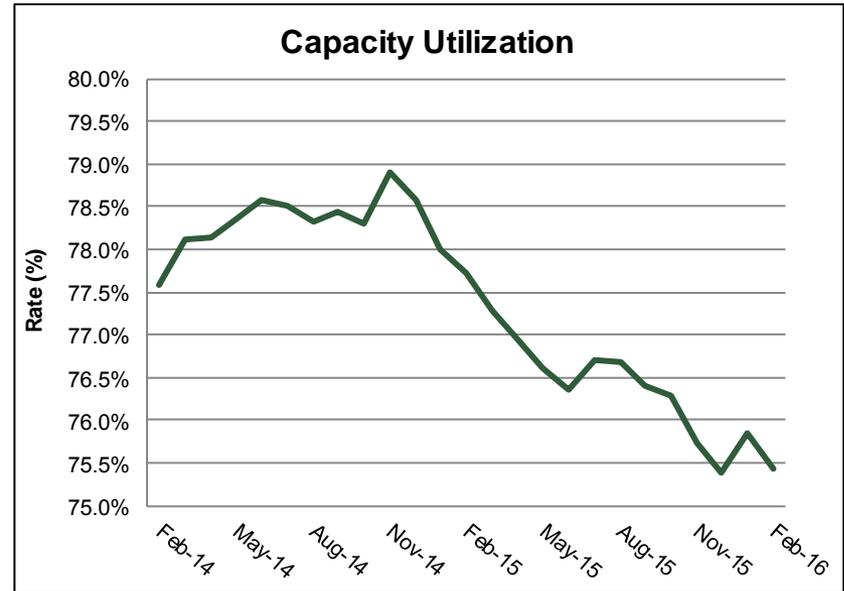


Source: S&P

Total housing starts rose 5.2% on a month-over-month basis in February, exceeding expectations. Single-family housing starts grew 7.2% while multi-family starts rose 0.8%. Housing starts tend to be volatile on a month-to-month basis, but the underlying trend is solid with total housing starts up 30.9% on a year-over-year basis. Overall, we believe housing market trends remain healthy. Meanwhile, home pricing has remained firm. According to the Case-Shiller 20-City home price index, home prices remained up 5.7% year-over-year in January.



Source: Institute for Supply Management



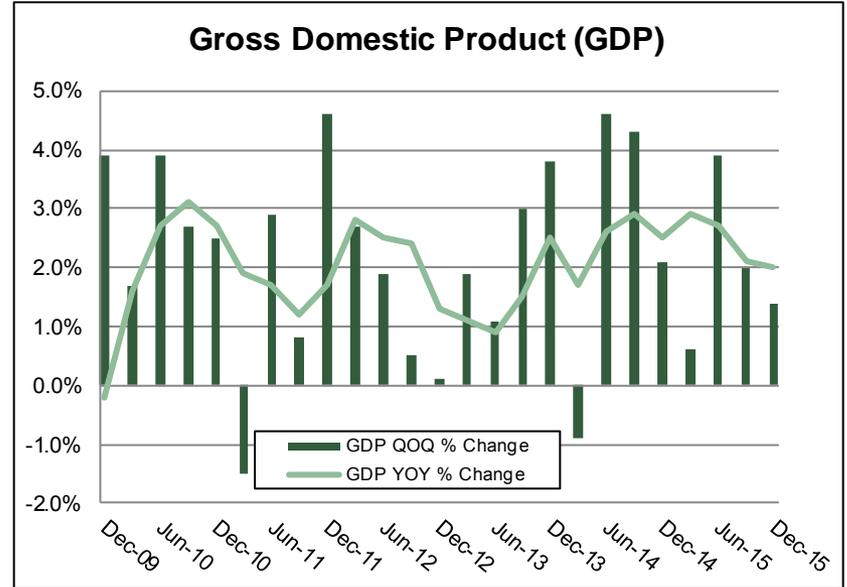
Source: Federal Reserve

The Institute for Supply Management (ISM) manufacturing index rose to 51.8 in March from 49.5 in February, which puts the index above the 50.0 breakeven level for the first time since last fall. The ISM new orders index surged roughly 7 points to 58.3 in March. Overall, the ISM manufacturing report suggests that trends in the manufacturing sector are improving. Notably, a reading above 43.1 over a period of time is generally indicative of overall economic expansion, based on the historical relationship between the index and GDP growth. Meanwhile, capacity utilization, which is production divided by capacity, declined to 76.7% in February from 77.1% in January. The capacity utilization rate is lower than the long-run average of 80.0% (1972-2015), suggesting there is still excess capacity in the industrial sector. Overall, growth in the US manufacturing sector continues to be hindered by the strong US dollar and a sluggish global economy.



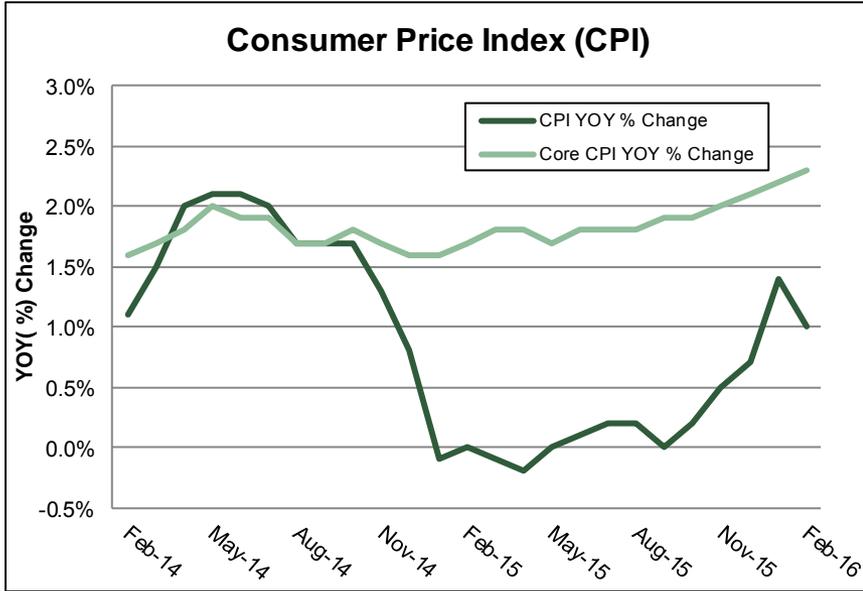
Components of GDP	3/15	6/15	9/15	12/15
Personal Consumption Expenditures	1.2%	2.4%	2.0%	1.7%
Gross Private Domestic Investment	1.4%	0.9%	-0.1%	-0.2%
Net Exports and Imports	-1.9%	0.2%	-0.3%	-0.1%
Federal Government Expenditures	0.1%	0.0%	0.0%	0.2%
State and Local (Consumption and Gross Investment)	-0.1%	0.5%	0.3%	-0.1%
<b>Total</b>	<b>0.7%</b>	<b>3.9%</b>	<b>2.0%</b>	<b>1.4%</b>

Source: US Department of Commerce

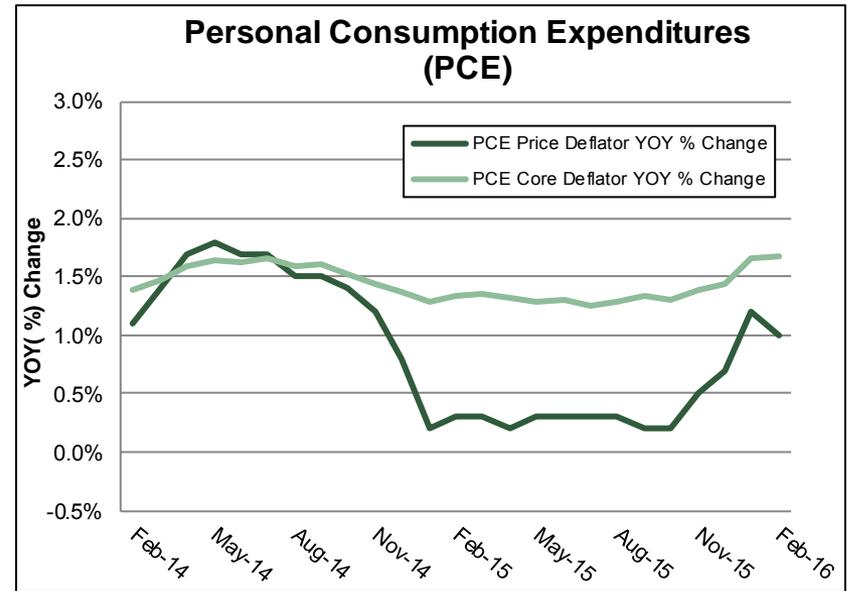


Source: US Department of Commerce

Fourth quarter GDP growth was revised up again to 1.4% from the second estimate of 1.0%. The initial estimate was 0.7%. A boost to personal consumption expenditures was the primary source of the most recent upward revision. Although fourth quarter GDP growth was stronger than expected, some economists have recently cut their forecasts for first quarter GDP growth.

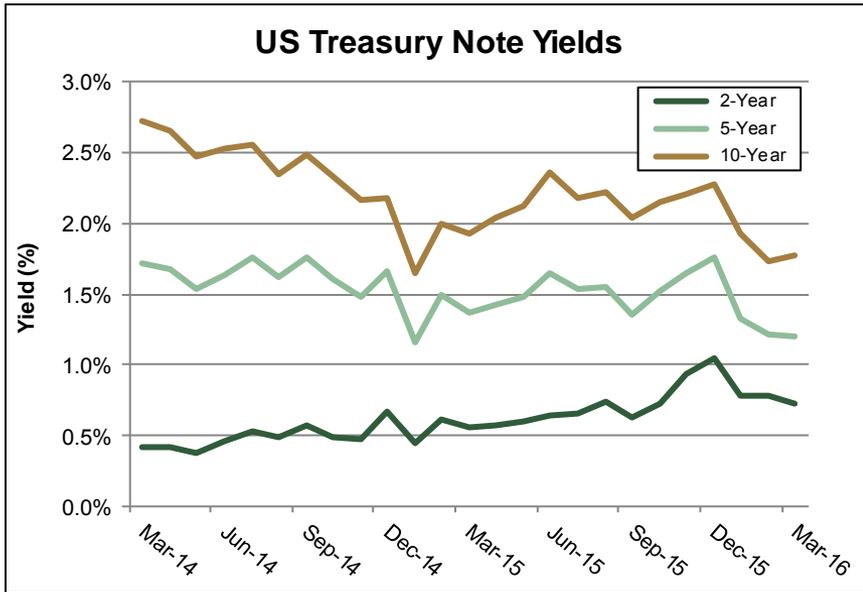


Source: US Department of Labor

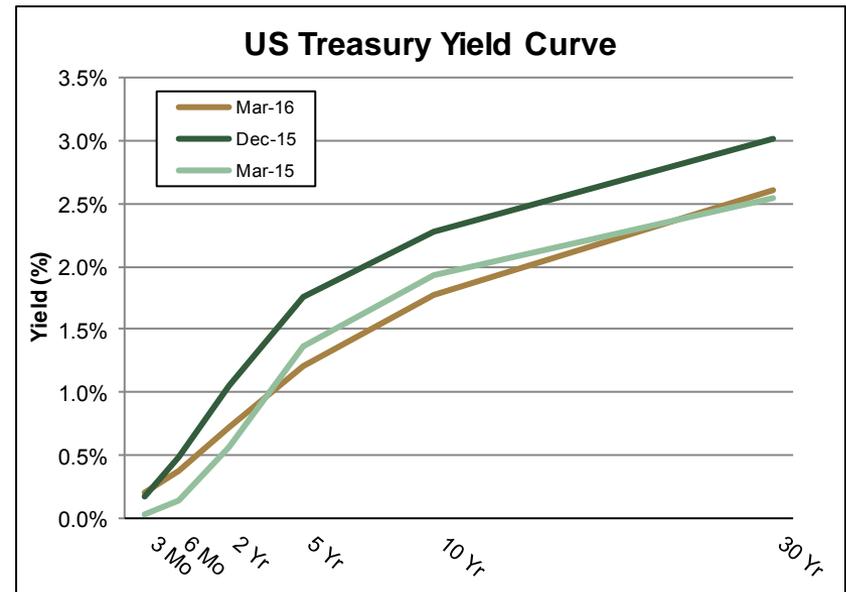


Source: US Department of Labor

Inflation pressures remain contained for now. The Consumer Price Index (CPI) was up just 1.0% year-over-year in February, vs. 1.4% in January. Core CPI (CPI less food and energy) was up 2.3% in February, vs. 2.2% in January. The Personal Consumption Expenditures (PCE) index was up 1.0% year-over-year in February, vs. up 1.3% in January. Core PCE (excluding food and energy) was up 1.7% year-over-year in February, unchanged from January. PCE remains below the Fed's 2.0% target.

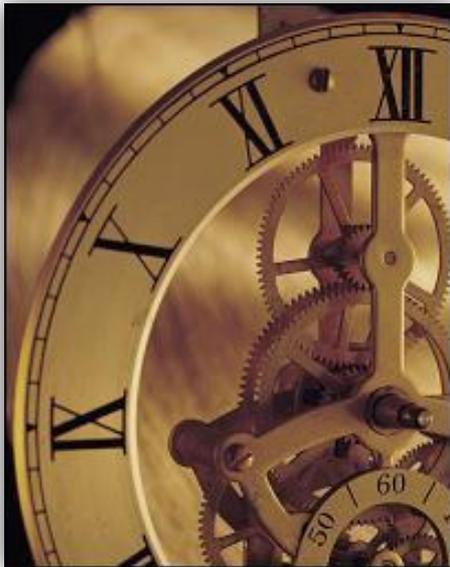


Source: Bloomberg



Source: Bloomberg

During the first quarter, the yield curve flattened with the 2-year Treasury yield down about 33 basis points and the 10-year Treasury yield down about 50 basis points. Over much of the past year, financial market volatility has been elevated due to weak global economic growth, declining commodity prices, and divergent global central bank monetary policy. These concerns will likely continue to fuel financial market volatility over the medium-term.



## SECTION 2

### Account Profile

## Investment Objectives

The investment objectives of the City of Stockton are first, to provide safety of principal to ensure the preservation of capital in the overall portfolio; second, to provide sufficient liquidity to meet all operating requirements; and third, to earn a commensurate rate of return consistent with the constraints imposed by the safety and liquidity objectives.

## Chandler Asset Management Performance Objectives

The performance objective for the portfolio is to earn a total rate of return over a market cycle that equals or exceeds the market index, the Bank of America Merrill Lynch Index of 1-5 Year Government securities.

## Strategy

In order to achieve these objectives, the portfolio invests in high quality fixed income securities consistent with the investment policy and California Government Code.



## City of Stockton

March 31, 2016

### COMPLIANCE WITH INVESTMENT POLICY

*Assets managed by Chandler Asset Management are in full compliance with State law and with the City's investment policy.*

Category	Standard	Comment
Local Agency Bonds	No Limitation; 5 year maximum maturity	Complies
Treasury Issues	No Limitation; 10 year maximum maturity	Complies
Agency Issues	No Limitation; 10 year maximum maturity	Complies
Banker's Acceptances	40% maximum; <180 days maturity	Complies
Commercial Paper	25% maximum; <270 days maturity; A-1/P-1/F-1 minimum ratings	Complies
Negotiable Certificates of Deposit	30% maximum; 5 years maximum maturity	Complies
Repurchase Agreements	No limitation; 1 year maximum maturity	Complies
Reverse Repurchase Agreements	20% maximum; <92 days maturity	Complies
Medium Term Notes	30% maximum; 5 years maximum maturity; A-rated or better	Complies
Money Market Mutual Funds	AAA/Aaa rated by two NRSRO; 20% maximum	Complies
Collateralized Certificates of Deposits	5 years maximum maturity	Complies
Time Deposits	5 years maximum maturity	Complies
Mortgage Pass-through and Asset Backed Securities	20% maximum; AA-rated issue; A-rated issuer	Complies
Local Agency Investment Fund - L.A.I.F.	\$50 million program limitation	Complies
Per issuer maximum	5% per issuer; except for Treasury and Agency issuers and MM Funds	Complies
Maximum maturity	5 years; except 15% of assets can have a max. maturity of between 5 and 10 years	Complies


**City of Stockton Consolidated**
**March 31, 2016**
**COMPLIANCE WITH INVESTMENT POLICY**

*This portfolio is a consolidation of assets managed by Chandler Asset Management and assets managed internally by Client. Chandler relies on Client to provide accurate information for reporting assets and producing this compliance statement.*

<b>Category</b>	<b>Standard</b>	<b>Comment</b>
Local Agency Bonds	No Limitation; 5 year maximum maturity	Complies
Treasury Issues	No Limitation; 10 year maximum maturity	Complies
Agency Issues	No Limitation; 10 year maximum maturity	Complies
Banker's Acceptances	40% maximum; <180 days maturity	Complies
Commercial Paper	25% maximum; <270 days maturity; A-1/P-1/F-1 minimum ratings	Complies
Negotiable Certificates of Deposit	30% maximum; 5 years maximum maturity	Complies
Repurchase Agreements	No limitation; 1 year maximum maturity	Complies
Reverse Repurchase Agreements	20% maximum; <92 days maturity	Complies
Medium Term Notes	30% maximum; 5 years maximum maturity; A-rated or better	Complies
Money Market Mutual Funds	AAA/Aaa rated by two NRSRO; 20% maximum	Complies
Collateralized Certificates of Deposits	5 years maximum maturity	Complies
Time Deposits	5 years maximum maturity	Complies
Mortgage Pass-through and Asset Backed Securities	20% maximum; AA-rated issue; A-rated issuer	Complies
Local Agency Investment Fund - L.A.I.F.	Program limitation	Complies
Per issuer maximum	5% per issuer; except for Treasury, Agency issuers and money market funds	Complies
Maximum maturity	5 years; except 15% of assets can have a max. maturity of between 5 and 10 years	Complies



## Account Profile

### Portfolio Characteristics

#### City of Stockton Reserve Portfolio

	03/31/2016		12/31/2015
	Benchmark*	Portfolio	Portfolio
Average Maturity (yrs)	2.69	2.69	2.69
Modified Duration	2.59	2.49	2.48
Average Purchase Yield	n/a	1.35 %	1.34 %
Average Market Yield	0.88 %	1.02 %	1.40 %
Average Quality**	AAA	AA/Aa1	AA/Aa1
Total Market Value		323,026,588	293,528,615

\* BAML 1-5 Yr US Treasury/Agency Index

\*\* Benchmark is a blended rating of S&P, Moody's, and Fitch. Portfolio is S&P and Moody's respectively.

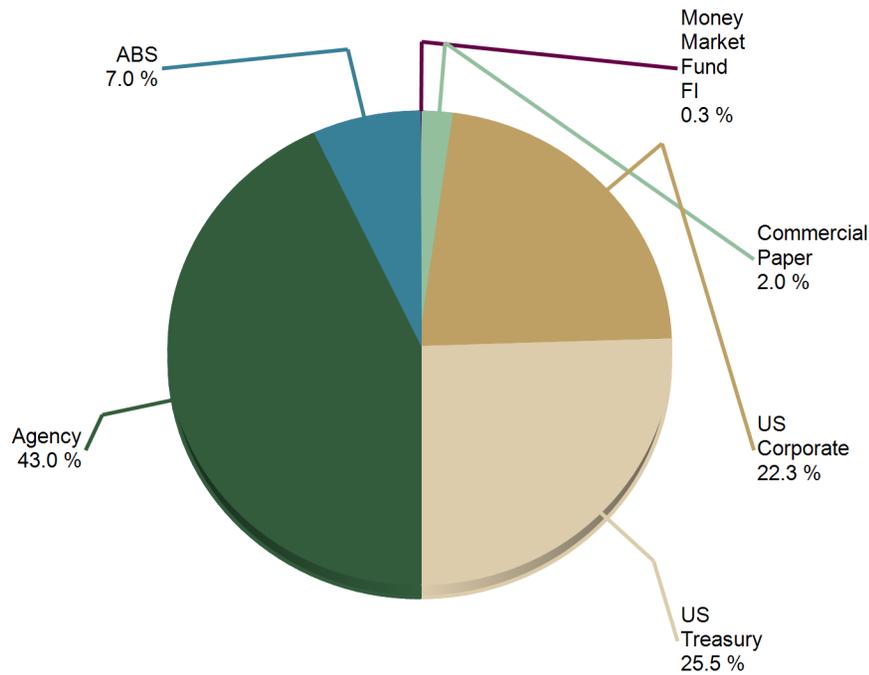
During the reporting period, we maintained the City's portfolio characteristics close to the strategy benchmark by purchasing approximately \$44 million of new securities into the portfolio. We used the recent contribution of \$25 million to purchase a diversified mix of Treasury, Agency, Asset Backed, Corporate and Commercial Paper securities. The portfolio gained exposure to several high quality issuers, such as US Bank and Exxon Mobil. Securities were purchased with maturities ranging from June 2016 to March 2021.



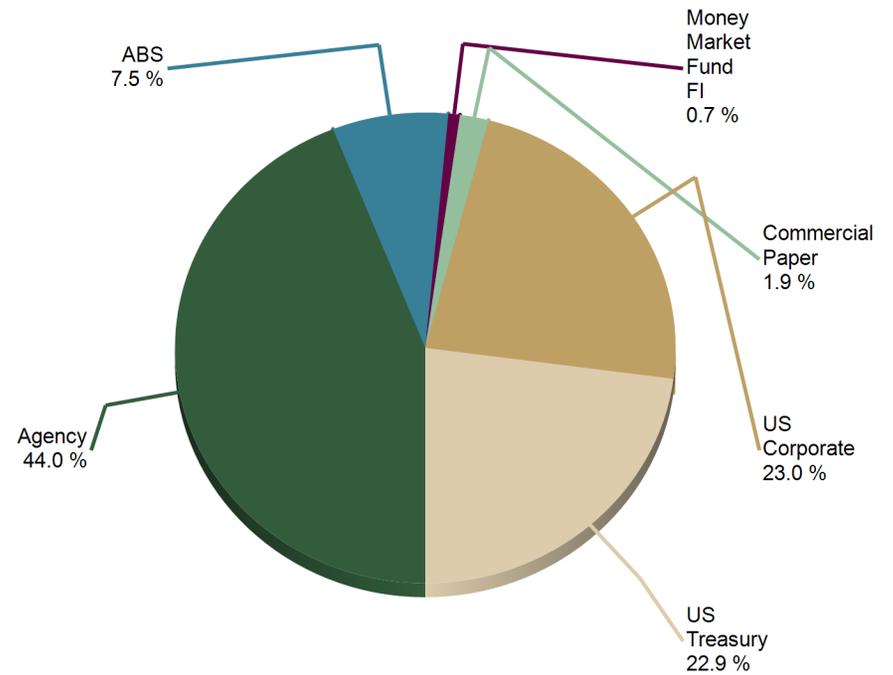
# Sector Distribution

## City of Stockton Reserve Portfolio

March 31, 2016



December 31, 2015



The sector allocation changed slightly over the period. The portfolio's exposure increased in the Treasury sector by 2.6% while most of the other sectors decreased. We expect the allocation to Corporate and Asset Backed securities to increase as we continue to look for opportunities to purchase these sectors at attractive yields relative to government securities.



City of Stockton Reserve Portfolio  
Account #10020

### Issuer Report

As of 3/31/2016

Issue Name	Investment Type	% Portfolio
Government of United States	US Treasury	25.51 %
Federal National Mortgage Association	Agency	18.36 %
Federal Home Loan Mortgage Corp	Agency	11.62 %
Federal Home Loan Bank	Agency	10.83 %
John Deere ABS	ABS	2.25 %
Honda ABS	ABS	2.23 %
Bank of Tokyo-Mit UFJ	Commercial Paper	1.99 %
Toyota ABS	ABS	1.70 %
US Bancorp	US Corporate	1.37 %
Tennessee Valley Authority	Agency	1.20 %
Qualcomm Inc	US Corporate	1.18 %
Bank of New York	US Corporate	1.15 %
Wells Fargo Corp	US Corporate	1.15 %
Honda Motor Corporation	US Corporate	1.14 %
Charles Schwab Corp/The	US Corporate	1.13 %
General Electric Co	US Corporate	1.13 %
HSBC USA Corp	US Corporate	1.12 %
IBM Corp	US Corporate	1.07 %
Occidental Petroleum Corporation	US Corporate	1.03 %
United Technology Corp	US Corporate	0.98 %
Federal Farm Credit Bank	Agency	0.96 %
Apple Inc	US Corporate	0.93 %
Praxair	US Corporate	0.93 %
Toyota Motor Corp	US Corporate	0.92 %
ChevronTexaco Corp	US Corporate	0.90 %
Pepsico Inc	US Corporate	0.79 %
JP Morgan ABS	ABS	0.79 %
Intel Corp	US Corporate	0.78 %
Cisco Systems	US Corporate	0.76 %
Oracle Corp	US Corporate	0.74 %
Costco Wholesale Corporation	US Corporate	0.49 %
Microsoft	US Corporate	0.48 %
Deere & Company	US Corporate	0.46 %



City of Stockton Reserve Portfolio  
Account #10020

## Issuer Report

As of 3/31/2016

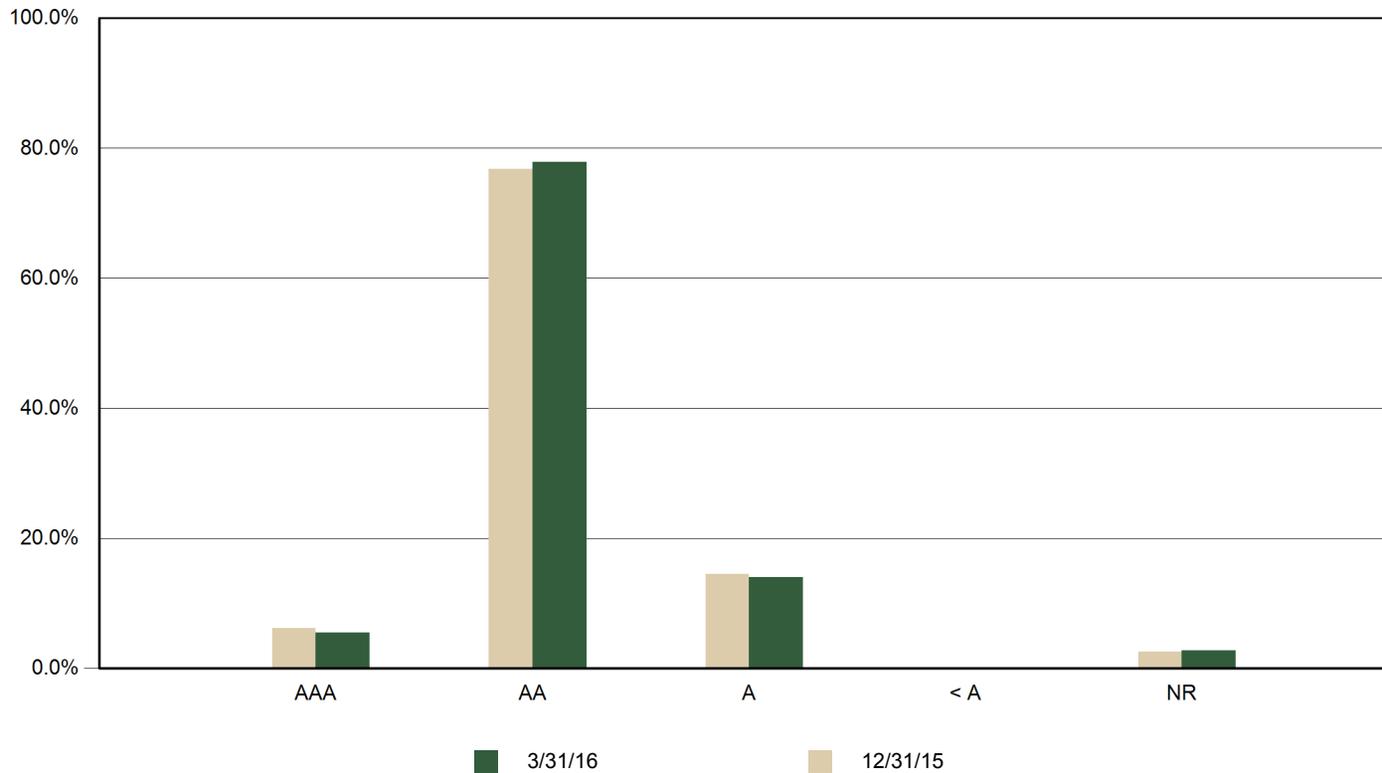
Issue Name	Investment Type	% Portfolio
Exxon Mobil Corp	US Corporate	0.45 %
Google Inc	US Corporate	0.36 %
Wal-Mart Stores	US Corporate	0.33 %
Federated GOVT Obligation MMF	Money Market Fund FI	0.31 %
Paccar Financial	US Corporate	0.26 %
Pfizer Inc.	US Corporate	0.21 %
<b>Total</b>		<b>100.00 %</b>



# Quality Distribution

## City of Stockton Reserve Portfolio

March 31, 2016 vs. December 31, 2015



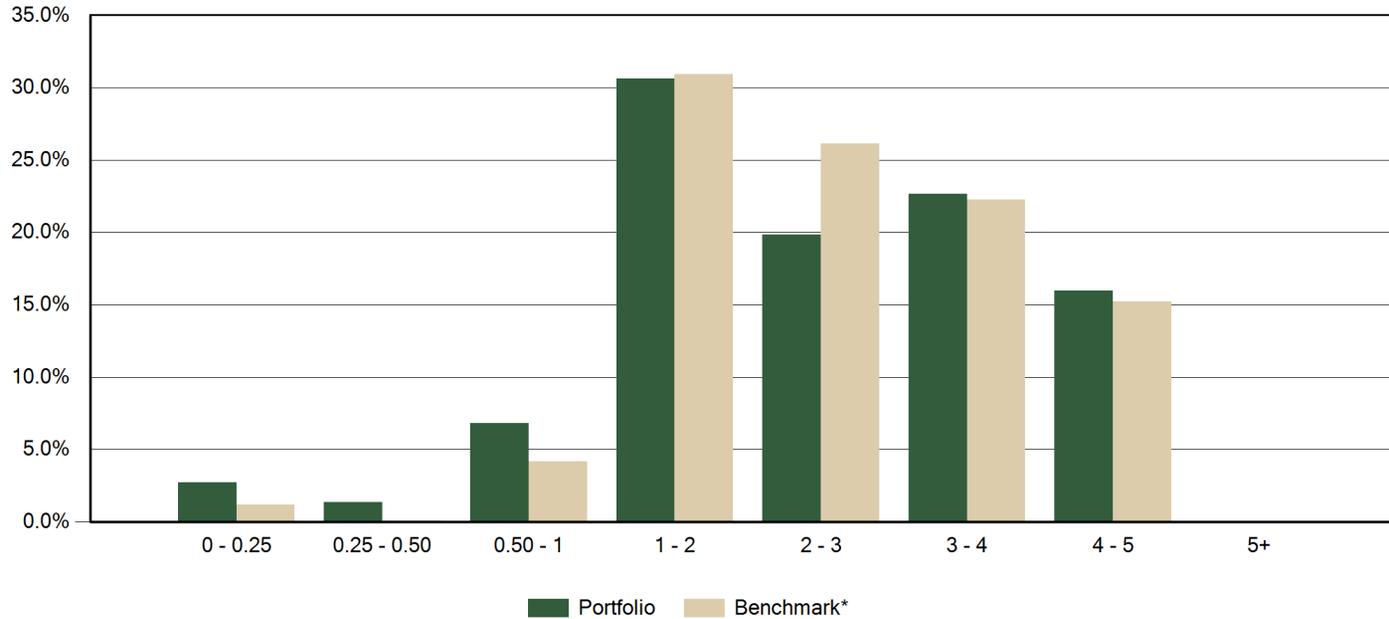
	AAA	AA	A	<A	NR
<b>3/31/16</b>	5.5 %	77.8 %	14.0 %	0.0 %	2.7 %
<b>12/31/15</b>	6.2 %	76.8 %	14.5 %	0.0 %	2.6 %

Source: S&P Ratings



## City of Stockton Reserve Portfolio

Portfolio Compared to the Benchmark as of March 31, 2016



	0 - 0.25	0.25 - 0.50	0.50 - 1	1 - 2	2 - 3	3 - 4	4 - 5	5+
<b>Portfolio</b>	2.7 %	1.4 %	6.8 %	30.6 %	19.9 %	22.7 %	16.0 %	0.0 %
<b>Benchmark*</b>	1.2 %	0.1 %	4.2 %	30.9 %	26.2 %	22.2 %	15.2 %	0.0 %

\* BAML 1-5 Yr US Treasury/Agency Index

Financial markets are likely to remain volatile after the Federal Reserve raised the fed funds rate to a range of 25-50 bps in December. The Fed’s forecast show they are prepared to raise rates roughly two times this year (given 25bps increases). Global economic headwinds, stubbornly low inflation and weak commodity prices have caused the Fed to reassess. We anticipate keeping the duration close to the benchmark in the coming quarter using the proceeds from maturities and sales to extend the duration of the portfolio to the strategy target.



# Investment Performance

## City of Stockton Reserve Portfolio

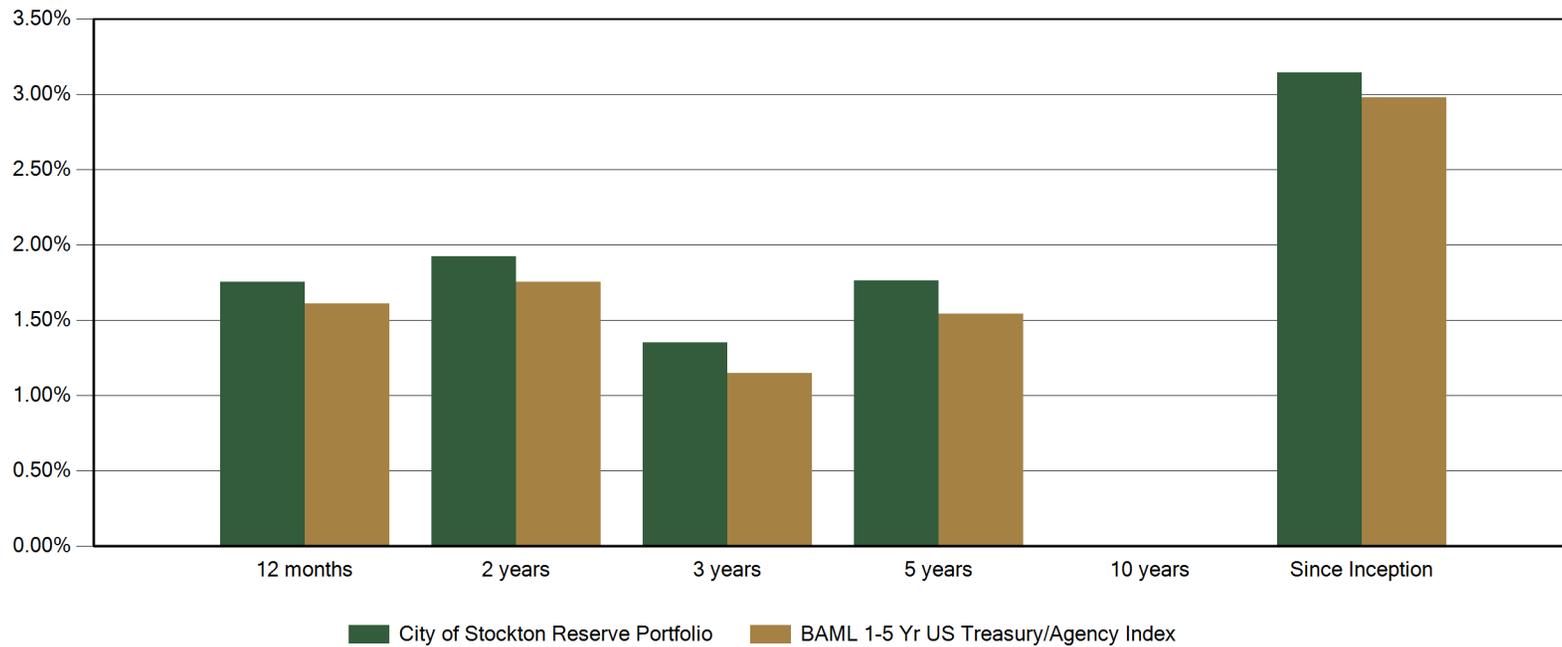
Period Ending

March 31, 2016

Total Rate of Return

Annualized Since Inception

June 30, 2007



	3 months	12 months	Annualized				Since Inception
			2 years	3 years	5 years	10 years	
City of Stockton Reserve Portfolio	1.51 %	1.76 %	1.92 %	1.35 %	1.76 %	N/A	3.15 %
BAML 1-5 Yr US Treasury/Agency Index	1.55 %	1.61 %	1.75 %	1.15 %	1.54 %	N/A	2.98 %

Total rate of return: A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains and losses in the portfolio.



# Account Profile

## Portfolio Characteristics

### City of Stockton Liquid Account

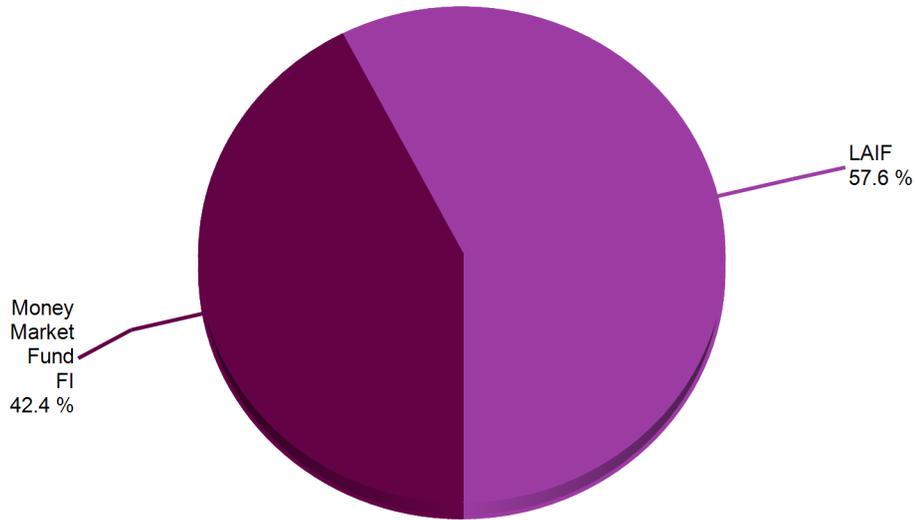
	03/31/2016	12/31/2015
	Portfolio	Portfolio
Average Maturity (yrs)	0.00	0.00
Modified Duration	0.00	0.00
Average Purchase Yield	0.39 %	0.25 %
Average Market Yield	0.39 %	0.25 %
Average Quality**	AAA/Aaa	AAA/Aaa
Total Market Value	86,903,844	90,011,070



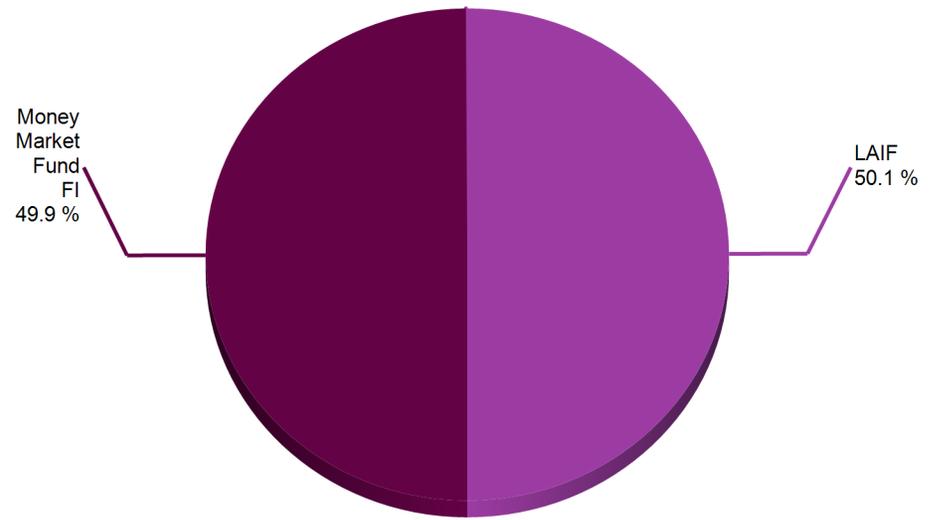
# Sector Distribution

## City of Stockton Liquid Account

March 31, 2016



December 31, 2015





City of Stockton Liquid Account  
Account #10019

**Issuer Report**

As of 3/31/2016

Issue Name	Investment Type	% Portfolio
Local Agency Investment Fund	LAIF	57.58 %
Wells Fargo Advantage Govt #1751 MMKT	Money Market Fund FI	42.42 %
<b>Total</b>		<b>100.00 %</b>



## SECTION 3

# Consolidated Information



## Portfolio Characteristics

### City of Stockton Consolidated

	03/31/2016	12/31/2015
	Portfolio	Portfolio
Average Maturity (yrs)	2.12	2.06
Modified Duration	1.96	1.90
Average Purchase Yield	1.14 %	1.09 %
Average Market Yield	0.88 %	1.13 %
Average Quality**	AA+/Aa1	AA+/Aa1
Total Market Value	409,930,432	383,539,685

### Stockton Consolidated Portfolio Periodic Return

	%	US \$
1 Month	0.30%	1,293,051.49
3 Month	1.17%	4,649,271.62
1 Year	1.38%	5,436,082.36
2 Year	2.79%	9,470,886.93



## Portfolio Characteristics

### City of Stockton Consolidated

	03/31/2016	12/31/2015
	Portfolio	Portfolio
Average Maturity (yrs)	2.12	2.06
Modified Duration	1.96	1.90
Average Purchase Yield	1.14 %	1.09 %
Average Market Yield	0.88 %	1.13 %
Average Quality**	AA+/Aa1	AA+/Aa1
Total Market Value	409,930,432	383,539,685

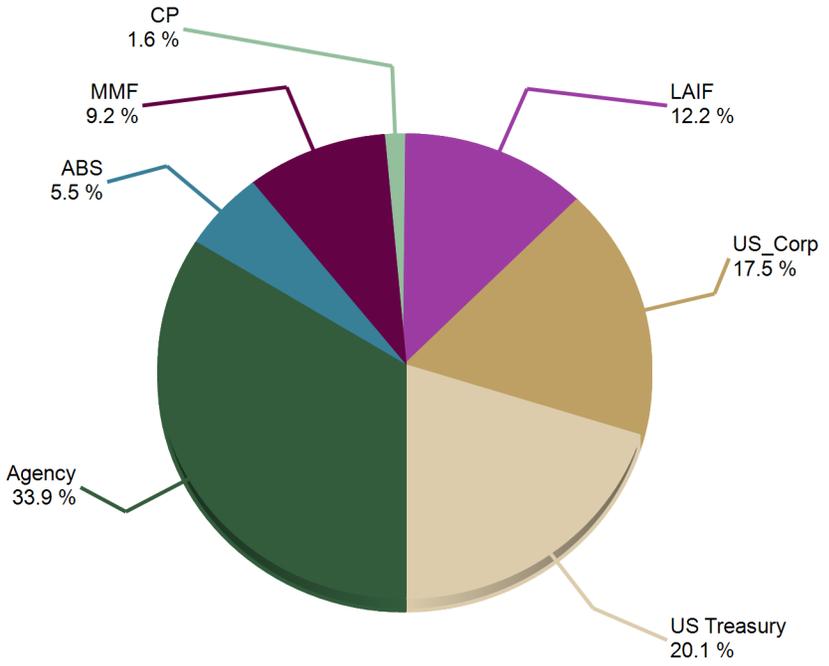
Stockton Consolidated Portfolio Total Return		
	%	US \$
1 Month	0.30%	1,293,051.49
3 Month	1.17%	4,649,271.62
1 Year	1.38%	5,436,082.36
2 Year	2.79%	9,470,886.93



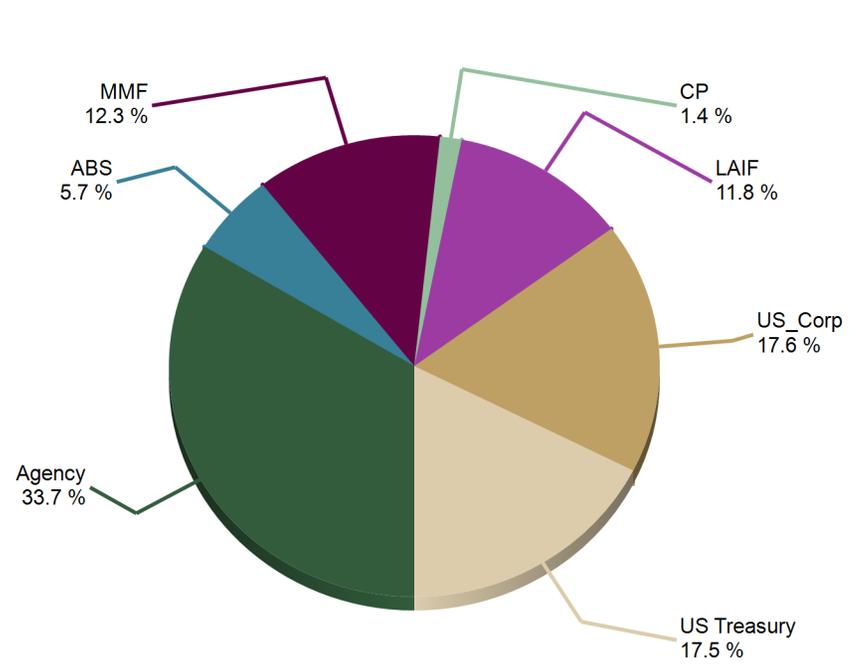
# Sector Distribution

## City of Stockton Consolidated

March 31, 2016



December 31, 2015





# Investment Performance

## City of Stockton Consolidated

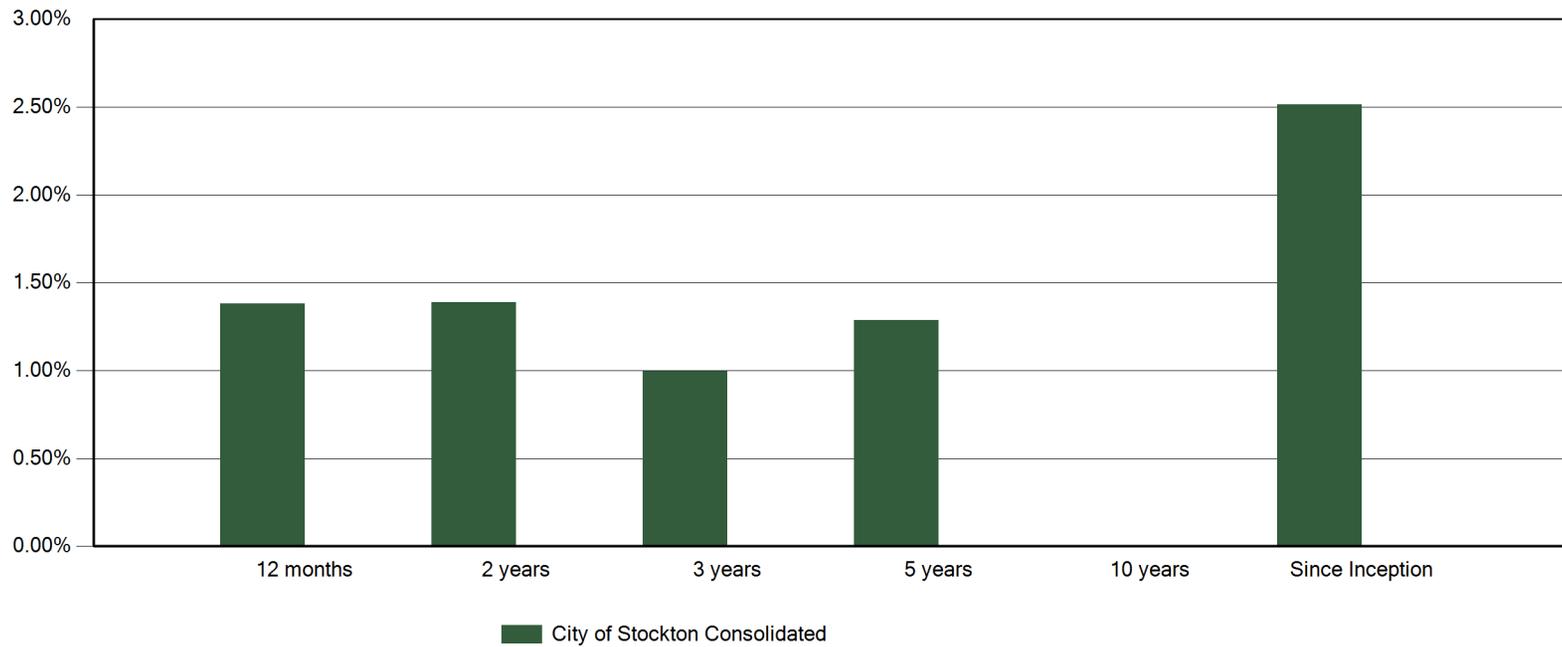
Period Ending

March 31, 2016

Total Rate of Return

Annualized Since Inception

July 31, 2007



	3 months	12 months	Annualized				Since Inception
			2 years	3 years	5 years	10 years	
City of Stockton Consolidated	1.17 %	1.38 %	1.39 %	1.00 %	1.29 %	N/A	2.51 %

Total rate of return: A measure of a portfolio's performance over time. It is the internal rate of return, which equates the beginning value of the portfolio with the ending value; it includes interest earnings, realized and unrealized gains and losses in the portfolio.



## SECTION 4

# Portfolio Holdings



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>ABS</b>									
477879AC4	John Deere Owner Trust 2013-B A3 0.87% Due 8/15/2017	154,066.83	08/27/2013 0.88 %	154,045.82 154,059.53	100.00 0.89 %	154,063.29 59.57	0.05 % 3.76	Aaa / NR AAA	1.38 0.20
43813JAC9	Honda Auto Receivables 2014-1 A3 0.67% Due 11/21/2017	1,524,910.70	Various 0.89 %	1,521,760.54 1,523,365.91	99.88 0.97 %	1,523,108.26 283.81	0.47 % (257.65)	Aaa / NR AAA	1.64 0.40
89231MAC9	Toyota Auto Receivables Owner 2014-A 0.67% Due 12/15/2017	1,153,388.07	Various 0.70 %	1,153,022.36 1,153,245.47	99.87 1.00 %	1,151,866.75 343.45	0.36 % (1,378.72)	Aaa / AAA NR	1.71 0.40
89231TAB6	Toyota Auto Receivables Owner 2015-C 0.92% Due 2/15/2018	1,780,000.00	08/18/2015 0.93 %	1,779,856.89 1,779,891.56	99.98 0.96 %	1,779,645.78 727.82	0.55 % (245.78)	Aaa / AAA NR	1.88 0.47
43814GAC4	Honda Auto Receivables 2014-2 A3 0.77% Due 3/19/2018	1,082,011.23	05/13/2014 0.78 %	1,081,881.17 1,081,962.20	99.84 1.04 %	1,080,305.98 300.86	0.33 % (1,656.22)	Aaa / AAA NR	1.97 0.58
47787VAC5	John Deere Owner Trust 2014-A A3 0.92% Due 4/16/2018	1,603,537.31	Various 0.92 %	1,603,643.04 1,603,581.47	99.96 1.01 %	1,602,825.34 655.67	0.50 % (756.13)	Aaa / NR AAA	2.04 0.53
43814HAC2	Honda Auto Receivables 2014-3 A3 0.88% Due 6/15/2018	1,503,173.84	08/12/2014 0.89 %	1,502,883.87 1,503,045.27	99.93 0.99 %	1,502,172.73 587.91	0.47 % (872.54)	NR / AAA AAA	2.21 0.62
161571GC2	Chase CHAIT Pool #2013-A8 1.01% Due 10/15/2018	2,545,000.00	Various 0.95 %	2,548,390.63 2,547,765.04	100.07 0.88 %	2,546,750.96 1,142.43	0.79 % (1,014.08)	Aaa / AAA AAA	2.54 0.52
477877AD6	John Deere Owner Trust 2014-B A3 1.07% Due 11/15/2018	3,060,000.00	Various 1.07 %	3,059,892.02 3,059,947.10	99.96 1.13 %	3,058,665.84 1,455.20	0.95 % (1,281.26)	Aaa / NR AAA	2.63 0.79
89236WAC2	Toyota Auto Receivables Owner 2015-A 1.12% Due 2/15/2019	2,540,000.00	Various 1.19 %	2,538,205.91 2,538,552.44	100.06 1.07 %	2,541,582.42 1,264.35	0.79 % 3,029.98	Aaa / AAA NR	2.88 1.12
43813NAC0	Honda Auto Receivables 2015-2 A3 1.04% Due 2/21/2019	3,115,000.00	Various 1.12 %	3,111,531.78 3,112,088.48	99.86 1.15 %	3,110,723.11 899.89	0.96 % (1,365.37)	NR / AAA AAA	2.90 1.23
47788MAC4	John Deere Owner Trust 2016-A A3 1.36% Due 4/15/2020	2,450,000.00	02/23/2016 1.37 %	2,449,614.37 2,449,622.06	99.91 1.41 %	2,447,873.40 1,480.89	0.76 % (1,748.66)	Aaa / NR AAA	4.04 2.09
<b>Total ABS</b>		<b>22,511,087.98</b>	<b>1.03 %</b>	<b>22,504,728.40</b> <b>22,507,126.53</b>	<b>1.07 %</b>	<b>22,499,583.86</b> <b>9,201.85</b>	<b>6.97 %</b> <b>(7,542.67)</b>	<b>Aaa / AAA</b> <b>Aaa</b>	<b>2.55</b> <b>0.88</b>
<b>AGENCY</b>									
3130A0C65	FHLB Note 0.625% Due 12/28/2016	1,050,000.00	Various 0.75 %	1,046,139.66 1,049,021.06	100.09 0.51 %	1,050,915.60 1,695.31	0.33 % 1,894.54	Aaa / AA+ AAA	0.75 0.74
3133787M7	FHLB Note 1.05% Due 2/27/2017	1,240,000.00	02/27/2012 1.03 %	1,241,140.80 1,240,207.42	100.38 0.63 %	1,244,713.24 1,229.67	0.39 % 4,505.82	Aaa / AA+ AAA	0.91 0.90
313378WF4	FHLB Note 1.125% Due 3/10/2017	2,485,000.00	04/24/2012 1.05 %	2,493,846.60 2,486,704.71	100.38 0.72 %	2,494,505.12 1,630.78	0.77 % 7,800.41	Aaa / AA+ AAA	0.94 0.94
3133782N0	FHLB Note 0.875% Due 3/10/2017	2,300,000.00	03/13/2013 0.70 %	2,315,617.00 2,303,679.00	100.21 0.65 %	2,304,761.00 1,173.96	0.71 % 1,082.00	Aaa / AA+ AAA	0.94 0.94
3130A5EP0	FHLB Note 0.625% Due 5/30/2017	5,900,000.00	Various 0.68 %	5,893,650.20 5,896,109.76	99.94 0.68 %	5,896,300.70 12,394.10	1.83 % 190.94	Aaa / AA+ AAA	1.16 1.16
313379VE6	FHLB Note 1.01% Due 6/19/2017	665,000.00	07/26/2012 0.82 %	671,078.10 666,509.33	100.38 0.70 %	667,510.38 1,903.01	0.21 % 1,001.05	Aaa / AA+ AAA	1.22 1.20



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>AGENCY</b>									
313379DD8	FHLB Note 1% Due 6/21/2017	1,500,000.00	12/27/2012 0.72 %	1,518,390.00 1,505,013.41	100.38 0.69 %	1,505,661.00 4,166.67	0.47 % 647.59	Aaa / AA+ AAA	1.22 1.21
3137EADH9	FHLMC Note 1% Due 6/29/2017	2,600,000.00	Various 0.98 %	2,604,786.56 2,600,743.62	100.30 0.76 %	2,607,735.00 6,644.44	0.81 % 6,991.38	Aaa / AA+ AAA	1.25 1.23
3137EADJ5	FHLMC Note 1% Due 7/28/2017	3,350,000.00	Various 0.83 %	3,377,014.50 3,357,340.25	100.36 0.73 %	3,362,103.55 5,862.50	1.04 % 4,763.30	Aaa / AA+ AAA	1.33 1.31
3135G0MZ3	FNMA Note 0.875% Due 8/28/2017	5,300,000.00	Various 1.05 %	5,265,204.00 5,286,990.67	100.23 0.71 %	5,311,940.90 4,251.04	1.65 % 24,950.23	Aaa / AA+ AAA	1.41 1.40
3133EAY28	FFCB Note 0.83% Due 9/21/2017	3,115,000.00	Various 0.79 %	3,120,957.00 3,116,761.88	100.03 0.81 %	3,116,012.38 718.18	0.96 % (749.50)	Aaa / AA+ AAA	1.48 1.46
3137EADL0	FHLMC Note 1% Due 9/29/2017	4,000,000.00	Various 1.15 %	3,977,747.00 3,991,374.10	100.36 0.75 %	4,014,540.01 222.22	1.24 % 23,165.91	Aaa / AA+ AAA	1.50 1.48
3135G0RT2	FNMA Note 0.875% Due 12/20/2017	5,350,000.00	Various 0.93 %	5,339,554.00 5,345,223.71	100.16 0.78 %	5,358,469.05 13,133.50	1.66 % 13,245.34	Aaa / AA+ AAA	1.72 1.70
3137EADN6	FHLMC Note 0.75% Due 1/12/2018	5,800,000.00	07/28/2015 0.94 %	5,773,186.60 5,780,561.78	99.96 0.77 %	5,797,941.00 9,545.83	1.80 % 17,379.22	Aaa / AA+ AAA	1.79 1.76
3137EADP1	FHLMC Note 0.875% Due 3/7/2018	3,200,000.00	Various 1.32 %	3,138,060.00 3,173,416.33	100.15 0.80 %	3,204,780.80 1,866.66	0.99 % 31,364.47	Aaa / AA+ AAA	1.93 1.91
313378A43	FHLB Note 1.375% Due 3/9/2018	5,285,000.00	Various 1.30 %	5,286,263.15 5,292,183.92	101.10 0.80 %	5,343,029.30 4,440.87	1.66 % 50,845.38	Aaa / AA+ AAA	1.94 1.91
3130A4GJ5	FHLB Note 1.125% Due 4/25/2018	5,335,000.00	Various 1.11 %	5,336,466.54 5,336,164.47	100.76 0.75 %	5,375,417.96 26,008.13	1.67 % 39,253.49	Aaa / AA+ AAA	2.07 2.03
3135G0WJ8	FNMA Note 0.875% Due 5/21/2018	5,300,000.00	Various 1.31 %	5,203,598.59 5,252,648.68	100.12 0.82 %	5,306,513.70 16,746.53	1.65 % 53,865.02	Aaa / AA+ AAA	2.14 2.11
3135G0E33	FNMA Note 1.125% Due 7/20/2018	5,300,000.00	Various 1.16 %	5,294,309.80 5,295,792.27	100.71 0.81 %	5,337,481.60 11,759.39	1.66 % 41,689.33	Aaa / AA+ AAA	2.30 2.27
880591EQ1	Tennessee Valley Authority Note 1.75% Due 10/15/2018	3,775,000.00	Various 1.59 %	3,803,947.65 3,790,119.22	101.92 0.98 %	3,847,597.04 30,462.15	1.20 % 57,477.82	Aaa / AA+ AAA	2.54 2.46
3135G0YT4	FNMA Note 1.625% Due 11/27/2018	3,750,000.00	Various 1.67 %	3,741,970.80 3,745,870.31	101.98 0.87 %	3,824,343.75 20,989.58	1.19 % 78,473.44	Aaa / AA+ AAA	2.66 2.59
313376BR5	FHLB Note 1.75% Due 12/14/2018	2,500,000.00	01/29/2014 1.62 %	2,515,350.00 2,508,516.27	102.33 0.88 %	2,558,172.50 13,003.47	0.80 % 49,656.23	Aaa / AA+ AAA	2.71 2.63
3135G0ZA4	FNMA Note 1.875% Due 2/19/2019	3,700,000.00	Various 1.71 %	3,727,352.70 3,716,679.57	102.71 0.92 %	3,800,188.60 8,093.75	1.18 % 83,509.03	Aaa / AA+ AAA	2.89 2.80
3137EADG1	FHLMC Note 1.75% Due 5/30/2019	5,275,000.00	Various 1.62 %	5,303,450.18 5,296,260.80	102.40 0.98 %	5,401,362.63 31,027.25	1.68 % 105,101.83	Aaa / AA+ AAA	3.16 3.06
3135G0ZE6	FNMA Note 1.75% Due 6/20/2019	5,300,000.00	Various 1.56 %	5,341,513.00 5,331,174.22	102.23 1.04 %	5,418,301.30 26,021.53	1.69 % 87,127.08	Aaa / AA+ AAA	3.22 3.11
3137EADK2	FHLMC Note 1.25% Due 8/1/2019	5,400,000.00	Various 1.73 %	5,282,340.35 5,316,849.47	100.81 1.00 %	5,443,821.00 11,250.00	1.69 % 126,971.53	Aaa / AA+ AAA	3.34 3.25



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>AGENCY</b>									
3135G0ZG1	FNMA Note 1.75% Due 9/12/2019	5,300,000.00	Various 1.67 %	5,318,673.00 5,314,348.56	102.48 1.02 %	5,431,471.80 4,895.14	1.68 % 117,123.24	Aaa / AA+ AAA	3.45 3.34
3137EADM8	FHLMC Note 1.25% Due 10/2/2019	5,350,000.00	Various 1.71 %	5,239,378.60 5,266,935.94	100.43 1.12 %	5,373,031.75 33,251.74	1.67 % 106,095.81	Aaa / AA+ AAA	3.51 3.40
3137EADR7	FHLMC Note 1.375% Due 5/1/2020	2,200,000.00	08/26/2015 1.56 %	2,182,030.40 2,184,322.60	100.78 1.18 %	2,217,265.60 12,604.17	0.69 % 32,943.00	Aaa / AA+ AAA	4.09 3.94
3135G0D75	FNMA Note 1.5% Due 6/22/2020	6,400,000.00	Various 1.74 %	6,327,449.80 6,338,286.77	101.10 1.23 %	6,470,675.20 26,400.00	2.01 % 132,388.43	Aaa / AA+ AAA	4.23 4.07
3135G0F73	FNMA Note 1.5% Due 11/30/2020	6,400,000.00	Various 1.87 %	6,288,644.00 6,295,241.66	101.00 1.28 %	6,464,044.80 32,266.67	2.01 % 168,803.14	Aaa / AA+ AAA	4.67 4.47
3130A7CV5	FHLB Note 1.375% Due 2/18/2021	6,450,000.00	Various 1.45 %	6,426,116.60 6,426,667.00	100.04 1.37 %	6,452,573.55 10,593.23	2.00 % 25,906.55	Aaa / AA+ AAA	4.89 4.70
3135G0J20	FNMA Note 1.375% Due 2/26/2021	6,400,000.00	02/26/2016 1.41 %	6,388,224.00 6,388,430.60	99.99 1.38 %	6,399,481.60 8,555.56	1.98 % 11,051.00	Aaa / AA+ AAA	4.91 4.72
<b>Total Agency</b>		<b>137,275,000.00</b>	<b>1.33 %</b>	<b>136,783,451.18</b> <b>136,896,149.36</b>	<b>0.93 %</b>	<b>138,402,663.41</b> <b>394,807.03</b>	<b>42.97 %</b> <b>1,506,514.05</b>	<b>Aaa / AA+</b> <b>Aaa</b>	<b>2.68</b> <b>2.60</b>
<b>COMMERCIAL PAPER</b>									
06538BFQ1	Bank of Tokyo Mitsubishi NY Discount CP 0.7% Due 6/24/2016	6,440,000.00	02/25/2016 0.71 %	6,425,098.56 6,429,481.34	99.84 0.71 %	6,429,481.34 0.00	1.99 % 0.00	P-1 / A-1 F-1	0.23 0.23
<b>Total Commercial Paper</b>		<b>6,440,000.00</b>	<b>0.71 %</b>	<b>6,425,098.56</b> <b>6,429,481.34</b>	<b>0.71 %</b>	<b>6,429,481.34</b> <b>0.00</b>	<b>1.99 %</b> <b>0.00</b>	<b>P-1 / A-1</b> <b>F-1</b>	<b>0.23</b> <b>0.23</b>
<b>MONEY MARKET FUND FI</b>									
60934N104	Federated Prime Value Oblig GOVT OBLIG MMF	1,001,734.12	Various 0.20 %	1,001,734.12 1,001,734.12	1.00 0.20 %	1,001,734.12 0.00	0.31 % 0.00	Aaa / AAA AAA	0.00 0.00
<b>Total Money Market Fund FI</b>		<b>1,001,734.12</b>	<b>0.20 %</b>	<b>1,001,734.12</b> <b>1,001,734.12</b>	<b>0.20 %</b>	<b>1,001,734.12</b> <b>0.00</b>	<b>0.31 %</b> <b>0.00</b>	<b>Aaa / AAA</b> <b>Aaa</b>	<b>0.00</b> <b>0.00</b>
<b>US CORPORATE</b>									
38259PAC6	Google Inc Note 2.125% Due 5/19/2016	1,150,000.00	11/15/2012 0.75 %	1,204,383.90 1,152,045.79	100.19 0.68 %	1,152,202.25 8,960.42	0.36 % 156.46	Aa2 / AA NR	0.13 0.13
24422ERL5	John Deere Capital Corp Note 2% Due 1/13/2017	910,000.00	09/11/2012 1.05 %	946,500.10 916,621.70	100.87 0.88 %	917,917.00 3,943.33	0.29 % 1,295.30	A2 / A NR	0.79 0.78
674599CB9	Occidental Petroleum Note 1.75% Due 2/15/2017	3,325,000.00	Various 1.16 %	3,378,142.50 3,341,810.50	100.20 1.52 %	3,331,693.23 7,435.06	1.03 % (10,117.27)	A3 / A A	0.88 0.86
69371RK54	Paccar Financial Corp Note 1.6% Due 3/15/2017	830,000.00	03/10/2015 1.08 %	838,507.50 834,039.03	100.77 0.79 %	836,397.64 590.22	0.26 % 2,358.61	A1 / A+ NR	0.96 0.95



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>US CORPORATE</b>									
717081DJ9	Pfizer Inc. Note 1.1% Due 5/15/2017	685,000.00	05/12/2014 1.13 %	684,397.20 684,775.05	100.34 0.79 %	687,362.57 2,846.56	0.21 % 2,587.52	A1 / AA A+	1.12 1.11
913017BU2	United Tech Corp Note 1.8% Due 6/1/2017	3,120,000.00	Various 1.07 %	3,163,696.80 3,146,367.43	100.97 0.96 %	3,150,217.20 18,720.00	0.98 % 3,849.77	A3 / A- A-	1.17 1.15
68389XAN5	Oracle Corp Note 1.2% Due 10/15/2017	2,375,000.00	Various 1.44 %	2,353,030.25 2,366,353.05	100.58 0.82 %	2,388,865.25 13,141.66	0.74 % 22,512.20	A1 / AA- A+	1.54 1.51
166764AA8	Chevron Corp Callable Note Cont 11/5/17 1.104% Due 12/5/2017	1,550,000.00	Various 1.34 %	1,535,040.10 1,544,025.00	99.83 1.21 %	1,547,315.40 5,513.87	0.48 % 3,290.40	Aa1 / AA- NR	1.68 1.57
02665WAQ4	American Honda Finance Note 1.55% Due 12/11/2017	1,665,000.00	12/08/2014 1.58 %	1,663,451.55 1,664,125.46	100.51 1.24 %	1,673,504.82 7,885.63	0.52 % 9,379.36	A1 / A+ NR	1.70 1.66
458140AL4	Intel Corp Note 1.35% Due 12/15/2017	2,500,000.00	Various 1.31 %	2,504,903.20 2,501,635.95	100.81 0.87 %	2,520,310.00 9,937.50	0.78 % 18,674.05	A1 / A+ A+	1.71 1.68
89236TCA1	Toyota Motor Credit Corp Note 1.45% Due 1/12/2018	2,955,000.00	Various 1.38 %	2,961,029.65 2,958,834.71	100.51 1.16 %	2,970,046.86 9,402.64	0.92 % 11,212.15	Aa3 / AA- A	1.79 1.75
40428HPH9	HSBC USA Inc Note 1.625% Due 1/16/2018	3,600,000.00	Various 1.74 %	3,586,182.00 3,592,574.51	99.83 1.72 %	3,593,750.40 12,187.51	1.12 % 1,175.89	A2 / A AA-	1.80 1.75
459200HZ7	IBM Corp Note 1.125% Due 2/6/2018	3,440,000.00	Various 1.26 %	3,427,318.00 3,431,720.03	100.18 1.03 %	3,446,209.20 5,912.50	1.07 % 14,489.17	Aa3 / AA- A+	1.85 1.82
166764AV2	Chevron Corp Note 1.365% Due 3/2/2018	1,350,000.00	Various 1.40 %	1,348,780.00 1,349,214.35	100.36 1.18 %	1,354,807.35 1,484.44	0.42 % 5,593.00	Aa1 / AA- NR	1.92 1.89
808513AK1	Charles Schwab Corp Callable Note Cont 2/10/2018 1.5% Due 3/10/2018	3,635,000.00	Various 1.43 %	3,642,256.30 3,639,839.04	100.62 1.16 %	3,657,395.24 3,180.63	1.13 % 17,556.20	A2 / A A	1.94 1.82
931142DF7	Wal-Mart Stores Note 1.125% Due 4/11/2018	1,045,000.00	04/04/2013 1.14 %	1,044,038.60 1,044,610.39	100.75 0.75 %	1,052,854.22 5,551.56	0.33 % 8,243.83	Aa2 / AA AA	2.03 1.99
713448CR7	PepsiCo Inc Note 1.25% Due 4/30/2018	2,520,000.00	Various 1.28 %	2,517,637.60 2,518,281.06	100.76 0.88 %	2,539,194.84 13,212.50	0.79 % 20,913.78	A1 / A A	2.08 2.04
037833AJ9	Apple Inc Note 1% Due 5/3/2018	3,000,000.00	Various 1.28 %	2,968,660.25 2,983,215.63	100.21 0.90 %	3,006,183.01 12,333.33	0.93 % 22,967.38	Aa1 / AA+ NR	2.09 2.05
02665WAC5	American Honda Finance Note 2.125% Due 10/10/2018	1,950,000.00	Various 1.86 %	1,968,709.00 1,962,298.42	101.80 1.40 %	1,985,100.00 19,682.82	0.62 % 22,801.58	A1 / A+ NR	2.53 2.43
74005PBH6	Praxair Note 1.25% Due 11/7/2018	2,990,000.00	Various 1.65 %	2,946,487.30 2,960,017.05	99.67 1.38 %	2,980,028.35 14,950.00	0.93 % 20,011.30	A2 / A NR	2.61 2.54
91159HHE3	US Bancorp Callable Note Cont 10/15/2018 1.95% Due 11/15/2018	265,000.00	02/12/2014 1.90 %	265,561.80 265,306.35	101.58 1.32 %	269,176.14 1,952.17	0.08 % 3,869.79	A1 / A+ AA	2.63 2.46
24422ESF7	John Deere Capital Corp Note 1.95% Due 12/13/2018	565,000.00	12/10/2013 1.99 %	563,796.55 564,350.16	101.46 1.40 %	573,249.57 3,305.25	0.18 % 8,899.41	A2 / A NR	2.70 2.61
36962G7G3	General Electric Capital Corp Note 2.3% Due 1/14/2019	3,510,000.00	Various 2.08 %	3,538,408.20 3,530,761.98	103.39 1.06 %	3,629,010.06 17,267.24	1.13 % 98,248.08	A1 / AA+ NR	2.79 2.69



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>US CORPORATE</b>									
17275RAR3	Cisco Systems Note 2.125% Due 3/1/2019	2,395,000.00	Various 2.04 %	2,404,780.75 2,400,748.81	102.89 1.12 %	2,464,102.95 4,241.16	0.76 % 63,354.14	A1 / AA- NR	2.92 2.82
91159HHH6	US Bancorp Callable Note Cont 3/25/2019 2.2% Due 4/25/2019	4,025,000.00	Various 1.94 %	4,056,601.75 4,055,081.19	101.87 1.55 %	4,100,360.08 38,371.67	1.28 % 45,278.89	A1 / A+ AA	3.07 2.86
06406HCW7	Bank of New York Callable Note Cont 8/11/2019 2.3% Due 9/11/2019	3,625,000.00	Various 2.23 %	3,634,931.45 3,632,547.39	102.38 1.57 %	3,711,445.38 4,631.94	1.15 % 78,897.99	A1 / A AA-	3.45 3.23
94974BGF1	Wells Fargo Corp Note 2.15% Due 1/30/2020	3,660,000.00	Various 2.25 %	3,643,555.40 3,646,385.38	101.17 1.83 %	3,702,737.83 13,333.59	1.15 % 56,352.45	A2 / A AA-	3.84 3.66
22160KAG0	Costco Wholesale Corp Note 1.75% Due 2/15/2020	1,565,000.00	02/05/2015 1.77 %	1,563,356.75 1,563,725.22	101.40 1.38 %	1,586,938.17 3,499.51	0.49 % 23,212.95	A1 / A+ A+	3.88 3.73
747525AD5	Qualcomm Inc Note 2.25% Due 5/20/2020	3,675,000.00	Various 2.45 %	3,641,190.55 3,646,591.20	102.51 1.62 %	3,767,249.85 30,089.07	1.18 % 120,658.65	A1 / A+ NR	4.14 3.91
594918BG8	Microsoft Callable Note Cont. 10/03/20 2% Due 11/3/2020	1,515,000.00	10/29/2015 2.02 %	1,513,788.00 1,513,887.51	102.46 1.43 %	1,552,196.28 12,456.67	0.48 % 38,308.77	Aaa / AAA AA+	4.60 4.27
30231GAV4	Exxon Mobil Corp Callable Note Cont 2/1/2021 2.222% Due 3/1/2021	1,415,000.00	02/29/2016 2.22 %	1,415,000.00 1,415,000.00	101.77 1.84 %	1,440,048.33 2,445.43	0.45 % 25,048.33	Aaa / AAA AAA	4.92 4.64
<b>Total US Corporate</b>		<b>70,810,000.00</b>	<b>1.65 %</b>	<b>70,924,123.00</b> <b>70,826,789.34</b>	<b>1.26 %</b>	<b>71,587,869.47</b> <b>308,465.88</b>	<b>22.26 %</b> <b>761,080.13</b>	<b>A1 / A+ A+</b>	<b>2.40</b> <b>2.30</b>
<b>US TREASURY</b>									
912828K66	US Treasury Note 0.5% Due 4/30/2017	5,300,000.00	06/19/2015 0.60 %	5,290,287.27 5,294,380.59	99.85 0.64 %	5,292,134.80 11,138.74	1.64 % (2,245.79)	Aaa / AA+ AAA	1.08 1.08
912828TG5	US Treasury Note 0.5% Due 7/31/2017	6,800,000.00	Various 0.70 %	6,769,440.73 6,781,817.16	99.75 0.69 %	6,783,265.20 5,697.81	2.10 % 1,448.04	Aaa / AA+ AAA	1.33 1.33
912828TM2	US Treasury Note 0.625% Due 8/31/2017	6,800,000.00	Various 0.75 %	6,780,581.37 6,787,753.19	99.88 0.71 %	6,791,765.20 3,695.65	2.10 % 4,012.01	Aaa / AA+ AAA	1.42 1.41
912828WD8	US Treasury Note 1.25% Due 10/31/2018	4,350,000.00	Various 1.46 %	4,308,809.50 4,327,418.33	101.09 0.82 %	4,397,236.65 22,855.43	1.37 % 69,818.32	Aaa / AA+ AAA	2.59 2.53
912828SD3	US Treasury Note 1.25% Due 1/31/2019	5,350,000.00	Various 1.46 %	5,299,771.84 5,318,600.76	101.11 0.85 %	5,409,561.55 11,207.08	1.68 % 90,960.79	Aaa / AA+ AAA	2.84 2.78
912828ST8	US Treasury Note 1.25% Due 4/30/2019	5,350,000.00	Various 1.60 %	5,264,135.10 5,294,404.39	101.07 0.90 %	5,407,469.70 28,109.55	1.68 % 113,065.31	Aaa / AA+ AAA	3.08 3.00
912828TH3	US Treasury Note 0.875% Due 7/31/2019	6,700,000.00	03/01/2016 1.08 %	6,653,959.95 6,655,068.46	99.76 0.95 %	6,684,033.90 9,824.52	2.07 % 28,965.44	Aaa / AA+ AAA	3.33 3.27
912828UB4	US Treasury Note 1% Due 11/30/2019	6,475,000.00	Various 1.56 %	6,308,028.52 6,347,826.10	99.96 1.01 %	6,472,215.75 21,760.25	2.01 % 124,389.65	Aaa / AA+ AAA	3.67 3.58
912828UQ1	US Treasury Note 1.25% Due 2/29/2020	5,925,000.00	Various 1.56 %	5,842,603.82 5,855,929.23	100.65 1.08 %	5,963,648.78 6,440.22	1.85 % 107,719.55	Aaa / AA+ AAA	3.92 3.81



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>US TREASURY</b>									
912828J84	US Treasury Note 1.375% Due 3/31/2020	6,350,000.00	Various 1.32 %	6,362,538.84 6,362,681.28	101.09 1.10 %	6,418,954.65 238.56	1.99 % 56,273.37	Aaa / AA+ AAA	4.00 3.88
912828VF4	US Treasury Note 1.375% Due 5/31/2020	5,925,000.00	Various 1.63 %	5,855,070.65 5,865,315.44	101.00 1.13 %	5,984,481.08 27,378.84	1.86 % 119,165.64	Aaa / AA+ AAA	4.17 4.02
912828L32	US Treasury Note 1.375% Due 8/31/2020	6,700,000.00	Various 1.36 %	6,703,956.03 6,703,889.75	100.95 1.15 %	6,763,335.10 8,010.87	2.10 % 59,445.35	Aaa / AA+ AAA	4.42 4.27
912828L99	US Treasury Note 1.375% Due 10/31/2020	6,000,000.00	11/23/2015 1.71 %	5,906,035.73 5,912,758.63	100.80 1.19 %	6,048,048.00 34,677.20	1.88 % 135,289.37	Aaa / AA+ AAA	4.59 4.41
912828N89	US Treasury Note 1.375% Due 1/31/2021	3,750,000.00	03/09/2016 1.40 %	3,746,350.46 3,746,393.35	100.72 1.22 %	3,776,955.00 8,640.97	1.17 % 30,561.65	Aaa / AA+ AAA	4.84 4.66
<b>Total US Treasury</b>		<b>81,775,000.00</b>	<b>1.28 %</b>	<b>81,091,569.81</b> <b>81,254,236.66</b>	<b>0.96 %</b>	<b>82,193,105.36</b> <b>199,675.69</b>	<b>25.51 %</b> <b>938,868.70</b>	<b>Aaa / AA+</b> <b>Aaa</b>	<b>3.21</b> <b>3.12</b>
<b>TOTAL PORTFOLIO</b>		<b>319,812,822.10</b>	<b>1.35 %</b>	<b>318,730,705.07</b> <b>318,915,517.35</b>	<b>1.02 %</b>	<b>322,114,437.56</b> <b>912,150.45</b>	<b>100.00 %</b> <b>3,198,920.21</b>	<b>Aa1 / AA</b> <b>Aaa</b>	<b>2.69</b> <b>2.49</b>
<b>TOTAL MARKET VALUE PLUS ACCRUED</b>						<b>323,026,588.01</b>			



CUSIP	Security Description	Par Value/Units	Purchase Date Book Yield	Cost Value Book Value	Mkt Price Mkt YTM	Market Value Accrued Int.	% of Port. Gain/Loss	Moody/S&P Fitch	Maturity Duration
<b>LAIF</b>									
90LAIF\$00	Local Agency Investment Fund State Pool	49,981,512.03	Various 0.51 %	49,981,512.03 49,981,512.03	1.00 0.51 %	49,981,512.03 55,068.19	57.58 % 0.00	NR / NR NR	0.00 0.00
<b>Total LAIF</b>		<b>49,981,512.03</b>	<b>0.51 %</b>	<b>49,981,512.03</b>	<b>0.51 %</b>	<b>49,981,512.03</b> <b>55,068.19</b>	<b>57.58 %</b> <b>0.00</b>	<b>NR / NR</b> <b>NR</b>	<b>0.00</b> <b>0.00</b>
<b>MONEY MARKET FUND FI</b>									
94975P405	Wells Fargo Adv Govt #1751 Money Market Fund	36,867,263.44	Various 0.22 %	36,867,263.44 36,867,263.44	1.00 0.22 %	36,867,263.44 0.00	42.42 % 0.00	Aaa / AAA NR	0.00 0.00
<b>Total Money Market Fund FI</b>		<b>36,867,263.44</b>	<b>0.22 %</b>	<b>36,867,263.44</b>	<b>0.22 %</b>	<b>36,867,263.44</b> <b>0.00</b>	<b>42.42 %</b> <b>0.00</b>	<b>Aaa / AAA</b> <b>NR</b>	<b>0.00</b> <b>0.00</b>
<b>TOTAL PORTFOLIO</b>		<b>86,848,775.47</b>	<b>0.39 %</b>	<b>86,848,775.47</b>	<b>0.39 %</b>	<b>86,848,775.47</b> <b>55,068.19</b>	<b>100.00 %</b> <b>0.00</b>	<b>Aaa / AAA</b> <b>NR</b>	<b>0.00</b> <b>0.00</b>
<b>TOTAL MARKET VALUE PLUS ACCRUED</b>						<b>86,903,843.66</b>			



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**SECTION 5**

**Quarterly Transactions**



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>ACQUISITIONS</b>										
Purchase	01/15/2016	30LAIF\$00	41,685.47	Local Agency Investment Fund State Pool	1.000	0.42 %	41,685.47	0.00	41,685.47	0.00
Purchase	02/18/2016	3130A7CV5	5,010,000.00	FHLB Note 1.375% Due 2/18/2021	99.596	1.46 %	4,989,759.60	0.00	4,989,759.60	0.00
Purchase	02/24/2016	3130A7CV5	1,440,000.00	FHLB Note 1.375% Due 2/18/2021	99.747	1.43 %	1,436,357.00	330.00	1,436,687.00	0.00
Purchase	02/24/2016	3135G0D75	500,000.00	FNMA Note 1.5% Due 6/22/2020	100.863	1.29 %	504,315.00	1,291.67	505,606.67	0.00
Purchase	02/24/2016	3135G0F73	400,000.00	FNMA Note 1.5% Due 11/30/2020	100.511	1.39 %	402,044.00	1,400.00	403,444.00	0.00
Purchase	02/24/2016	912828J84	2,450,000.00	US Treasury Note 1.375% Due 3/31/2020	100.871	1.16 %	2,471,350.00	13,530.23	2,484,880.23	0.00
Purchase	02/24/2016	912828UB4	1,000,000.00	US Treasury Note 1% Due 11/30/2019	99.688	1.08 %	996,878.35	2,349.73	999,228.08	0.00
Purchase	02/26/2016	06538BFQ1	6,440,000.00	Bank of Tokyo Mitsubishi NY Discount CP 0.7% Due 6/24/2016	99.769	0.71 %	6,425,098.56	0.00	6,425,098.56	0.00
Purchase	02/29/2016	3135G0J20	6,400,000.00	FNMA Note 1.375% Due 2/26/2021	99.816	1.41 %	6,388,224.00	5,866.67	6,394,090.67	0.00
Purchase	03/02/2016	47788MAC4	2,450,000.00	John Deere Owner Trust 2016-A A3 1.36% Due 4/15/2020	99.984	1.37 %	2,449,614.37	0.00	2,449,614.37	0.00
Purchase	03/02/2016	31159HHH6	2,000,000.00	US Bancorp Callable Note Cont 3/25/2019 2.2% Due 4/25/2019	101.480	1.70 %	2,029,600.00	15,522.22	2,045,122.22	0.00
Purchase	03/02/2016	912828L32	900,000.00	US Treasury Note 1.375% Due 8/31/2020	100.473	1.27 %	904,256.92	67.26	904,324.18	0.00
Purchase	03/02/2016	912828TG5	1,500,000.00	US Treasury Note 0.5% Due 7/31/2017	99.582	0.80 %	1,493,735.49	638.74	1,494,374.23	0.00
Purchase	03/02/2016	312828TH3	6,700,000.00	US Treasury Note 0.875% Due 7/31/2019	99.313	1.08 %	6,653,959.95	4,992.79	6,658,952.74	0.00
Purchase	03/02/2016	912828TM2	1,500,000.00	US Treasury Note 0.625% Due 8/31/2017	99.719	0.81 %	1,495,786.28	50.95	1,495,837.23	0.00
Purchase	03/03/2016	30231GAV4	1,415,000.00	Exxon Mobil Corp Callable Note Cont 2/1/2021 2.222% Due 3/1/2021	100.000	2.22 %	1,415,000.00	0.00	1,415,000.00	0.00
Purchase	03/11/2016	312828N89	3,750,000.00	US Treasury Note 1.375% Due 1/31/2021	99.903	1.40 %	3,746,350.46	5,666.21	3,752,016.67	0.00
	<b>Subtotal</b>		<b>43,896,685.47</b>				<b>43,844,015.45</b>	<b>51,706.47</b>	<b>43,895,721.92</b>	<b>0.00</b>



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>ACQUISITIONS</b>										
Security Contribution	02/29/2016	30LAIF\$00	4,900,000.00	Local Agency Investment Fund State Pool	1.000		4,900,000.00	0.00	4,900,000.00	0.00
			<b>Subtotal</b>				<b>4,900,000.00</b>	<b>0.00</b>	<b>4,900,000.00</b>	<b>0.00</b>
<b>TOTAL ACQUISITIONS</b>			<b>48,796,685.47</b>				<b>48,744,015.45</b>	<b>51,706.47</b>	<b>48,795,721.92</b>	<b>0.00</b>

<b>DISPOSITIONS</b>										
Sale	02/18/2016	313373SZ6	2,275,000.00	FHLB Note 2.125% Due 6/10/2016	100.519	0.45 %	2,286,807.25	9,131.60	2,295,938.85	9,567.85
Sale	03/02/2016	3130A0C65	1,900,000.00	FHLB Note 0.625% Due 12/28/2016	99.925	0.72 %	1,898,575.00	2,111.11	1,900,686.11	542.50
Sale	03/02/2016	313372YS7	1,400,000.00	FHLB Note 2.45% Due 3/30/2016	100.161	0.38 %	1,402,254.00	14,482.22	1,416,736.22	1,656.13
Sale	03/10/2016	912828VQ0	3,750,000.00	US Treasury Note 1.375% Due 7/31/2018	101.007	0.95 %	3,787,780.43	5,524.55	3,793,304.98	34,199.81
			<b>Subtotal</b>				<b>9,375,416.68</b>	<b>31,249.48</b>	<b>9,406,666.16</b>	<b>45,966.29</b>
Paydown	01/15/2016	161571GC2	0.00	Chase CHAIT Pool #2013-A8 1.01% Due 10/15/2018	100.000		0.00	2,142.04	2,142.04	0.00
Paydown	01/15/2016	477879AC4	34,753.40	John Deere Owner Trust 2013-B A3 0.87% Due 8/15/2017	100.000		34,753.40	194.16	34,947.56	0.00
Paydown	01/15/2016	47787VAC5	178,486.18	John Deere Owner Trust 2014-A A3 0.92% Due 4/16/2018	100.000		178,486.18	1,631.44	180,117.62	0.00
Paydown	01/15/2016	89231MAC9	134,934.77	Toyota Auto Receivables Owner 2014-A 0.67% Due 12/15/2017	100.000		134,934.77	858.06	135,792.83	0.00
Paydown	01/19/2016	43814HAC2	0.00	Honda Auto Receivables 2014-3 A3 0.88% Due 6/15/2018	100.000		0.00	1,129.33	1,129.33	0.00
Paydown	01/19/2016	477877AD6	0.00	John Deere Owner Trust 2014-B A3 1.07% Due 11/15/2018	100.000		0.00	2,728.50	2,728.50	0.00
Paydown	01/19/2016	89231TAB6	0.00	Toyota Auto Receivables Owner 2015-C 0.92% Due 2/15/2018	100.000		0.00	1,364.67	1,364.67	0.00
Paydown	01/19/2016	89236WAC2	0.00	Toyota Auto Receivables Owner 2015-A 1.12% Due 2/15/2019	100.000		0.00	2,370.67	2,370.67	0.00



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>DISPOSITIONS</b>										
Paydown	01/20/2016	43814GAC4	99,010.22	Honda Auto Receivables 2014-2 A3 0.77% Due 3/19/2018	100.000		99,010.22	872.93	99,883.15	0.00
Paydown	01/21/2016	43813JAC9	186,585.07	Honda Auto Receivables 2014-1 A3 0.67% Due 11/21/2017	100.000		186,585.07	1,151.91	187,736.98	0.00
Paydown	01/21/2016	43813NAC0	0.00	Honda Auto Receivables 2015-2 A3 1.04% Due 2/21/2019	100.000		0.00	2,699.67	2,699.67	0.00
Paydown	01/21/2016	43814CAC3	95,250.62	Honda Auto Receivables 2013-1 A3 0.48% Due 11/21/2016	100.000		95,250.62	38.36	95,288.98	0.00
Paydown	02/15/2016	47787VAC5	222,514.97	John Deere Owner Trust 2014-A A3 0.92% Due 4/16/2018	100.000		222,514.97	1,494.60	224,009.57	0.00
Paydown	02/17/2016	161571GC2	0.00	Chase CHAIT Pool #2013-A8 1.01% Due 10/15/2018	100.000		0.00	2,142.04	2,142.04	0.00
Paydown	02/17/2016	43814HAC2	0.00	Honda Auto Receivables 2014-3 A3 0.88% Due 6/15/2018	100.000		0.00	1,129.33	1,129.33	0.00
Paydown	02/17/2016	477879AC4	45,077.61	John Deere Owner Trust 2013-B A3 0.87% Due 8/15/2017	100.000		45,077.61	168.97	45,246.58	0.00
Paydown	02/17/2016	89231MAC9	123,073.95	Toyota Auto Receivables Owner 2014-A 0.67% Due 12/15/2017	100.000		123,073.95	782.71	123,856.66	0.00
Paydown	02/18/2016	477877AD6	0.00	John Deere Owner Trust 2014-B A3 1.07% Due 11/15/2018	100.000		0.00	2,728.50	2,728.50	0.00
Paydown	02/18/2016	89231TAB6	0.00	Toyota Auto Receivables Owner 2015-C 0.92% Due 2/15/2018	100.000		0.00	1,364.67	1,364.67	0.00
Paydown	02/18/2016	89236WAC2	0.00	Toyota Auto Receivables Owner 2015-A 1.12% Due 2/15/2019	100.000		0.00	2,370.67	2,370.67	0.00
Paydown	02/19/2016	43814GAC4	80,762.38	Honda Auto Receivables 2014-2 A3 0.77% Due 3/19/2018	100.000		80,762.38	809.40	81,571.78	0.00
Paydown	02/21/2016	43813NAC0	0.00	Honda Auto Receivables 2015-2 A3 1.04% Due 2/21/2019	100.000		0.00	2,699.67	2,699.67	0.00
Paydown	02/21/2016	43814CAC3	651.30	Honda Auto Receivables 2013-1 A3 0.48% Due 11/21/2016	100.000		651.30	0.26	651.56	0.00
Paydown	02/22/2016	43813JAC9	159,125.32	Honda Auto Receivables 2014-1 A3 0.67% Due 11/21/2017	100.000		159,125.32	1,047.74	160,173.06	0.00
Paydown	03/15/2016	161571GC2	0.00	Chase CHAIT Pool #2013-A8 1.01% Due 10/15/2018	100.000		0.00	2,142.04	2,142.04	0.00
Paydown	03/15/2016	43814HAC2	36,826.16	Honda Auto Receivables 2014-3 A3 0.88% Due 6/15/2018	100.000		36,826.16	1,129.33	37,955.49	0.00
Paydown	03/15/2016	477877AD6	0.00	John Deere Owner Trust 2014-B A3 1.07% Due 11/15/2018	100.000		0.00	2,728.50	2,728.50	0.00



Transaction Type	Settlement Date	CUSIP	Quantity	Security Description	Price	Acq/Disp Yield	Amount	Interest Pur/Sold	Total Amount	Gain/Loss
<b>DISPOSITIONS</b>										
Paydown	03/15/2016	477879AC4	33,914.61	John Deere Owner Trust 2013-B A3 0.87% Due 8/15/2017	100.000		33,914.61	136.29	34,050.90	0.00
Paydown	03/15/2016	47787VAC5	123,422.85	John Deere Owner Trust 2014-A A3 0.92% Due 4/16/2018	100.000		123,422.85	1,324.00	124,746.85	0.00
Paydown	03/15/2016	89231MAC9	125,415.71	Toyota Auto Receivables Owner 2014-A 0.67% Due 12/15/2017	100.000		125,415.71	714.00	126,129.71	0.00
Paydown	03/15/2016	89231TAB6	0.00	Toyota Auto Receivables Owner 2015-C 0.92% Due 2/15/2018	100.000		0.00	1,364.67	1,364.67	0.00
Paydown	03/15/2016	89236WAC2	0.00	Toyota Auto Receivables Owner 2015-A 1.12% Due 2/15/2019	100.000		0.00	2,370.67	2,370.67	0.00
Paydown	03/18/2016	43814GAC4	98,625.78	Honda Auto Receivables 2014-2 A3 0.77% Due 3/19/2018	100.000		98,625.78	757.57	99,383.35	0.00
Paydown	03/21/2016	43813JAC9	192,505.14	Honda Auto Receivables 2014-1 A3 0.67% Due 11/21/2017	100.000		192,505.14	958.89	193,464.03	0.00
Paydown	03/21/2016	43813NAC0	0.00	Honda Auto Receivables 2015-2 A3 1.04% Due 2/21/2019	100.000		0.00	2,699.67	2,699.67	0.00
		<b>Subtotal</b>	<b>1,970,936.04</b>				<b>1,970,936.04</b>	<b>50,245.93</b>	<b>2,021,181.97</b>	<b>0.00</b>
Maturity	02/25/2016	06538BBR3	5,460,000.00	Bank of Tokyo Mitsubishi NY Discount CP 0.39% Due 2/25/2016	99.870		5,460,000.00	0.00	5,460,000.00	0.00
		<b>Subtotal</b>	<b>5,460,000.00</b>				<b>5,460,000.00</b>	<b>0.00</b>	<b>5,460,000.00</b>	<b>0.00</b>
<b>TOTAL DISPOSITIONS</b>			<b>16,755,936.04</b>				<b>16,806,352.72</b>	<b>81,495.41</b>	<b>16,887,848.13</b>	<b>45,966.29</b>